THE ROLE OF PRODUCT STRATEGY IN INCREASING CONSUMER BUYING INTEREST WHICH HAS AN IMPACT ON PURCHASING DECISIONS FOR SMES IN TUK JIMUN VILLAGE, KEMUNING SUB-DISTRICT, INDRAGIRI DOWNSTREAM DISTRICT

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Abstract: This research was conducted at the Tempe Chips UKM in Tuk Jinun Village. In achieving its goals, purchasing decisions are the key to business success. Consumer purchasing decisions at the UKM Tempe Chips in Tuk Jinun Village are less popular with consumers when compared to similar products, this of course cannot be separated from the product strategy and consumer buying interest. The aim of this research is to determine the role of purchasing interest in mediating product strategy on consumer purchasing decisions at the Tempe Chips UKM in Tuk Jinun Village. The sample in this study was 99 people. This research uses quantitative methods using IBM SPSS Version 21 software. The results of product strategy research influence consumer buying interest in the UKM Tempe Chips in Tuk Jinun Village. Product strategy influences consumer purchasing decisions at the Tempe Chips UKM in Tuk Jinun Village. Consumer buying interest mediates product strategy and influences purchasing decisions at the Tempe Chips UKM in Tuk Jinun Village.

Keywords: product strategy, purchase interest, purchase decisions

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1. Introduction

Business managers must think creatively and innovatively to continue to provide competitive advantage and differentiation in modern business competition which is increasingly dynamic, complex and full of uncertainty. Companies not only strive to make great products, sell them at great prices, and make them easily accessible to consumers who need them. Companies also need to develop effective marketing strategies, or communications, especially for consumers. The marketing function is very important for businesses in carrying out all activities related to the flow of goods and services from producers to final consumers. By focusing on marketing activities, it is hoped that it can influence customers' choices about what they buy. Purchasing decisions are a concept in purchasing behavior where consumers decide to act or do something and in this case make a purchase or utilize a particular product or service (Balawera, 2013). Purchasing decisions are something that is very important to pay attention to because purchasing decisions are something that companies use to create marketing strategies that will be carried out. One of the things that companies need to pay attention to when marketing products to be sold is to understand consumer needs, know consumer desires and consumer tastes. A deep understanding of consumers will enable marketers to influence consumers' decision processes, so that they are willing to buy what the marketer offers (Yulindo 2013).

Consumer purchasing decisions require consumer trust in the product, so that they believe that the actions taken are correct. Consumer confidence in purchasing decisions refers to how confident consumers are in their decision to purchase a particular good or service. Consumer behavior is influenced by many variables, including product, price, brand, features, and promotions. Factors that influence a consumer's decision to buy a product can come from the consumer himself or from external sources.

According to Kotler (2013) a person's purchasing decisions are influenced by cultural factors, social factors, personal factors, psychological factors. Meanwhile, according to Nainggolan and Heryenzuz, (2018) purchasing decision making is influenced by external factors which are information input for consumers originating from marketing efforts carried out by companies such as products, prices, services, location, promotions, then information input originating from the social environment. culture which includes family, informal information sources, other non-commercial information sources, social class, and culture. And internal factors are factors that arise from within consumers including motivation, perception, learning, personality, attitudes and beliefs.

Research was carried out on one of the UKM products in Tuk Jimun Village, where UKM players carry out their business activities on tempeh chips products. This tempeh chips product is produced by several housewives who are trying to help their family's economy. This tempeh chips product is marketed through small stalls and food stalls. However, what business actors feel is that sales of tempe chip products are still not selling as well as other products. This will certainly affect the turnover that business actors will receive. Purchasing decisions cannot be separated from consumer purchasing interest. Purchase intention (willingness to buy) is the stage where consumers form their choice among several brands that are included in the choice set, then ultimately make a purchase on the alternative they like most or the process that consumers go through to buy a good or service based on various consideration. According to Kotler and Keller (2013) "Purchasing interest is behavior that appears as a response to objects that indicate the consumer's desire to make a purchase." According to Durianto and Liana (2014) "Purchasing interest is something that is related to consumers' plans to buy a particular product and how many units of the product are needed in a certain period." As was done during the survey, it showed that consumers who shopped were more interested in other chip products, this was because the products offered in small stalls and food stalls showed that product packaging and products that looked less attractive, this would certainly have an impact on consumers' buying interest in the product. offered. Where the product is one of the keys to success for business people in marketing their products. There is a real need for a product strategy to increase sales in the future.

