INFLUENCE OF PURCHASE INTENTION AND ATTITUDE TO WILLINGNES TO PAY

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Abstract

This study aims to analyze the Purchase Intention and Attitude towards the desire to Willingness to Pay. The research method is quantitative research. Respondents were 200 people who had bought Codipront. The data analysis technique used in this study is to use multiple correlation. The results of the study are: Purchase Intention has a positive effect on Willingness to Pay and; Attitude has a positive influence on Willingness to Pay.

Keywords: Service Quality, Customer Satisfaction, Customer Loyalty, Market Place

INTRODUCTION

The development of knowledge and information in the health sector has greatly influenced people's consumption patterns in purchasing health products and services. most people are willing to spend a lot more for health. Quality health services are part of the goal of Healthy Indonesia (IS) 2010 with the support of the availability of adequate medicines and medical equipment for the community. One of the components that play a role in helping health problems and the healing process is medicine. The role of medicine begins in efforts to improve health, prevention, diagnosis, treatment, and recovery.

There are two types of drug choices for consumption, namely patent/branded drugs and generic drugs. Until now, people still consider the quality of patented/branded drugs to be better than

generic drugs. Consumers tend to prefer to buy patented/branded drugs rather than generic drugs for consumption. This is evidenced by the large sales volume of patent/branded drugs which in 2010 reached 91 percent of the total national drug sales which reached 37 trillion. Ministry of Health data released in early 2010 showed that the market share of patented/branded drugs increased by 10 percent, from Rp. 30.3 trillion to Rp. 33.67 trillion in the last five years (Ministry of Health of the Republic of Indonesia, 2021).

This is due to people's buying interest. Buying interest is something related to consumer plans to buy certain products and how many units of product are needed in a certain period (Durianto & C, 2004). Plans to purchase a particular product usually obtain information about the product beforehand about its uses or benefits for that person. When people are sick, they will usually ask the doctor or the closest person to make sure which medicine they will buy to treat the pain they are suffering from.

The high public interest in patented drugs is also experienced by Codipront Cough Medicine. There are fluctuations in purchases every month in the period January to December 2018 as shown in the following graph.

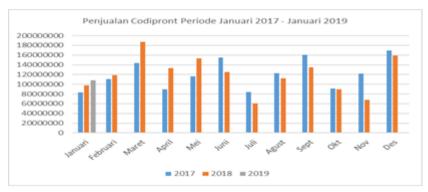


Figure 1.1 Codipront Drug Sales Period January – December 2018

Based on these data, it appears that consumers' Purchase Intentions will increase in the rainy season, where usually there is an increase in people who are sick with coughing. To increase consumer Purchase Intentions, maximum service is needed so that Customer Satisfaction can be achieved. Another thing that also influences is the public's attitude towards patented drugs. People choose patented/branded drugs as high-quality drugs, because of their proven efficacy based on their experience. Meanwhile, generic drugs are less attractive because the public considers that the quality of generic drugs is not guaranteed. Prescribing generic drugs is considered not prestigious, its usefulness is doubtful, and its active substance content is below standard. The current trend of buying and consuming patented/branded drugs is closely related to the characteristics, behavior, and preferences of consumers towards these drugs and the process of making purchasing decisions. This condition will actually be detrimental to the community because they spend more money to buy patent/branded drugs than generic drugs which are much cheaper, even though generic drugs

basically have the same efficacy, safety, and quality as the originator drugs. This has been proven by a series of BA/BE (Bioavailability/Bioequivalence) tests by the POM Agency (Anugerah, 2009). So far, drug supply and sales services, such as pharmacies, do not know clearly about the decision-making process for purchasing patent/branded drugs and what factors influence consumer preferences so that they tend to choose these drugs for consumption. Every consumer has different behavior and preferences towards a product. In purchasing drugs, consumers have their own perceptions and judgments based on the information they have received and digested. Therefore, it is necessary to do research on: "The Influence of Purchase Intention and Attitude to Willingness to Pay"

LITERATURE REVIEW

Willingness To Pay (WTP)

Gertler & Gaag (1990) put forward the concept of (Willingness to Pay) as a reflection of the values held and behavior of a person. The assumption used is that each household will make rational decisions that maximize satisfaction and benefits derived from the use of available resources. This means maximizing the satisfaction and benefits derived from the utilization of existing resources. Consumer surplus is the difference between what consumers are willing to pay and the actual price. Meanwhile, demand reflects the willingness of consumers to pay for a product.

