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The Effect of Products Quality, Prices, and Locations on Mixue Purchasing Decisions in Pasar Lama Tangerang

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Abstract

The purpose of this research is to determine how much location, price, and product quality affect consumers' decisions to buy. While choosing to buy from Mixue in Pasar Lama Tangerang, consider the relationship between product value, cost, and location.

Primary data collected from a total sample of 100 respondents were used in this study. Frequency tests, validity tests, reliability tests, multiple regression analyses, correlation coefficient analyses, determination coefficient analyses, and the F test (simultaneous test), as well as the T test, were used to analyze the data. Techniques for data processing with the SPSS 25 program.

The subtest results demonstrate that product quality, price, and location have a considerable impact on purchasing decision variables and that purchasing decision variables are influenced by product quality, price, and location.

I. INTRODUCTION

The Indonesian food industry is currently considered to be very promising as it supplies products that meet the basic needs of the people, so this business is growing very fast. According to djkn.kemenkeu.go.id, considering that the Indonesian food and beverage industry has grown by 2.54% to reach IDR 775.1 trillion between 2020 and 2021, based on a report by the Statistics Office The Central Government reports the National Gross Domestic Product (GDP) of the national food and beverage sector based on current prices worth IDR 1.12 quadrillion by 2021. This development certainly has influences competitive behavior patterns in operating a business making business competition in the Food and Beverage (F&B) industry even tighter because every entrepreneur in general wants to succeed and excel in managing business. conduct their business.

One of the hottest activities today is the Food & Beverages (F&B) franchise. The growth of franchising in Indonesia is impressive. In the past year, the number of franchisee-owned stores was 1,978. Of these stores, 1,674 are locally franchised. Amir Karamoy and colleagues found that between 1998-2004, local franchises grew by an average of 14.7% while foreign franchises grew by an average of 7%. The increasing use of franchising as a business system can be seen by the end of August 1997, the Ministry of Commerce registered 230 companies with foreign franchise licenses. (Puspitasari & Ana Susi Mulyani, 2022)

Mixue has been present in Indonesia since 2020 and already has many stores across Indonesia. One of them is Mixue Pasar Lama Tangerang, established in early February 2022. The secret of Mixue Ice Cream & Tea's success lies in its marketing activities using the "Commercial Zone" approach. Dense residential areas near small towns, densely populated areas for educational centers such as schools and universities are well suited as centers of activity for the lower middle class market. Pasar Lama Tangerang is also supported by morning market activities and food centers selling groceries as it is the hub of the area which is very popular with tourists due to its proximity to public and social facilities. Local snacks until late. This makes Pasar Lama Tangerang a strategic location to establish the Mixue Ice Cream & Tea franchise.

In business, to be able to compete in the market, it is important for companies to pay attention to the quality of a product produced. To achieve the desired product quality requires quality standardization, the aim is that the manufactured product must meet certain standards, so that the value of the product in the eyes of consumers is maintained. even increased.

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The price offered can influence the purchasing decision of the consumer because the price set whether cheap, normal or expensive can affect the consumer's perception of the product, this is for sure. will affect purchasing behavior. For this reason, proper and reasonable pricing is very important for consumers to maintain good responsiveness of the product.

Location is the place where one or more businesses operate to produce goods or services. The location of the business also ensures the success of the business. The location of the business should be as strategic as possible, close to the crowd, easily accessible, etc.

II. LITERATURE REVIEW

Product Quality

According to (Alvin Aprian & Hidayat, 2018) in (Yoyo, 2022) , the definition of product quality is as follows: "Tradable good is anything that can be put on the market for attention, purchase, use, or consumption and that can satisfy a consumer need or need."

According to Adi (2013) in the book (Dr. Dikdik Harjadi & Iqbal Arraniri, 2021)), says: "Product quality is a means of positioning products in the market."

Price

According to Fandy Tjiptono (2002) in the book (Khalik, 2022), says: "Price is a unit of currency or other measure consisting of goods and services exchanged for the ownership or right to use said goods or services."