Based on the problems above, the author is interested in raising the title, namely The Role of Product Strategy in Increasing Consumer Buying Interest, Which Impacts Purchasing Decisions in SMEs in Tuk Jimun Village, Kemuning District, Indragiri Hilir Regency.

This research was carried out with several objectives to be achieved, namely as follows:

1. To analyze the influence of product strategy on consumer buying interest
2. To analyze the influence of product strategy on consumer purchasing decisions
3. To analyze the influence of purchasing interest on consumer purchasing decisions
4. To analyze consumer buying interest mediating product strategy on purchasing decisions

2. Literature Review

The purchasing decision is one of the stages in the purchasing decision process before post-purchasing behavior. In entering the purchasing decision stage, consumers have previously been faced with several alternatives, so that at this stage consumers will take action to decide to buy a product based on the choices that have been determined.

According to Kotler and Armstrong (2016) purchasing decisions are part of consumer behavior, consumer behavior is about how individuals, groups and organizations choose, buy, use and how goods, services, ideas or experiences satisfy their needs and desires.
According to Pakpahan M (2016), the purchasing decision is a buyer's decision which is also influenced by his or her personality characteristics, including age, occupation, economic situation. Consumer behavior will determine the decision-making process in making purchases.
According to Buchari Alma (2013), purchasing decisions are consumer decisions that are influenced by financial economics, technology, politics, culture, products, prices, locations, promotions, physical evidence, people and processes. So that it forms an attitude in consumers to process all information and draw conclusions in the form of responses that emerge for the product to be purchased.
Based on these definitions, it can be concluded that purchasing decisions are how consumers decide to buy or use an item/service by recognizing and processing it before making a purchasing decision. Every consumer or customer must identify their needs according to what they want, then look for information about the product and consider and determine which product they will decide to buy or use. Purchasing decisions cannot be separated from various consumer characteristics (consumer behavior) so that each consumer has different habits in making purchases.
There are also factors that influence purchasing decision behavior according to Kotler and Keller (2016):
1) Cultural factors (cultural factors)
a) Culture is a collection of basic values, perceptions, desires and behavior learned by members of society from family and other important institutions. Culture is a fundamental determinant of desires and behavior.
b) Sub-culture (subculture), is consumer behavior in the form of groups of people who have various value systems based on life experiences and common situations. Sub-culture consists of nationality, religion,
c) groups, races, and geographic regions. Many sub-cultures form important market segments, and marketers often design products and marketing programs to suit their needs.
d) Social classes reflect the lifestyle of a consumer in the form of divisions in society that are relatively homogeneous and permanent, and are arranged hierarchically and whose members adhere to the same values, interests and behavior.
2) Social Factors (social factors)
a) Reference groups are two or more interacting people who achieve personal or shared goals. A group has a direct (face to face) or indirect influence on the person's attitudes or behavior.
b) The family is the most important consumer purchasing organization in society and family members represent the most influential primary reference group. There are two families in the buyer's life, namely: the family of orientation consisting of parents and siblings, the family of procreation, namely the partner and children.
c) Social roles and status (roles and status), roles consist of activities that are expected to be carried out by someone around them. Each role carries a status that reflects the respect given by society. A person adapts to many groups, families, clubs and organizations. Groups are often an important source of information in helping define behavioral norms. We can define a person in each group of which he is a member based on the role and status he has.
3) Personal Factors (personal factors). Personal factors are also influenced by personal characteristics including age and stage in the buyer's cycle, occupation and economic circumstances, personality and self-concept, such as lifestyle and values.

According to Kotler & Keller (2016: 137), buying interest is a type of consumer behavior that occurs as a response to an object that shows the consumer's desire to buy something. Purchase interest is part of the behavioral elements in consumer attitudes. Meanwhile, according to Schiffman & Kanuk (2015: 228), buying interest is an explanation of a person's attitude towards an object which is very suitable for measuring the behavior of certain products, services or brands. According to Priansa (2017:164) purchasing interest is something that is related to consumers' plans to buy a particular product and the number of product units needed in a certain period. According to Rahima (2018) consumer buying interest is basically a driving factor in buying a product. The factors that influence the emergence of buying interest in consumers are as follows:

1. Encouragement from oneself (individual), Encouragement for curiosity that arouses a desire to learn, read and conduct other research.
2. Social Motives, can arouse interest in carrying out certain activities. For example, interest in dressing because you want to get approval or acceptance and attention from other people.
3. Emotional Factors, Interests related to emotions. For example, if your interest is successful, you will maintain that interest, and if you fail, you will stop pursuing that interest.

