ANALYSIS OF INFLUENCE OF PROMOTION, PRODUCT QUALITY AND PRICE TOWARD PURCHASING DECISION ON HONDA CS1 (CASE STUDY IN TETAP JAYA MOTOR, CAMAN)

By
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014200900172

A thesis presented to the
Faculty of Economic President University
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January 2013
This thesis entitled “ANALYSIS OF INFLUENCE OF PROMOTION, PRODUCT QUALITY, AND PRICE TOWARD PURCHASING DECISION ON HONDA CS1 (Case Study at Tetap Jaya Motor, Caman)” prepared and submitted by Wirryanto Eko T. in partial fulfillment of the requirements for the degree of Bachelor of Management in the Faculty of Economics has been reviewed and found to have satisfied the requirements for a thesis fit to be examined. I therefore recommend this thesis for Oral Defense.

Cikarang, Indonesia, 23rd February 2013

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Recommended by,

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Head of Management Study Program  

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DECLARATION OF ORIGINALITY

I declare that this thesis, entitled “ANALYSIS OF INFLUENCE OF PROMOTION, PRODUCT QUALITY, AND PRICE TOWARD PURCHASING DECISION ON HONDA CS1 (Case Study at Tetap Jaya Motor, Caman)” is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Cikarang, Indonesia, 23rd January 2013

Wirryanto Eko T.
The Panel of Examiners declared that the thesis entitled “ANALYSIS OF INFLUENCE OF PROMOTION, PRODUCT QUALITY, AND PRICE TOWARD PURCHASING DECISION ON HONDA CS1 (Case Study at Tetap Jaya Motor, Caman)” that was submitted by Wirryanto Eko T. majoring in International Business from the Faculty of Economic was assessed and approved to have passed the oral examinations on 15th February 2013

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ABSTRACT

Background of this research is the decreasing of Honda CS1 sales which happened from 2008 until 2012. The objective of this research is to analyze the influence of promotion, product quality, and price toward purchasing decision on Honda CS1 where this research take case study at Dealer Honda Tetap Jaya Motor, Caman. From this research shows that those variables give influence to purchasing decision with the strongest is promotion and the weakest is price. This research use quantitative method and its conducted based on marketing mix theory (4Ps) with focus on promotion, product quality, and price. It also uses purchasing decision. The data were obtained by doing observation and distributing questioner to 73 respondents. For processing the data from questioner using SPSS 16 through validity test, reliability test, data classic assumption test, F test, T test, coefficient determination test, and multiple regression analysis. According to multiple regressions analysis shows the formula for this research Purchasing Decision = 0.862 X1 + 0.162 X2 – 0.224 X3 where X1 = promotion, X2 = product quality, X3 = price. Through this formula shows that X1 and X2 have positive correlation and X3 has negative correlation. F-Test in this research show that independent variables simultaneously give influence to dependent variable with significance level 0.00 and F value 60.915. For T-test, shows that every independent variable has influence partially to purchasing decision with significance value below 0.05 and the t value greater than 1.995. The coefficient determinant (Adjusted R Square) on this test is 0.714 means that independent variables can describe dependent variable about 71.4%.

Keywords: promotion, product quality, price, purchasing decision, Honda CS1.
ACKNOWLEDGEMENT

Praise the Lord! Thank You Jesus for every blessing during this research. Finally, I can finish it all on time. There were so many obstacles which faced by researcher in doing this research but through God’s spirit and guidance from holy spirit researcher can find out the solution and get strength to overcome all the problems in it. Researcher hopes this research can be useful for the readers and also the object which become the topic in this research. This research is the requirement that researcher should fulfill to reach bachelor degree in economics. Apart from the efforts of mine, there were so many forms of support and help that given to researcher during the process of this research, through this opportunity researcher would like thankful to:

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7. Other parties whose names cannot be mentioned one by one for helping and supporting researcher until the completion of this thesis.

I wish God will grant you a bunch of luck in every aspect of your life. Finally, Researcher hopes the best for this research and success for everyone who take a part in completing this thesis.

Cikarang, 23\textsuperscript{rd} January 2013

Wirryanto Eko T.
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LIST OF ACRONYMS

CS1 : City Sport 1
SPSS : Statistical Packages for Social Science
VIF : Variance Inflation Factor
AISI : Asosiasi Industri Sepeda Motor Indonesia (Indonesian Motorcycle Industries Association)
CHAPTER I
INTRODUCTION

1.1 Background of Study

In this globalization era, people can get and access the information about everything in the simple way where this situation makes the border between countries in the world feel like be hidden. Globalization has wrack the wall between the countries where it can be seen from international trading between countries which makes the competition in the market become strict. These trading create global industries in many countries. Global industries means there are many multinational companies that compete in a country, this kind of situation obviously happen in the development country where the amount of citizen is high and also the business opportunity in it is wide because the country still needs investment to develop their country and citizen.

Indonesia is a good example of developing country which has large number of citizen and business developing in many sectors in the country. Hard competition in the market makes the demand from the customer toward a product become higher. The customers want to get product which have better quality and can fulfill what they need in current situation. This kind of situation makes the companies should compete in innovating and producing the product to attract and keep the loyalty of their customer. Effective promotion is the best way for the company to approach and share knowledge about their innovative product to the customer where it can take the attention from them. Through this promotion, company can show and guarantee the quality of their product where in this case the quality should be balanced with the expectation of the customers in order to make them willing to buy and use it.

In this modern era, transportation is important especially for daily transportation which will be used for mobility tool. Nowadays, Motorcycle is one
of the best choices for daily transportation where it will be more flexible to face the hard traffic which becomes a monster every day. Besides that by using motorcycle, the cost for gas also will be cheaper compared using the car. Through this situation, the total of bikers in Indonesia always get increasing every year where according to BPS (Badan Pusat Statistik) the total of bikers in Indonesia until 2010 was 61,078,188 where it can be seen from the table below:

**Table 1.1 Motorcycle User 1987 - 2010**

<table>
<thead>
<tr>
<th>Year</th>
<th>Motorcycle Use</th>
<th>Bus</th>
<th>Truck</th>
<th>Motorbike</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>1170 103</td>
<td>303378</td>
<td>953694</td>
<td>5514305</td>
<td>7981480</td>
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<tr>
<td>1988</td>
<td>1073 106</td>
<td>311971</td>
<td>892651</td>
<td>5419631</td>
<td>7771019</td>
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<tr>
<td>1989</td>
<td>1162 293</td>
<td>403409</td>
<td>952391</td>
<td>6722291</td>
<td>8293838</td>
</tr>
<tr>
<td>1990</td>
<td>1312 213</td>
<td>468550</td>
<td>1024296</td>
<td>6829646</td>
<td>8589021</td>
</tr>
<tr>
<td>1991</td>
<td>1494 677</td>
<td>504720</td>
<td>1067940</td>
<td>6494671</td>
<td>9556136</td>
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<tr>
<td>1992</td>
<td>1590 670</td>
<td>539943</td>
<td>1126262</td>
<td>6941000</td>
<td>10597955</td>
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<td>1993</td>
<td>1700 454</td>
<td>566490</td>
<td>1160539</td>
<td>7315114</td>
<td>10764597</td>
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<tr>
<td>1994</td>
<td>1890 340</td>
<td>651608</td>
<td>1251966</td>
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<td>1998</td>
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<tr>
<td>2001</td>
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<td>880630</td>
<td>1777293</td>
<td>14276793</td>
<td>20923235</td>
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<tr>
<td>2002</td>
<td>3403 433</td>
<td>912442</td>
<td>1865398</td>
<td>15002130</td>
<td>22955183</td>
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<tr>
<td>2003</td>
<td>3752 510</td>
<td>968079</td>
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<td>19976176</td>
<td>36619887</td>
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<td>2004</td>
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<td>23091021</td>
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<td>1110251</td>
<td>2378116</td>
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<td>2006</td>
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<td>2007</td>
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<td>47683664</td>
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</table>

Source: Badan Pusat Statistik, 2012

In Indonesia, industry of motorcycle filled by local and foreign company which compete in creating and designing attractive motorcycle that appropriate with Indonesian market’s need. Those major companies are Honda, Kanzen, Kawasaki, Suzuki, TVS, and YAMAHA. Those of major companies compete in 3 segment of motorcycle industry which are sport, “bebek”, and matik. Most of Japan Companies in this industry become the leader of market. In sport segmentation,
Yamaha lead the market by contributing 179,211 units but for general, the leader market of industry motorcycle in Indonesia is Honda which until May 2012 could contribute 55% of total sales in Indonesia which was around 1,770,871 units. Honda lead for two kind of motorcycle segment which are “bebek” and “matik”. PT. AHM is the pioneer of motorcycle industry in Indonesia where it was established 11 June 1971 with the name was PT. Federal Motor. Figure and Table below show the comparison of distribution in motorcycle industry:

![Image](image)

**Figure 1.1 Motorcycle’s sales 2011 and 2012**

Source: Motorplus.com

**Table 1.2 Motorcycle’s sales January – May 2012**

<table>
<thead>
<tr>
<th></th>
<th>JANUARY</th>
<th>FEBRUARY</th>
<th>MARCH</th>
<th>APRIL</th>
<th>MAY</th>
<th>TOTAL</th>
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<td>HONDA</td>
<td>382,635</td>
<td>355,766</td>
<td>325,994</td>
<td>344,349</td>
<td>362,127</td>
<td>1,770,871</td>
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<tr>
<td>YAMAHA</td>
<td>206,704</td>
<td>258,481</td>
<td>247,103</td>
<td>236,185</td>
<td>201,589</td>
<td>1,150,062</td>
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<td>SUZUKI</td>
<td>53,337</td>
<td>44,336</td>
<td>40,026</td>
<td>30,835</td>
<td>36,366</td>
<td>204,450</td>
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<td>KAWASAKI</td>
<td>8,563</td>
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<td>12,196</td>
<td>9,717</td>
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<td>TVS</td>
<td>1,362</td>
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<td>2,293</td>
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<td></td>
<td>652,601</td>
<td>670,757</td>
<td>626,689</td>
<td>622,929</td>
<td>615,047</td>
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Source: Motorplus.com
Table 1.3 Motorcycle’s sales Based on Segment January – May 2012

<table>
<thead>
<tr>
<th>JAN – MAY 2012</th>
<th>BEBEK</th>
<th>SPORT</th>
<th>MATIK</th>
<th>TOTAL</th>
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</table>

Source: Motorplus.com 2012

Honda does the production for their motorcycle in Indonesia such as for spare part, body, machine, assembling, muffler, etc. but the innovation of the motorcycle itself came from Japan where the technology of machine system also adapt from Japan technology which made this product looks modern and adaptable with Indonesian people. In order to fulfill the need of Indonesian customer who wants to have a great motorcycle in sport segment, Honda tried to create innovation product in sport segment which has cheaper price but the form and performance of it is oriented to sport motorcycle where the motorcycle is Honda CS1. Even Honda put Honda CS1 in sport segment, but there are many customers who put it as “bebek super” segment which is same with Yamaha Jupiter MX and Satria FU where in the other word MX and FU are competitors for CS1. Honda CS1 itself was launched on 6 April 2008. Honda CS1 was the first type of motorcycle in Indonesia which adapt concept “out of the box”. The specification of this motorcycle is good with technology from Japan in it and also the form of its body also looks stronger and oriented to racing or sport. By having brand as Honda motorcycle, Honda CS1 keeps priority on efficiency of fuel and durable machine in the product which supposed to be adaptable with Indonesian market. The priority thing which adaptable with Indonesian market is about efficiency fuel consumption where Honda CS1 itself got the appreciation as the best fuel consumption for segment 120 CC – 125 CC according to article below:
“In bebek segmentation, Honda got 5 appreciations which were 2 appreciations for bebek 110 – 115 CC as The best design: Honda Blade 110 and The best fuel consumption: Honda New Absolute Revo 110. For 120 - 125 CC as The best features & Technology and The best fuel consumption : Honda Supra X 125 PGM-FI. The other appreciation in bebek segmentation given to Honda New CS1 as The best fuel consumption in bebek super segmentation.”

Source : Putra Surya Jaya Raya

Overall, the technology and quality of CS1 is can compete with others product but in fact, Honda cannot reach its expectation to put this product to support their sales in Indonesian market where it can be seen from the graphic sales of CS1 figure 1.2.

