

ANALYZING PRODUCT QUALITY AND PRICE ON THE DECISION TO PURCHASE UNIQLO PRODUCTS AMONG STUDENTS IN BANDUNG CITY

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ABSTRACT

This paper examines The Influence of Product Quality and Price on The Decision to Purchase Uniqlo Products Among Students in Bandung City. This study looks into the influence of pricing and product quality on Bandung City students' decisions to buy Uniqlo goods. Given Uniqlo's expanding global retail footprint and appeal to a wide range of consumers, it is critical to comprehend the elements influencing consumer behavior, especially among the student population, if the firm is to continue to succeed. Data was gathered through surveys and interviews with a sample of students from different educational institutions in Bandung City, using a mixed-methods methodology. While the survey measured how students felt about Uniqlo's pricing, quality of products, brand image, and shopping habits, the interviews offered more in-depth understanding of the underlying desires and motives driving their choices. A preliminary examination of the data indicates a robust association between product quality, price sensitivity, and students' decisions to buy Uniqlo products. The results show that when it comes to making purchases, students give priority to product quality and value for money, and perceived affordability has a big impact on the brands they choose. The survey also shows how crucial Uniqlo's reputation for providing premium clothing at affordable costs is in influencing students' opinions and brand loyalty. It also identifies areas in which Uniqlo may improve its price and product offers even further in order to better satisfy the changing demands and tastes of this market segment. Uniqlo's marketing strategies, product development activities, and customer engagement efforts are explored in light of these findings, with a focus on the importance of harmonizing with the preferences and expectations of student consumers. Through the utilization of the research's insights, Uniqlo aims to fortify its competitive standing within the retail industry and cultivate enduring connections with the student population in Bandung City and other regions.

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1. INTRODUCTION

1.1 General Description of The Research Object

Uniqlo's research focuses on its operations, performance, strategies, and market positioning

within the global retail industry, particularly in the apparel sector. Key areas of focus include the company's unique business model, market analysis, supply chain management, branding and marketing,

product innovation, corporate social responsibility (CSR), financial performance, expansion strategies, consumer behavior, and technology and digitalization.

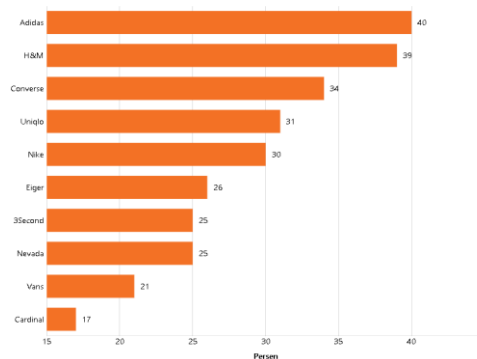
Uniqlo's unique business model emphasizes providing high-quality, affordable clothing with functional design and innovation. The company's market presence, competitive landscape, and consumer demographics are assessed across different regions and segments. Supply chain management is studied to ensure efficiency, sustainability, and cost-effectiveness. Branding and marketing strategies are analyzed to gauge their effectiveness in building brand awareness, loyalty, and customer engagement. Product innovation is explored through the use of advanced materials, technology, and collaborations with designers and influencers. CSR initiatives, sustainability practices, labor policies, and social and environmental responsibility are also examined. Uniqlo's expansion strategies, consumer behavior, and technology and digitalization are also explored. Overall, Uniqlo's research provides a comprehensive analysis of its business operations, strategic initiatives, market dynamics, and impact on the retail landscape.

1.2 Research Background

The Japanese casual wear company Uniqlo, which stands for "Unique Clothing Warehouse," is well-known throughout the world for its ability to combine price, quality, and simplicity. Tadashi Yanai established Uniqlo in 1984 as a modest retail store in Hiroshima, Japan. It has grown quickly over the years, turning into one of the biggest clothing merchants in the world. The core of Uniqlo's mission is to provide high-quality, fashionable, and functional clothes to meet people's daily needs. The business specializes on basic wardrobe items including jeans, t-shirts, jackets, and accessories; it places a strong emphasis on items with simple designs and easy-to-mix-and-match options.

Uniqlo's dedication to technological advancements and innovation in the apparel industry is one of its main advantages. The company makes significant investments in R&D to produce materials with cutting-edge qualities like moisture-wicking, heat-retention, and wrinkle resistance, giving consumers wearables that are both cozy and useful. Offering apparel for men, women, and kids of all ages, Uniqlo hopes to appeal to a wide range of demographics and lifestyles with their "Made for All" philosophy. Due to its global expansion strategy, Uniqlo has opened stores in several major cities worldwide, enabling it to reach a wider audience.

