

The Influence Of Price, Product Quality And Promotion On The Purchase Decision Of Villa Banana Cake Products At The Botania Outlet Batam City

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ABSTRACT

In an era where technology is so sophisticated as it is today, it triggers very tight competition in the business world, plus the Covid-19 pandemic outbreak that originated in Wuhan, China in early 2020 until today has forced business actors to work even harder. All means and efforts are made so that their business can survive or even increase and can face increasingly fierce competition. The results of this study indicate that price, product quality and promotion have a simultaneous effect on purchasing decisions. Price, product quality and promotion together will have an influence on purchasing decisions.

INTRODUCTION

In an era where technology is all sophisticated like today, it triggers very tight competition in the business world, plus the outbreak of the Covid-19 pandemic that originated in Wuhan, China in early 2020 until today makes business people have to be able to work even harder. All ways and efforts are made so that their business can survive or even increase and can face increasingly fierce competition. Many of them could not survive and eventually ended up closing temporarily or even permanently.

The recent Covid-19 outbreak has had a major impact on almost all types of industries, especially the food industry and by – by (Yazid, Rofiq, & Ismail, 2022). Restrictions on operating hours, visitor restrictions, health protocols that cost a lot even until temporary closure. On the other hand, company dependents that become a burden every month such as employee salary payments, electricity payments, water payments, and others like that must still be met.

According to (Zappala et al., 2013) The value of an item expressed in money. According to (Rahayu, Assauri, & Heruwasto, 2017) Product quality is a statement of the level of ability of a particular brand or product in carrying out the expected function. According to (Hartimbul & Nembah, 2011), (Théry et al., 2018) Promotion is a form of communication in informing, assuring, and reminding consumers of products offered by manufacturers to buy and use these products. According to (Priyambodo, Tjiptono, & Suyoto, 2012) Purchasing decisions are a series of processes that begin with the consumer recognizing the problem, finding information about a particular product or brand and evaluating the product or brand how well each

alternative can solve the problem, which then a series of processes lead to a purchase decision.

RESEARCH METHODS

According to (Dr Sugiyono, 2013), the research method is basically a scientific way to obtain data with certain purposes and uses (Sahir, Ramadhana, Marpaung, Munthe, & Watrianthos, 2021). Based on this, there are four keywords that need to be considered, namely scientific methods, data, goals and uses (Aeni, Juneli, Indriani, Septiyanti, & Restina, 2022). According to (Darmadi, Ruslie, & Pakpahan, 2021), the research method is a scientific way to obtain data with the purpose of certain uses. The scientific method means that research activities are based on scientific characteristics, namely rational, empirical, and systematic (Bambang Sudaryana, Ak, Agusady, & SE, 2022). The approach taken in this study is to use a quantitative approach. According to (Agus Sugiyono, 2014) research data on quantitative approaches in the form of numbers and analysis using statistics. Data collection was carried out using a series of research instruments in the form of tests / questionnaires. The collected data is then converted using predefined categories/criteria. The quality of quantitative research is determined by the number of research respondents involved. The results of quantitative research are in the form of facts / theories that are generally accepted (generalized), explain the relationship between variables, test theories, and generalize the social phenomena studied.

The data source used in this study is the primary data source. Primary data sources are data sources that are obtained directly. The data was generated from filling out a questionnaire conducted by respondents, namely Some Villa Kek Pisang outlet Botania.

Location and Time of Research

The research location is the place where the research will be conducted. because the location of the research means that the object and purpose have been set, making it easier for the author to conduct research (Sucahyo, Mubaroq, & Putra, 2022). The location chosen in this study is at Villa Kek Pisang located in Botania Garden block B2 No. 12A Batam Center. This study was conducted from February – August 2021

Population and Sample

Population is a group of people, events, something that has certain characteristics set by researchers to be studied and then drawn conclusions, (Rumengan, Umboh, & Kandou, 2015). The population in this study is the average consumer who bought Kek Pisang Villa products at Botania outlets in 2020 approximately 2000. The sample is part of the population with characteristics that are considered representative of the study population, Rumengan (2015: 51). Meanwhile, according to Sugiyono (2011: 81)

"The sample is part of the number and characteristics shared by that population." So that the sample is part of the existing population, so for sampling must use a certain method based on existing considerations.

Respondents were taken by accidental sampling technique, where researchers choose who are members of the population who coincidentally meet with

researchers and are considered to be able to provide the necessary information (Adi & YOESTINI, 2012).

