

Analysis Of The Influence Of Product Quality, Price Perceptions, And Location Strategies And Services On Rantauprapat Clothing

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Abstract

This study aims to determine the effect of product quality, price perception and location and service strategies on clothing purchasing decisions at Raza Distro Rantauprapat. The population in this study were all consumers of Raza Distro Rantauprapat who had decided to buy clothes at Raza Distro. The sample used in this study was taken as many as 100 respondents using a non-probability sampling technique with an accidental sampling approach. The analytical method used is multiple linear regression analysis. The results of this study using the regression equation formed are $Y = 14.054 + 0.105X_1 + 0.419X_2 + 0.308X_3 + 0.342X_4$, which means that price perception has the greatest influence compared to three other independent variables such as product quality, location strategy, and service. Overall, the results of this study indicate that the variables of product quality, price perception, location, and service strategies have a positive and significant impact on clothing purchasing decisions at Raza Distro Rantauprapat.

Keywords: Product Quality, Price Perception, Location Strategy, Service, Purchase Decision

I. INTRODUCTION

success or failure of a company running its business can be seen from the number or number of buyers and consumers who buy the company's goods or services. Factors that can influence consumer decisions in buying or not buying products or services from the company can be seen from product quality factors, product prices, services and the location of the company. When a consumer wants to meet various types of needs, it is related to the convenience of consumers in reaching and finding the location of the product to be purchased based on considerations of effectiveness and efficiency.

Product quality is the main thing in determining consumer decisions in purchasing products. After product quality, a consumer will compare the price of one similar product with another company. Because the price also greatly influences consumer decisions in the process of purchasing products or services. Determining the price of products and services is not an easy thing for companies to do, because these products and services must be adjusted for quality and quality. If the company is not careful in providing prices that are different from competitors, it will affect consumer purchasing decisions for the products or services offered. On the contrary, if the company sets a lower price than competing companies, it will affect the margins that will be obtained by the company and will give the impression that the company's products or services are below competitors. Price is an exchange rate that can be equated with money in obtaining goods or services, therefore companies must consider the suitability of prices with the quality and quality of products and services as well as the purchasing power of consumers.

A strategic and easy-to-reach location with good road conditions, not far from public facilities and the availability of parking locations, a safe, clean and beautiful environment is certainly a value that consumers can consider when buying products or services. On the other hand, when a company's location is less strategic, the distribution process or delivery of company products and services will experience problems because it will result in the level of consumer efficiency being not met properly so that it can trigger the emergence of consumer reluctance to come to buy the products or services offered by the company.

Another thing that can determine and consider consumers in buying products or services is related to the service aspect of the company. Providing the best service is not an easy thing to realize a company in accordance with the wishes of consumers. Success in providing services to meet consumer expectations can only be achieved by producing quality services so as to produce the satisfaction felt by consumers when using the company's products or services. Service quality is a service or service in responding and responding to questions posed by consumers. The purchase decision is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them. The process that consumers use to make decisions is based on problem recognition, information seeking, alternative evaluation stages, decision making, and post-purchase behavior.

Raza Distro Rantauprapat is a company engaged in the fashion sector. The number of similar business actors has an impact on the increasing quantity of products in the market. So the level of competition has also become one of the topics of daily business problems. For this reason, the level of competition will increase sharply from year to year and in the future. Based on these observations, Raza Distro Rantauprapat strives to always be able to create a competitive advantage over its competitors. Raza distro Rantauprapat strives to always increase consumer satisfaction from time to time through strategies that are able to support its business.

Product quality

(Danang, 2012), quality is a measure to assess that an item or service already has a use value as desired or in other words an item or service is considered to have quality if it functions or has a use value as desired. Meanwhile, according to (Kotler, 2016), product quality is a product or service characteristic that depends on its ability to satisfy stated or implied customer needs. And according to (Utami & Waluyo, 2017) product quality has eight measurement dimensions consisting of:

1. Performance (*Performance*)
2. Product diversity (*features*)
3. Reliability (*reliability*)
4. Conformance (*conformance*)
5. Endurance (*durability*)
6. Serviceability (*serviceability*)
7. Aesthetics (*aesthetics*)
8. (*perceived quality*)

I. Literatur Riview

Price Perception The

assessment felt by each consumer of the goods and services they receive is not the same, many factors can influence it. Consumer perceptions of prices for goods or services will affect the decision to buy a product. Because every producer tries to give a good perception of the products and services they sell. According to Hawkins in Ratlan, perception is a process that begins with consumer exposure and attention to marketing stimuli and ends with consumer judgment. Kotler (Pardede & Haryadi, 2016), perception can be influenced by several factors such as

1. Selective attention
2. Selective distortion
3. Selective memory

Location

Location is the location of a store or retailer in a strategic area so as to maximize profits. According to (Lupiyoadi, 2013) location is a decision made by a company or educational institution related to where its operations and staff are located. A location is a strategic place where consumers can reach places of business (dining places, shopping centers, and others) easily, safely and have a large parking area.