According to Kotler & Armstrong (2018: 266), translated by Sabran, products are all things offered to the market to attract attention, acquisition, use or consumption that can satisfy a want or need.

According to Kotler & Keller (2019:4), translated by Sabran, a product is anything that can be offered to the market to satisfy a want or need, including physical goods, services, experiences, events, people, places, property, organizations, information, and idea.

So a product is anything offered by consumers, both tangible and intangible, which is accepted by the buyer in order to satisfy the consumer's desires or needs. In this case, consumers can be satisfied when consuming the product and their needs can be met.

According to Assauri (2018: 199) product strategy is determining the right method and provision of products for the target market, so that it can satisfy consumers and at the same time increase company profits in the long term through increasing sales and increasing market share.

According to Assauri (2018) product strategy includes:

1. Trademark (Brand). A brand is a name, term, sign or symbol and a combination of two or more of these elements which is intended to identify (goods or services) from a seller and differentiate them from competing products. Determining the trademark of the product being marketed is one of the product policy techniques that underlies marketing strategy. This is because the trademark should be easy to remember, easy to read and easy to distinguish.
2. Packaging. Packaging is not only used to protect products, but is also used to please and attract customers. Therefore, this packaging is included in the product strategy, by improving the external shape of the product, such as wrapping, labels, colors, etc. so that it can attract the attention of consumers, and can give the impression that the product is of good quality and quality.
3. Quality. The quality of a product is closely related to the issue of consumer satisfaction, which is the goal of the marketing activities carried out by the company. Quality is one of the main tools to achieve product positioning. Quality states the level of ability of a particular brand or product to carry out the expected function. Judging from the products produced, it turns out that there are benefits from procuring products of a certain quality. Quality must be chosen by considering the target market of a particular segment and the strategies of its competitors.

4. Services. The success of product marketing is also determined by whether the service provided by a company is good or not in marketing its products. Services provided in the marketing of a product include services when offering the product, services in purchasing or selling the product, services when delivering the product being sold, which includes services in transportation and services after or after sales, which includes a guarantee for damage to the product within a certain period of time. (for example 6 months) after the product is purchased by the consumer.
5. Product Mix. Product Mix is a combination of all products (product lines and product items) that a company offers/sells to its buyers. A company's product mix is seen from the width, product type, product depth, and product consistency. Product mix width is the number of product lines contained in the company.

Research Model
Based on the description above, the following research model can be designed:

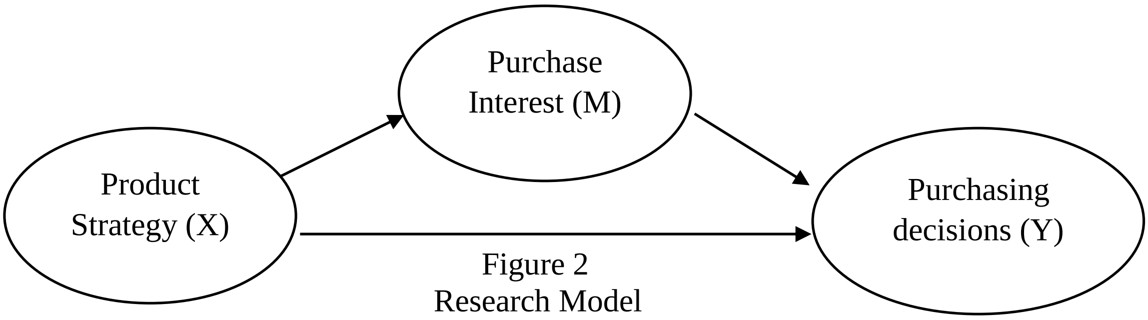

Figure 2
Research Model

Hypothesis
Based on the background of the problem and research model above, the following research hypothesis can be formulated:
Hypothesis 1: Product Strategy influences Purchase Intention
Hypothesis 2: Product Strategy influences Purchasing Decisions
Hypothesis 3: Purchase Interest influences Purchase Decisions
Hypothesis 4: Purchase Intention acts as a mediating variable between Product Strategy and Purchase Decisions

3. Method

The object of this research is all consumers. This research uses quantitative methods. The population in this research is all consumers. The total sample was 100 respondents selected using the Accidental Sampling method. Data collection techniques use observation, literature study and questionnaires. The data analysis technique used in this research is path analysis.