Variable Definition

According to Rumengan (2015: 31) a variable is something that can distinguish or can change values. Rumengan (2015: 31) explained that the variable measurement process is a series of four main activities, namely determining the dimensions of research variables, formulating variable dimensions, determining the level of size to be used in measurement. Testing the level of validity and reliability of the measuring device if the new measuring instrument is used (Ridwan & Noviarni, 2021)

Research Instruments

The data collection method used in this study is a field research method or survey conducted by direct review at the relevant place to obtain data sources. In this study, the authors used primary data sources conducted through questionnaire media. Questionnaires are question sheets based on which the questions consist of two forms, namely questionnaires with open questions, or questionnaires with closed questions, or a combination of both (Rumengan, 2015).

Validity Pioneer Test

Validity is a measure that shows the behavior or error of an instrument (Rahawarin & Arikunto, 2015), an instrument is said to be valid if the instrument measures what should be measured (Agustina & Yuda, 2021) Validity according to Sugiyono (2016: 177) shows the degree of accuracy between the data that actually occurs in objects with data collected by researchers to find the validity of an item, we correlate the score of the item with the total of these items.

Reliability Test

Reliability test is the extent to which measurement results using the same object will produce the same data (Sinaga, Lubis, & Prayudi, 2020) (Sugiyono, 2012: 177). Reliability testing is intended to test the extent to which measurement results remain consistent, if two or more measurements are made of the same symptoms with the same measuring instrument.

Descriptive Analysis

According to Sugiyono (2017: 147), what is meant by descriptive statistical analysis is statistics used to analyze data that has been collected as it is without intending to make conclusions that apply to the general or generalization. Descriptive analysis includes frequency analysis, descriptive, cross-tabulation data exploration and ratio analysis (Zellatifanny & Mudjiyanto, 2018). Through descriptive analysis, simple calculations are carried out. Based on the calculation results of respondents' answer scores using the Linkert scale (1 to 5), then an average of respondents' answers from each variable is made.

Normality Test

According to (Ghozali, 2013) the normality test aims to test whether in the regression model the confounding or residual variables have a normal distribution. It is known that the t and F tests assume that the residual values follow the normal distribution. If this assumption is violated, the statistical test becomes invalid for a small sample number. There are two ways to detect whether residuals are normally distributed or not, namely by means of graph analysis and statistical tests. Normality

test to test whether in a regression model, bound variables and independent variables both have normal distributions or not.

Multicollinearity Test

Multicollinearity tests are needed to determine whether there are independent variables that have similarities between independent variables in a model (Insana & Mahmud, 2021). The similarity between independent variables will result in a very strong correlation. If independent variables correlate with each other, then these variables are not orthogonal (ROHMAN & ICHSAN, 2021). Orthogonal variables are independent variables whose correlation value between independent variables is equal to zero (Setiadji & Lutfhi, 2021) (Ghozali, 2013: 105).

Heteroscedasticity Test

The heteroscedasticity test aims to test whether the regression model has variance inequality from the residual of one observation to another. If the variance from residual one observation to another observation is fixed, then it is called homoscedasticity and if different it is called heteroscedasticity. A good regression model is one that is Homoskedasticity or no Heteroskedasticity. Most cross-section data contain heteroskedasticity situations because this data collects data representing various entities (small, medium and large) (Arna, Arofah, & Belang, 2019).

Autocorrelation Test

According to Wijaya in Sarjono and Julianita (2011: 80), the autocorrelation test aims to test whether in the linear regression model there is a correlation between user error (disturbance term u_t) in the period t and confounding error in the previous period ($t-1$). If there is a correlation, it indicates an autocorrelation problem. Autocorrelation tests can be performed with the Durbin-Watson test. To determine the value of dL (durbin lower) and dU (durbin upper) by looking at the table durbin = Watson, at $\alpha = 5$ and $k = 2$ (the value of k indicates the value of the independent variable) where n is the number of respondents. The decision on whether there is autocorrelation is as follows: (Muzdalifah & Ilmiah, 2020)

Multiple Linear Regression Analysis Techniques

The application of simple analysis according to Sugiono (2012: 270) as follows, linear regression analysis is used by researchers, if researchers intend to predict how the state (ups and downs) of the dependent variable, if two or more independent variables as predictor factors are manipulated (up and down the value), so multiple regression analysis is carried out when the number of independent variables is at least two.

Determinant Coefficient Test (R^2)

The function of the R^2 test is to measure the extent of the ability of the independent variable to explain the dependent variable. The R^2 test is expressed in percentage terms whose values range between $0 < R^2 < 1$.