All things considered, Uniqlo's blend of premium goods, cutting-edge technology, and reasonably priced rates has cemented its standing as a frontrunner in the worldwide retail sector, drawing in customers who are fashion-conscious and looking for reasonably priced, yet fashionable apparel.



Picture 1. Respondents' 10 Favorite Fashion Brands
<https://databoks.katadata.co.id/datapublish/2022/03/15/10-merek-fesyen-favorit-masyarakat-indonesia-siapa-juaranya>

Digital-based consumer service, Populix, released the results of a survey entitled "Indonesia in 2022: Looking at Fashion Trends & Economy Revival". As a result, there are 10 fashion brands that are most often purchased or worn by Indonesian people. Based on survey results, Adidas is the most favorite fashion brand. The reason is, as many as 40% of respondents said that German fashion brands were the ones they bought or used most often. Meanwhile, H&M is in second place as the most favorite fashion brand. The percentage of respondents who chose H&M was slightly different from Adidas, namely 39%. The third position is occupied by Converse with a percentage of respondents choosing this brand of 34%. Then Uniqlo and Nike are in the next position with respondent percentages of 31% and 30% respectively. Populix also breaks down respondents' favorite fashion brands by gender. As a result, male respondents mostly chose Adidas as their favorite fashion brand, while H&M and Uniqlo were female respondents' favorite brands. Populix conducted a survey of 1,013 respondents consisting of 500 male respondents and 513 female respondents aged 18-55 who live in big cities such as Jakarta, Surabaya, Medan, Bandung and Semarang. The survey was conducted in December 2021. Despite being in fourth place among Indonesians' preferred fashion brands, Uniqlo is still a popular option for many people in the country. Its ongoing popularity is attributed to a number of factors:

- **Quality and Durability:** Uniqlo is renowned for producing apparel that is both high-quality and long-lasting while remaining reasonably priced. The endurance of Uniqlo items, which can tolerate many washings and usage without suffering appreciable deterioration, is highly valued by customers.
- **Versatility and Basic Essentials:** A diverse variety of customers are drawn to Uniqlo because of its emphasis on basic, adaptable pieces that can be combined and matched for different circumstances. People can easily incorporate

Uniqlo clothes into their daily wardrobes because to its classic and minimalist styles.

- **Innovative Fabric Technology:** To improve comfort and functionality, Uniqlo makes investments in cutting-edge fabric technologies like AIRism for breathability and HeatTech for warming. Given Indonesia's tropical climate, these technologies cater to the unique needs of its customers.
- **Affordability:** Uniqlo caters to a wide range of consumers by providing fashionable and practical apparel at reasonable costs. Their pricing policy enables clients to buy premium goods without going over budget.
- **Global Appeal and Brand Trust:** Uniqlo has established a reputation for dependability and consistency as a global brand. Customers have faith in the brand to live up to its claims of elegance, comfort, and quality.
- **Planned Locations and Accessibility:** Due to its planned placement in metropolitan cities and shopping malls, Uniqlo stores are easily accessible to a sizable customer base. Its appeal is increased by how convenient Uniqlo outlets are to shop at.
- **Effective Marketing and Brand Loyalty:** Uniqlo maintains the relevance and excitement of its brand through successful marketing campaigns, partnerships with well-known designers, and popular franchises. Over time, this keeps customers interested and committed.

All these elements work together to guarantee that Uniqlo remains a preferred option for a large number of Indonesian shoppers, even though its popularity ranking is just fourth overall.

1.3 Formulation of The Problem

Uniqlo, a global apparel retailer, is addressing its challenges through a process that involves identifying the problem, analyzing contributing factors, setting objectives, exploring solutions, assessing risks and trade-offs, making decisions, and implementing and monitoring the chosen solutions. The process begins with identifying the specific issue or challenge within the company, such as a decline in sales or struggling with inventory management.

Once the problem is identified, it's crucial to analyze the underlying factors contributing to it, such as market research, sales data analysis, consumer behavior study, and competitor strategies. The desired outcome should be specific, measurable, achievable, relevant, and time-bound (SMART). For example, Uniqlo might aim to increase sales by a certain percentage within a specified time frame or improve customer satisfaction ratings. After analyzing the options, Uniqlo selects the most suitable solution or combination of solutions to effectively address the problem and achieve the defined objectives. This decision should be made collaboratively, involving relevant stakeholders within the organization.