![Figure 1.2 Honda CS1’s Sales 2008 – 2011](source: AISI)

![Figure 1.3 Honda CS1’s Sales January – July 2012](source: AISI)
From the graphic above share the information that Honda CS1 got deep decreasing sales in 2009 where the market share of Honda CS1 in 2008 was 16.75% its about 86,859 and got falling become 3.78% its about 19,600 units. In order to handle this deep falling in 2010, Honda tried to handle this problem by having new innovation on the stripping of this product and this effort works well to keep the existence of Honda CS1 even the market share of this product still got decreasing about 0.58% to be 3.02% its about 15,600 units in 2010. In July 2011, the sales of Honda CS1 got were worse to be 1.51% which was about 7,800 units. In 2012, Honda CS1 also got decreasing sales where it can be seen from figure 1.3 above. On January 2012, Honda CS1 could sale 753 units where it got decrease become 683 units on February. This decreasing still happened until June 2012 where on March, it only sold 562 units. On April, it had a little bit increasing become 599 units but on May it decreased again become 316 units. On June its sales still got decreasing become 292 and until July its sale only 208 units.

This decreasing sale is complicated problem where it has relation with low response of purchasing decision of the customer. There are so many considerations which will affect customer in making a decision before buy the product such as brand, promotion, product quality, and price. As a market leader, Honda already built strong brand equity in Indonesia market perception which means every product from Honda acceptable and adaptable with Indonesian market. In the other word, for this case brand has small probability for affecting the low response of purchasing decision. If brand does not give contribution for this low response, then the problem must be come from operational variable which is the way of the company for entering their product to the market. Those operational variables that called as marketing mix which consist of promotion, price, product quality, and place. Promotion is related with all of the activity which has done by the company to launch their product to the market and persuading positive perception toward the product. For this year, the promotion of Honda CS1 is rarely seen where this situation can make people do not know and aware about Honda CS1 still exist or not. Price refers to the amount of money that should be spent to buy the product. Does the amount of money in accordance with
the benefit from the product or not? For the price of Honda CS1 is still in the middle between Jupiter MX and Satria FU where MX is about 16,700,000, Honda CS1 is 17,200,000 and new Satria FU is 18,500,000. Actually the gap between those prices is quite small which ask people to be smarter for choosing the best product for them. Product quality refers to all components which putted on the product where it will determine the performance of the product whether appropriate with customer expectation or not. The last is Place or distribution channel where for this case it called as dealer. It refers to product distribution from the company to the customer. For this case place has small probability to affecting the low response of purchasing decision because Honda dealer’s has been spread all over Indonesia which make Honda’s dealer easy to be found by the customer.

From the explanation above, the researcher get interest for doing some research about *Analysis of Influence of Promotion, Product Quality and Price toward Purchasing Decision on Honda CS1 (Study Case at Dealer Tetap Jaya Motor, Caman)*. In this research, researcher tries to analyze about the influence or influence between those variables which made Honda CS1 could not get good response from the market where the researcher will use variable promotion, product quality, and price as the factors which affect to customer purchasing decision on Honda CS1.

### 1.2 Company Profile

PT. Astra Honda Motor (AHM) is the pioneer of motorcycle industry in Indonesia where it was established on 11 June 1971 using the name PT. Federal Motor which the majority of shares in it were owned by PT. Astra International. At that time, PT. Federal Motor only did the assembling where the component and spare part of motorcycle still imported from Japan in form of CKD (Completely Knock Down). The amount of production for the first year was 1,500 where this amount has been increasing year by year until now. Through the Government policy about localization of motorcycle component, stimulated PT. Federal Motor to produce motorcycle component of Honda in Indonesia where it started from

As the increasing of economic and motorcycle industry growth, there was some changing of ownership of shares in this company. In 2000, PT. Federal Motor and some of its subsidiaries were merged to be PT. Astra Honda Motor which made the ownership of it become 50% PT. Astra International Tbk. And 50% Honda Motor Co. Japan. Nowadays, PT. Astra Honda Motor has 3 facilities of assembling plant. First plant is located at Sunter, North Jakarta where it also become the head office. Second plant is located at Pegangsaan Dua, Kelapa Gading and the third plant is located at MM 2100, Cikarang Barat, Bekasi. This third plant has the newest facilities for assembling where it has been operated since 2005.

By having all of these facilities, PT. Astra Honda Motor has the capacity about producing 4.2 million units of motorcycle per year. The greatest performance of PT. Astra Honda Motor was in 2007 when the total of production reached 20 million units and this great accomplishment also becomes the first great accomplishment in ASEAN. In globally, this achievement was become the third place of 20 million unit production after Honda in China and India.

In order to reach the consumer need and customer satisfaction, PT. Astra Honda Motor is supported by 1,600 dealer showroom for sales which have a code H1, 3,800 service dealer or AHASS Workshop (Astra Honda Authorized Service Station) which have a code H2, and also 6,500 outlet for sell the spare part which have code H. Those of services and outlet ready to serve all of the consumers in Indonesia. PT. Astra Honda Motor, a company which runs the production, sales, and services after sales that complete to gain customer satisfaction where the vision and mission of this company:
**Vision:** To take a lead in Indonesian motorcycle markets by making customers’ dream come true, creating joy to customers and contribute to Indonesia society.

**Mission:** Creating mobility solution to society with best products and services.

### Table 1.4 Company Profile

<table>
<thead>
<tr>
<th>Production Capacity</th>
<th>4,200,000 unit/year</th>
</tr>
</thead>
</table>
| Referensi Standar   | • JIS (Japan Industrial Standard)  
|                     | • SII (Standar Industri Indonesia)  
|                     | • SNI (Standar Nasional Indonesia)  
|                     | • HES (Honda Engineering Standard)  
|                     | • ISO 9001  
|                     | • ISO 14001  
|                     | • ISO 17025  
|                     | • OHSAS 18001  
| Activity            | Agen Tunggal Pemegang Merek (ATPM),  
|                     | Manufaktur, Perakitan dan Distributor Sepeda Motor HONDA  
| Total Employee      | 17,441 people (Agustus 2012)  
| Total Production    | 1998 : 286,000 unit  
|                     | 1999 : 288,888 unit  
|                     | 2000 : 488,888 unit  
|                     | 2001 : 940,000 unit  
|                     | 2002 : 1,460,000 unit  
|                     | 2003 : 1,570,000 unit  
|                     | 2004 : 2,037,000 unit  
|                     | 2005 : 2,652,000 unit  
|                     | 2006 : 2,350,000 unit  
|                     | 2007 : 2,138,000 unit  
|                     | 2008 : 2,874,576 unit  
|                     | 2009 : 2,701,278 unit  
|                     | 2010 : 3,416,049 unit  

*Source: Astra-Honda Motor*
1.3 Problem Identified

In this globalization era, the competition in motorcycle in Indonesia become harder where every in it want to keep existence and penetration to the market through their variant and innovative product. Even PT. AHM already become the market leader but it still need to keep their and maintain their position buy having the trust and loyalty from customer. Honda does the production for their motorcycle in Indonesia such as for spare part, body, machine, assembling, muffler, etc. but innovation of the motorcycle itself came from Japan where the technology of machine system also adapt from Japan technology which made this product looks modern and adaptable with Indonesian people. In order to fill and innovating Indonesian market, Honda created Honda CS1 which was the first motorcycle which use concept “out of the box” which is oriented to sport motorcycle. Honda CS1 launched in sport segment which had price around 17,000,000 IDR. Honda CS1 was the combination between “bebek” and sport segmentation which made this motorcycle got the power better and style like sport motorcycle and it can be more complete to be likely motor sport since it got clutch for its transmission. Even this product is oriented with sport segment, but the consumption of fuel still oriented to “bebek” segment which make this Honda CS1 got brand award for The Best Fuel Consumption. Actually, it was an interesting combination which can make Honda CS1 become more elegant and stylish but in fact, the market had different perception with it. Market gave good response at the beginning but low response for the rest to this product where it could be seen from the decreasing of sales on this product. What actually goes wrong with this product? Brand image cannot be categorized as the factor of this decreasing sale where the market already known what Honda is. Brand equity of Honda itself is strong where it can be seen from its performance as the market leader in motorcycle industry. Through this research, researcher want to analyze influence of promotion, product quality, and price that made Honda CS1 does not qualify enough to compete in the market. Do those variables have influence of purchasing decision that affect decreasing sales on Honda CS1?
1.4 Statement of Problem

Based on the explanation above and preliminary research, the statement of problem for this study is stated below:

1. Does the promotion variable give the influence of purchasing decision on Honda CS1?
2. Does the product quality variable give the influence of purchasing decision on Honda CS1?
3. Does the price variable give the influence of purchasing decision on Honda CS1?
4. Do promotion, product quality, and price give significant influence of purchasing decision on Honda CS1?

1.5 Research Objectives

1. This research wants to know the influence of each independent variable (promotion, product quality, and price) toward purchasing decision or in the other word this research wants to know the influence of independent variables partially toward purchasing decision.
2. This research wants to know the influence of independent variables simultaneously toward purchasing decision.

1.6 Significance of Study

1. Theoretical Significance

Theoretical function from this research is to give information and new knowledge for people whom need it. Furthermore, this research gives the contribution and hopefully can be used as the reference for the development of science study in Indonesia motorcycle industry about what type of motorcycle that appropriate with the market which will reach good response from the market.
2. Practical Significance
For PT. Astra Honda Motor
This research gives contribution for additional information about dominant factors which caused low response of purchasing decision on Honda CS1 by using variables promotion, product quality, and price. Do those variables give influence in this case or not. Through this information, company can know which factor that become the weakness in this product and try to give new innovation for the weakness in order to keep existence and give leverage for sales to the market.

3. Academic Significance
For President University
This research can be used as references of literature review for student in order to gain deeper understanding about motorcycle industry in Indonesia and about the dominant factor which caused low response of purchasing decision on Honda CS1 where the factor will use variable promotion, product quality, and price.

1.7 Theoretical Framework

![Figure 1.4 Theoretical Frameworks](attachment:Figure_1.4_Theoretical_Frameworks.png)

Source: Adapted Marketing Mix Theory from Philip Kotler (2012)

Actually marketing mix theory from Kotler consist of product, price, place, and promotion but for this research, researcher didn’t use place because the place or dealer of motorcycle for those major brands have already separated all around
Indonesia and the customer can easily find it which means customer can choose it freely. Customer can move to the other dealer if they do not satisfy with dealer in certain place. Based this situation, it can be categorized that place will not directly compete for the product in the market. Therefore, the researcher only uses price, promotion and product quality which those variables will directly affect to customer perception in making purchasing decision.

1.8 Scope and Limitation of the Study

According to the aim of this research, researcher wants to know about the influence of those factors which caused low response of purchasing decision on Honda CS1. Variable which will be used in this research are promotion, product quality and price. Promotion refers to the way of company to promote Honda CS1 to market and also the way to attract the customer by giving such important information about this product which can attract the customers. Product quality refers to design, machine quality, durability, etc which all of it related with the product itself that will affect to the performance of product in consumption process. Price refers to amount of cost which should be spending for this product where it also will cover about the value of the comparison between the quality product and price.

Researcher will focus on customers of Honda which know about Honda CS1 and ever had tried to ride it more than once. The area for this research will be held in Tetap Jaya Motor, Jl. Raya Ratna 12 A RT 02/02, Caman, Bekasi. In the questioner researcher will ask about their opinion about promotion activity which done by Honda for Honda CS1, their opinion for quality of Honda CS1 and also their opinion about the price which offered for Honda CS1. Besides that, the researcher also wants to know about their expectation about Honda CS1.

1.9 Assumptions and Hypothesis

According to what researcher stated on statement of problem of this research, the researcher take the hypothesis as the follow:
Null Hypothesis (Ho1): Promotion has no influence toward low response of purchasing decision on Honda CS1.

Alternate Hypothesis (Ha1): Promotion has influence toward low response of purchasing decision on Honda CS1.

Null Hypothesis (Ho2): Product Quality has no influence toward low response of purchasing decision on Honda CS1.

Alternate Hypothesis (Ha2): Product Quality has influence toward low response of purchasing decision on Honda CS1.

Null Hypothesis (Ho3): Price has no influence toward low response of purchasing decision on Honda CS1.

Alternate Hypothesis (Ha3): Price has influence toward low response of purchasing decision on Honda CS1.

Null Hypothesis (Ho4): Promotion, Product Quality, and Price have no influence toward low response of purchasing decision on Honda CS1.

Alternate Hypothesis (Ha4): Promotion, Product Quality, and Price have influence toward low response of purchasing decision on Honda CS1.