According to (Hermanto, K., & Cahyadi, 2015) in the review (Sugandha et al., 2022), says: "Price plays a very important role in the decision-making process, it is the role of price allocation, helping buyers decide how to generate expected profits based on their purchasing power."

Location

Location is a place where consumers can be served or display their products. Location can also be understood as the place where an enterprise engages in or provides activities that produce goods and services of economic importance.

According to (Bahri, 2019: 125) in (Susanto & Yoyo, 2022), says: "Location is a special and unique place with land used for buying, selling or shopping. A strategic location can entice potential customers to buy."

Purchasing Decision

Purchasing Decision is a behavioral pattern that refers to the final purchase behavior of consumers, individuals and households, purchasing services or products for personal use.

According to (Kotler and Armstrong, 2016: 179) in (Susanto & Yoyo, 2022), saying: "Decision making can be understood as choosing between different alternatives or alternatives. Basically, every consumer first looks at a product in a store, researches the product from beginning to end, and if the selected product is useful and worthwhile, the consumer makes a Purchasing Decision."

According to (Sugandha et al., 2022), states that: "Purchasing Decision is a situation where the consumer decides to use the product, the consumer's Purchasing Decision can be seen from the consumer's behavior."

III. METHODS

Types of Research

The method used in this study is a descriptive quantitative survey. Descriptive research is research that describes or details the nature or characteristics of the phenomenon, group, or individual under investigation. With these issues in mind, a survey method is used that collects information through questioning of respondents.

Object Studies

The subject of the study was carried out on Mixue Pasar Lama Tangerang. This brand is engaged in the dessert and beverage industry and is affordable and affordable.

Data Types and Sources

There are two categories of data sources used in this study:

1. Without the use of an intermediary, primary data are gathered from the field directly, or information is gathered directly from the original source. Via direct observation, interviewing, and the collection of survey data.

2. Secondary data is research information collected indirectly through the media or available information collected and stored by other parties. This information can often be found in reference books, reviews, and previous research reports.

Population

The target audience of this research is consumers who want to shop at Mixue Pasar Lama Tangerang.

Sample

According to (Sugiyono, 2017), states that: "Sample is the quantity and characteristics possessed by a population or considered representative of the population."

To determine the unknown population size, the Cochran formula used to determine the sample is as follows (Sugiyono, 2017):

$$n = \frac{(1{,}96)^2(0{,}5)(0{,}5)}{(0{,}1)^2} = 96{,}04$$

Based on these calculations, the minimum sample size used in this survey is 96 respondents. For good results, a sample of 100 respondents was taken to distribute the survey questionnaire.

In this study, samples were analyzed using the random sampling, which is either random sampling or accurately recorded random sampling.

Data Collection Techniques

This study used a number of data collection methods, including:

1. Questionnaires

   According to (Dinata et al., 2019) states: "A survey is a data collection technique that is conducted using a list of questions arranged in a way that is easy for the respondent to answer."

   Distribution of this survey is aimed at consumers who have visited or shopped at Mixue Pasar Lama Tangerang. A set of questionnaire questions was developed based on the results of identifying the means associated with the study variable, that is, dividing the study variable into several subvariables and describing them in such a way that alternative responses could be obtained. When measuring, researchers used Likert scales in questionnaires to allow research to focus on respondents and study subjects.
2. Literature review

   Library research is a method of gathering information through data sources in the form of research reports, books, scholarly articles, and his websites related to research.

Data Analysis Technique

In this study, the author used SPSS software data processing technology version 25.

Validity Test

Validity test measures how accurately the test works and whether the manufactured instrument actually measures what it is supposed to do. A survey is said to be legitimate if its findings may be used to support the survey's measurements.

Reliability Test

A questionnaire is reliable or valid if an individual's responses to the statements given are consistent or stable over time. Reliability testing measures the consistency of measurement results over repeated use. A respondent's answers are considered authoritative if each question cannot be answered consistently or the answers cannot be randomized.