WTP is the maximum amount of a person's individual status to be willing to pay for a good or (Wedgwood & Sansom, 2003). Mankiw (2013) defines WTP as the highest price each buyer is willing to pay using the consumer surplus approach of the demand curve. Consumer surplus is the value of a person's willingness to pay for an economic good minus the value actually paid by him. In general, the economic value of a good or service is defined as the measurement of the maximum number of people willing to sacrifice goods and services to obtain other goods and services. Formally, this concept is referred to as a person's willingness to pay for the goods and services produced. By using this measurement, the ecological value of an ecosystem, for example, can be "translated" into economic language by measuring the monetary value of goods and services (monetization). Willingness to pay can also be measured in terms of an increase in income that causes a person to be in a position of indifference to exogenous changes. These exogenous changes can occur due to changes in prices (eg due to increasingly scarce resources) or due to changes in the quality of resources.

So WTP can also be interpreted as the maximum amount someone is willing to pay to avoid a decrease in something.

Purchase Intention

Purchase Intention is a consumer's tendency to buy a brand or take action related to a purchase which is measured by the level of probability that consumers make a purchase according to (Assael, 2004).

Based on Swastha & Handoko (2008), Consumer purchase intentions are the activities of individuals who are directly involved in obtaining and using goods and services, including the decision-making process in the preparation and determination of these activities.

The definition of purchase intention according to Howard in Suwardi (2009:2) is buying interest is something related to consumer plans to buy certain products and how many units of product are needed in a certain period.

Based on Schiffman & Kanuk (2013) Purchase intention is a psychological activity that arises because of feelings (affective) and thoughts (cognitive) towards a desired product or service..

Meanwhile based on Simamora (2002) Interest is "something personal and related to attitudes, individuals, who are interested in an object will have the power or encouragement to carry out a series of behaviors to approach or get an object. Based on the exposure of the experts above, it can be concluded that purchase intention is the attitude of a consumer towards an object, then the individual's interest causes the consumer's desire to buy a certain product by exchanging it for money.

Based on Kotler & Keller (2016), customer buying decision – all their experience in learning, choosing, using, even disposing of a product. What more or less has the meaning of consumer purchase intention is a consumer behavior where consumers have a desire to buy or choose a product, based on experience in choosing, using and consuming or even wanting a product.

Based on Kotler & Keller (2016), there are six indicators of buying interest, namely: 1) the desire to make a purchase; 2) Product selection; 3) Experience and product selection; 4) Experience in using the product; and 5) Using the product.

Based on the explanation of the dimensions of asking to buy, it can be concluded that the dimensions of buying interest are; search for more information, desire to try the product, and desire to own the product.

Attitude

Consumer behavior includes many things, one of which is consumer attitudes. Attitude is an important thing in determining consumer buying interest. According to Moekijat Putra (2014) states that attitude or attitude is a trait or readiness to respond to a situation with a prepared reaction, attitude is a person's way of feeling, seeing, and interpreting certain situations.

While the notion of attitude according to Kotler & Keller (2016) describes a person's relatively consistent evaluations, feelings, and tendencies toward an object or idea. Attitudes tend to form consistent patterns. Attitudes are relatively difficult to change and attitudes make people behave relatively consistently towards an object. Attitude can be defined as an overall evaluation that

allows the individual to respond in a consistently favorable or unfavorable manner with regard to an object.

Next Lamb, Hair, McDaniel in Barus (2008) states that, "an attitude (attitude) is a learned tendency to form a consistent response to a given object, such as a brand. Attitudes depend on the value system of an individual representing personal standards of good and bad, right and wrong, and so on: therefore, attitudes tend to be more durable and complex than beliefs. The level of involvement in the purchase, depends on 5 (five) factors: previous experience, interests, perceived risk, situation, and social views.

Then according to Kotler & Keller (2016) states that "attitude is an evaluation, feeling, emotion, and tendency of action that is favorable or unfavorable and long-lasting in a person towards a particular object or idea".

Meanwhile, according to Secord and Backman in Azwar (2005) argues that "attitude is a certain regularity in terms of feelings (affect), thoughts (cognition), and the tendency of one's actions (konasi) towards an aspect of the surrounding environment".