1.10 Definition of Term

**Bebek:** It refers to motorcycles which have manual transmission for their machine without using clutch on it.

**Matik:** It refers to motorcycles which have automatic transmission for their machine without switching the gear while driving it.

**Promotion:** It refers to the way of company to promote or launch its product to the market where through this way can attract customer attention toward this product.
**Competitor:** It refers to the products which stay on the same segmentation of Honda CS1 or the product which the features on it almost same or on the same level with Honda CS1.

**CKD (Completely knocked Down):** Fully disassembled item (such as an automobile, bicycle, or a piece of furniture) that is required to be assembled by the end user or the reseller. Goods are shipped in CKD form to reduce freight charged on the basis of the space occupied by (volume of) the item.

**CBU (Completely built up):** Fully assembled item which means the products are shipped in ready for sale form.

**AISI (Asosiasi Industri Sepeda Motor Indonesia):** An organization which monitoring the activities and growth of motorcycle industry in Indonesia.

### 1.11 Thesis Outline

This thesis outline will present simply general description about this research where in this research divided into 5 chapters:

**CHAPTER I : INTRODUCTION**

This chapter gives description about background of this study, problem identified, scope and limitation, research purpose, research objectives, theoretical framework and hypothesis of this research.

**CHAPTER II : LITERATURE REVIEW**

This chapter gives brief explanation about the theories which used in this research where those theories cover all of variables that used in this research. Therefore, this chapter will be the basic foundation to conduct this research.

**CHAPTER III : RESEARCH METHODOLOGY**

This theory gives explanation about the method that used for collecting, processing, and analyzing the data on this
researcher. It also will include the sampling technique, sampling design, classic assumption test, multiple regression and hypothesis test.

**CHAPTER IV : ANALYSIS OF DATA AND INTERPRETATION OF RESULT**

This chapter will give explanation about processing the data to find the answer for the problem in the chapter I. The process of data will cover descriptive statistic, classic assumption test (normality test, autocorrelation test, heterocedasticity test, multicollinearity test, hypothesis testing and also discuss about the result from multiple regression process. The result from multiple regression and hypothesis test will answer the problem in the research.

**CHAPTER V : CONCLUSION AND RECOMMENDATION**

This chapter will discuss about the conclusion from chapter I until chapter IV where it will discuss about the problem and the answer from the research. This chapter also will discuss about the recommendation that can be applied in the market to handle the problem of the research.
CHAPTER II

LITERATURE REVIEW

2.1 Marketing

There are so many definitions of marketing which have stated by the experts where basically all of them have similar meaning for marketing itself in business process.

The definition of marketing according to Kotler (2009):

Marketing is a social process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others.

The definition of marketing according to Pride and Ferrell (2010):

Marketing is a process of creating, distributing, promoting, and pricing goods, services, and ideas to facilitate satisfying exchange relationships with customers and develop and maintain favorable relationships with stakeholders in a dynamic environment.

From those theories above, marketing is the process of business function which is more oriented to customer where in order to have effective promotion; a company should be aware about the customer need. Through this knowledge the company can understand about creating a useful product, the effective way to communicate the product to the market, and also company knows what kind of value that can make customer willing to use the product and gain great customer satisfaction. The main targets of marketing itself are the first one is looking for new customers by giving them product knowledge and promising them something better than competitors. The second one is keep and maintaining the trust and loyalty of current customer for using the product.
2.1.1 Marketing Mix

In business process, marketing mix is established in marketing strategy. Marketing mix is basic concept and familiar method in order to conduct effective marketing function in business where those variables in this method should be work together effectively to reach the goal of this function. According to Pride and Ferrell (2010):

*Marketing mix: four marketing activities—product, distribution, promotion, and pricing—that a firm can control to meet the needs of customers within its target market.*

According to Kotler & Keller (2009):

*Marketing mix is the set of marketing tools that the firms use to pursue its marketing objectives in the target market*

Those variables in marketing are very important for creating an effective marketing strategy in order to deliver a new product to the market. Those variables in marketing mix are related each other which mean each of those variables should be balance in giving the contribution as the implementation of marketing strategy in order to reach the goal from this strategy. According to the theory above, marketing mix consist of 4 important variables in it where they are Product, Place (Distribution), Promotion, and Price.

![Marketing Mix Model](image_url)

*Figure 2.1 Marketing Mix Model*

Source: Kotler & Armstrong (2012)
2.1.1.1 Product

Product is not about good and services but it also covered about planning and development for the product itself where it should appropriate with market’s need in order to have high value and reach high customer satisfaction in the market. According to Kotler and Keller (2009), definition of product is everything which can be offered to the market in order to satisfy the desire or need. The other definition of product came from Kotler and Armstrong (2010) that stated “Product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need.”

From those theory above, product become important in creating customer satisfaction which is the basic element to create strong image in the market.

2.1.1.1.1 Product Attributes

In order to compete with competitor in market, company should know about the benefits which they can offer to get attention from customer. According to Kotler and Armstrong (2009) those benefits are delivered through product attributes where it consists of:

1. Product Quality

Product quality is main important thing that should be concerned in creating the product where it can show the characteristic of product that will have big part in affecting customer satisfaction. Product quality is the important thing which will be considered by the customer before buy the product where it should be have the value and the function that appropriate with customer’s need. According to Kotler and Armstrong (2010) the definition of product quality is

*The ability of a product to perform its functions, it includes the product’s overall durability, reliability, precision, ease of operation and repair, and other valued attributes.*
These are several dimension of product quality:

a. **Performance**

It related with basic operational of the product

b. **Durability**

The term of product for consumption activities where it will consider about how long this product can be used until it will be replaced by the new one.

c. **Conformance to specification**

It related with how well the basic operational of product reach the consumer specification toward it where this product should be in perfect condition without any rejection in it.

d. **Features**

It related to all characteristics of products which used to support the performance of the product where it also can be used to attract the customer for buying the product.

e. **Reliability**

It related with the probability of product can be used well or not in certain period where it will concern to error that may be occurred in the product.

f. **Service Ability**

It related with the speed, competency, convenience, easy to repair, and also satisfactory complain handling.

g. **Aesthetics**

It related with how the product looks or the appearance of the product where it can be shown from form, taste, smell, etc.
h. Perceived quality

It related about the perception of customer toward the product that they bought where it covered about price, brand, advertisement, country of origin.

2. Branding

Brand can be defined in name, sign, symbol, or logo which has value and characteristic in customer perception toward a product where it can be used to distinguish product from competitor.

3. Packaging

Packaging also important thing to attract customer attention where it consist about designing, covering, and wrapping the product into something which called package in order to make it looks interesting, giving identity, and also make the product safe from harmful object.

4. Product Features

Product features is benefits which applied in a product where it also can be used to distinguish a product from competitor.

5. Labeling

There are several functions from label where first it can be used for identifying product or brand and next it can be used to describe about the product itself such as origin made product, the creator of product, and materials of product. The last function is to promote and arrange positioning in customer mind.

6. Product Support Services

This service can be categorized as after purchase service which company offers as part of product where it can be like customer service and warranty,
2.1.1.2 Price

Price also important thing that will be considered by the customer before buy the product where the company should be aware about the process to determine proper price for their product which means the level of product price should be balanced with the value of benefit that consumer can gain from the product. According to Kotler & Keller (2009) the definition of price is

*The definition of price in narrow sense is amount of money that are charged for a product or service while price in broad sense is sum of value that be exchanged by consumer for owning benefit or using the product or service.*

Kotler & Keller (2009) also stated about the process of company in determining the price of products where it should follow these 6 procedures:

1. Company choose the purpose of pricing
2. Company estimates curve of demand, probability quantity which can be sold for each price probability.
3. Company estimate how variation cost on various level of production and on various level of accumulation production experience.
5. Company selects pricing method.

2.1.1.3 Place (Distribution)

Place is become important factor for doing distribution process or channels where it will be the access of delivering the product from the company to the customer. Place should be strategic and easy to access by the consumer where it also become the factor that affect customer satisfaction toward the service of company. According to Kotler & Armstrong (2010) the definition of distribution channels is a set of organizations that depend on each other, which is involved in the process of providing a product or service for use or consumption by consumers or business users. Through this theory, the place or distribution channel will be the representative from the company in providing the product for the customer.
2.1.1.4 Promotion

Promotion is the important thing in operational activity of company in order to enter the market. Effective and attractive promotion should be prepared well in order to gain high attention from the market toward company’s product. Promotion is the way of communication between company to the customer in the market where in this communication company want to share information which will be concern about sharing product knowledge and some benefit which can persuade the customer to get interest and buy the product. Promotion activity will be done through effective approach from company to the customer where it will build effective communication.

According to Kotler & Armstrong (2010),

*Promotion is the activity to communicate the benefit of product and also persuade the target customer to buy the product.*

According to Pride and Farrell (2010),

*Promotion is communication that builds and maintains favorable relationships by informing and persuading one or more audiences to view an organization positively and to accept its products.*

According to George and Belch (2007),

*Promotion is the coordination of all seller initiated efforts to set up channels of information and persuasion in order to sell goods and services or promote an idea.*

Through those definitions above, promotion is the weapon of company to affect customer behavior toward the company and also its product where customer behavior itself will concern on buying decision which made by the customer.

2.1.1.4.1 Promotion Mix

According to Pride and Farrell (2010),

*Promotion mix is a combination of promotional methods (advertising, personal selling, public relations and sales promotion) used to promote a specific product*
According to Kotler & Armstrong (2010),

*Promotion mix is a special combination between advertising, personal selling (face to face), sales promotion, and public relations which used by the company to reach marketing and promotion purpose.*

According to Kotler (2009),

*Promotional mix consist of the specific blend of advertising, sales promotion, personal selling, public relation, and direct marketing tools that the company uses to pursue its advertising and marketing objectives.*

Through those theories above, promotion mix has several variables which work together in its operation process where the purpose of it is affecting the customer behavior which concern on buying decision by giving the information about the product. These are the variables of promotion mix according to Kotler (2009):

1. **Advertising**

   Advertising can be used through several media such as electronic, magazine, newspaper, brochure, radio, etc. By listening, reading, or seeing the advertising, the customer can get the information which want to be communicated by the company that can stimulate behavior of customer to get so much interest in the product until buying decision happened. These are several functions of advertising:

   a. Give the information
   b. Persuading
   c. Create the impression
   d. Reminding

2. **Sales Promotion**

   Sales promotion is direct persuasion activity which can be used for increasing sales volume. This activity use incentive tools to stimulate and attract the interest of customer to buy the product.
According to George and Belch (2007),

*Sales promotion is generally defined as those marketing activities that provide extra value or incentives to the sale force, the distributors, or the ultimate consumer and can stimulate immediate sales.*

These are several tools that can be used for sales promotion activities:

a. Coupon  
b. Lottery  
c. Discount  

The example of sales promotion are “buy 1 get 1”, Discount 50%.

3. **Publicity and Public Relation**

Public relation is a good approach to the public or customer in order to build effective communication where through this communication the company can get support to create their brand and avoid the negative issue which can make bad image in the public.

According to Kotler (2009),

*Public relations and publicity is a variety of programs designed to promote or protect a company’s image or its individual products.*

This relation also used by the company to send the information to persuade the customer through indirect way so the goal of company can be reached.

4. **Personal Selling**

Personal selling is direct communication between the seller and customer to introduce a product. This is kind of face to face activity. By introducing the product and share information about the benefit, sellers also open for critics and complain from customer about the product. This effective situation can stimulate the customer to buy the product where they can get product knowledge from the information.
According to Peter and Olson 2008:

*Personal selling is direct personal interactions between salesperson and a potential buyer*

5. Direct Marketing

Direct marketing is direct communication with some customers and prospective buyers or respondent in order to get the response directly. The tools of direct marketing are such as email, telephone, and letter. The examples of direct marketing are:

1. Telemarketing (ex: offering credit card)
2. Online Shopping

Promotion mix can be defined in 2 types. First is push strategy where the company gives their promotion to the distribution channel in order to make them willing to sell the product and give the promotion to prospective buyer. Second is pull strategy where the company focusing the promotion to the prospective buyer directly in order to make them willing to buy the product. Even there is different target in those strategies but the main goal of this promotion mix is same which is affecting customer behavior for willing to buy the product.