Classical Assumption Test

A regression model's residual normality, multicollinearity, autocorrelation, and heteroscedasticity are examined using traditional assumption tests. If a linear regression model meets certain standard assumptions, has normally distributed residual data, and is free of multicollinearity, autocorrelation, and heteroscedasticity, it can be regarded as a good model.

Normality Test

A good regression model has residuals that are uniformly distributed. The normality test basically compares the incoming data to a normal distribution with the same mean and standard deviation of the data.

Multicolinearity Test

A regression model's independent variables shouldn't have a perfect or almost perfect correlation to one another. This multicollinearity leads to large errors and unclear correlation coefficients.

Examining the Variance Inflation Factor (VIF) and Tolerance will help you decide whether multicollinearity is typically present. When VIF is less than 10 and tolerance is more than 0.1, multicollinearity does not occur.

Heteroscedasticity Test

To determine if various observations in a regression model differ from one another, the heteroscedasticity test is utilized.

Multiple Linear Regression Test

The goal of this investigation was to ascertain the impact of each variable X on variable Y. The predicted values of the variable Y were smoothed into the values of the variable X using a regression analysis.

The term "multiple linear regression" refers to an analysis that uses several independent variables. A regression model known as "multiple linear regression" consists of two or more independent variables (X) and one dependent variable (Y).

Coefficient Correlations Test

According to (Hernawan, 2019), said: " To ascertain whether two variables are related, the correlation coefficient is used. The direction and intensity of the association are also determined by the coefficient."

Correlation coefficient is a value that indicates whether the linear relationship between variables is strong. Correlation coefficients are marked with letters. Values near -1 or +1 suggest a significant association between the two variables, whilst values near 0 suggest a weak linear relationship.

Coefficient Determination Test (R^2)

According to (Ghozali, 2016) in (Inggriani & Janamarta, 2019), states: "The coefficient of determination (R^2) measures how well the model explains variation. That is, the explanatory power of the independent variables is very limited."

The coefficient of determination in a linear regression is the independent variable that accounts for variation in the dependent variable and is calculated as the square of the correlation coefficient (r). A low R2 value suggests that the independent variable has only a very limited ability to explain variance in the dependent variable. On the other hand, a value close to 1 means that the independent variable provides nearly all of the data needed to forecast the dependent variable.

T-Test

To establish which independent variable of product quality, price, or (independent) location plays the most impact in the Purchasing Decision variable (dependent), a t-test is utilized. The t-test is used to evaluate a study claim about how each independent variable affects the dependent variable. A confidence level of 0,5 with a 5% significance level ($n = 0{,}05$) is used as a benchmark for checking the regression results.

F-Test

A full set of independent variables can be utilized to evaluate the dependent variable in some regression model tests, which use the F-test to make this determination. If the test findings do not support H0, at least one independent variable must be present in order to account for the dependent variable.

In this test, conclusions are drawn from looking at the Anova graph, which has a significant value of 0.05 and an F-score. The following elements impact the F-test:

1. A significant value of F < 0,05 or F-count > F-table, means that all independent variables (X) have a significant effect on the dependent variable (Y).
2. If significant value of F = 0,05 or F-count < F-table, this means that all independent variables (X) do not significantly affect the dependent variable (Y).

IV. RESULTS

1. Summary Model Tables

- **Descriptive Statistical Test Results**

Information	Total	Percentage
Based on Gender :		
Male	45	45.0
Female	55	55.0
Total	100	100.0
Based on Age :		
<25 years	72	72.0
25-30 years	12	12.0
35-40 years	3	3.0
>40 years	13	13.0
Total	100	100.0
Based on Occupation :		
Student / Undergraduate	44	44.0
Employee	49	49.0
Other	7	7.0
Total	100	100.0