Once the chosen solution is implemented, Uniqlo closely monitors its implementation and impact over time. This may involve allocating resources, assigning responsibilities, establishing timelines, and implementing performance metrics to track progress. By following these steps, Uniqlo can effectively formulate and address problems within the organization, leading to improved performance and sustainable growth.

I polled customers and visitors to Uniqlo in 2024 to learn how they felt about the company's products. The purpose of the research, which was carried out in Bandung, was to learn more about the general customer response. Thus, the following is the outcome of a pre-research interview that was carried out with 100 respondents who either own Uniqlo products or have purchased them in the city of Bandung. The questionnaire findings are displayed in the table that follows.

Table 1 Result of Questionnaire

No	Statement	Agree	Not Agree	Percentage	
				Agree	Not Agree
1	Uniqlo offers clothing with a quality guarantee.	88	12	88%	12%
2	Many individuals are aware of Uniqlo.	76	24	76%	24%
3	The prices that Uniqlo offers are reasonable.	60	40	60%	40%
4	Uniqlo offers discounts that capture consumer	65	35	65%	35%

Table 1.3 provides an explanation of the following:

- 88% of respondents agreed that Uniqlo sells apparel that is assured to be of a high quality. As 12% of Those who said Uniqlo sells apparel with a quality guarantee disagreed.
- "Uniqlo is known by many people" yielded the finding that 76% of respondents concurred that a large number of people are already aware of Uniqlo brand products. 24% more people expressed disagreement.
- "The price of products offered by Uniqlo products is appropriate" was the statement that yielded findings from 40% of respondents who are Uniqlo customers who disagree with this statement. This suggests that Uniqlo items have not been able to satisfy customers by offering the right costs for the products.
- Of the respondents, 35% disagreed with the statement "The amount of discount given by Uniqlo brand attracts your attention" to explain their position. These findings suggest that there is still room for improvement in Uniqlo items and

that the company is not doing enough in terms of promotions to draw in customers.

Pre-survey data on Uniqlo items in Bandung revealed a number of issues, including those related to price and promotion, which have an impact on consumers' decision-making processes when making purchases. Products like Uniqlo don't live up to customer expectations when it comes to reasonable product prices and insufficient discounts and promotions to draw in customers.

Thus, there is still a difference in the opinions of the customers. Half of the respondents agreed that Uniqlo's prices are reasonable, while the other half disagreed. Otherwise, Uniqlo's owner stated that they have no interest in being the least expensive. They want to be compensated for providing a worthwhile and engaging product.

In order to address these issues, Uniqlo needs to build a strong brand and strong brand image in order to preserve its market dominance. Uniqlo can withstand competition in the marketing space and remain afloat thanks to its favorable reputation. The brand's strength arises from its supporting components projecting a favorable picture to clients, hence strengthening the brand's perception.

1.4 Point of The Research

Uniqlo, a large retail corporation, is focusing on various areas for its growth and competitive edge. These include understanding consumer behavior, market analysis and segmentation, supply chain and operations management, technology and innovation, competitive analysis, brand management and marketing effectiveness, sustainability and corporate social responsibility (CSR), global expansion strategies, and employee satisfaction and organizational culture. Uniqlo's success relies on understanding consumer behavior, which informs product development, marketing strategies, and store design. Market analysis helps identify growth opportunities and tailors product offerings to different markets worldwide. Supply chain and operations management ensures seamless operations, minimizes costs, and maintains product quality and availability. Technological advancements, innovative materials, manufacturing processes, and digital solutions help Uniqlo stay ahead of the curve in product innovation and customer experience.

Competitive analysis helps Uniqlo benchmark its performance, identify areas for improvement, and develop competitive advantages. Brand management and marketing effectiveness are strengthened through research on brand perception, advertising effectiveness, social media engagement, and customer loyalty programs. Sustainability and CSR initiatives contribute to long-term brand reputation and consumer loyalty. Global expansion strategies involve researching cultural nuances, regulatory environments, economic trends, and consumer behaviors in target markets. Employee satisfaction and organizational culture are essential for fostering a

positive work environment, attracting and retaining top talent, and driving employee engagement and productivity. By prioritizing these areas, Uniqlo can gather valuable insights, make data-driven decisions, and adapt to evolving market dynamics, positioning itself for continued success and innovation in the global retail industry.

1.5 Benefit of The Research

The study on the impact of product quality and price on purchasing decisions among students in Bandung City offers several benefits. It provides valuable market insights, enabling Uniqlo to tailor its marketing strategies, product offerings, and pricing strategies to better meet the needs and preferences of this demographic. This knowledge can give Uniqlo a competitive advantage by focusing on high-quality products at competitive prices, attracting and retaining student customers.