2.2 Purchasing Decision Process

According to Schiffman and Kanuk (2010), the definition of purchasing decision,

*A decision is the selection of an option from two or more alternative choices.*

According to Kotler & Keller (2012) in creating purchasing decision, there will be five-stage model of process which will be concerned where it called as five-stage model of consumer buying process:

1. Problem Recognition

The beginning process of purchasing is the customers have recognized about their need and want to fulfill it where it can be stimulated by internal and
external stimulus. Internal stimulus comes from daily need in life such as hungry, thirsty, entertainment, etc. in the other side external stimulus comes from outside of our body such as from the advertisement on TV or billboard. Through this kind of stimulus, customers create their perception and willing to fill their needs by get and buy the product.

2. **Information Search**

There are 2 phase for searching the information, the first one called as heightened attention where in this phase people prefer to received the information about the product and for the next phase they will do active information search which means they will get the information by themselves where it can be done by searching from internet, discussing with other consumer, come to the store for learning the overall about the product, etc.

3. **Evaluation of Alternatives**

Evaluation usually reflects belief and attitude where those of element come from learning and experience. Belief and attitude are strong element which can affect to someone purchasing decision. Belief is someone description toward something which covered about the attribute and benefit from the product which can affect purchasing decision. Attitude is valuation toward something that be liked and disliked, emotional feeling, and someone dominant behavior toward an object or idea. This attitude can determine whether the people will like or dislike the product.

4. **Purchase Decision**

For taking this decision, customer must choose the product from several other products which stay on their list. Customers prefer to choose the product that they like where these are 5 decisions which customer should take in making the decision:
a. Decision about brand  
b. Decision about dealer  
c. Decision about product quantity  
d. Decision about timing  
e. Decision about payment method

In evaluation of alternatives stage, customer can show their intention toward product or brand that they like. According to Kotler and Keller (2012) there are 2 factors which stay between purchase intention and purchase decision:

a. **Attitudes of others**

Others attitude toward a product can give some effect to someone perception which will directly affect someone purchasing decision, closer relationship and worse attitude of others will give stronger affect to someone purchasing decision.

b. **Unexpected situational factor**

It talks about the situation which cannot be handled where it gives effect to someone purchasing decision. Consumer create purchase intention based on factors such as expected income, expected price, and expected product benefits but the unexpected situation can make it change. The unexpected situation such as economy might take a turn for the worse, a close competitor might drop its price, or a friend might report being disappointed in your preferred car. This condition make purchase intention do not always finish by buying the product.

5. **Postpurchase Behavior**

The figure below is the process of making purchasing decision according to Kotler and Keller (2012),
Postpurchase is the attitude after customer buy or use the product where it will affect postpurchase satisfaction, postpurchase action, and postpurchase uses and disposal. If the product that they bought could fill their expectation, they will feel satisfy where this feeling will affect the next action of customer which for doing repurchase or not. It also will affect their perception and experience toward the product which will also affect their discussion about the product with others.

When consumer feel satisfy, they will increase the probability for repurchase the product. Consumers who do not feel satisfy will ignore or return the product. Consumers may take public action such as sending a letter of complaint to the company, send lawyers, or voicing complaints to members of the group to stop or not to use the product (Kotler & Keller 2012)

The last is uses and disposal of product. Frequency of sales depends on level of product consumption. When the consumers do the consumption of product faster means that they also will faster for doing repurchase the product. A good strategy to faster the changing of product is providing the information about proper time for changing the product.
CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Method

In doing this research, researcher chooses quantitative method to analyze the data for this topic where quantitative method will be done by using numerical data and it will be analyzed by using mathematical models, theories and formula. The theory in it will be used as the basic guidance for doing interpretation as the result of this research. The theories that used in this research are related with the case in this topic. According to Render, Stair, JR, and Mich. Hanna (2009) quantitative analysis is:

“Quantitative Analysis is the scientific approach to managerial decision making. Whim, emotions, and guesswork are not part of the quantitative analysis approach”

According to Malhotra (2010) quantitative method is very appropriate for doing a research which oriented to the customer because the benefit of quantitative analysis can gain objective and precise on phenomenon and human behavior.

According to Cooper and Schindler (2006) quantitative research is

“Quantitative research attempts precise measurement of something. In marketing research, quantitative methodologies usually measure consumer behavior, knowledge, opinions, or attitudes. Such methodologies answer question related to how much, how often, how many, when, and who”.

3.2 Research Framework

In doing this research, there are many steps which have done by the researcher before get the analysis of the result. Through this point, the researcher will share about the process of conducting this research where every step in this research has its role to support this research. The figure below show the step from gather the
background of study, collecting data through questioner, transforming and analyzing data using SPSS 16, interpretation data and the last is conducting the conclusion and recommendation.

**Figure 3.1: Research Framework**

*Source: Conducted by the Researcher*
3.3 Research Time and Place

This research conducted has been started since October 2012 where for the first month the researcher preparing all of the data for supporting the problem and variable and in the middle of November 2012, the researcher started for conducting the pre-Questioner and distributing it until the end of November 2012 (25-28 November 2012) the researcher finished with final Questioner and distributing it on 30 November 2012 until 7 December 2012. The place for distributing this Questioner at Tetap Jaya Motor, Jl. Raya Ratna 12 A RT 02/02 Caman, Bekasi.

3.4 Research Instruments

In this research, researcher used survey, and Questioner to got the data which relevant with the topic in this research. For processing the data, researcher used SPSS 16.0 and Microsoft Excel 2007.

3.4.1 Survey

Before doing this research, researcher did some survey about several topics which was related with International Business. Researcher tried to find the problem from international and multinational company which has been investing in Indonesia. Finally, researcher got the issue about the decreasing sales of Honda CS1 which is the product from Astra Honda Motor where from this problem researcher could figure out about the factors that affect Indonesian people in purchasing this product. The target for this topic is consumer of Honda motorcycle. Researcher also survey about the scope or proper place for distributing the questioner.

3.4.1.1 Primary Data

The primary in this research had taken from the questioner where this questioner was made according to the variables in this research. The result of questioner will be the opinion of customer toward the topic of this research. According to Cooper and Schindler (2006), primary data is:

“Data the researcher collects to address the specific problem at hand-the research question”.
3.4.2 Literature Review

Literature review is used to support the researcher to develop the problem deeper through the theories which related with problem. These theories helped the researcher in conducting the structure of explanation from variables in this topic which have the influence with the problem. The questioner in this research also constructed based on the theories of variables in it. Researcher tried to get the theories from books, websites, and the other publications in order to get authentic knowledge. The theories which used to analyze this topic are marketing mix and purchasing decision where the marketing mix itself conducted by price, promotion, product, and place. The theories in this literature review also help the researcher in conducting the questioner.

3.4.3 Questioner

As Researcher mention before, to gather the data in this research the researcher using survey which covered by Questioner where through this Questioner the researcher could get the primary data about the variables that used in this research which are promotion, price, product quality and purchasing decision.

According to Cooper and Schindler (2006), questioner is

“An instrument delivered to the participant via personal (intercept) or nonpersonal (Computer-Delivered, mail-delivered) means that is completed by the participant”.

According to Malhotra (2010) primary data is

“Data originated by the researcher for the specific purpose of addressing the research problem”.

The Questioner conducted by using Bahasa Indonesia because the respondents are Indonesian people whom most of them could not understand English language so in order to get the proper and deeper understanding the researcher decided to conduct it in Bahasa.
### Table 3.1 : Pre-Questioner

#### Promotion

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Question Number</th>
<th>Statement</th>
<th>Measurement Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Honda CS1’s advertisement at electronic media (TV), printed media (newspaper, magazine, and billboard) and internet (website) take customer attention.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>The language or words that used in Honda CS1’s advertisement are attractive.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Discount, cashback, merchandise which given toward Honda CS1’s purchasing can take customer attention.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Product knowledge information about Honda CS1 (specification, award, community, testimony, etc.) is simply to find and to understand.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Honda CS1 often to sponsor the informal and formal events.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Honda CS1’s community often to do social activities to society.</td>
<td>Likert Scale</td>
</tr>
</tbody>
</table>

#### Product Quality

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Question Number</th>
<th>Statement</th>
<th>Measurement Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Fuel consumption on Honda CS1 is efficient.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Honda CS1 has high top speed.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Monoshock suspension, cooler system, and double disc brake make Honda CS1 comfortable to be ride.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Machine and spare part of Honda CS1 are durable and rare disorder.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Honda CS1 meets the Indonesian safety standard.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Honda CS1 has Honda official warranty which can be trusted and easy to claim.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Honda CS1’s Maintenance and spare part are easy to be found and repaired.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Honda CS1 design (body, lamp, digital speedometer) and color variation are modern and attractive.</td>
<td>Likert Scale</td>
</tr>
</tbody>
</table>
## Price

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Question Number</th>
<th>Statement</th>
<th>Measurement Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>1</td>
<td>Honda CS1 price still affordable for me.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Honda CS1 price can compete with competitor in its segment (Jupiter MX &amp; Satria FU).</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Honda CS1 price equal with product quality given.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Price of spare part and service for Honda CS1 still affordable for me.</td>
<td>Likert Scale</td>
</tr>
</tbody>
</table>

## Purchasing Decision

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Question Number</th>
<th>Statement</th>
<th>Measurement Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Decision</td>
<td>1</td>
<td>I will buy Honda CS1 because it has Japan machine technology which good and durable.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>I will buy Honda CS1 because the price is equal with product quality offered and it can compete with competitor’s price (Jupiter MX &amp; Satria FU).</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>I will buy Honda CS1 because modern design and features that offered.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>I will buy Honda CS1 because product knowledge about this product is complete.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>I will buy Honda CS1 because attractive promotion in electronic media, printed media, and internet.</td>
<td>Likert Scale</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>I will buy Honda CS1 because get inspiration from Honda CS1’s community and Honda CS1’s sponsor on the events.</td>
<td>Likert Scale</td>
</tr>
</tbody>
</table>

Source: Conducted by Researcher

For scoring system in this Questioner, the researcher using likert scale which is commonly used in quantitative method. There are 5 scales point in likert scale which is “5 = Strongly Agree”, “4 = Agree”, “3 = Neutral”, “2 = Disagree”, and “1 = Strongly Disagree” and vice versa.

“Likert (1932) developed the principle of measuring attitudes by asking people to respond to a series of statements about a topic, in terms of the extent to which they agree with them, and so tapping into the cognitive and affective components of attitudes. Likert-type or frequency scales use fixed choice response formats and are designed to measure attitudes or opinions (Bowling 1997, Burns & Grove 1997).”

Source: Simplypsychology.org
These ordinal scales measure levels of agreement/disagreement. By having this scale points, the respondent should give their opinion about the statement on the Questioner according to the strength of every single scale point where those point will be used as the measurement of analyzing data.

### 3.4.4 Successive Interval Method (MSI)

By using likert scale measurement for the questioner, the data that researcher collected is in ordinal data where it is a type of qualitative data, not numeric, the form of words or phrases, such as strongly agree, disagree, and disagree, if the question is directed to the approval of an event. Since the statistical parametric regression analysis need data in interval data scale measurement so, the researcher should convert it to be interval data by using successive interval method. Interval data is quantitative data, numeric form, not made up of words or sentences. However, if the data were obtained by measuring ordinal scale, form words, sentences, statements, pre-processed, should be given a numeric code, numeric or symbol in each answer.

The number 1,2,3,4, and 5 in likert scale measurement don’t give any meaning to the object being measured where those number only show attitude about agree and disagree. There are no different levels that can state 4 is two times better than 2 because there is not interval data. By using Successive Interval Method researcher will raise the level of measurement scale from ordinal to interval which aims to change the order the normal distribution requirement can be met when using parametric statistics. For this research, researcher converted the data using the software of MSI in Microsoft Excel Program (2007).

### 3.4.5 Population

The population of this research is Honda users whom already have experience and ever tried Honda CS1. By having this criteria, the population is so general which means that every Honda user can be the respondent for this research because even they don’t have Honda CS1 but they still can borrow it from their family or friends where this condition can make them have knowledge and experience about
Honda CS1. Since the amount of the population in the market is too much or the amount is unknown so, it can be determined as infinitive.

3.4.6 Sampling Design
The researcher used Dealer Tetap Jaya Motor as the scope in this research. Researcher used respondents about 73 people or greater than 30 respondents where it appropriate with central limit theorem

“If a random sample of n observation is selected from any population, then, when the sample size is sufficiently large (n \geq 30) the sampling distribution of the mean tends to approximate the normal distribution. The larger the sample size, n, the better will be the normal approximation to the sampling distribution of the mean.” (arjomand)

This is also similar with Roscoe stated by Sekaran (2010) that the determination of sample size number should be among 30 to 500 elements.