Source: SPSS 25

- **Validity Test**

Variable	item	correlation	r-table	Result
Product Quality (X1)	Q1. 1	0,568	0,198	Valid
	Q1. 2	0,562		
	Q1. 3	0,606		
	Q1. 4	0,357		
	Q1. 5	0,441		
	Q1. 6	0,574		
	Q1. 7	0,552		
	Q1. 8	0,599		
	Q1. 9	0,421		
	Q1. 10	1		
Price (X2)	Q2. 1	0,416	0,198	Valid
	Q2. 2	0,418		
	Q2. 3	0,448		
	Q2. 4	0,506		
	Q2. 5	0,448		
	Q2. 6	0,495		
	Q2. 7	0,472		
	Q2. 8	0,466		
	Q2. 9	0,606		
	Q2. 10	1		

Location (X3)	Q3. 1	0,257	0,198	Valid
	Q3. 2	0,339		
	Q3. 3	0,506		
	Q3. 4	0,237		
	Q3. 5	0,510		
	Q3. 6	0,661		
	Q3. 7	0,690		
	Q3. 8	0,538		
	Q3. 9	0,538		
	Q3. 10	1		
Purchasing Decision (Y)	Q4. 1	0,337	0,198	Valid
	Q4. 2	0,421		
	Q4. 3	0,322		
	Q4. 4	0,530		
	Q4. 5	0,670		
	Q4. 6	0,488		
	Q4. 7	0,606		
	Q4. 8	0,628		
	Q4. 9	0,682		
	Q4. 10	1		

Source: SPSS 25

The Purchasing Decision plausibility test result (Y) in the above figure yields the value of r table sample $(n) = 100 - 3 = 97$ as 0.198. The value (r-count) > is visible from the r-table. As a result, all of the study's measurements can be regarded as reliable.

- **Reliability Test**

Variable	***Cronbach's Alpha***	***N of Items***
Product Quality (X1)	0,912	10
Price (X2)	0,924	10
Location (X3)	0,889	10
Purchasing Decision (Y)	0,899	10

Source: SPSS 25

We can infer that Cronbach's alpha is higher than 0.7 from this. This indicates that the information is reliable or accurate.

- **Normality Test**

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters[a,b]	*Mean*	.0000000
	Std. Deviation	2.93676927
Most Extreme Differences	*Absolute*	.085
	Positive	.084
	Negative	-.085
Test Statistic		.085
Asymp. Sig. (2-tailed)		.200[c,d]

Source: SPSS 25

According to the previous table, reasonable hypotheses lead to test results with significant values of 0.200 > 0.05. We can infer that the data are regularly distributed from this.

