

ANALYSIS OF THE INFLUENCE OF PRODUCT QUALITY ON CONSUMER PURCHASING DECISIONS AT PT TELKOM INDONESIA

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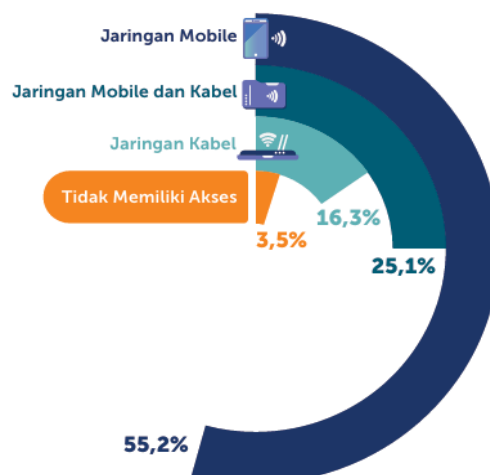
ABSTRACT

The development of telecommunications in Indonesia can not be separated from government intervention that provides PT Telkom Indonesia and spread almost throughout the entire region of Indonesia. PT Telkom Indonesia's efforts to maintain consumer trust and loyalty are by continuously maintaining the quality of their products. Product quality is a factor that must be the main focus of the company because it can influence consumer purchasing decisions. The better the quality of products produced, the greater the possibility of consumer purchases, thus achieving the company's goal of profit and fulfilling consumer needs. Product quality is very important for PT Telkom Indonesia because products are the spearhead of the company that directly interacts with consumers. If the product quality is good, consumers can become loyal customers of the company and even recommend the company's products to others. This is also related to the purchasing decision process, which includes the post-purchase stage that is part of the consumer purchasing decision-making process.

Keywords: Product quality, Consumer purchasing decisions

INTRODUCTION

In line with the advancement of the times, human needs are continuously evolving and increasing, especially in the field of information and communication technology, in tandem with the rising intensity of technology usage in daily life. Information and communication technology, which was once limited, has now become an inseparable part of human life and is increasingly becoming a primary necessity for people in today's era. This can be seen from the development of information and communication technology, which has shifted from radios, televisions, landline phones, and written correspondence to portable media such as laptops and wireless mobile phones that can be carried anywhere. The growing need for such technology is now accompanied by the growing demand for telecommunication technologies, particularly the internet. This is evident from the 2024 Indonesian Digital Society Index data, which shows that more than 80% of the population uses mobile networks to access the internet from anywhere.



Source: IMDI Report 2024 (imdi.sdmdigital.id)

Indonesia, as a developing country, is building telecommunication technology (the transmission of information over long distances) with the aim of fulfilling the needs of all its citizens for up-to-date information, both from within the country and abroad. The development of telecommunications in Indonesia is closely tied to government involvement, where the government has established a state-owned enterprise, PT Telekomunikasi Indonesia—commonly known as PT Telkom Indonesia—which operates across almost all regions of Indonesia to provide internet network services.

In its efforts to market its products, PT Telkom Indonesia must have good marketing management. According to Kotler and Keller (2016:27), marketing management is the art and science of choosing and acquiring target markets, retaining and increasing the number of customers, as well as delivering and communicating superior value to customers. Introducing products to customers requires appropriate marketing management because the company must have a clear target market to retain and increase its customer base. Additionally, according to Kinneer and Kenneth (in Setyaningrum et al., 2015:11), marketing management is the analysis, planning, implementation, and control of marketing decisions in the areas of product offering, distribution, promotion, and pricing. This is aimed at encouraging and facilitating mutually satisfying exchanges and fulfilling organizational goals. Therefore, marketing management is very important for PT Telkom Indonesia because all marketing management actions taken by PT Telkom Indonesia will determine the strategy for its products, which can enable desirable exchanges to achieve the company's goals of increasing sales.

A product is anything that is offered to the market to gain attention, be requested, and used so that it can fulfill and satisfy human needs. A product can be in the form of goods or services that serve as tools to meet the needs and wants of buyers. According to Tjiptono (2016:95), a product is anything that can be offered by producers to be noticed, requested, sought after, bought, used, and consumed by the market as a fulfillment of or response to market desires. The products offered can be tangible goods (physical and visibly real) or intangible goods (services without a physical form) that can satisfy human needs. The growing demand in the telecommunications business makes this industry highly attractive and has led to the emergence of many competitors to PT Telkom Indonesia, who offer similar services. However, PT Telkom Indonesia continuously innovates, improves services, enhances product quality, and adjusts prices according to the needs of the public or its consumers. The development of PT Telkom Indonesia as the first company focused on telecommunications can be seen from its beginnings in providing landline telephone services to its current innovations in creating internet service products.

