

Marketing Strategy, Quality of Production against Price to Meet Customer Satisfaction

Dr. Patta Rapanna
Lecturer of Economics of Makassar
High School (STIEM BONGAYA)

Dr. Sitti Mujahida
Lecturer
(STIE AMKOP Makassar)

Andi Sulfati
Lecturer of Economics of Makassar
High School (STIEM BONGAYA)

Abstract:- Type of qualitative research through the phenomenological approach, the research results show that the quality of goods production, services and prices have a close relationship, the quality of a product will impact on the price level offered to the community, means the higher the price of an item then the quality of goods is also good, and vice versa, other than that marketing plays an important role in the process of distributing the goods, tentunysynergitas between goods, prices and marketing will Progress and increase sales of the goods to the community.

Keywords:- Strategy, Production, Consumer, Satisfaction, Community.

I. INTRODUCTION

The Era of globalization promises a new business opportunity and challenge for every company, on the other it brings up increasingly intense competition between local and even multi-national companies. Therefore, the company should immediately position its marketing strategy towards the market share. Product quality is seen as very necessary and is one of the factors that determine the company's success in attracting consumers to make a purchase while satisfying consumers. Satisfaction will be achieved and can be enjoyed by consumers when the quality of the products provided is able to provide relative value to consumer expectations. Quality starts from consumer needs and ends in consumer perception (Kotler, 2005: It can be interpreted that good quality can be seen from consumer perception, not company perception.

The diverse consumer desires cause the company to be able to reassess what the consumers want in the present and upcoming. This is a company's concern for company productivity to meet the target. The company can expand or expand the market. If the company has noticed consumer behaviour, then the next step is to make the wisdom of the marketing strategy related to the product.

Conceptually, the product is the subjective understanding of the producers ' something ' that can be offered as an effort to achieve organizational objectives through fulfilling the needs and wishes of consumers, according to the competence and capacity of the Organization And the purchasing power of the market. In addition, the product can also be defined as consumer

perception that is described by the manufacturer through its production. It is certain that consumers choose good quality products compared to other products. It is not easy to produce good quality goods when raw materials are expensive and high level of competition. But at least the producers still pay attention to the quality of products ever launched to the market. The successful presence of a company depends heavily on individual reactions and from the group's reactions expressed in the form of purchase patterns. Therefore, the knowledge and understanding of consumer behaviour becomes very important for the company.

Good product quality is a very important thing to reach the market. Because it will be based on customer satisfaction. Customer satisfaction can be defined as follows: Consumer satisfaction is the level of consumer feeling after comparing performance (relative value) perceived with its expectation (Tjiptono, 2001b: 24), customer satisfaction is an evaluation Purnabeli where the selected alternatives are at least the same or exceed customer expectations, while dissatisfaction arises when the outcome does not meet expectations (Engel, et.al., 1999: The above definition can be inferred by the sump conclusion WA is essentially consumer satisfaction covering the difference between expectation and performance or the perceived outcome of a product.

➤ Problem Formulation

1. What are the factors that affect the quality of production of the price to meet consumer satisfaction?
2. How does quality impact/quality of production to meet customer satisfaction?
3. How is the strategy to improve production quality against the price to meet consumer satisfaction?

II. LITERATURE REVIEW

A. Customer Satisfaction

It also finds that overall satisfaction is relatively stable all the time. Research also shows that loyalty, satisfaction and quality are closely related. The reason this research is valuable is because it also demonstrates the loyalty attributed to the more profitable prices of consumers. According to Gaspersz (2005:34), consumer satisfaction can be defined as a condition where the needs, desires, and expectations of consumers can be fulfilled through the products consumed.

➤ According to Kotler and Amstrong, (2001:452) Pricing strategies can be:

1. *Sale Price Fixing*

Pricing decisions such as other marketing mix decisions, must be oriented to effective buyers, include understanding how much a consumer has placed on the benefits they receive from products and pricing According to the buying value.

2. *Price Elasticity*

How responsive the request is to a price change if the request is barely changed due to slight price changes, then the request is not elastic or inelastic. If the request changes a lot, we call the request elastic. Increasingly not elastic suatui demand, the more likely the seller to raise the price.