3.4.7 Sampling Technique
In this research, the researcher used purposive sampling. According Sekaran (2010) Purposive sampling is people whom selected based on the knowledge of population and purpose of the study which means that in this research, researcher distributed the questioner to the customer who came to the dealer with consider the requirement of the questioner which is should ever tried and have experience about Honda CS1.

3.5 Statistical Statement
According to research framework, after the researcher got the data from the pre-Questioner, the researcher did the validity and reliability testing where those tests would determine the proper question for final Questioner. Researcher used SPSS 16.0 for processing the test.

3.5.1 Validity Testing
Validity testing is very important test for the research which takes the primary data from the Questioner. The Questioner should consist of questions which can
covered all of the variables in the research and the result from it also should give the value from the objective in the research.

According to (Uyanto, 2006, p.239):

*Validity test is a measure that indicates the levels of the validity of a measuring instrument. A questioner could be categorized as valid if the questions in it can give the measurement about what the researcher want. To measure the level of validity can be done by using correlation test if r computation is bigger than r table, it means that the Questioner is valid.*

The measurement of validity should be done per statement in the Questioner. Once the statement not valid, it should be eliminated from the Questioner.

The coefficient of correlation of Pearson Product Moment can be based on actual values of X and Y. The formula is:

\[
r = \frac{n (\Sigma XY) - (\Sigma X)(\Sigma Y)}{\sqrt{(n \Sigma X^2 - (\Sigma X)^2)(n \Sigma Y^2 - (\Sigma Y)^2)}}
\]

(1)

**Source:** Berenson, Levine & Timothy C. Krehbiel (2011)

Where, \( n \) = the number of paired observations
\( \Sigma X \) = the X variable summed
\( \Sigma Y \) = the Y variable summed
\( \Sigma X^2 \) = the X variable squared and then summed
\( \Sigma Y^2 \) = the Y variable squared and then summed
\( (\Sigma X)^2 \) = the X variable summed and then squared
\( (\Sigma Y)^2 \) = the Y variable summed and then squared
\( \Sigma XY \) = the sum of the product X and Y

The table below show the result of validity for pre-questioner in this research where this pre-questioner distributed to 20 respondents.
Table 3.2: Result of Validity Test

<table>
<thead>
<tr>
<th>Factors</th>
<th>Question Number</th>
<th>r computation</th>
<th>r table</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>1</td>
<td>0.652</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.589</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.735</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.715</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.604</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>-0.169</td>
<td>0.444</td>
<td>Invalid</td>
</tr>
<tr>
<td>Product Quality</td>
<td>1</td>
<td>0.707</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.540</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.505</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.572</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.107</td>
<td>0.444</td>
<td>Invalid</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>0.548</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>0.604</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>0.672</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td>Price</td>
<td>1</td>
<td>0.539</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.511</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.599</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.647</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td>Purchasing Decision</td>
<td>1</td>
<td>0.692</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.798</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.656</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.549</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.581</td>
<td>0.444</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>0.538</td>
<td>0.444</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Primary Data by SPSS 16

The table above shows the result from pre-testing which distributed to 20 respondents on dealer Honda Tetap Jaya Motor. The questions on the questioner cover all of the variables which are used in this research. According to the theory which have mentioned above, this test will comparing the result between r
computation and r table where the result can be defined as valid if the result of r computation is bigger than r table. The total of r table can be seen from Total respondent – 2 since the respondent was 20 so, 20 - 2 = 18 where this 18 used to see the amount in table degree of freedom with significance 5%. According to table, r table for 20 respondents is 0.444. From the table on chapter 3, there are 2 statements that are not valid which are X1.6 = -0.169 and X2.5 = 0.107 where the result of their r computation are smaller than r table. Therefore, those 2 statements were eliminated in final questioner.

3.5.2 Reliability Testing

Reliability test was used in order to find out how strong the consistency of the answer from the questions that will be distributed for the second time or more. According to Uyanto, 2006, p.240:

A Questioner said reliable or reliable if someone answers to questions consistent from time to time. Questioner said reliable if Cronbach alpha greater than 0.7

From the statement above stated that the value of a questions should be greater than 0.7 if it want to be categorized as reliable and can be distributed more than 1 time. For finding cronbach alpha in a question, researcher used the formula below:

$$\alpha = \frac{K \cdot r}{1+(K-1)r} \quad (2)$$

Where,

$\alpha =$ Instrument reliability’s coefficient

$r =$ mean correlation coefficient between variables

$k =$ number of questions

These are the indicators to evaluate the result of cronbach’s alpha:

1. If $\alpha > 0.9$ means the level of reliability is excellent
2. If $\alpha$ between 0.7 - 0.9 means the level of reliability is high
3. If $\alpha$ between 0.7 – 0.5 means the level of reliability is average
4. If $\alpha < 0.5$ means the level of reliability is low

The table below shows the reliability of pre-questioner in this research:
According to theory on chapter 3, the standard of reliability test is 0.7. By having 0.7, the question can be defined as acceptable for being distributed more than once. From the table below shows that the cronbach’s alpha of reliability test for questioner in this research is 0.938 which means The cronbach’s alpha of reliability for each question is more than 0.9 and it can be used for final questioner where those questions are excellent because the result almost >0.9.

### Table 3.3: Reliability Statistic

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>Cronbach’s Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.938</td>
<td>.938</td>
<td>22</td>
</tr>
</tbody>
</table>

Source: Primary Data by SPSS 16

3.6 Descriptive Statistic

The purpose of descriptive statistic is to give a description about the variable which used in the variable where it will be related with collecting and summarizing data, along with the presentation of data. The data which usually used are about mean, median, mode, standard deviation and variance.

3.7 Mean score (MS) & overall mean score (OMS) Calculation

This analysis should be done in order to get the description about response from respondents toward this problem where this analysis does the calculation per variable or indicator (Sudijono, 2006, p.84). Calculation in this analysis based on the formula below:

\[
\bar{X} = \frac{\sum f_i X_i}{n} \tag{3}
\]

Where: 
- \( \bar{X} \) = Indicator’s average 
- n = Amount of Respondents 
- Xi = Score 
- \( f_i \) = Frequency
After finished with the data per indicator, next step is calculating the overall mean score toward variables in the research. MS and OMS can be used in order to determine and support the question in the questioner where by using it, researcher can make sure customer opinion toward questions in questioner whether agree or not. This calculation will be done based on the formula below (Sudijono, 2006, p.48):

$$\bar{X} = \frac{\sum \bar{X}_i}{n}$$  \hspace{1cm} (4)

Where:

- $\bar{X}$ = Overall average
- $\bar{X}_i$ = Average per indicator
- $n$ = Amount of respondents

After finished with OMS and MS, next step is classifying the data into class interval where this process will give description about respondent opinion toward the variables through the question in the questioner. According to Sudijono (2006) this process will be done based on the formula below:

$$i = \frac{H - L}{k}$$  \hspace{1cm} (5)

Where:

- $i$ = Class interval
- $H$ = Highest score in likert scale = 5
- $L$ = Lowest score in likert scale = 1
- $k$ = Amount of scale point in likert scale = 5

From the formula above, scale of interval class for this research can be conclude as following below:

$$\frac{5 - 1}{5} = 0,8$$  \hspace{1cm} (6)
From the scale of interval class, interval class can be divided into:

1. 4.21 – 5.00 = Strongly agree
2. 3.41 – 4.20 = Agree
3. 2.61 – 3.40 = Average
4. 1.81 – 2.60 = Disagree
5. 1.00 – 1.80 = Strongly disagree

3.8 Data Classic Assumption

a. Normality test

Normality test have to be done in order to determine whether the sample data that used in this research is categorized a normally distributed or not, so it can be used in parametric statistics (inferential statistics) where this process will have great analysis of correlation and regression. (Wijaya, 2011, p.128)

In this research, researcher use histogram and p-plot to determine normality test where according to Sarwono (2012), test for histogram can be categorized as normal if the form of curve in histogram has shape like a bell.

For the p-plot, the requirement that used is based on Santoso (2012) where the requirement is the dots should be spread by following diagonal line and cannot deviate too far from the diagonal line.

b. Multicollinearity test

This test is important to be done in order to analyze the correlation among independent variables in this research where according to Wijaya, 2011, p.121 the aim of this test:

* Aimed to test whether the regression model found a correlation between the independent variables, if there is a correlation then called multicollinearity *

According to Lind, Marchal, and Wathen (2010) the requirement to pass this test is the value of VIF should below than 10 where if the value is greater than 10, it can be considered unsatisfactory and independent variable should be removed from the analysis.
c. **Autocorrelation test**

Autocorrelation test has to be done in order to know whether there is a correlation between a period t with the previous period (t-1). In simple term, the regression analysis done in order to look at the influence of the independent variables to the dependent variable, so there should be no correlation between observations with previous observations.

According to Wijaya, 2011, p.123, the aim of this test:

_Aimed to test whether a linear regression model was no correlation bullies in period t with an error in period t-1_

In order to detect there is an autocorrelation or not, it can be seen from the amount of the Durbin-Watson (DW) by using SPSS program. These are the indicator of DW value to evaluate autocorrelation:

1. DW figure below -2 means there is positive autocorrelation.
2. DW rate at between -2 to +2 means no autocorrelation.
3. DW figure above +2 means there is negative autocorrelation.

**d. Heteroscedasticity test**

This test has to be done in order to see the pattern of residual variance from one observation to other observations. If the variance of residual is same means that homoscedasticity occurs and if the variance from observation is different means that heterocedasticity occurs. A proper multiple regression model should not have heterocedasticity in it.

According to Wijaya, 2011, p. 126, the aim of this test:

_Aim is to test whether in regression model there is differentiation of variance from one residual to the other residual or not._

In this research to determine heteroscedasticity problem, researcher use scatter plot where according to Santoso (2012), the model of scatter plot can be categorized does not has any heteroscedasticity if the plot on scatter plot are spread randomly upper and lower 0 point at Y axis without any specific pattern.
3.8.1 Multiple Regression

This test become is important since it has purpose to analyze the influence between independent variable and dependent variable which is become the main problem in this research. According to Wijaya, 2011, p.91 the formula for processing this test as following below:

\[ Y = b_1x_1 + b_2x_2 + b_3x_3 \]  \( ^{(7)} \)

Where:

- \( Y \) = Purchasing Decision
- \( X_1 \) = Promotion
- \( X_2 \) = Product Quality
- \( X_3 \) = Price
- \( b_1 \) = Coefficient of independent variable
- \( b_2 \) = Coefficient of independent variable
- \( b_3 \) = Coefficient of independent variable

In order to analyze the influence on multiple regressions between independent variable and dependent variable, researcher using correlation coefficient table where according to Sugiyono (2004), the table as following below:

**Table 3.4. The correlation coefficient table**

<table>
<thead>
<tr>
<th>Coefficient Interval</th>
<th>Correlation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00 - 0.199</td>
<td>Very Weak</td>
</tr>
<tr>
<td>0.20 - 0.399</td>
<td>Weak</td>
</tr>
<tr>
<td>0.40 - 0.599</td>
<td>Average</td>
</tr>
<tr>
<td>0.60 - 0.799</td>
<td>Strong</td>
</tr>
<tr>
<td>0.80 - 1.00</td>
<td>Very Strong</td>
</tr>
</tbody>
</table>

Source: Sugiyono
From the table above, show if the value of \( R \) is close to 1 means that the influence that happened is become stronger. In the other hand if the value of \( R \) is close to 0 means the influence that happened is weak or even there is no influences happen.

According to Hinkle (2000), coefficient correlation is in -1.0 and +1.0. From the result of coefficient correlation, it will show the direction of correlation. Correlation direction is stated as positive mark, it will show positive effect whereas negative mark shows the negative effect. Positive correlation means independent variable will affect the same condition to dependent variable. Once independent variable gets increase, dependent variable also will get increase. Negative correlation means independent variable will affect in the reverse condition to dependent variable. Once independent variable get decrease, the dependent variable will get increase.

### 3.8.2 Hypothesis Test

Hypothesis test used in order to know whether the total of sample in the research has already strong enough to describe the population or not. Requirement that used for this test is \( p \text{ value (sig)} < \alpha \), since the \( \alpha \) in this research is 5% so \( \alpha = 0.05 \). This requirement use to reject \( H_0 \) and accept \( H_1 \)

**A. F Test**

The aim of this test is to know whether all of independent variables (X) simultaneously give significant effect to dependent variable (Y) or not. Since the level of significance on this research is 5% so, \( H_0 \) will be rejected if the significance value is above 0.05 and \( H_1 \) will be accepted if the significance value is below than 0.05. By having significance value below than 0.05 means that those independent variables simultaneously give influence toward dependent variable.