4. Result and Discussion

Validity and Reliability Test
The validity test used is to measure the validity of the questionnaire. After the validity test is carried out, a reliability test is carried out. Furthermore, in carrying out a validity test by looking at the correlation coefficient >0.3, if the correlation coefficient is greater than 0.3 then the questionnaire is said to be valid, as well as reliability, if the Croanbach Alpha is greater than 0.6 then it is said to be reliable. The following are the results of the Validity and Reliability tests for each of the Product Strategy, Purchase Interest and Purchase Decision variables.

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Table 1. Validity and Reliability Test Results

Statement	Correlation Coefficient > 0,3	Croanbach's Alpha > 0,6
Product Strategy (X)		
X1	0,864	
X2	0,852	
X3	0,775	0,847
X4	0,863	
X5	0,887	
Purchase Interest (M)		
M1	0,791	
M2	0,854	0,838
M3	0,814	
M4	0,813	
M5	0,976	
Buying decision (Y)		
Y1	0,815	
Y2	0,841	
Y3	0,865	0,816
Y4	0,824	
Y5	0,846	

Processed Data Source, 2024.

Path Analysis

Statistical calculations in path analysis use regression analysis which is used as a tool with the SPSS For Windows version 21 computer program.

Table 2. Path Analysis Results of the Direct Influence of Product Strategy on Purchase Intention

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2,543	1,295		1,964	0,000
Product Strategy (X)	0,596	0,078	0,620	7,612	0,000
R Square	= 0,384				

Processed Data Source, 2024

The equation from the table analysis above is M = 0.620X + e1

From the table above, a Standardized Coefficients value of 0.620 is obtained, which is a path value, meaning that Product Strategy has a positive influence on Purchase Interest. The significant value is <0.05, from these results the Product Strategy variable directly has a positive and significant effect on the Purchase Interest variable.

Table 3. Results of path analysis of the direct influence of product strategy on purchasing decisions

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	8,515	2,030		4,195	0,000
Product Strategy (X)	0,669	0,123	0,292	5,456	0,000
R Square	= 0,242				

Processed Data Source, 2024

The equation from the table analysis above is Y = 0.492X + e2

From the table above, a Standardized Coefficients value of 0.492 is obtained, which is a path value, meaning that Product Strategy has a positive influence on Purchasing Decisions. The significant value is <0.05, from these results the Product Strategy variable directly has a positive and significant effect on the Purchasing Decision variable.

Table 4. Path Analysis Results of the Direct Influence of Purchase Interest on Purchase Decisions

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	10,565	1,569		6,734	0,000
Purchase Interest (X)	0,725	0,126	0,513	5,768	0,000
R Square	= 0,263				

Processed Data Source, 2024

The equation from the table analysis above is Y = 0.513X + e2

From the table above, a Standardized Coefficients value of 0.513 is obtained, which is a path value, meaning that Purchase Interest has a positive influence on Purchase Decisions. The significant value is <0.05, from these results it follows that the Buying Interest variable directly has a positive and significant effect on the Purchasing Decision variable.

To calculate the magnitude of the indirect effect, you need to multiply the two coefficients in the two equations.

Indirect effect = 0.620 x 0.513 = 0.318

So the magnitude of the indirect influence of Product Strategy on Purchase Decisions through Purchase Interest is 0.318. This means that the influence of Product Strategy on Purchasing Decisions through Purchase Intention is greater than the influence of Product Strategy on Purchasing Decisions directly because 0.318 > 0.292.

In this research, the results of the Sobel test were carried out using an online calculator. The Sobel test can be seen in the following picture:

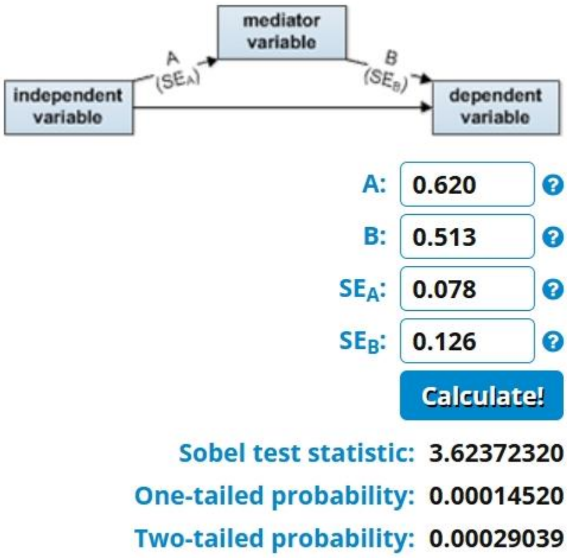

Figure 2. Sobel test

Figure 2 shows a one-tailed probability value of <0.05 and a two-tailed probability value of <0.05. Bear in mind that the results of the Sobel test of Product Strategy on Purchasing Decisions with Purchase Intention as a mediating variable are positive and significant.