3. *Competitor Price Comparison.*

Another factor that affects the company's pricing decisions is the competitor's price and the likelihood of a competitor's reaction or pricing action that a consumer company may be likely to buy a product for Value of other similar comparative products.

➤ According to Kotler (2000:536-541) There are several price adaptation strategies as follows:

1. *Geographical Price Penetration*

Geographic price penetration requires companies decide how to set prices for customers in different locations and countries.

2. *Discounts and Discounted Prices.*

Companies will generally clarify their baseline prices to reward customer actions, such as initial payments, purchase volume and purchases off-season.

3. *Promotion Pricing*

Promoted price implementation strategies are often zero-sum games. If successful, the competitor will immediately impersonated it so that its effectiveness is lost for the company. If it doesn't work, it will spend the real money a company can use for long-term, impactful marketing tips, such as improving product and service quality, and enhancing product imagery through advertising.

4. *Pricing of Discrimination.*

The pricing of discrimination is so if the company sells a product or service at two or more prices that do not compromise the difference in cost proportional.

5. *Application of Product Mix Price*

Pricing logic must be modified if the price is part of a product. In this case, the company seeks a set of prices that maximize the overall profit of the product mix. Pricing is intertwined and influenced by varying levels of competition.

In the pricing and attention of the various steps, these measures are to choose the pricing objective, analyze the pricing situation, choose the pricing strategy situation and determine the final price and price adaptation (Lingga Purnama, 2002:128).

➤ According to Fandy Tjiptono (2000:167) The factors influencing the price are as follows:

1. *Selling price*

The selling price is the final price that the manufacturer will set a product after calculating all production costs.

2. *Price suitability*

That the low price of the company defined according to the quality of the product, so that consumers will get a balanced benefit with the amount of money incurred.

3. *Price comparison*

A comparison of the prices set by the company with other companies with similar products or substitution so that consumers will be able to set their choice against some alternative products.

➤ According to (Xia et al, 2004.) in the journal Influence Of Price And Quality To Customer Satisfaction The price indicators can be:

1. *Price Perception*

The buyer's perception of price is based on price relativity and the performance of the (Ol,1998.). When buyers see the quality of the product equal to the price offered, their perception is that they feel satisfied after purchasing the product. Similarly, when the price of a product matches the expectation of a person then the person's perception of the price offered will tend to be good that allows the person to make purchases of the product.

2. *Procedural Price*

Procedural pricing is information given to consumers regarding matters relating to the process of buying and selling transactions that will be carried out. Like how to make a payment and how to get discounted. The way to make the payment should be explained as best as possible to consumers so that consumers feel satisfied about the service provided. The company must provide the best possible information regarding the payment to be made, whether by cash or credit, whether the payment through the interbank transfer or via credit card will make it possible for the customer to purchase. In that way it is hoped that many consumers buy the product because of the ease of making a purchase.

3. *Feminism Price*

Fairness of Price is one of the factors that affects consumer satisfaction. The price of a product offered must be reasonable and not much of a price change. So that consumers can buy the product with a reasonable hafrga or in accordance with their expectations. If the price of a product offered is not natural or different from the price of

another similar product then the consumer will be more interested in the product that provides a price that suits the buyer's ability. The price of products that have a lot of price difference with other similar products makes consumers will choose the product at a reasonable price or according to the ability of the buyer.

B. Product Quality

Some sense of quality according to some experts. That quality is a dynamic condition related to product, human or labor, processes, and tasks, as well as an environment that meets or exceeds the expectations of customers or consumers (Garvin and Davis 1994) quality is a dynamic condition relating to products, services, human beings, processes, environments that meet or exceed expectations (Tjiptono 2002:51) according to Wykof (in Lovelock, 1990). Quality objectives refer to the actual technical advantages of verifiable and measurable products (Monroe & Krishman 1985). In contrast, the impression of quality is a consumer assessment of the overall product excellence or superiority (ZEITHAML 1988). The perceived quality of the product is a global assessment ranging from bad to good, characterized by a high level of abstraction and refers to specific consumption settings. The results of the research reported by Caruana (2002) and Tsiotsou (2006) Verify the previous role of quality perception and suggest a direct effect of quality perception on consumer satisfaction. It is thus expected that the higher the perceived quality of a product, the higher the consumer satisfaction.