Simultaneous Test (F)

The function of the F test is to find out whether all the independent variables intended in the regression equation simultaneously affect the dependent variable. The test criteria (Advent, Zulgani, & Nurhayani, 2021)

RESULTS AND DISCUSSION

Price has a partial effect on purchasing decisions. Test hypothesis 1 partial statistical test -t shows that the significance number of 0.024 is below 0.05 so that the first hypothesis that states that price affects the purchase decision, then H1 is accepted. Price affects the purchase decision at Villa Kek Pisang Batam which is based on the price given if the price given is in accordance with what was promised, it will affect the purchase decision at Villa Kek Pisang Batam. The hypothesis and results of this study support the results of research conducted by (Meliana, Sulistiono, & Setiawan, 2013) entitled "The Influence of Price and Consumer Confidence on Purchasing Decisions" the results show that price variables have a partial effect on purchasing decisions

Product quality has a partial effect on purchasing decisions. Hypothesis 2 test partial statistical test -t shows that the significance number of 0.016 is below 0.05 so that the second hypothesis which states that product quality affects purchasing decisions, then H2 is accepted.

Product quality affects purchasing decisions at Villa Kek Pisang Batam. Villa Kek Pisang provides a menu that is in accordance with consumer expectations, provides complete specifications on its menu and provides a menu that can impress then this will affect purchasing decisions at Villa Kek Pisang Otlet Botania.

The hypothesis and results of this study support the results of research conducted by Santoso, (2019: 12) " The Influence of Product Quality, Promotion and Location on Purchasing Decisions " the results of this study show that product quality variables have a partial effect on purchasing decisions at Villa Kek Pisang Otlet Botania.

Promotions have a partial effect on purchasing decisions. Test hypothesis 3 using partial statistical test -t shows that the significance number of 0.000 is below 0.005 so the third hypothesis that states that promotion affects purchase decisions, then H3 is accepted.

Promotion affects the purchase decision at Villa Kek Pisang Otlet Botania. This result shows that Villa Kek Pisang provides attractive promotions, so this will affect the purchase decision at Villa Kek Pisang Otlet Botania. The results of this study support research conducted by Nugraha, (2018: 6) this study shows that there is a partial price influence on purchasing decisions at Villa Kek Pisang.

Price, product quality and promotion simultaneously influence purchasing decisions. Test hypothesis 4 shows a significance number of 0.000 below 0.05 so that the fourth hypothesis states that price, product quality and promotion simultaneously affect purchasing decisions. These results support research conducted by Sejati, (2016: 6) with the title "The Effect of Product Quality, Price and Promotion on Purchasing Decisions" the results of this study show that price, product quality and promotion simultaneously affect purchasing decisions. Price, product quality and promotion together will influence the purchase decision. The existence of these three factors will make customers decide to make purchases at Villa Kek Pisang Batam which will affect customer purchasing decisions at Villa Kek Pisang Otlet Botania.

CONCLUSION

Based on the results of the analysis that has been carried out above, it can be concluded that there is a positive influence on significant price variables on purchasing decisions at Villa Kek Pisang Outlet Botania. There is also a positive influence on product quality variables that are significant on purchasing decisions at Villa Kek Pisang Outlet Botania. There is also a positive influence on promotional variables that are significant on purchasing decisions at Villa Kek Pisang Outlet Botania. There is also a positive and significant influence on price, product quality and promotion simultaneously on purchasing decisions. Because the author has limited both energy and time, here the author limits the problems in this research and so that the research carried out can be more focused. The independent variable is Price, Product Quality and Promotion and the dependent variable is Purchase Decision. Based on the conclusions and results of the study, suggestions were proposed in this case Villa Kek Pisang Outlet Botania must provide more value than the price that has been given. Because for some people in addition to affordable prices, the more they get can also be a strong influence to influence them to make purchasing decisions. Villa Kek Pisang Outlet Botania must improve product quality or provide new innovations in accordance with ongoing trends in those times. Like participating in making contemporary waffles that are now hype everywhere or trying new breakthroughs such as selling boba / thai tea / coffe drinks, and presenting a new café-style atmosphere in a cake shop. Villa Kek Pisang Outlet Botania must provide promotions as attractive as possible in accordance with the times such as being active on various social media, facebook, Instagram, Twitter and so on so that consumers can feel closer and without hesitation will make repeated purchases. The results of the findings in this study should be refined with more extensive research to determine factors other than price, product quality and promotions that influence purchasing decisions.

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