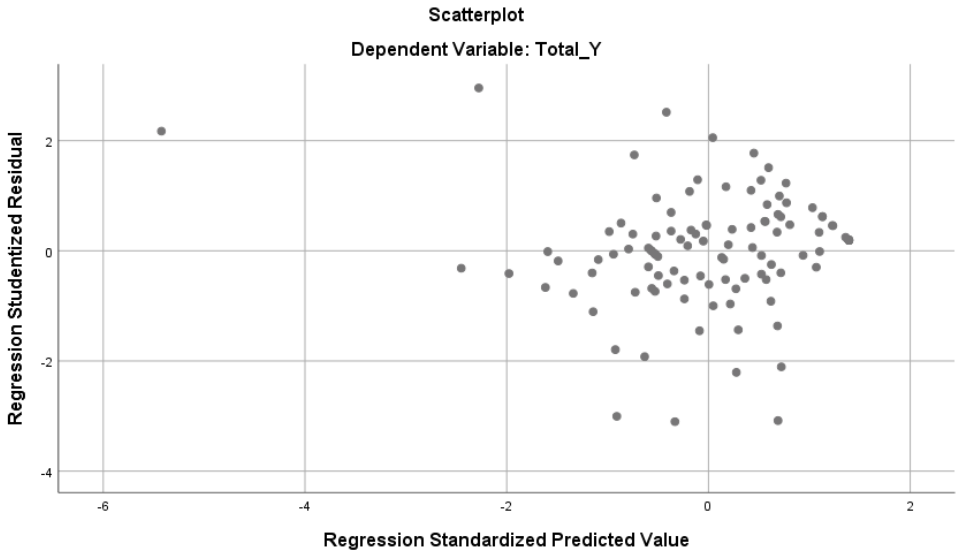
- **Multicolinearity Test**

Coefficients[a]								
		Unstandardized Coefficients		*Standardized Coefficients*			*Collinearity Statistics*	
Model		*B*	*Std. Error*	*Beta*	*T*	*Sig.*	*Tolerance*	*VIF*
1	*(Constant)*	3.110	2.434		1.278	.204		
	Total_X1	.452	.68	.447	4.194	.000	.227	4.412
	Total_X2	.317	.68	.299	2.941	.004	.250	4.000
	Total_X3	.158	.046	.211	3.459	.001	.696	1.437
a. Dependent Variable: Total_Y								

Source: SPSS 25

According to the previous charts, the quality of the VIF product is 4,412, its price is 4,000, and its location is 1,437. These circumstances demonstrate that the VIF value of 10,000 is the tolerance for all independent variables. The tolerance level for all independent variables is more than 0.10. The tolerance estimate may not be multicollinear, according to this.

- **Heteroscedasticity Test**



Source: SPSS 25

It can be observed in the figure above that the points above and below the y-axis number 0 are randomly distributed given that the points in the regression model are distributed randomly above and below the y-axis numbers and that heteroscedasticity is present. We can infer that there is nothing.

- **Multiple Linear Regression Test**

Coefficients[a]						
Model		*Unstandardized Coefficients*		*Standardized Coefficients*	*t*	*Sig.*
		B	*Std. Error*	*Beta*		
1	*(Constant)*	3.110	2.434		1.278	.204
	Total_X1	.452	.68	.447	4.194	.000
	Total_X2	.317	.68	.299	2.941	.004
	Total_X3	.158	.046	.211	3.459	.001

Source: SPSS 25

From the graph above, we can see that:

1. Formula $Y = 3{,}110 + 0{,}452 + 0{,}317 + 0{,}158 + e$
2. Given a fixed size of 3.110, this condition is that if the product quality (X1), price (X2), location (X3) are 1, the resulting Purchasing Decision is 3.110, affecting the Purchasing Decision This means that all other variables that could give.
3. Product quality in purchasing decisions
   The product quality variable (X1) coefficient is 0.452. According to this, there is a 0.452 rise in Purchasing Decisions for every unit increased in product quality.
4. Purchasing Decision price
   The regression coefficient variable price (X2) is 0.317. According to this, for every unit increase in price, the choice to buy grows by 0.317.
5. Determining where to buy
   The regression coefficient variable location (X3) is 0.158. This can be interpreted to mean that for each additional unit of location, there is a 0.158 increase in purchasing decisions.

- **Coefficient Correlations Test**

Model Summary				
Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	.854[a]	.729	.722	2.97843
a. Predictors: (Constant), Total_X3, Total_X2, Total_X1				

Source: SPSS 25

We can infer from the previous table that the R value is 0.854. This score indicates that there is a substantial association between the four research variables.

Correlations					
		Total_X1	*Total_X2*	*Total_X3*	*Total_Y*
Total_X1	*Pearson Correlation*	1	.866**	.551**	.822**
	Sig. (2-tailed)		.000	.000	.000
	N	100	100	100	100
Total_X2	*Pearson Correlation*	.866**	1	.482**	.787**
	Sig. (2-tailed)	.000		.000	.000
	N	100	100	100	100
Total_X3	*Pearson Correlation*	.551**	.482**	1	.601**
	Sig. (2-tailed)	.000	.000		.000
	N	100	100	100	100
Total_Y	*Pearson Correlation*	.822**	.787**	.601**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	100	100	100	100
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: SPSS 25

The table shown earlier shows that the correlation coefficient for the R value is 0.822. As a result, it belongs to a category where there is a strong relationship between product quality and consumer preferences. Another relationship that belongs to the strong group of relationships is the price element in purchasing decisions. 0.787. The choice to purchase is also in the strong category with a score of 0.601.