According Engel, et al., in Ildrakasih, Chalil, & Ayu (2013) Attitude is a comprehensive evaluation that allows a person to respond in a favorable or unfavorable way to a given object or alternative. Furthermore, attitudes are conceptualized as positive or negative feelings toward a brand and are viewed as the result of brand evaluation and important evaluative attributes.

Based on the understanding of the exposure of the experts above, it can be concluded that attitude is a trait possessed by consumers to show a response to an object that is given in accordance with their respective personal standards.

According Kaffashi, Shamsudin, Radam, Rahim, & Yacob (2013) identify that there are two dimensions of attitude, namely: 1) *Salient belief*, 2) *Evaluation of the outcomes*

Based on the exposure of the experts above regarding the dimensions of attitude, it can be concluded that attitudes have at least two dimensions, namely: *salient belief, outcome evaluation*.

Theoretical Fremework

In this research, a framework of thought can be made that can be used as the basis for this writing which in the end can be known which variables affect willingness to pay The research variables used in this study are the desire to pay as the dependent variable. Sedangkan niat membeli, kepuasan konsumen, dan sikap sebagai variabel independen. This study tries to analyze how much these factors affect the willingness to pay. (Ribbink, Liljander, Riel, & Streukens, 2004).

Based on the explanation above about the flow of thought between research variables by referring to the results of previous studies and expert opinions, it can be described through a research model framework as shown below:

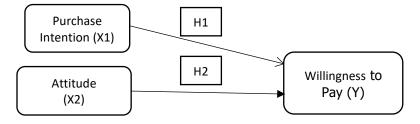


Figure 2. Concetual Framework

Research Hypothesis

1. H₁: Purchase Intention has an effect on Willingness to Pay

2. H2: Attitude has an effect on Willingness to Pay

RESEARCH METHOD

The research method used in this study is a quantitative method. according to Sugiyono (2016) Quantitative research is a research method based on the philosophy of positivism, used to examine certain sample populations, sample collection techniques are generally carried out randomly, data collection uses research instruments, data analysis is quantitative or statistical with the aim of testing predetermined hypotheses.

Population is a generalization area consisting of: objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then draw conclusions (Sugiyono, 2016). This population is people who have never taken codipront cough medicine. The sample is a subset of the population, consisting of several members of the population. The sample in this study was 200 people.

The data analysis technique used in this study is to use multiple correlation.

RESULT AND DISCUSSION

Multiple Linear Regression Test Results

To see the regression equation between Purchase Intention and Attitude towards Willingness to Pay, see the table below.

Table 1. Result of Multiple Linear Regression Equa

Result of Multiple Linear Regression Equation						
			Coefficients ^a			
		Unstandardized	d Coefficients	Standardized Coefficients		
Mod	el	В	Std. Error	Beta	t	Sig.
1	(Constant)	5,656	1,155		4,895	,000
	Purchase	,371	,053	,413	7,072	,000
	Intention					
	Attitude	,340	,054	,369	6,324	,000
a. De	ependent Variable: Wi	llingness to Pay				

Based on Table 1, the linear regression equation obtained is Y = 5,656 + 0,371X1 + 0,340X2. The meaning of the numbers in the above equation is as follows:

- 1. The regression coefficient value of the purchase intention variable is positive, which is 0.371. This can be interpreted that every one increase in purchase intention score, it will increase the desire to pay by 0.371 scores with a fixed attitude variable.
- 2. The regression coefficient value of the attitude variable is positive, which is 0.340. This can be interpreted that every one increase in the Attitude score will increase the willingness to pay by 0.340.

T Test Results

The t-test was used to partially test the effect of the independent variable on the dependent variable. In this study, the T test was used to examine the effect of purchase intention (X1), attitude (X2) on the effect willingness to pay (Y). The hypothesis is as follows

Hypothesis 1:

Ha: Purchase intention has a positive effect on Willingness to Pay

Based on Table 1. the Purchase Intention variable has a t-value of 7.072. The tcount value of the Purchase Intention variable is then compared with the ttable value. Thus tcount>ttable is 7.072 > 1.97190. The significance of the Purchase Intention variable is 0.000 and less than 0.05. So the conclusion drawn is that Ho is rejected and Ha is accepted. Thus, Purchase Intention has a positive effect on the Willingness to Pay.

