

The Effect Of Changes In Price Level, Product Quality, Quality Of Service On Purchase Decisions In Ud. Ghoni Jati Jaya

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Abstract.

This study was to determine the effect of changes in price levels, product quality, and service quality affect purchasing decisions at UD. Ghoni Jati Jaya, and to find out which variables have the most influence on purchasing decisions. This research is quantitative. Researchers will describe the situation in the field and how consumers make purchasing decisions. The population in this study are all people who make purchases at UD. Ghoni Jati Jaya. The sample in this study used incidental random sampling method. To determine the size of the sample that will be used in this study, the slovin approach formula is used with a sample of 30 respondents because consumers are UD. Ghoni Jati Jaya is predicted to take 350 per year from 2014 to 2020. The analytical tool used is the research instrument test, namely the multiple regression linear test and assisted by SPSS. In this study, attempts to analyze the independent variable (X) in this case is the independent variable that influences purchasing decisions, the independent variables include the price variable, product quality variable, and service quality variable. After everything is fulfilled, the last step is to do a multiple regression linear test. Variables of changes in price level, product quality, service quality are equal to zero or unchanged, then the Y value or purchase decision is 8.815. or it can be said that the three variables including changes in price levels, product quality, service quality have a joint effect of about 88.1% on purchasing decisions. The results of the analysis that the variables of changes in price levels, product quality, and service quality have a significant effect on purchasing decisions at UD. Ghoni Jati Jaya

Keywords: Price, Quality Products, Quality Service, Purchase Decision

I. INTRODUCTION

Business development and rapid economic growth, as is currently becoming increasingly fierce competition in terms of existing businesses. Making companies increasingly demanded to move faster in terms of attracting consumers, so companies that apply marketing concepts need to pay close attention to consumer behavior and the factors that influence their purchasing decisions, in marketing efforts of a product. Every company or a form of business is competing to attract consumers to make purchasing decisions. In general, the purchase decision is the selection of two or more

alternative choices. Some of the factors that influence purchasing decisions are prices, which are very influential and some are even the main benchmark in purchasing considerations. But the price can also be an indicator of the quality of a product. With high quality, they will dare to be pegged at a high price, the price can influence consumers in making decisions to buy a product. If the price refers to the quality of the product provided, as currently consumers are getting smarter in purchasing products. Some people who are so critical of a product's price and quality, tend to be the main consideration whether the product can provide benefits according to their needs and expectations more for them later. Then regarding service quality, the problems that are often faced are sometimes only providing services to consumers, such as without being there to attract and influence consumers to make purchasing decisions. So it's just a service but doesn't try to provide really quality service.

That is, good service even the best to influence and attract consumers to make purchasing decisions. Because the customer is like a king and even a king from any kingdom, he is still a king who basically must be served by really providing quality service. According to Philip Kotler (2007:223) purchasing decisions are several stages carried out by consumers before making a decision to purchase a product. Meanwhile, Kotler, Keller (2014: 184) further stated that the decision-making process is to purchase a product. Consumers usually start a five-stage model, namely: information seeking, evaluation, alternatives, purchase decisions and post-purchase behavior. Whether the product to be purchased is in accordance with his needs or desires. Then the product to be purchased is in accordance with his condition, such as the cost needed to get a desired product. Home industry scale entrepreneurs, small and medium industries in UD. Ghoni Jati Jaya. If the existing business actors cannot prepare themselves well to face the challenges of this competition, it is feared that their products will not be able to survive in the face of competition with other products, so that it will have an impact on their business continuity in the future. Based on this description, this research was conducted at UD. Ghoni Jati Jaya as one of the companies engaged in the sale of Jepara furniture.

II. METHODS

Research Approach

The approach that the author uses is quantitative research, namely research methods based on the philosophy of positivism, used to examine certain populations or samples, sampling techniques are generally carried out randomly, data collection uses research instruments, data analysis is quantitative/statistical with the aim of testing established hypothesis.

Research Object

In this study, the authors conducted research on UD. Ghoni Jati Jaya. Because UD. Ghoni Jati Jaya is one of the businesses engaged in the Jepara furniture trade industry. UD. Ghoni Jati Jaya is a business with prospects in the field of marketing.

UD. Ghoni Jati Jaya is located in Miru-Maduran-Lamongan Village. The author takes the object of research at UD. Ghoni Jati Jaya Because he wants to observe and research about the marketing that is being done.

Population

According to Sugiono (2015) suggests that the population is a generation area consisting of objects or subjects that have certain qualities or characteristics determined by researchers to study and then draw conclusions. Based on these qualities and characteristics, the population can be understood as a group of individuals and objects of observation that have at least one characteristic in common. Consumers of UD Ghoni Jati Jaya are predicted to be 350 per year. It was taken from the time it was founded in 2014 to 2020 as many as 2450 consumers.