**B. T Test**

The aim of this test is to know whether each of independent variable (X) has significant effect to dependent variable (Y) or not. The level of significance \( \alpha \) is 0.05. \( H_0 \) is rejected if t test value lower than \( \alpha = 0.05 \) and \( H_0 \) is accepted if t test value greater than \( \alpha = 0.05 \). t computation > t table, \( H_0 \) rejected, \( H_1 \) accepted.
In order to see the dominant factor through t-test when the independent variables have same significance, we can compare it by seeing the comparison between t-value. T-value should be appropriated with the criteria where the value should be greater than t-table. In this research, the value of t-table is 1.995.

3.9 Coefficient of Determination Test (R²)
Coefficient of determination is important thing to do in order to know about the proportion of dependent variable can be explained by independent variable. This test will focuses on adjusted R² where it is arranged from 0 – 1. If the value of R² is close to 0, means that the capability of independent variable to explain dependent variable is weak. In the other side, if the value of R² is close to 1, means that the capability of independent variable to explain dependent variable is strong and can provide nearly complete information about dependent variable.

3.10 Limitation
1. There are many factors which affect consumer in making purchasing decision but for this research the researcher focus on promotion, price, and product quality where those problems are part from marketing mix that have role to construct customer mind toward a product.
2. The respondent in this research were Honda consumer whom know and ever tried to ride Honda CS1.
3. Researcher distributed the questioner at Dealer Honda AHASS Tetap Jaya Motor, Jl. Raya Ratna 12A, RT 02/02 Caman, Bekasi with total respondents were 80 people.
4. The theory for this research are marketing mix and purchasing decision where for marketing mix the researcher only focus on price, promotion, and product quality.
CHAPTER IV
ANALYSIS OF DATA AND INTERPRETATION OF RESULT

In this chapter will be provided for analyzing all of extensive data which related to this research. This data have taken from processing data from final questioner which filled correctly according to the requirement of scope and limitation.

4.1 Descriptive Analysis

4.1.1 Respondent’s Profile

1. Gender

![Gender Frequency](image)

Figure 4.1: Gender Frequency

Source: Conducted by researcher

According to the figure above, the respondents in this research were only male where according to the product itself, Honda CS1 made in sport orientation by using clutch on it which will attract male’s attention more than female. Nowadays, female will be more attracted with motorcycle in segment “skutik” such as Honda beat and vario.
2. Age

![Age Frequency Diagram]

**Figure 4.2: Age Frequency**

Source: Conducted by researcher

According to the figure above, the dominant respondent were on 17 -25 years old which means that Honda CS1 more attractive and exist in young people perception that still consider about the style and trend of product which they used. This class is followed by 26 -35 years old class which more consider about the function and durability of product. The minority respondent in this segment came from >35 years old.

3. Education Background

![Education Background Diagram]

**Figure 4.3: Educational Background**

Source: Conducted by researcher

According to the table above, the dominant respondent came from university / bachelor class where this class appropriate with Honda CS1 target which are trendy and exclusive. This class followed by SD – SMU class where in this class almost of them was senior high school students.
4. Occupation

According to the table above, the dominant respondent came from student class where student in this class covered for university student too. This class is appropriate with Honda CS1 with sporty design for young people. Next class followed by employee class which appropriate with Honda CS1 as city motorcycle that comfortable for daily raiding to go to the office. The minority respondent was entrepreneur with 16%.

5. Income

According to the table above, the dominant respondent came from <5,000,000 class where for this class, respondent need a motorcycle which has efficient fuel consumption, easy and cheap maintenance, and also good durability. Since Honda famous with its durability and efficient fuel consumption, it made this class curious and tries Honda CS1 where Honda CS1 itself already got appreciation as the best fuel consumption on bebek
super segmentation. The second largest class was 5,000,000 – 10,000,000 where still can be categorized as middle class which still need motorcycle for daily riding with efficient fuel consumption. Next class followed by middle to high class with income about 11,000,000 – 15,000,000 and 16,000,000 – 20,000,000. The minority respondent was >20,000,000 where in the respondent in this class would prefer to buy sport motorcycle for their lifestyle.

4.1.2 Descriptive Statistic

Table 4.1: Descriptive Statistics table

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>73</td>
<td>2.11</td>
<td>1.25</td>
<td>3.37</td>
<td>2.1061</td>
<td>.63123</td>
<td>.398</td>
</tr>
<tr>
<td>X2</td>
<td>73</td>
<td>1.61</td>
<td>1.57</td>
<td>3.18</td>
<td>2.3324</td>
<td>.37452</td>
<td>.140</td>
</tr>
<tr>
<td>X3</td>
<td>73</td>
<td>2.35</td>
<td>1.52</td>
<td>3.87</td>
<td>2.5228</td>
<td>.51502</td>
<td>.265</td>
</tr>
<tr>
<td>Y1</td>
<td>73</td>
<td>1.96</td>
<td>1.29</td>
<td>3.25</td>
<td>2.1221</td>
<td>.48957</td>
<td>.240</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS 16

According to table 4.1, X1 (Promotion) has the minimum value about 1.25, meanwhile the maximum value is 3.37, the mean is 2.1061 and the standard deviation is 0.63123. The variance for this variable is 0.398.

X2 (Product quality) has the minimum value about 1.57, meanwhile the maximum value is 3.18, the mean is 2.3324 and the standard deviation is 0.37452. The variance for this variable is 0.140.

X3 (Price) has the minimum value about 1.52, meanwhile the maximum value is 3.87, the mean is 2.5228 and the standard deviation is 0.51502. The variance for this variable is 0.265.
Y1 (Purchasing decision) has the minimum value about 1.96, meanwhile the maximum value is 1.29, the mean is 2.1221 and the standard deviation is 0.48957. The variance for this variable is 0.240.

4.2 Mean Score and Overall Mean Score

After collected all of the data from 73 respondents, researcher continues for processing data to mean score and overall means score testing for promotion, product quality, and price variables. Through this test, researcher wants to get respondent opinion and categorized it into several interval classes. First, researcher will conduct variable frequency table for promotion, product quality, and price where it will be followed by mean score and overall mean score table.

1. Promotion

<table>
<thead>
<tr>
<th>Promotion</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1.5</td>
<td>39.73%</td>
<td></td>
<td>56.16%</td>
<td></td>
<td>4.11%</td>
</tr>
<tr>
<td>X1.4</td>
<td>43.84%</td>
<td>27.40%</td>
<td></td>
<td>26.03%</td>
<td>2.71%</td>
</tr>
<tr>
<td>X1.3</td>
<td>6.85%</td>
<td>58.90%</td>
<td></td>
<td>34.25%</td>
<td></td>
</tr>
<tr>
<td>X1.2</td>
<td>50.68%</td>
<td></td>
<td>38.36%</td>
<td></td>
<td>10.96%</td>
</tr>
<tr>
<td>X1.1</td>
<td>41.10%</td>
<td></td>
<td>41.10%</td>
<td></td>
<td>17.81%</td>
</tr>
</tbody>
</table>

Figure 4.7 Promotion Frequency

Source: Conducted by Researcher
Table 4.2: Promotion MS and OMS

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number</th>
<th>Statement</th>
<th>Mean Score</th>
<th>Interval Class</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>1</td>
<td>Honda CS1’s advertisement at electronic media (TV), printed media (newspaper, magazine, and billboard) and internet (website) take customer attention.</td>
<td>2.77</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>The language or words that used in Honda CS1’s advertisement are attractive.</td>
<td>2.60</td>
<td>1.81 – 2.60</td>
<td>Disagree</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Discount, cashback, merchandise which given toward Honda CS1’s purchasing can take customer attention.</td>
<td>3.27</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Product knowledge information about Honda CS1 (specification, award, community, testimony, etc.) is simply to find and to understand.</td>
<td>2.88</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Honda CS1 often to sponsor the informal and formal events.</td>
<td>2.64</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td>Overall Mean Score Promotion</td>
<td></td>
<td></td>
<td>2.83</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
</tbody>
</table>

Source: Conducted by Researcher

From the figure promotion frequency and table MS & OMS above show overall promotion for Honda CS1 is on average with overall mean score 2.83. The highest score in this variable is on X1.3 which mentions about discount, cashback, and merchandise with score 3.27 (Agree). In X1.3, dominant respondents answer neutral about 58.90% which means it does not attractive enough even has high score. For product knowledge of Honda CS1, it got score 2.88 (average) with 43.84% respondents answer disagrees which mean that product knowledge about Honda CS1 still hard to understand and find. The lowest score in this variable on X1.2 which mentions about the language on Honda CS1 advertisement are attractive with score 2.60 (disagree). In X1.2, the most respondent 50.68% answer disagrees and only 10.96% answer agree. Therefore, the language on Honda CS1 advertisement can be categorized as not attractive. Last is about Honda CS1 sponsor where the score is 2.64 (average) with 56.16% answer neutral. Therefore, sponsor of Honda CS1 does not familiar for the customer and rare to be seen in the event.
2. Product Quality

### Figure 4.8: Product Quality Frequency

Source: Conducted by Researcher

#### Table 4.3: Product Quality MS and OMS

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number</th>
<th>Statement</th>
<th>Mean Score</th>
<th>Interval Class</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Quality</td>
<td>1</td>
<td>Fuel consumption on Honda CS1 is efficient.</td>
<td>3.48</td>
<td>3.41 – 4.20</td>
<td>Agree</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Honda CS1 has high top speed.</td>
<td>3.59</td>
<td>3.41 – 4.20</td>
<td>Agree</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Monoshock suspension, cooler system, and double disc brake make Honda CS1 comfortable to be ride.</td>
<td>3.49</td>
<td>3.41 – 4.20</td>
<td>Agree</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Machine and spare part of Honda CS1 are durable and rare disorder.</td>
<td>2.77</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Honda CS1 has Honda official warranty which can be trusted and easy to claim.</td>
<td>2.81</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Honda CS1’s Maintenance and spare part are easy to be found and repaired.</td>
<td>2.62</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Honda CS1 design (body, lamp, digital speedometer) and color variation are modern and attractive.</td>
<td>2.55</td>
<td>1.81 – 2.60</td>
<td>Disagree</td>
</tr>
<tr>
<td>Overall Mean Score Product Quality</td>
<td></td>
<td></td>
<td>3.04</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
</tbody>
</table>

Source: Conducted by Researcher
From the figure product quality frequency and table MS & OMS above show overall product quality Honda CS1 is on average with score 3.04. The highest score for this variable is X2.2 which mentions about high top speed with score 3.59 where in this question the dominant respondent 43.84% answer agree and 9.59% answer strongly agree. Therefore, Honda CS1 can be mentioned as a motorcycle which has high top speed. For fuel consumption (X2.1) and comfortable in riding (X2.3), Honda CS1 get score 3.48 and 3.49 which means the respondent agree with this statement. By giving answer “agree” for 54.79% and 45.21% means that Honda CS1 still focus on its benefit which is fuel efficient consumption and comfort riding. For the warranty (X2.5) and machine durable of Honda CS1(X2.4) get average score 2.81 and 2.77 where it means that warranty and machine durability still can fulfill customer expectation toward Honda CS1. The lowest score on this variable are on X2.6 which mentions about the maintenance of Honda CS1 and X2.7 which mentions about the design of Honda CS1. According to product quality frequency on X2.6, dominant answer from respondent is disagree with 49.32% and for X2.7 also same with 57.53% disagree. Therefore, the design and maintenance from Honda CS1 out of customer expectation where there are many opinions that mention the design of Honda CS1 is not clear and has character to show whether bebek or sport. This reason make the people do not like the design.