Implementation of a marketing strategy aimed at building a brand image and increasing market share. To build long-term relationships with consumers, marketers must ensure that the perceived quality of their products among consumers is high. So when developing a marketing strategy, marketers should consider the perception of quality and every marketing-related factor. Knowledge of the intention of buying and quality of products must be owned by the marketing manager to develop marketing strategies so that the products sold can be received and liked by consumers.

Product quality perception can also be used by marketers as segmentation criteria to identify consumer groups. The results show that consumers with different perception of quality (low, medium, high) differ also in satisfaction level and purchase intent. Thus market segmentation is used to achieve marketing objectives and respond to the challenges of competitors.

➤ Speaking of product quality, there are several things related to the quality of products that can be described as follows (Supriyadi, 2004:84).

1. Reliability (reliability)

Product reliability means that the product has the ability to be used for long periods of time and can be said to be a durable product. Durable or durable products will make consumers satisfied and loyal to the product because consumers feel benefited with products that are not easily

damaged so consumers do not need to make money again to buy new products. Product reliability is one factor of product image formation in the eyes of consumers. If the product used by consumers has good product reliability, it will impact on good product image and will be sought by consumers because of the reliability of the product. Sebalikya if the product used by the consumer has the reliability of the product is not good, then the consumer will switch to another product that has good product reliability.

2. Performance

Related to things such as the existence or product, color and material of the maker. Interesting product forms will increase the purchasing power of consumers to use their products. The appearance of products that follow the time make more added value in the eyes of consumers, consumers will be more attracted to sophisticated products and not outdated. The colors of the products used should be free of harmful chemicals, so as not to adversely affect consumers. Choosing the right product color makes consumers more interested in buying the product. The color of the product is not easily faded and durable makes the product has a good image of the consumer. Product-making materials should also be of good quality, so consumers are easier to use and feel satisfied with the product.

3. The Art Value of a Product (Aesthetics)

The quality of a product is also seen from the product's artistic value. Products that have a high aesthetic or artistic value will affect the selling price and purchasing power of the community. To make the product more recognizable to consumers, the company should design different products with its competitors. Good product design can improve product marketing in a variety of ways, for example, to facilitate product marketing operations, increase the value of quality and product durability, increase product performance. Often effective design can also help the savings in the cost of manufacturing products.. It can be said that a good design can attract attention, renew performance, lower costs and communicate the value of the product into the target market (William J. Stanton, 1984:284).

4. Ability to Provide Serviceability Services

For consumers to feel satisfied after buying products. The company must provide good service while the products that have been purchased by the consumer are damaged and cannot function properly. The purpose of providing this product is to convince buyers that the company will compensate if the product is not functioning as it should be.

It is actually not easy to define product quality appropriately. Product quality is a very broad concept not only emphasize the outcome aspect but also the human and the process. There is some understanding of the quality of products submitted by the experts, including: product quality is the entire characteristic and of a product or service on the ability to satisfy expressed or implied needs (Kotler, 2005:49). According to Rambat Lupiyoadi and A. Hamdani (2009:176) said that: "Product quality is the

production process of an item, where the quality of products provided by the company can create a positive perception of customers towards Customer satisfaction and loyalty. " And according to Sofjan Assauri (2009:361) states that: "Product quality is a technical composition based on the technical specifications of a product".

From the explanation above, it can be concluded that the product quality is the focus of the success of a company. Therefore, every company always strives to be able to continuously improve the quality of its products. The quality of the product should not only be seen from the user's side or customer's perspective. In this case the quality of the product should reflect the product's ability level to provide the benefits expected by the user or customer through the physical object of the product.

Product quality distinguishes it by competitors ' products, production cost savings so that lower, can be a pioneer in their field, the competitive advantage gained reflected in the quality capabilities of the products produced and the level of Relatively low cost, and can meet the promised delivery time. The quality of the product is how it has value that can satisfy customers both physically and psychologically, pointing to the attributes or properties contained in an item or outcome.