PT Telkom Indonesia's efforts to maintain consumer trust and loyalty involve consistently maintaining product quality. Product quality is a factor that must be a top priority for the company as it can impact the level of consumer purchasing of the offered products, especially for service-based companies like PT Telkom Indonesia. Not only is innovation necessary, but attention to the quality of each product, whether resulting from innovation or existing products, is also crucial in influencing consumers' decisions to purchase a particular service or product. According to Kotler and Armstrong (2016:144), product quality is the characteristics of a product or service that depend on its ability to satisfy the needs of consumers/customers. Thus, the better the quality of the product produced, the higher the possibility of consumer purchases.

The aspects of product quality that can be evaluated by consumers and influence their purchasing decisions include the performance of the offered product in this case, PT Telkom Indonesia's internet service its features, reliability, conformance to specifications, serviceability, and perceived quality, which aligns with the product quality dimensions according to Tjiptono (2016:134), described as follows:

1. Performance. This refers to the main characteristic of a product in operation, or the core function of the product.
2. Features. These are secondary or supplementary characteristics of a product.
3. Reliability. The likelihood of the product experiencing failure or malfunction.
4. Conformance to Specifications. The extent to which the product's characteristics, design, and operation meet the standards established during product development.
5. Durability. Relates to how long the product lasts or endures over time.
6. Serviceability. Includes the speed, competence, convenience, and ease of service or repair, as well as how well the company handles customer complaints.
7. Aesthetics. The product's visual appeal or attractiveness as perceived by the senses.

8. Perceived Quality. The image and reputation of the product, as well as the company's responsibility for the product it offers to consumers.

Product quality is very important because the products offered will influence consumers' purchasing decisions. Consumer purchasing decisions are part of consumer behavior concerning how individuals, groups, or organizations choose, buy, and use goods or services to meet their needs (Kotler and Armstrong, 2016:158). The process of determining an individual's purchasing decision involves facing several alternatives that become product choices deemed suitable and capable of meeting their needs. Furthermore, purchasing decisions are influenced by individual factors that affect the buying decision process, starting from recognizing needs, searching for information, evaluating various alternatives, making the purchase decision, and evaluating post-purchase behavior (Darmmesta, 2014:4.5).

Referring to research conducted by Fuadi et al. (2022), the fluctuation of customers at PT Telkom Indonesia is influenced by consumer purchasing decisions related to the product quality of PT Telkom Indonesia. In addition, research conducted by Hizbullah (2017) showed that the product quality of PT Telkom Indonesia affects purchasing decisions by 20.0%. Purchasing decisions must be considered thoroughly, including the post-purchase process, to ensure consumer loyalty, and even to the point where consumers are willing to recommend PT Telkom Indonesia's internet products to others. Based on the background described above, the research problem of this article is: "How does product quality affect consumer purchasing decisions at PT Telkom Indonesia?"

METHOD

The method used in writing this scientific article is the descriptive qualitative method. According to Bogdan and Bikle (in Sugiono, 2020:7), descriptive qualitative research involves the collection of data in the form of words or images, rather than emphasizing numbers. The collected data will be analyzed and then described to make it easier to understand. This scientific article aims to provide a description, explanation, and interpretation of the current condition related to the analysis of the influence of product quality on consumer purchasing decisions at PT Telkom Indonesia.

DISCUSSION RESULTS

1. Marketing

Business strategies must be arranged and designed to cover all lines within the company. Once the product to be produced has been determined, the company must begin developing functional strategies, starting from research and development, production, finance, and marketing. The most vital functional line is marketing. This is because the concept of marketing does not only involve selling products to consumers, but includes all company activities starting from the idea of creating a product to achieving the company's ultimate goal, which is customer satisfaction. This aligns with the opinion of Kotler and Keller (2016:27) who stated that marketing is the art and science of choosing and acquiring target markets, retaining and growing the number of customers, as well as delivering and communicating superior value to customers.

Marketing at PT Telkom Indonesia must be carried out continuously with the aim of gaining new customers and retaining existing ones. Consumers in PT Telkom Indonesia's target market are the main focus in the implementation of marketing activities. These marketing activities should not only aim to promote products and generate profits, but more importantly, they must aim to retain existing customers and attract new ones.

2. Product Quality

Products in the marketing mix, according to Kotler and Armstrong (2016:62), involve managing product elements, including the planning and development of appropriate goods or services to be marketed by modifying existing products through adding features or taking other actions. Furthermore, Kotler and Armstrong (2016:272) explain that product quality refers to the characteristics of a product that rely on its ability to satisfy the stated or implied needs of customers.

PT Telkom Indonesia is the first company in Indonesia to focus on the development of telecommunications in the country. Currently, PT Telkom Indonesia focuses on internet service products that are distributed throughout Indonesia. To achieve the company's sales targets, it must carry out effective product marketing under the company's marketing management by creating the right marketing strategies.

An appropriate marketing strategy can be achieved by considering the factors that influence consumer purchasing decisions, particularly the product quality of PT Telkom Indonesia. Good product quality will be a primary consideration for consumers when deciding to purchase PT Telkom Indonesia's internet services. The company needs to pay attention to important aspects in improving, maintaining, or

enhancing its product quality, including product performance, offered features, reliability, conformity to specifications, durability, serviceability, aesthetics, and perceived quality by PT Telkom Indonesia's target consumers.