3. Price

![Price Frequency](image)

**Figure 4.9 : Price Frequency**

*Source: Conducted by Researcher*
Table 4.4 : Price MS and OMS

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number</th>
<th>Statement</th>
<th>Mean Score</th>
<th>Interval Class</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>1</td>
<td>Honda CS1 price still affordable for me.</td>
<td>3.00</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Honda CS1 price can compete with competitor in its segment (Jupiter MX &amp; Satria FU).</td>
<td>2.62</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Honda CS1 price equal with product quality given.</td>
<td>3.88</td>
<td>3.41 – 4.20</td>
<td>Agree</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Price of spare part and service for Honda CS1 still affordable for me.</td>
<td>3.90</td>
<td>3.41 – 4.20</td>
<td>Agree</td>
</tr>
<tr>
<td>Overall Mean Score Price</td>
<td></td>
<td></td>
<td>3.35</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
</tbody>
</table>

Source: Conducted by Researcher

From the figure price frequency and table MS & OMS above show overall price Honda CS1 is on average with score 3.35. For spare part and service price of Honda CS1 (X3.4) get the highest score with 3.90 where dominant respondent answer “agree” 56.16% and strongly agree 27.40%. The second highest score on X3.3 which mention price of Honda CS1 is equal with the product quality given with 3.88. On X3.3, the dominant respondent give answer agree about 39.73% and strongly agree about 27.40%. Even the price is equal with quality given, but the price of Honda CS1 cannot compete with the competitor in its segment where it can be seen from X3.2 which mentions Honda CS1 price can compete with competitor. For X3.2 get the lowest score which is 2.62 with dominant respondent answer disagree about 49.32%, it means that the price of Honda CS1 still too expensive if compared with its competitor according to the respondent opinion even the price itself still affordable where it stated on X3.1. X3.1 mentions about Honda CS1 price still affordable for customer or not. The score for X3.1 is 3.00 with dominant respondent answer agree and disagree in the same percentage which is 38.36%. Therefore, this statement will be subjective because it depends on the income and social level of the customer. More higher and bigger the income and social level, means that they more capable to buy the product.
4. Purchasing decision

**Figure 4.10: Purchasing Decision Frequency**

*Source: Conducted by Researcher*

**Table 4.5: Purchasing Decision MS and OMS**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Number</th>
<th>Statement</th>
<th>Mean Score</th>
<th>Interval Class</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I will buy Honda CS1 because it has Japan machine technology which good and durable.</td>
<td>2.86</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>I will buy Honda CS1 because the price is equal with product quality offered and it can compete with competitor’s price (Jupiter MX &amp; Satria FU).</td>
<td>2.60</td>
<td>1.81 – 2.60</td>
<td>Disagree</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>I will buy Honda CS1 because modern design and features that offered.</td>
<td>2.88</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>I will buy Honda CS1 because product knowledge about this product is complete.</td>
<td>2.75</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>I will buy Honda CS1 because attractive promotion in electronic media, printed media, and internet.</td>
<td>2.75</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>I will buy Honda CS1 because get inspiration from Honda CS1’s community and Honda CS1’s sponsor on the events.</td>
<td>3.25</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Overall Mean Scores Purchasing Decision</td>
<td>2.85</td>
<td>2.61 – 3.40</td>
<td>Average</td>
</tr>
</tbody>
</table>

*Source: Conducted by Researcher*
From the figure purchasing decision frequency and table MS & OMS above show overall purchasing decision on Honda CS1 is on average with score 2.85. The highest score for this variable is Y1.6 with score 3.25 where the dominant respondent answer is neutral about 67.12%. Even the Y1.6 has the highest score, but the result of variable frequency still show that respondent still not familiar with the sponsor and community of Honda CS1. For Y1.1 which mention about Japan technology machine and good durability get score 2.86 where dominant respondent answer disagree about 39.73%. Next is for modern design and features on Y1.3, the score is 2.88 (average) where dominant respondent 43.84% answer neutral which means that this factor cannot influence purchasing decision significantly. For Y1.4 which is about product knowledge, the score is 2.75 (average) where dominant respondent answer disagree about 53.42%. It means that product knowledge also cannot attract customer to buy Honda CS1. For the promotion on Y1.5 also get score 2.75 where dominant respondent answer neutral about 58.90% which make this factor also cannot influence the customer significantly. The lowest score is on Y1.2 which mention about the competitive price of Honda CS1. According to respondent opinion with dominant answer is disagree about 56.16%, the price of Honda CS1 still too expensive compared with its competitor where based on the specification of product are almost same. Therefore, this factor can affect customer purchasing decision to do not buy Honda CS1 and make the buying power is weak.

4.2.1 Classic Assumption Test

4.2.1.1 Normality Test

In doing quantitative research where the primary data come from questioner, normality test become the first requirement to be done in order to know the data from questioner normally distributed or not. In this research, researcher use histogram and P-plot to test the normality data of this questioner.
Figure 4.11: P-Plot

Source: Primary Data by SPSS 16

From P-plot above shows that the actual data plot (represented by the dots) are spreading approximately surrounding the diagonal direction of the line about 45°. Besides that the data also not seriously deviated from the line that means the distribution is normal and ready to be used for next step of research. Next is normality test using histogram as the following below:

Figure 4.12: Histogram

Source: Primary Data by SPSS 16

From the histogram above shows that the curve is balance where it is constructed from -3 until 3 and the bar on the histogram are stay in the curve and it also has
the highest bar as the peak of histogram and curve. Overall, this histogram has bell shape. Through this description of histogram means that the data are normally distributed and ready to be used.

4.2.1.2 Multicollinearity test

Multicollinearity test used in order to know there is any correlation between independent variable or not where this test can be determined by focusing on variance inflation factor (VIF) or Tolerance. Independent variable can be determined pass or does not has any relation between others in this test if the value of Tolerance is more than 0.1 and the VIF less than 10 where this value can be seen from the table below:

<table>
<thead>
<tr>
<th>Source: Primary Data by SPSS 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 4.6 : Collinearity Statistics</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Collinearity Statistics</td>
</tr>
<tr>
<td>Tolerance</td>
</tr>
<tr>
<td>.761</td>
</tr>
<tr>
<td>.692</td>
</tr>
<tr>
<td>.669</td>
</tr>
</tbody>
</table>

From the table above show those independent variables pass the requirement of this test where all of the tolerance more than 0.1 and the VIF less than 10. Through this result means that there is no relation between independent variable in this test and those variables are confidence to be used for next step of research.

4.2.1.3 Autocorrelation test

Autocorrelation test used in order to know there is any autocorrelation between time series data which is t-1 with t where this test can be determined by focusing to Durbin Watson on Model Summary table. The data will be determined pass or does not has autocorrelation if the value of Durbin Watson between -2 until 2.
Table 4.7: Durbin Watson

<table>
<thead>
<tr>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.913</td>
</tr>
</tbody>
</table>

Source: Primary Data by SPSS 16

From the table above show that the value of Durbin Watson in this research is 1.913 which means below than 2.0 and through this result, the data is available to use and does not has any autocorrelation in time series.

4.2.1.4 Heteroscedasticity Test

Heteroscedasticity can be occurred when the data of questioner do not distributed normally where it will make the output of residual on scatter plot create a pattern on it where the pattern can be seen through the dots on graphic. If the dots spread randomly and does not make any certain pattern such as increasing or decreasing pattern, so it means the heteroscedasticity assumption is fulfilled.

Figure 4.13: Scatterplot

Source: Primary Data by SPSS 16

From scatter plot above, the dots are spread randomly without any pattern in it and through this result means that the data are does not has any heteroscedasticity.
From the result also give a confidence that the result of F-Test and T-Test are acceptable.

### 4.2.2 Multiple Regression Model

For measuring the influence that given by these independent variables promotion, product quality, and price toward dependent variable which is purchasing decision, multiple regression method was used to construct the formula according to the result of multiple regression tests below.

#### Table 4.8: Multiple Regression Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>.756</td>
<td>.204</td>
<td>3.705</td>
<td>.000</td>
</tr>
<tr>
<td>X1</td>
<td>.669</td>
<td>.050</td>
<td>.862</td>
<td>11.927</td>
</tr>
<tr>
<td>X2</td>
<td>.212</td>
<td>.099</td>
<td>.162</td>
<td>2.142</td>
</tr>
<tr>
<td>X3</td>
<td>-.213</td>
<td>.073</td>
<td>-.224</td>
<td>-2.934</td>
</tr>
</tbody>
</table>

*a Dependent Variable: Y1

Source: Primary Data by SPSS 16

From the table above shows that all of independent variables are significant where it can be seen from the significance are below than 0.05. So, from this result the formula for this research as following below:

\[
Purchasing \ Decision = 0.862 \ X1 + 0.162 \ X2 - 0.224 \ X3 \quad (8)
\]

Where,

X1 = Promotion
X2 = Product Quality
X3 = Price

This regression model use value on standardized coefficient column because those independent variables do not have same denomination or the denomination is unknown. But if the denomination is known, so it should be use unstandardized. (Danang, 2011). Based on the formula, the result is:
1. Through the formula above shows that there are two types of correlation happen toward purchasing decision. For promotion, the influence that occurred is positive correlation which means when there is increasing on independent variable, dependent variable will also get increasing (same condition) about 0.862. Therefore, if there is increasing 1 unit for promotion while the other variable in constant condition (no changing) means that purchasing decision will increase about 0.862.

2. For product quality, the influence that occurred is positive correlation which means when there is increasing on independent variable, dependent variable will also get increasing (same condition) about 0.162. Therefore, if there is increasing 1 unit for product quality while the other variable in constant condition (no changing) means that purchasing decision will increase about 0.162.

3. For price the influence that occurred is negative correlation which means when there is increasing on independent variable, dependent variable will get the opposite effect or decreasing (opposite condition). Therefore, if there is increasing 1 unit for price while the other variable still constant (no changing) means that purchasing decision will decrease about 0.224 and vice versa.

4.2.3 Testing the hypothesis result

In chapter 1 where talking about the problem in this research, researcher has made some hypothesis which will become the result of this research. So this test used in order to determine the accepted and rejected hypothesis. In this research, researcher used F-Test and T-Test to determine it.

4.2.3.1 F-Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>12.527</td>
<td>3</td>
<td>4.176</td>
<td>60.016</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>4.730</td>
<td>59</td>
<td>.069</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>17.257</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), X3, X1, X2
b. Dependent Variable: Y1

Source: Primary Data by SPSS 16
The requirements on F-Test are the significance should below 0.05. According to the table above, the data in this research have pass the test with $F = 60.915$ and $\text{Sig} = 0.000$. Through this result can describe that promotion, product quality, and price give influence simultaneously toward purchasing decision on Honda CS1. Since significance value in the table below than 0.05 so $H_0$ is rejected and $H_a$ accepted.

4.2.3.2 T-Test

This test will determine is there any influence from each independent variable toward purchasing decision where it can be determined by focusing on column $t$ and $\text{Sig}$. The value on $t$ column should greater than $t$ table and the value on $\text{Sig}$ should below 0.05. The result of T-test can be shown as following table below:

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>0.756</td>
<td>0.204</td>
<td>3.705</td>
<td>0.000</td>
</tr>
<tr>
<td>X1</td>
<td>0.689</td>
<td>0.059</td>
<td>1.182</td>
<td>0.000</td>
</tr>
<tr>
<td>X2</td>
<td>0.512</td>
<td>0.099</td>
<td>0.162</td>
<td>0.096</td>
</tr>
<tr>
<td>X3</td>
<td>-0.213</td>
<td>0.073</td>
<td>-0.234</td>
<td>0.005</td>
</tr>
</tbody>
</table>

Source: Primary Data by SPSS 16

The description of result from the table above:

1. Significance value of promotion is below than 0.05 and $t$-value 11.927 which is greater than 1.995 means that this variable pass the requirement so $H_{a1}$ is accepted where it stated promotion has influence toward purchasing decision.

2. Significance value of product quality is below than 0.05 and $t$-value 2.142 which is greater than 1.995 means that this variable pass the requirement so $H_{a1}$ is accepted where it stated product quality has influence toward purchasing decision.
3. Significance value of price is below than 0.05 and t-value is 2.904 which are greater than 1.995 means that this variable pass the requirement so Ha1 is accepted where it stated price has influence toward purchasing decision.

4. The dominant factor from the table above is promotion with significance 0.000 with the biggest t-value 11.927 which is greater than t-table 1.995.