C. Product Quality Dimensions

According to Orville, Larreche, and Boyd (2005:422) When the company wants to maintain its competitive advantage in the market, the company should understand what aspects of the dimensions are used by consumers to differentiate products sold by the company Competitors ' products. Product Quality dimensions are:

1. Performance, related to the characteristics of the basic operation of a product.
2. Durability (endurance), which means how long or age the product in question persists before the product must be replaced. The greater the frequency of consumer consumption of products, the greater the durability of the product.
3. Conformance to Specifications (conformance with specification), i.e. the extent to which the basic operating characteristics of a product meet certain specifications of the consumer or not found defects in the product.
4. Features, is a product characteristic designed to enhance the functionality of the product or to increase consumer interest in the product.
5. Reliability (reliability), is the probability that the product will work satisfactorily or not within a certain period of time. The less likely the occurrence of damage will be reliable.
6. Aesthetics (aesthetic), related to how the product looks can be seen from the look, taste, smell, and shape of the product.
7. Perceived Quality, is often said to be the result of the use of measurements made indirectly because there is a possibility that the consumer does not understand or lack information on the product in question. Thus,

consumer perception of the product is derived from the price, brand, advertising, reputation, and country of origin.

III. RESEARCH METHODS

Types of qualitative research through the phenomenological approach.

IV. DISCUSSION

A. Factors affecting product quality

The quality of the product is directly influenced by nine Basic or 9M fields. In today's industry in every field relies on a large number of conditions that overload production through a way that has never been experienced in the previous period. According to (Sofjan Assauri, 2009:362) say that:

1. Market (Market)

The number of new and good products offered in the market continues to grow at an explosive pace. Customers are directed to trust that there is a product that can meet virtually every need. In the present day customers request and acquire a better product fulfilling this. The market becomes larger in its scope and is functionally more specialized in the goods offered. With increasing company, the market becomes international and global. Eventually businesses should be more flexible and able to change direction quickly.

2. Money (Money)

Increasing competition in many areas along with the world economic fluctuations has lowered the profit margin. At the same time, the need for automation and manufacturing drive production drives large cost expenditures for new processes and fixtures. The addition of factory investments, to be paid through the rising productivity, inflict a substantial loss in producing due to the very serious manufacturer and rework of the goods. This fact focuses attention on the manager on the field of quality cost as one of the "soft points" where operating costs and losses can be lowered to improve profit.

3. Management (Management)

Quality responsibility has been distributed among several special groups. Now the marketing section through its product planning function, should make the product requirements. The Planning section is responsible for designing products that will meet those requirements. The production part develops and repairs the process to provide enough capabilities in making the product conform to the design specifications. Quality control plans plan quality measurements across the entire process flow ensuring that the end result meets the quality and quality requirements of the service, once the product is up to the customer becoming an important part of the product package Total. This has added top management burden, especially increasing difficulty in allocating appropriate responsibilities to correct deviations from quality standards.

4. *Man (Men)*

Rapid growth in technical knowledge and the creation of whole new fields such as computer electronics creates a great demand for workers with special knowledge. The same time this situation creates a demand for engineering systems that will invite all areas of specialization to jointly plan, create and operate various systems that will guarantee a desired outcome. The same time this situation creates a demand for systems engineering experts who will invite all areas of specialization to jointly plan, create and operate a wide range of systems that will guarantee a desired outcome.

5. *Motivation (Motivation)*

Research on human motivation shows that as an additional reward for money, today's workers need something that strengthens the sense of success in their work and the recognition that they personally require a donation of Achievement of the Company's objectives. This leads to a pre-existing need for quality education and better communication on quality awareness.

6. *Material (Material)*

Due to production costs and quality requirements, engineering experts choose materials with stricter constraints than before. Consequently the material specifications become more stringent and the diversity of materials becomes larger.

7. *Machinery and Mechanise (Machine and Mechanization)*

The company's demand to achieve reduced costs and production volumes to satisfy customers has driven the use of factory equipment which becomes more complicated and depends on the quality of the materials inserted into the machine. Good quality is a critical factor in maintaining machine uptime so that amenities can be fully used.

8. *Modern Information method*

The evolution of computer technology opens up the possibility to collect, store, retrieve, manipulate information on a scale that was unimaginable before. This new information technology provides a way to control the machine and process during the production process and control the product even after the product is up to the customer. The new and constant data processing methods provide the ability to manage useful, accurate, timely and predictive information that underpins decisions that guide the future of the business.