Service

According to (Kotler, 2016) service is any action or activity that can be offered by one party to another, which is essentially intangible and does not result in any ownership. Service quality is an assessment factor that reflects consumer perceptions of five indicators (Tjiptono, 2011):

1. Tangibles, with regard to the attractiveness of physical facilities, equipment, materials used by the company, and the appearance of employees.
2. Reliability is related to the company's ability to provide accurate service from the first time without making any mistakes and delivering its services in accordance with the agreed time.
3. Responsiveness with regard to the willingness and ability to help customers and process their requests, inform when services will be provided and then provide services quickly.
4. Assurance customer trust in the company and the company can create a sense of security for customers.
5. Empathy, means that the company understands the problems of customers and acts in the interests of customers, gives personal attention to customers, and has comfortable operating hours.

Purchasing Decision Purchasing

decision is the stage in the buyer's decision-making process where consumers actually buy (Kotler, 2016) then (Tjiptono, 2011) states that purchasing decisions are a process in which consumers recognize the problem, seek information about a particular product or brand, and evaluate well each of these alternatives can solve the problem, which then leads to a purchase decision. Furthermore, Alma (2011), purchasing decisions are consumer decisions that are influenced by financial economics, technology, politics, culture, products, prices, locations, promotions, *physical evidence*, people, and processes, thus forming an attitude on consumers to process all information and take the conclusion is in the form of a response that appears what product to buy

II. RESEARCH METHODS

type of research used in this research is *explanatory research* (explanation). According to (Sugiyono, 2015) *explanatory* research is research that looks at the relationship between research variables and tests hypotheses that have been formulated previously. This study uses a questionnaire as a tool to collect data. In this study, the data analysis used were:

1. Descriptive

Analysis This analysis is used to analyze the data by describing the data that has been collected without intending to make general conclusions. In this study, it is used to describe the variables of product quality, price perception, location strategy and service on purchasing decisions by distributing items from each variable.

2. Multiple Linear Regression

Analysis This analysis is used to predict how the relationship between the independent variable and the dependent variable is. By using multiple linear regression equation formulated as follows:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

Description:

Y : Dependent variable (purchase decision)

a : constant

b_1, b_2, b_3 ; Regression coefficient

X_1, X_2, X_3, X_4 : Independent variable

3. Hypothesis Testing

a. Partial

Hypothesis Testing This hypothesis is to determine the effect of product quality, price perception, location, and service strategies on purchasing decisions partially. According to Sugiyono (2019), the t-test is used with the formula:

$$T = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

Description:

T : t value

R : partial correlation found

N : number of samples

With the guidance that if the t count > t table, then H₀ is rejected or H_a is accepted and vice versa if t count < t table, then H₀ is accepted or H_a is rejected.

b. Simultaneous Hypothesis Testing The

F test according to Sugiyono (201) is used to test the independent variables together on dependent variable, in addition to the F test it can be seen whether the linear regression model used is correct or not, with the formula:

$$F = \frac{R^2/k}{(1-R^2)/(n-k-1)}$$

Where:

F : fisher probability distribution approach

K : number of independent variables

R² : coefficient of determination

N : number of respondents

Furthermore, to find out whether this regression is significant or not, the F test is used. If F count > F table, then the decision on H₀ is rejected and H_a is accepted and vice versa if F count < F table, then the decision on H_a is rejected and H₀ is accepted.

III. RESULTS AND DISCUSSION

Multiple Linear Analysis Results The

results of multiple linear regression calculations and multiple determinations can be seen in the following table:

Table 10: Multiple Linear Regression Test Results

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	14,054	7,589		1,852	,067
Product quality	,105	,170	,060	2,618	,000
Price perception	419	,444	,413	2,331	,001
Location strategy	,308	,319	,382	1,862	,000
Service	,342	,248	,290	2,988	,004

a. Dependent Variable: Purchase decision

From the results of table 10 above, it can be presented in the form of a regression equation in

accordance with the multiple linear regression formula, namely $Y = 14.054 + 0.105X_1 + 0.419X_2 + 0.308X_3 + 0.342X_4$.

Based on the above equation, it can be explained as follows:

1. Constant 14.054

Is a constant which means that if the product quality, price perception and location and service strategy are equal to 0 then the employee's performance is 14.054.

2. Regression coefficient $X_1 = 0.105$

Is *slope* or direction of product quality variables that affect purchasing decisions (Y). The value of parameter b_1 with a positive sign indicates that the product quality variable has an influence that is in the direction of purchasing decisions.

3. Regression coefficient $X_2 = 0.419$

Is *slope* or direction of the price perception variable that affects purchasing decisions (Y). The value of parameter b_2 with a positive sign indicates that the price perception variable has an influence that is in the direction of purchasing decisions.

4. Regression coefficient $X_3 = 0.308$

Is the *slope* or direction of the location strategy variable that affects purchasing decisions (Y). The value of parameter b_3 with a positive sign indicates that the location strategy variable has an influence that is in the direction of purchasing decisions.

5. Regression coefficient $X_4 = 0.342$

Is *slope* or direction of the service variable that affects purchasing decisions (Y). The value of parameter b_4 with a positive sign indicates that the location strategy variable has an influence that is in the direction of purchasing decisions.