4.2.4 Measuring the variability of regression model

This measuring should be done in order to know how far these independent variables which are promotion, product quality, and price and explain or give description about purchasing decision. The result for the model in this research can be seen as following below:

**Table 4.11: Model Summary**

<table>
<thead>
<tr>
<th>Mode</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.852a</td>
<td>.726</td>
<td>.714</td>
<td>.26182</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), X3, X1, X2  
b. Dependent Variable: Y1

Source: Primary Data by SPSS 16

Adjusted R square is value of R square that has been adjusted, this value is always less than the R square and this value can be negative not always positive. Based on Santoso (2001), for a regression model that have more than 2 independent variable better use the adjusted R square value as the coefficient of determination. Therefore, according to the theory and table above, R describe about coefficient of correlation where the value of R is 0.852 which means there is a strong influence between those independent variables and purchasing decision. For the adjusted R square used for measuring how far or large these independent variables can describe dependent variable where according to table above adjusted R square is 0.714 which means these independent variable in this research can describe or explain 71.4% about purchasing decision and the rest which 28.6% is explained by the other factors.
4.2.5 Interpretation Result

1. Promotion toward Purchasing Decision

From variable frequency shows that the lowest score come from X1.2 which stated “the language of Honda CS1’s advertisement is interesting” with score 2.60 and classified into disagreement class where it means the language of Honda CS1’s advertisement are not attractive enough. This unattractive advertisement make the customer feel not interested to see and not familiar with the benefit of Honda CS1 which can fill their need. Since the promotion has positive correlation toward purchasing decision based on multiple regressions formula, this situation will decrease Honda CS1’s purchasing decision because the customer will not have enough information about the product and make them not willing to buy or less intention to the product.

This condition is related with theory from Kotler and Keller (2012) about purchasing decision process where promotion has role in information search and problem recognition step. Therefore, company should create more attractive advertisement with full information about benefit of this product by using simple language which can be simply understood by customer.

2. Product Quality toward Purchasing Decision

For this product, the design of it get the lowest score in this variable where it can be seen from mean score table X2.7 “Motor design (body, light, digital speedometer) and color variations Honda CS1 is very modern and attractive” with score 2.55 in disagreement class. There were 57.53% stated that the design of this product is not interesting. Design and modern features become important factor since it will be the appearance and benefit of product. Since the product quality has positive correlation toward purchasing decision based on multiple regressions formula, this inappropriate design and features will make the customer have less intention to buy the product because design will affect their appearance and modern features will affect their convenience when riding the product. In the other word, customer cannot reach their need.
This condition is same with theory from Kotler and Keller (2012) about purchasing decision process where product quality has role in problem recognition and alternative evaluation. Product quality itself presents to customer about its benefit to fill customer need. Therefore, the company should giving better design and useful modern features which can reach customer expectation in order to make customer recognize that Honda CS1 can satisfy their need.

3. **Price toward Purchasing Decision**

The price of Honda CS1 still too expensive where it can be seen from X2.1 which is “the price of Honda CS1 is competitive compared with MX and FU” with score 2.62 where from variable frequency table there are 49.32% respondent that stated it is not competitive even the quality that given appropriate with the price where this factor can be seen from X3.3 that show the score 3.88. The gap of price between Honda CS1 and its competitor is small; this situation makes customers become more sensitive to choose the product by comparing price with the other aspect such as machine specification in order to get better product. The price of Honda CS1 still higher after it compared through other aspect. Since the price has negative correlation toward purchasing decision, uncompetitive or higher price makes the customer have less intention to buy this product because there is still alternative product with reasonable price.

This condition is same with theory from Kotler and Keller (2012) about purchasing decision process where price has role in purchase decision. Expensive price can be unexpected condition that can change customer purchase decision toward a product because customer does not expect that the product will have price on expensive level. Therefore, company should provide more reasonable price which can make Honda CS1 as alternative product from its competitor in order to take customer intention.
4. Promotion, Product Quality and Price toward Purchasing Decision

According to the result of this research, Ha4 which stated promotion, product quality and price have influence to purchasing decision can be accepted where it can be seen from F-test. Through the result show there is influence between those independent variables and dependent variables. In this case, unattractive promotion, inappropriate design and uncompetitive price are the significance factors which make customer purchasing decision toward Honda CS1 decrease because customers still do not get their expectation on Honda CS1. Unattractive promotions make the customer not interested to know more about Honda CS1 while the inappropriate design already make customer not interested because the design is rigid. Furthermore, the uncompetitive price make Honda CS1 become worst because its competitor can provide more reasonable price compared through several aspects.
CHAPTER V

CONCLUSION AND RECOMMENDATION

This is the last chapter in this research where this chapter will discuss about the recommendation and conclusion from analysis on chapter 4 about the influence of promotion, product quality, and price toward purchasing decision on Honda CS1. This research is conducted in order to the influence and how strong those variables can affect purchasing decision on Honda CS1. All of the information in this research can be used for evaluation about product performance in market where the evaluation itself is very useful for conduction new strategic plan to make the product survive in the market.

5.1 Conclusion

According to the analysis on chapter 4, here are some conclusions that can be taken by the researcher to answer the objective of this research:

1. According to the F test result which taken from chapter 4, it shows that promotion (X1), product quality (X2), and price (X3) have strong influence toward purchasing decision on Honda CS1 simultaneously where it can be presented on F value and significance value on F test. F value for this research is 60.915 and significance value is 0.00 below than 0.05.

2. According to T test result, shows that each of independent variables which are promotion, product quality, and price has its own influence toward purchasing decision on Honda CS1. In the other word those independent variables can give influence partially toward purchasing decision. From this T- test result also can show that promotion has the most significance influence toward purchasing decision on Honda CS1 and the weakest variable in influencing purchasing decision is product quality. Promotion and product quality have positive influence where the value of their coefficient show positive value but for price, the coefficient value show negative value which make price has negative influence toward purchasing decision.
5.2 Recommendation

According to the explanation of conclusion above, these are some points that can be used in order to fix up the strategic of this product where the following recommendations are offered as the suggestion for consideration and possible application by Honda company management in dealing with their CS1 sales.

1. For promotion, it will be better for CS1 to have brand ambassador for its advertisement same like one heart advertisement that has Nidji as their brand ambassador. Besides that it’s better to use the language which more flexible and interesting where this language can make the customer not boring while listening to the advertisement and easy to understand the information about product benefits that offered on the advertisement.

2. For product quality, the problem occurred in this variable is on product design where the design of it does not has sure orientation that makes this product rigid. It would be better for Honda to redesign and determine which class that appropriate with Honda CS1 design whether oriented to “bebek” or sporty. But according to the successful term of Honda nova sonic and great increasing sales of FU, researcher can suggest to redesign Honda CS1 to be “ayam jago” design because ‘ayam jago” looks simple but sporty to be ride. This design has a good perception in Indonesia market mind so it can help Honda to leverage Honda CS1 sales. Furthermore, the variant of color in this product also can be considered. It would be better to applied color variant which acceptable with current trend because there are many people who want to show up different than other so this color variant can make customer interesting to this product.

3. For price, the problem occurred in this variable is on competitive price where the gap of price between competitor are small so it makes the customer become more sensitive to choose the product. It would be better for Honda CS1 to redesign and rebuilt the product to be the simple one but does not deprive sporty character in it. By having this rebuilt and redesign process, it can help Honda to cut the cost production and make the price of Honda CS1
cheaper than before. But if the cost production still high after rebuilt process, Honda can consider their profit on this product maybe they can cut the profit become lower. The other way to dealing with price is Honda can create many variant of things that compatible with Honda CS1 such as sporty rim and additional body where the revenue from those products can be used to increase the profit of Honda CS1. So in conclusion for price, Honda should reduce the price of Honda CS1 become cheaper which make it can compete with competitor.

4. In general, promotion, product quality, and price have a big part in affecting customer purchasing decision which means Honda should be aware with these variables in order to boost the sales of Honda CS1. Honda should aware about the need of Indonesian market in designing their product, advertisement, and also determining the price. Therefore, Honda also need aware to the innovation that comes from competitor which can be a trend in market and defeat Honda positioning in market.

5. For the next research, it can be more concern about the price where in this research variable price still explained in generally so it would be better for future researcher to research price in more specific way such as concern about the method of payment or installment and the policy of installment itself where it can be different between current condition and future condition. Based on this differentiation, it can make different perception in customer side to make purchasing decision.
REFERENCES

Books


Copper, Donald R & Schindler Pamela, S. (2006), Business Research Methods, The McGraw-Hill Companies


Journal


**Website**


APPENDICES

1. Questionnaire

Questionnaire

Dear Respondent,

I am Wirryanto Eko, 10th semester student from President University with a concentration of International Business, asking for your willingness to provide an assessment of low response of purchasing decision toward Honda CS1. The questionnaire was prepared for my final thesis on influence of promotion, product quality, and price toward Honda CS1. All information received will be kept confidential and used only for academic purposes. I am grateful for your time and willingness.

Respondent Profile: please fill it by (x) for the correct answer.

1. Gender
   - □ Male
   - □ Female

2. Age
   - □ 17-25 years old
   - □ 26 - 35 years old
   - □ > 35 years old

3. Educational Background
   - □ SD – SMU
   - □ University / Bachelor

4. Occupation
   - □ Students
   - □ Entrepreneur
   - □ Employee
   - □ Others

5. Monthly Income
   - □ < 5.000.000
   - □ 5.000.000 – 10.000.000
   - □ 11.000.000 – 15.000.000
   - □ 16.000.000 – 20.000.000
   - □ > 20.000.000

6. I Know and have tried Honda CS1 more than once
   - □ Yes
   - □ No

Please fill in the score column using below scale for each statement provided for Honda CS1.
You should rank each statement as follow:
   1 = Strongly Disagree
   2 = Disagree
   3 = Neutral
   4 = Agree
   5 = Strongly Agree
<table>
<thead>
<tr>
<th>No</th>
<th>Promotion Media Statements</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Honda CS1’s advertisement at electronic media (TV), printed media (newspaper, magazine, and billboard) and internet (website) take customer attention.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The language or words that used in Honda CS1’s advertisement are attractive.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Discount, cashback, merchandise which given toward Honda CS1’s purchasing can take customer attention.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Product knowledge information about Honda CS1 (specification, award, community, testimony, etc.) is simply to find and to understand.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Honda CS1 often to sponsor the informal and formal events.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Product Varieties Statements</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fuel consumption on Honda CS1 is efficient.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Honda CS1 has high top speed.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Monoshock suspension, cooler system, and double disc brake make Honda CS1 comfortable to be ride.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Machine and spare part of Honda CS1 are durable and rare disorder.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Honda CS1 has Honda official warranty which can be trusted and easy to claim.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Honda CS1’s Maintenance and spare part are easy to be found and repaired.</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Honda CS1 design (body, lamp, digital speedometer) and color variation are modern and attractive.</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>Price Statements</td>
<td>Score</td>
</tr>
<tr>
<td>----</td>
<td>-----------------</td>
<td>-------</td>
</tr>
<tr>
<td></td>
<td>Honda CS1 price still affordable for me.</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Honda CS1 price can compete with competitor in its segment (Jupiter MX &amp; Satria FU).</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Honda CS1 price equal with product quality given.</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Price of spare part and service for Honda CS1 still affordable for me.</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No</th>
<th>Purchasing Decision Statements</th>
<th>Score</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I will buy Honda CS1 because it has Japan machine technology which good and durable.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>I will buy Honda CS1 because the price is equal with product quality offered and it can compete with competitor’s price (Jupiter MX &amp; Satria FU).</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>I will buy Honda CS1 because modern design and features that offered.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>I will buy Honda CS1 because product knowledge about this product is complete.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>I will buy Honda CS1 because attractive promotion in electronic media, printed media, and internet.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>I will buy Honda CS1 because get inspiration from Honda CS1’s community and Honda CS1’s sponsor on the events.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
2. Article

Comparison Honda CS1 and Satria FU

Satria VS Competitor - With this new design, the price of Satria FU 150 get increasing. According to internal information from Suzuki, during these 2 months Satria has already gets increasing price twice where recent of it because the IDR got falling and spare part of Satria FU still being imported. This situation made the increasing price until 800,000 IDR. Last price when Satria FU launched is about 17,890,000 IDR (on the road Jakarta). Compared with its main competitor which is Honda CS1, the gap of price is about 1 million IDR. But, Satria has better quality of machine. Capacity and the power which produced by Honda CS1 is supported by SOHC machine (Single Overhead Camshaft) with machine capacity 125 CC. Meanwhile Satria FU is supported by DOHC (Double Overhead Camshaft). For the power, Satria still better with maximum power 16 PS @9,500 rpm. Meanwhile CS1 12.8 PS @10,000 rpm. Capability of Satria to produces maximum torque also better with 1.27 kgf-m@8,500 rpm. Meanwhile CS1 only 1.04 kgf-m @7,500 rpm.

The other competitor of Satria is Jupiter MX with machine 135 CC where the most expensive version of it (cast wheel and automatic clutch) offered in 15,050,000 IDR. From power and torque aspect, Jupiter MX still below than Satria FU where maximum power of it 11.33 PS @8,500 rpm and torque 1.165 kgf-m @5,500 rpm.

Source: otomotif.kompas.com