Sample

According to Sugiono (2015) the sample is part of the number and characteristics possessed by the population. If the population is large, and the research is not possible to study everything in the population, for example due to limited funds, manpower and time, the researcher can use samples taken from that population. What is learned from the sample, the conclusions can be applied to the population. For this reason, samples taken from the population must be truly representative (representative). This research was conducted by distributing questionnaires to consumers. Based on the sales of UD Ghoni Jati Jaya, it was taken for 3 years, namely from 2017 to 2019 as many as 30 consumers.

Sampling Engineering

According to Sugiono (2019) the sampling technique is a sampling technique. The sampling technique used in this study is probability sampling which provides equal opportunities for each element (member) of the population to be selected as a member of the sample. The technique used is the Simple Random Sampling technique. According to Sugiono (2015:119) the sampling technique is random sampling, which is the taking of sample members from the population at random without regard to the existing strata in the population.

Data Collection Method

To be able to collect complete data, this study used the following data collection techniques:

1. Observation.
2. Interview (Interview)
3. Questionnaire (Questionnaire)

Data analysis is a process of simplifying data into a form that is easier to read. By using quantitative methods, it is hoped that more accurate measurement results will be obtained about the responses made by respondents, so that data in the form of numbers can be processed using statistical methods. The tools to be used are as follows:

Testing Data Analysis

1. Multiple Linear Regression

To determine the effect of the independent variable on the dependent variable. According to Sugiyono (2008:122) formulate multiple linear regression analysis as follows:

$$Y = a + 1X_1 + 2X_2 + 3X_3$$

Y = Purchase decision.

a = Constant

1 = Multiple regression coefficient of independent variable X₁ to variable Y, if variables X₂ and X₃ are considered constant.

2 = Multiple regression coefficient of independent variable X₂ to variable Y, if variables X₁ and X₃ are considered constant.

3 = Multiple regression coefficient of independent variable X₃ to variable Y, if variables X₁ and X₂ are considered constant.

X₁ = Price which is the 1st independent variable.

X₂ = Product quality which is the 2nd independent variable.

X₃ = Quality of service which is the 3rd independent variable.

III. RESULT AND DISCUSSION

Multiple Linear Regression Analysis

To see the extent to which the influence and relationship of the variables of changes in price level, product quality, and service quality that affect purchasing decisions at UD. Ghoni Jati Jaya, then data processing will be carried out through multiple linear regression equations, where changes in price level (X₁), product quality (X₂), service quality (X₃), on purchasing decisions (Y).

Table 1. Multiple Regression Coefficient Value

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.815	4.702		1.875	.072
	Price level change	-.007	.171	-.008	-.041	.968
	product quality	.031	.156	.037	.201	.842
	service quality	.472	.232	.373	2.041	.052

Primary data sources processed 2020

From table 4.11 above, the results obtained are entered in the following equation:

Multiple Regression Equation

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3$$

Where:

Y = Purchase Decision

X₁ = Change in the price level

X₂ = Product Quality

X3 = Service Quality

a = Constant

b = Regression coefficient

$$Y = 8.815 + (-0.007)X_1 + 0.031 X_2 + 0.472 X_3$$

From the above equation, the regression coefficient obtained can be explained as follows:

- a. The constant $a = 8.815$ means that if the variables of changes in price levels, product quality, and service quality are equal to zero or unchanged, then the Y value or purchase decision is 8.815. Or it can be said that the three variables including changes in price levels, product quality, and service quality have a joint effect of about 88.1% on purchasing decisions.
- b. The value of the coefficient of change in the price level for the X1 variable is -0.007. This means that every decrease in the price level of one unit, the purchase decision will decrease by -0.007 or it can be said that changes in the price level have a negative effect of 0.7% on purchasing decisions.
- c. The value of the product quality coefficient for the X2 variable is 0.031. This means that for every one unit increase in product quality, the purchase decision will increase by 0.031 or it can be said that the product quality variable has an effect of 3.1% on purchasing decisions.
- d. The value of the service quality coefficient for the X3 variable is 0.472. This means that for every one unit increase in service quality, the purchasing decision will increase by 0.472 or it can be said that the service quality variable has an effect of 47.2% on purchasing decisions.

IV. CONCLUSION

Based on the results of the research, the results of the analysis and discussion that have been put forward by the author on purchasing decisions at UD.Ghoni Jati Jaya in the previous chapters, conclusions can be drawn from the overall results of the analysis as follows:

1. Variable changes in price level, product quality, and service quality have a significant effect on purchasing decisions at UD.Ghoni Jati Jaya by 88.1 %.
2. Variable changes in price level (X1) have a negative effect on purchasing decisions at UD.Ghoni Jati Jaya by 0.7%.
3. Product quality variable (X2) has a significant effect on purchasing decisions at UD.Ghoni Jati Jaya by 3.1%.
4. Service quality variable (X3) has a significant effect on purchasing decisions at UD.Ghoni Jati Jaya by 47.2%.
5. The purchasing decision variable has an effect on UD. Ghoni Jati Jaya 49.6%

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