Hypothesis 2:

Ha: Attitude has a positive effect on Willingness to Pay

Based on Table 1. the Attitude variable has a tount of 6324. The tount value of the Attitude variable is then compared with the ttable value. Thus tount>ttable is 6.324 > 1.97190. The significance of the Attitude variable is 0.000 and less than 0.05. So the conclusion drawn is that Ho is rejected and Ha is accepted. Thus the Attitude has a positive effect on the Willingess to Pay.

The Result of the Coefficient of Determination (R^2)

Determination analysis is needed to find out how big the percentage of the variables explained by the independent variables is. The following are the results of the analysis of the determination between the variables of Purchase Intention and Attitude towards the Willingness to Pay.

Table 2. Determination Analysis Results

Model Summary

Mode Adjusted R Std. Error of 1 R R Square Square the Estimate

1 ,645a ,417 ,411 4,317

a. Predictors: (Constant), Sikap, Niat Membeli

"Source: Calculation SPSS 22, 2021

From Table 2., the value of Adjusted R2 (R square) is 0.411 or (41.1%). This shows that 41.1% willingness to pay is explained by buying intention and attitude factors, while the remaining 41.1% is explained by other variables.

Discussion

1. Purchase Intention has an effect on Willingness to Pay

One of the factors that have been shown to have an effect on the willingness to pay based on the table above is purchase intention. Purchase intention is a consumer's tendency to buy a brand or take action related to a purchase which is measured by the level of probability that consumers

make a purchase according to (Assael, 2004). With the tendency in consumers to make purchases of goods to be bought, especially drugs used to make the body healthy.

The results of the t test also show that there is a positive influence between the purchase intention to buy and the willingness to pay as seen from the value of t count > ttable, which is 7.072 > 1.97190. This research is also in line with that conducted by Eichhorn & Meixner, (2020)whose research results state that paying for aquaponic products is significant and direct by purchase intention

Consumers who have an interest in owning a product are willing to sacrifice to have it. This is as revealed by Kotler & Keller (2016), there are six indicators of buying interest, namely: 1) the desire to make a purchase, 2) product selection, 3) experience and product selection, 4) experience in using the product, 5) using the product, and 6) the desire to own the product. So that people who have a strong purchase intention have the willingness to pay for the goods they need.

2. Attidue has an effect on Willingness to Pay

In addition to purchase intention, the desire to pay is also influenced by attitude. As shown in table 4.22 that Ho in the second hypothesis is rejected. This shows that attitude has a positive effect on willingness to pay. These results are also in accordance with research conducted by Leonardo, (2016) who in his research concluded that paying attitudes are positively related to willingness to pay. The attitude of someone who has a tendency to recover quickly from coughing, then that person will be willing to pay for the medicine he needs.

The results of this study are in line with the opinion expressed by Idaman, Yuliati, & Retnaningsih (2014) There are two dimensions of attitude, namely:

1. Behavioral belief

Behavioral belief have an understanding as consumers' beliefs about their behavior to buy cough medicine. They believe that cough medicine is healthy, has few side effects, and is effective.

2. Outcome evaluation

Outcome evaluation have an understanding of consumer activities to think about the benefits of their activities, namely buying cough medicine.

Based on this explanation, it appears that people who have confidence in the goods they want to buy that the drug is healthy, have few side effects, and are effective, then that person will have the willingness to pay.

3. Purchase Intention and Attitude together Towards Willingness to Pay

Based on the results of multiple linear regression analysis, Ho in the third hypothesis is rejected which can be seen from the comparison of Fcount with Ftable. Fcount obtained is 70.344 and Ftable is 3.06, so Fcount > Ftable. While the significance obtained from the F test is 0.000, thus

0.000 < 0.05 and proves that the research model of purchase intention and attitude can predict the model on the willingness to pay for consumers. Codipront cough medicine

CONCLUSION

The results of this study strengthen the theory that: there is an influence of purchase intention on the willingness to pay; There is an influence of attitude towards the willingness to pay, and the influence of purchase intention and attitude together towards the willingness to pay.

PT Kimia Farma provides information to consumers about the side effects of Codipront for its users by placing it in a section that is easily seen by consumers.

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