The following are the results of the analysis of the Product Strategy variable on Purchasing Decisions through Purchase Interest as mediation in the picture below:

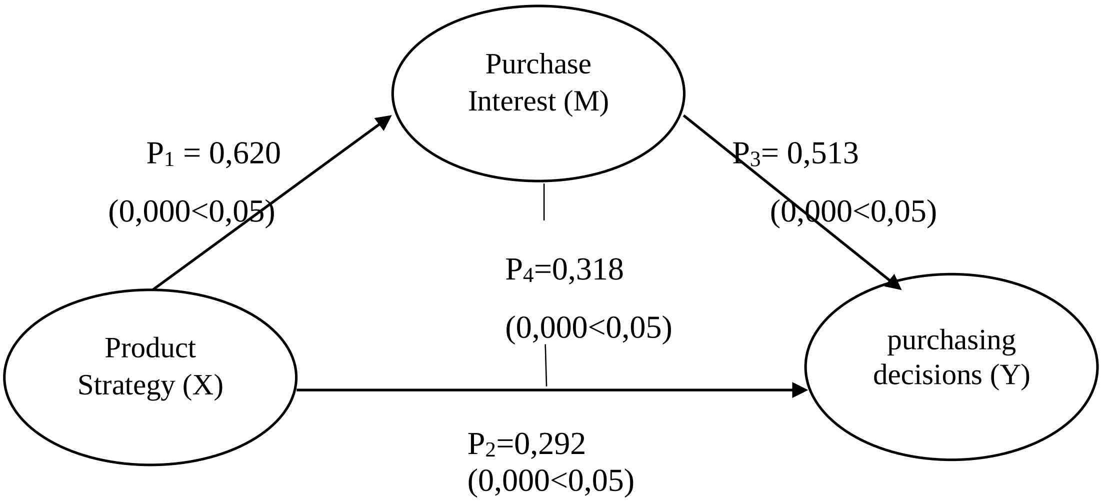

Figure 3. Path Diagram

Figure 3 shows that: 1) Product Strategy (X) directly has a positive and significant effect on Purchase Interest (M). 2) Product Strategy (X) directly has a positive and significant effect on Purchasing Decisions (Y). 3) Purchase Interest (M) directly has a positive and significant effect on Purchase Decisions (Y). 4) There is an indirect influence between Product Strategy and Purchase Decisions which is mediated by Purchase Interest. It can be concluded that Purchase Interest partially mediates the influence of Product Strategy on Purchase Decisions. This is in accordance with the theory put forward by MacKinnon in Arlinda (2015), if the independent variable to the dependent variable is statistically significant and there is significant mediation too, then it is called partial mediation

5. Conclusions

Product Strategy on Purchase Intention

Based on the research results, it shows that there is a significant influence between Product Strategy and Purchase Interest. The higher the Product Strategy among consumers, the greater the interest in purchasing the products being sold**.**

Product Strategy on Purchasing Decisions.

Based on the research results, it shows that there is a significant influence between Product Strategy and Purchasing Decisions. Where Product Strategy is a reason for consumers to consume products, if the Product Strategy for consumers is high then consumer Purchasing Decisions increase.

Purchase Interest in Purchasing Decisions

Based on the research results, it shows that there is a significant influence between Purchase Interest and Purchase Decisions. Where buying interest is high, consumer purchasing decisions increase.

Purchase Interest acts as a mediating variable between Product Strategy and Purchase Decisions.

Based on the research results, it shows that Purchase Interest mediates the influence of Product Strategy on Purchase Decisions positively and significantly. Where it can be said that a high Product Strategy supported by Buying Interest will result in high Purchasing Decisions. Of course, it can be said that the role of Buying Interest in mediating Product Strategy and Purchasing Decisions can contribute to the process of improving Purchasing Decisions in companies so that company goals can be achieved.

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