9. *Production process requirements (Mounting Product Requirement)*

The rapid advancement in product design requires stricter control over the entire product manufacturing process. Increasing requirements for higher achievement for products emphasizes the importance of product safety and reliability.

B. *Quality impact/product quality in the competition.*

The product is one of the factors that can affect the competitive edge, in addition to its price and distribution range. Therefore, every company develops its products, in order to be able to compete with rival products in the market. The most important element in the product is quality/quality. There is often a difference in interpretation of what is meant by quality. In terms of the manufacturer's view, quality/quality is often interpreted as a technical composition based on the technical specifications of a product. While in terms of view of the consumer, the quality is intended as the product's ability level to fulfill what the consumer expects to a product in its possession. What the consumer expects can be the endurance or lifespan of a product in the face of the development of the situation (such as technology) and so forth. Therefore, from the side of view Si kosumen, product quality is very related to consumer satisfaction. With the satisfaction of a product by the consumer, the better the position of the product is in competition, because the more sought and demanded by the products by the men.

The above view corresponds to the understanding of the product, namely something goods or services to meet the needs and desires of the consumer satisfactorily. This product is the center of attention or focus for every business. In terms of business, the products are, what is produced and marketed companies. For consumers or customers, the product is a reflection of the company that generates it, so that we know the Sanyo goods are different from the goods or products of national. When compared to the two, then there is one superior to the other. So for competitors, the product is a target that must be won in competition in the market.

Products not only satisfy customers, but also satisfy and simultaneously create and build a company's excellence from sharing existing functions such as sales, production/operations and finance, so as to outperform competitors in the market. Attempts to outperform competitors in the market are carried out with the promise of bidding to consumers or customers through the market for physical activities or objects that may only be made with investments in technology. As for customers or consumers the product is an acceptance of promises about the obtaining of functional satisfaction, experience and symbols created through real physical objects or certain activities. From this view, the product is created in the relationship of the company and the consumer through the relationship that is in the market, where from the company's view emphasis on the bidding through investing in technology. While from the view the consumer emphasis on experience, satisfaction and the symbol of the real physical object.

The success of a company in competition to market its products, simultaneously is a function and as a barrier by the ability to create and conduct business as a physical object, where customers buy the benefits and Product as a psychosocial symbol for consumers. The products and brands have a side of the symbol. For the product level, the

Station Wagon car looks not the same as the Sport car for the consumer or the customer. The Sport car is more noticeable as a symbol of young people and speed, while the Station Wagon car is more visible as a family and practical car. As for brand level, there is the best measurement level of the symbol for company positioning, which is seen from brands that are endeared or unendeared among existing products. As an example of the Mercedes Benz sports cars and the Porsche brand, it shows different symbols for the owner in support of the satisfaction he hoped for.

The explanation above shows that the quality of a product is strongly influenced by the customer's view. In addition to that the success of the company in competition is determined by the level of quality of products produced and forged, which affects the position of the product in the market.

C. Company strategy to improve product quality

Each company seeks to increase its product position in the competition in the market, because the product is an output of the production process offered to the market for attention, purchase, use or consumption that can satisfy the desire Or needs and is one of the factors that can affect competitive advantage. Increasing product position in per rival because of the satisfaction of the product so that the more sought and asked by consumers or in other words company products are said to be of high quality or according to taste Consumer. One strategy implemented by the company is the strategy to improve the quality of a product. This strategy is the company's effort to make the company's products in demand and buy that can ultimately increase the position of the product in competition.

Product quality improvement strategy in a company is a management of the quality or the quality of products implemented by the company to create products desired by consumers. The basic approach applied in quality management consists of:

1. Through product research and development activities.

Research and development of products is a very important activity and activities that can not be ignored, if the company in question wants to develop. Product research is about what products and what the consumer is liked. Research of this product will be very useful for the company concerned because with the research of this product the company will be able to promote products that are liked by consumers (Ahyari, 2000).

With the selection of products that consumers like, when supported by product quality and marketing network, the company's product sales will be increased so that it can reach a satisfactory number of units. While product development is essentially a company effort to always create new products, improve and modify the old products to meet the demands of the market and customer tastes (Yamit, 2007). In product development activities, existing products are further developed so that it has a higher level of usability, and is more liked by consumers.