These aspects are crucial for PT Telkom Indonesia to address because, although the company is the pioneer of internet service products in Indonesia, it cannot be denied that many competitors have emerged and could become alternatives for previous loyal customers or those who have not yet decided to purchase PT Telkom Indonesia's products.

Product quality is critically important for producers or companies in this case, PT Telkom Indonesia because the product is the front line of the company and directly interacts with consumers. If consumers are satisfied with the product and its quality, they may become loyal customers and even recommend the company's products to others. This is also related to the post-purchase stage in the consumer decision-making process, which is a unified part of the overall consumer purchasing decision.

Generally, PT Telkom Indonesia's product quality is competitive with other existing competitors and is able to meet its customers' needs. The company is also perceived as more trustworthy as the pioneer of internet network services in Indonesia. However, a weakness in PT Telkom Indonesia's product quality is its delay in improving and developing product quality, which becomes a gap that competitors can fill, especially in major cities in Indonesia. Product quality significantly influences consumers' purchasing decisions, as is the case with PT Telkom Indonesia, where product quality has a considerable impact on consumer buying behavior.

3. Purchasing Decisions

A purchasing decision is the result of a consumer's decision-making process, which involves an integration process used to combine knowledge to evaluate two or more behavioral alternatives and choose one of them (Peter & Olson, 2014:163-164). In making a purchasing decision, a consumer faces the problem of having to choose from several available alternatives. Ultimately, the consumer's decision-making serves as a solution to their problem, focusing on the goals they want to achieve (Peter & Olson, 2014:165).

PT Telkom Indonesia needs to conduct effective market research and manage its marketing strategies well to understand consumers in its target market. This is related to the potential to influence the purchasing decisions of its target consumers so they choose PT Telkom Indonesia's products over alternatives from competitors. This becomes crucial because once the consumer decides to purchase PT Telkom Indonesia's product, the company has succeeded in making the target consumer ignore other alternatives.

4. The Relationship Between Product Quality and Purchasing Decisions

Purchasing decisions are influenced by individual factors that affect the buying decision process, starting from recognizing a need, seeking information, evaluating various alternatives, making the purchase decision, and evaluating post-purchase (Darmmesta, 2014:4.5). At the stage of evaluating alternatives, product quality is considered and will influence the consumer's purchasing decision. According to research, the product quality of PT Telkom Indonesia has a 20.0% influence on the purchasing decisions of its consumers (Hizbullah, 2017).

Product quality is important and affects consumer purchasing decisions, as supported by previous research indicating that the better the product quality, the higher the likelihood of purchasing decisions in favor of that product. Therefore, if PT Telkom Indonesia's internet services perform well when purchased or used by consumers, and the features provided make internet access easier, this will positively impact purchasing decisions. Furthermore, reliability must be consistently maintained to ensure continuous good service.

Additionally, conformity between product details communicated and the actual internet services delivered to consumers must be upheld to avoid customer disappointment. This ensures that purchasing decisions remain in favor of PT Telkom Indonesia's products.

PT Telkom Indonesia also needs to pay attention to product durability. While the company mainly offers services, it also has physical supporting products such as in-home internet transmitter devices, cables, and more. If these are prone to damage or have low durability, consumers may frequently report issues, which could prompt them to switch to alternative providers. The ease of access to repairs also needs to be considered as part of PT Telkom Indonesia's efforts to retain its customers and attract new ones.

Aesthetics and perceived quality must be positive and consistent. PT Telkom must ensure that the promised quality matches the actual quality received by the consumers to avoid dissatisfaction. These efforts can increase the company's future sales and provide an advantage in maintaining customer loyalty by maintaining high product quality, which greatly influences purchasing decisions of PT Telkom Indonesia's consumers.

Fluctuations in PT Telkom Indonesia's customer base are influenced by consumer purchasing decisions, which consider the quality of the products offered alongside other possible influencing factors. The relationship is directly proportional when product quality is good or improves, the consumer's purchasing decisions toward PT Telkom Indonesia's products also increase. This is because product quality is a top consideration for PT Telkom Indonesia's consumers, aside from other factors such as price, promotion, and more.

Conclusion

Product quality is crucial for PT Telkom Indonesia, as products serve as the company's frontline that directly interacts with consumers. If the product quality is high, consumers are more likely to become loyal customers and may even recommend the company's products to others. This is also related to the purchase decision process, which includes the post-purchase stage as an integral part of the consumer's decision-making journey.

The author's suggestion for PT Telkom Indonesia to become the primary choice and consistently preferred by consumers is to create superior product differentiation compared to competitors. This would help consumers consider Telkom's offerings more favorably during the purchasing process for instance, by offering larger internet data packages and more stable connection speeds. Due to the author's limitations in terms of time and resources for writing this academic article, the analysis was only conducted through literature studies and observations from the surrounding environment. Therefore, this article serves as a descriptive reflection of the social awareness present in the author's surroundings.

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