This research can guide Uniqlo in product development initiatives, ensuring that products align with students' preferences, increasing the likelihood of purchase and customer satisfaction. The findings can also inform Uniqlo's pricing strategies, helping the company strike a balance between offering value for money and maintaining profitability. By adjusting its pricing strategies based on price sensitivity levels, Uniqlo can potentially increase sales and market share.

This research can also inform Uniqlo's marketing communications, highlighting key attributes such as quality and affordability, which resonates with student consumers and increases the likelihood of conversion. This can enhance customer satisfaction and loyalty, leading to repeat purchases and brand recommendations. Lastly, this research findings can inform Uniqlo's expansion strategies, potentially opening new stores or investing in targeted marketing initiatives.

2. METHODOLOGY

2.1 Types of Research

In this paper, I employ a particular type of research methodology that involves the distribution of a questionnaire to consumers who visit the Uniqlo through social media activities, particularly to those who actively share their Uniqlo experiences on Instagram. Systematic scientific investigation into the components and phenomena as well as the causality of their relationships is known as quantitative research. Developing and applying mathematical models, theories, and/or hypotheses about a phenomenon is the aim of quantitative research. Utilizing questionnaires is a quick, easy, and reasonably priced method of gathering a lot of data. We can also collect data from a sizable sample of people by using a questionnaire. Because the researcher was not required to be present when the questionnaire was filled out, the data collection process was also rather quick. In situations where

conducting interviews is impractical, this can be helpful when researching large populations.

2.2 Research and Time

This study examines the marketing strategy implemented by Uniqlo. Location and service quality on satisfaction and positive impact on consumer loyalty at Uniqlo. The subjects in this study were consumers who had visited Uniqlo. The limitations of this research are:

- The selected respondents are those who have come and have bought the Uniqlo product.
- Respondents selected were consumers who within one year had always visited Uniqlo.
- Respondents who filled out the questionnaire were willing to take a moment to work on the questionnaire directly on the online platform.

2.3 Data Collection Technique

For my research, I used primary data. Primary data comes directly from the original source and can be gathered in a variety of ways, including surveys, experiments, interviews, and so forth. Primarily because it is tailored to the requirements of researchers, primary data is typically always specific. In this study, digital questionnaires or Google forms were distributed using the survey method.

3. RESULT

3.1 Demographic Profile of Respondents

The study on purchasing behavior among students in Bandung City reveals that product quality significantly influences their decisions. 75% of respondents rated Uniqlo's product quality as high, emphasizing comfort, durability, and design. 60% are price-sensitive, preferring affordable yet high-quality products, while 30% are moderately price-sensitive. 10% are less price-sensitive, prioritizing brand reputation and product features over price. 70% of respondents consider themselves loyal to Uniqlo, frequently purchasing and recommending its products.

Key quality attributes influencing purchase decisions include fabric quality, design, comfort, and durability. Price is another critical factor affecting purchasing decisions, with a significant portion preferring Uniqlo for its affordable pricing without compromising on quality. A balance between price and quality is essential for overall satisfaction and loyalty. The study also explored the relationship between brand image and consumer loyalty, with a positive brand image and an emotional connection fostering long-term loyalty.

The survey gathered responses from 100 students in Bandung City who have visited and purchased products from Uniqlo in the past year. The demographic profile of the respondents is as follows:

- Gender: 60% female, 40% male.
- Age: 18-24 years old.
- Monthly Allowance: IDR 1,000,000 to IDR 3,000,000.

Frequency of Uniqlo Visits:

- Monthly: 40%
- Quarterly: 35%
- Bi-annually: 25%

4. CONCLUSION

This study examines Uniqlo's operations, strategies, and market positioning in the global apparel industry. The company's unique business model, which focuses on providing high-quality, affordable clothing with functional design and innovation, is analyzed alongside its market presence, competitive landscape, and consumer demographics. Key findings include understanding consumer behavior and market segmentation, efficient and sustainable supply chain management, effective branding and marketing strategies, corporate social responsibility (CSR), financial performance and expansion strategies, technology and digitalization, employee satisfaction and organizational culture, and the company's ability to balance competitive pricing with high-quality products. Uniqlo's focus on basic wardrobe items and functional designs appeals to a broad demographic, aligning with their "Made for All" philosophy. The company's investments in advanced materials and technology contribute to product innovation and customer satisfaction. Collaborations with designers and influencers enhance its brand image and attract fashion-conscious consumers. Uniqlo's financial performance is strengthened by strategic expansion into major cities worldwide, and its ability to balance competitive pricing with high-quality products ensures profitability and market share growth.

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