In developing product development strategies, producers faced with various challenges, among others: a) The limited ideas about new products, b) markets that are increasingly terkotak-kotak, c) Social barriers and Government factors, d) costs Higher product development, F) the product age is becoming shorter.

In addition, new product development challenges are still overshadowed by the risk of failure not only when production but when products are introduced to markets caused by forced craving, lack of market research, confusion in Predict the absorbent power of the market, lack of promotion, too high prices as well as competitors who do imitation company products.

Toffler (in Yamit, 2007), predicts that there will be an increase in the range of products for certain types of goods. From day to day the predicted type of product will increase, consumers will many choices and will quickly get bored with products because of the many emerging new products. Therefore it is necessary to be clear and genius in fulfilling the wishes of the customer by going through the product development. Product development cannot be separated from product life cycle. This is because each product will experience stages of product life i.e., introductory stage, growth, saturation, and decline. The objectives of the product development activities are: due to changes in consumer tastes, technology change, to improve the quality of products, to reduce costs, due to deterioration of the performance of the company, weakening Collective position, competitors are increasing, and the product age is getting shorter.

2. Through the observation of product life cycle status.

Good products are always through the design stage, production, parachuted into the market and then through the lifecycle of the product life cycle ranging from introduction, growth, maturity, saturation, then finally slump and die. Before the end of the product is in the decline or death stage, the business organization must be optimally to develop the product in order to replace the old product position. This is because most of the products will get to a level of saturation to eventually decline in demand until the product is no longer desirable to consumers, although it is undeniable that this does not apply to all products. The company always strives to extend its product life cycle so that the investment is better (Arif, 2010).

The basic concept of life-cycle products exposes producers on two wishes i.e., firstly, because all products will experience deterioration, manufacturers should prioritize new product development to replace the old product. Secondly, manufacturers should observe the status of each product's life cycle and adapt the marketing strategy to the demands of each stage in the product's life cycle concept.

Many examples of products that successfully passed the phase of the cycle of the product's lifecycle, even had a long maturity time. But many examples of products that do not succeed to pass the cycle of the product life even

disappear when entering the introductory stage without successfully passing the next stage. When the product first appeared at the introductory stage, the product does not always have good performance, expensive prices and consumers are still hesitant to buy so it needs product development. When the product goes in the second stage, the product has been improved, standardized and cheaper, consumers do not hesitate to buy so that the company's sales will grow more and the product will be used by consumers. Then the product entered the third stage, the product became mature, the consumer liked, trusted in its appearance, reliability is high and the price is reasonable. Before the product finally entered the slump or die stage, the company should work optimally to develop its pro-level to replace the old product position so that the company's sales volume did not drastically decrease.

3. *Total Quality Management (TQM) approach.*

In the era of globalization, competition becomes sharper. Companies in the past have only competed at the regional and national level, in the present time must face global competition. Only companies that can produce quality according to the demands of customers can win the competition.

Total Quality Management is a management system that elevates quality as a business strategy and is oriented to customer satisfaction by involving all members of the Organization (Isshikawa in Nasution, 2005). TQM is a management system that focuses on people/employees and aims to continually increase the value given to customers with the cost of creating lower values than the value of a product. TQM requires the commitment of all members of the Organization to improve all aspects of organizational management. So TQM is an approach in running a business that tries to maximize the competitiveness of the organization through continual improvement of its products, services, manpower, processes and environment.

Basically, the concept of TQM contains 3 elements (Bounds et al., in Hessel, 2003), namely; 1) Customer value strategy, is the benefit that customers can get for the use of goods/services produced by the company and the customer's sacrifice to acquire it. This strategy is a business planning to provide value for customers including product characteristics, way of delivery, service and so on; 2) organisational system, which focuses on providing value to customers. The system includes manpower, materials, process flows, information flows, and decision-making; 3) Continuous quality improvement, which is required to face the ever-changing external environment, especially changes in customer tastes. This concept demands a commitment to continuously test product quality that can satisfy consumers.

The implementation of TQM on the production process is carried out at every stage in the production process. The production process consists of three stages, namely preproduction, production, and postproduction. Preproduction is the stage before the production process, which is determination of design quality system and

product certification. Design quality determines clear product specifications through the involvement of all departments with the establishment of a cross-functional team of members and a variety of disciplines that can improve product quality. Production stage (input, process, output) is required quality assurance using statistical supervision.