- **Coefficient Determination Test (R^2)**

Model Summary				
Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	.854[a]	.729	.722	2.97843
a. Predictors: (Constant), Total_X3, Total_X2, Total_X1				

Source: SPSS 25

The influence of product quality, price, and location on purchasing decisions is 72.2%, according to the previously mentioned table's adjusted R-squared value of 0.722 (72.2%); the remaining 27.8% of the variance is explained by different factors.

2. Hypotheses Test Chart

- **T-Test**

Coefficients[a]						
Model		*Unstandardized Coefficients*		*Standardized Coefficients*	*t*	*Sig.*
		B	*Std. Error*	*Beta*		
1	(*Constant*)	3.110	2.434		1.278	.204
	Total_X1	.452	.68	.447	4.194	.000
	Total_X2	.317	.68	.299	2.941	.004
	Total_X3	.158	.046	.211	3.459	.001
a. Dependent Variable: Total_Y						

Source: SPSS 25

The independent variable has a somewhat significant influence on the dependent variable if the T-table value is 1.661 ($Df = 100 - 3 = 97$) or significant 0,05. Below are the theories that were examined in light of the findings in the above table:

1. Effect of Product Quality (X1) on Purchasing Decision (Y) at Mixue Pasar Lama Tangerang.
   The significance value of the impact of Product Quality (X1) on Purchasing Decision (Y), according to the T-test results, is 0.000 0.05, and the value of T-count is 4,194 > 1,661. This leads us to the conclusion that changing Product Quality (X1) has a big impact on Purchasing Decision (Y).
2. Effect of Price (X2) on Purchasing Decision (Y) at Mixue Pasar Lama Tangerang.
   According to the T-test results, the influence of Price (X2) on Purchasing Decision (Y) has a significant value of 0,004 0,05, and the value of T-count is 2,941 > 1,661. From here, the variable Price (X2) influences the Purchasing Decision (Y).
3. Effect of Location (X3) on Purchasing Decision (Y) at Mixue di Pasar Lama Tangerang.
   According to the results of the T-test, the significance value of the Location (X3) influence on the choice to make a purchase (Y) is 0,001 0,05, and the value of the T-count is 3,459 > 1,661. This leads us to the conclusion that the variable Location (X3) has a significant impact on the Purchasing Decision (Y).

- **F-Test**

ANOVA[a]						
Model		*Sum of Squares*	*Df*	*Mean Square*	*F*	*Sig.*
1	*Regression*	2510.285	3	836.762	94.325	.000[b]
	Residual	931.458	96	8.871		
	Total	3441.743	99			
a. *Dependent Variable:* Total_Y						
b. *Predictors: (Constant*), Total_X3, Total_X2, Total_X1						

Source: SPSS 25

The prior table was used to construct the F-table for the chart, which is 2,47 F-count 94,325, significant value 0,000 0,50. The F-test results show that all of the study's independent variables, namely product quality, price, and location, have an effect on the dependent variable, the purchasing decision, simultaneously.

V. CONCLUSION

Based on the results of the research conducted and previous analysis, the conclusions are:

1. Based on the results of the data analysis performed, product quality has a positive significant impact of 0,000 < 0,05 and T-count value is 4,194 > 1,661 against purchasing decision at Mixue Pasar Lama Tangerang.
2. Price has a positive significant impact of 0,004 < 0,05 and T-count value is 2,941 > 1,661 against purchasing decision at Mixue Pasar Lama Tangerang.
3. Location has a positive significant impact of 0,001 < 0,05 and T-count value is 3,459 > 1,661 against purchasing decision at Mixue Pasar Lama Tangerang.
4. Product quality, price and location all influence the Purchasing Decision at Mixue Pasar lama Tangerang. Proved by F-table result of 2,45 < F-count 94,325 and significant value of 0,000 < 0,05.

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