Hypothesis Testing

1. Partial hypothesis testing

a. The first hypothesis examines the significant effect of product quality (X_1) on purchasing decisions (Y). The results of the t-test are shown in the following table:

Table 11: test results of the influence of product quality variables on purchasing decisions (Y)

Independent variable	dependent variable	T count	T table	Significant ($\alpha = 5\%$)	Decision
Product Quality	Purchase decision	2,618	1,661	0.000	Ho is rejected and Ha is accepted

From the data in table 11 when compared with the value of t count = 2.618, it is greater than t table = 1.661. While the significance value of 0.000 is smaller than 0.05. So it can be explained that the product quality variable is partially on purchasing decisions (Y), then H_a can be accepted

b. The first hypothesis examines the significant effect of price perception (X_2) on purchasing decisions (Y). The results of the t-test are shown in the following table:

Table 12: Test results on the effect of price perception variables on purchasing decisions (Y)

Independent variable	Dependent variable	T count	T table	Significant ($\alpha = 5\%$)	Decision
Price Perception	Purchase decision	2,331	1,661	0,001	Ho is rejected and Ha is accepted

From the data in table 12, when compared with the value of t count = 2,331, it is greater than t table = 1,661. While the significance value of 0.001 is smaller than 0.05. So it can be explained that the price perception variable partially on purchasing decisions (Y), then H_a can be accepted

c. The first hypothesis examines the significant effect of location strategy (X_3) on purchasing decisions (Y). The results of the t-test are shown in the following table:

Table 13: the results of the test of the influence of the location strategy variable on purchasing decisions (Y)

Independent	Variable Bound Variable	T count	T table	Significant ($\alpha = 5\%$)	Decision
Price Strategy	Purchase decision	1,862	1,661	0.000	Ho is rejected and Ha is accepted

From the data in table 13, when compared with the value of t count = 1.862, it is greater than t table = 1.661. While the significance value of 0.000 is smaller than 0.05. So it can be explained that the price strategy variable partially affects the purchase decision (Y), then Ha can be accepted

d. The first hypothesis examines the significant effect of service (X_4) on purchasing decisions (Y). The results of the t test are shown in the following table:

Table 14: test results of the influence of service variables on purchasing decisions (Y)

Independent	Variable Bound Variable	T count	T table	Significant ($\alpha = 5\%$)	Decision
Service	Purchase decision	0,004	1,661	2,988	Ho is rejected and Ha is accepted

From the data in table 14, when compared with the value of t count = 2,988, it is greater than t table = 1,661. While the significance value of 0.004 is smaller than 0.05. So it can be explained that the service variable is partially related to purchasing decisions (Y), then Ha can be accepted

2. Simultaneous hypothesis testing

The next hypothesis is to see the significant effect of product quality, price perception and location and service strategies on purchasing decisions together or simultaneously. The results of the F test can be seen as a whole in the following table:

Table 15: F Test Results Independent

variables Dependent	variable	F count	F table	Significant ($\alpha = 5\%$)	Decision
on product quality (X_1), price perception (X_2) and location strategy (X_3) and service (X_4)	Purchase decision	7.581	2.31	0.000	Ho is rejected and Ha is accepted

Based on the table above, it shows that the calculated F value = 7.581 is greater than the F table value = 2.31 or F arithmetic has a significant level of 0.000 which is smaller than = 0.05. So this hypothesis states

that the variables of product quality, price perception and location and service strategies together have a significant effect on purchasing decisions (Y) can be proven or H_0 is rejected and H_a is accepted.

To find out the magnitude of the influence together, it can be seen from the results of *Adjusted R Square* = 0.620 (62%), it can be explained that from 62% of clothing purchasing decisions at Raza Distro Rantau Prapat can be explained by product quality variables (X_1), price perceptions (X_2) and location strategy (X_3) and services (X_4) and the remaining 38% is explained by other variables not included in this study.

Table 16. Coefficient of Determination

Model	R	R Square	Adjusted R Square
1	,546 ^a	, 620	,683

a. Predictors: (Constant), Service, Price perception, Product quality, Location strategy

IV. CONCLUSION

1. Product quality has a positive and significant effect on purchasing decisions. This is indicated by a significance value smaller than the significance level value of 0.05. So if the quality of the product at Raza Distro can increase then the purchasing decision will increase and vice versa, if the quality of the product decreases then the purchasing decision will also decrease
2. Price perception has a positive and significant effect on purchasing decisions. This is indicated by a significance value below the 0.05 significance level. So if the perception of the price given by consumers is in accordance with the product offered, it will increase the decision to make a purchase.
3. Location strategy has a positive and significant effect on purchasing decisions. This is indicated by a significance value below the 0.05 significance level. So the business location strategy is very necessary for the sales process so that purchasing decisions cannot be doubted because consumers come only to make purchases
4. Service has a positive and significant effect on purchasing decisions. This is indicated by a significance value below the 0.05 significance level. So if the service provided is good, it will increase the decision to buy clothes at Raza Rantauprapat distribution.

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