In the production process, the implementation of TQM in three ways, namely: first, eliminate or reduce the storage of production processes so that the percentage of damage is not present or small and product quality is better using the statistical quality control method ; Both presses on maintenance preventive to prevent machine damage and prevent errors in the production process; Third, through employee self inspection as one of the elements in process management that raises employee awareness to always maintain quality. Post production required quality assurance regarding the accuracy of product distribution to customers.

The organizational competitive advantage is the way organizations create value for customer production costs. Two competitive advantages are low cost and differentiation product. Low cost is achieved by increasing the efficiency of all activities at the lowest possible cost. Differentiation product is a quality of different products and better than competitors, proper delivery, service, ease of use, and other factors that are a differentiator with competitors.

4. *Through the product attributes*

In improving the competitiveness of product quality, it can be done through product attributes. The product attribute is a component that is the properties of the product that guarantees that the product can meet the needs and wishes of consumers (Gitosudarmo, 2002). If a product has attributes or properties that correspond to what the buyer expects, the product is deemed suitable by the consumer. Such products are considered successful Products. The product attributes can be done in a tangible (technically) and intangible (non-technical) nature. Through product attributes (technically) such as through product features, shape and size design, packaging or wrapping, brand and label. While the attributes of the product are intangible (non-technical) this is such a good name and already well known from the manufacturer of such goods.

Often these intangible attributes are present on the customer's wishful or image to the brand name that is given to the product. By providing the right brand name will be able to create an impression and a good image of the consumer to the marketed product. Even sometimes the consumer image comes from a logo or trade mark that is shot in the product wrap. The attributes of a product beside that reflected in its own product such as its shape, durability, color, aroma there is also product attributes consisting of packaging, brand, logo image or trade mark and its label. From that attribute a product will be viewed by consumers differently from the products issued by its competitors. The difference in consumers ' views or perceptions of a variety of similar products offered by

various companies to them is the result of consumer vision and the consumer experience of those product attributes. Each product will have different attributes with other product types so that the product is easily known.

5. *Through product strategy differentiation (product differentiation)*

Differentiation strategy is a strategy with the aim of making products and services considered unique across the industry and aimed at consumers who are relatively less concerned about price changes (Porter in David, 2004). Companies that conduct business strategy differentiation products demands product innovation to be able to create and develop products according to market demand. Product innovation will appear when the company has an operating mission that is a guide in the development of its products. Without product development can lead to customer dissatisfaction and ultimately result in a decline in sales. So, product differentiation strategies are of different quality and are better than competitors, timely delivery, service, ease of users, and other factors that constitute a differentiator with competitors.

In the product differentiation strategy (product differentiation), the company strives to be unique in its industry along several dimensions that are generally appreciated by its buyers. The company selects one or more attributes that are deemed important by many buyers in an industry, and uniquely puts themselves to meet that need. The company is priced at premium price due to its uniqueness.

Companies that can achieve and maintain differentiation will be a company that performs above average in the industry in case the price premium exceeds the extra cost required to be unique. Therefore a differentiator should always look for ways of differentiation that results in a premium price that is greater than the cost of licensing. A differentiator should not ignore the cost position, as the price of the official will be eliminated by a striking cost position.

The logic of a differentiation strategy requires the company to choose an attribute to coordinate a different self with its rival attributes. The company's products must be unique to something or uniquely felt if want to expect a premium price.

D. *Purpose of product quality improvement*

The company must have a clear policy regarding the quality of a company's products. The goal of improving product quality is:

1. For the resulting product to be the leader of other products on the market (leader Market).
2. To avoid the goods that are manufactured defects, damaged or not suitable until the consumer hands.
3. With a quality product it will be able to attract consumers to buy products and gain trust from consumers

4. For the effectiveness and efficiency of the company so that productivity can be tested.
5. For the survival, growth and development of the company.

V. CONCLUSION

Between the production of goods, service with the price has a synergy associated with interlocking, to produce a quality product of course requires quality raw materials, while the quality of raw materials certainly have a costly price, So that when the product is ready to be marketed, it will affect the price of the market, besides marketing also plays an important role in distributing the goods to the market and can give the influence of the community to have the product.

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