

Analysis of the Influence of Promotion, Price, and Service Quality on Consumer Purchasing Decisions of Toko Jitu Candipuro District Lumajang Regency

Ardyansyah¹, Akhmad Suharto², Feti Fatimah³

Universitas Muhammadiyah Jember

*Correspondence: Ardyansyah

Email: ardyansyah1103@gmail.com

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Abstract: The purpose of this study is to examine how marketing, pricing, and service quality affect customer purchase decisions in Toko Jitu, Candipuro District, Lumajang Regency. This scientific activity conducts quantitative descriptive research by observation, interviews, and the distribution of questionnaires. This study's sample size was 95 respondents. The data was then analyzed with the SPSS version, which included validity tests, reliability tests, multiple linear regression tests, normality tests (p-plot test, Kolmogorov Smirnov test), multicollinearity tests, heteroscedasticity tests, hypothesis tests, and coefficient of determination (R²) tests. The study's findings indicate that marketing, price, and service quality all have a substantial impact on purchase decisions in Toko Jitu, Candipuro District, Lumajang Regency.

Keywords: Promotion, Price, Service Quality, Purchasing Decisions.

INTRODUCTION

The fast growth of information technology also influences various aspects of life, especially in the economic field. All business activities, both large and small, are affected by advances in technology and knowledge. Business competition is a condition in which various companies compete to obtain market share and greater profits. This competition occurs when companies implement various strategies to create competitive advantages and position themselves in the market. One sector that is growing very rapidly at the moment is the shop business. The shop business includes everything related to selling food, drinks and daily necessities to consumers. This business is currently very popular with Indonesian people. This demand encourages business people to open shop businesses by creating innovations and creations in the products they market to consumers, including shop businesses. A shop is an independent service system that sells various sorts of items at retail in the form of minimarkets, supermarkets, department stores, hypermarkets, or wholesale

An important component of a business marketing plan is promotion, which is used to advertise goods and services. In addition to serving as a communication channel between businesses and customers, promotions can also be used to influence decisions about what to buy or how to utilize services to better suit customer needs and preferences. Apart from promotional factors, Pricing is the sole factor of the marketing mix

that generates revenue for a firm. Price perception is the way in which consumers assess whether the price of a product is commensurate with the value they see in the product, and whether the price is within their financial ability to purchase the product. A company's ability to provide high-quality service is as important to its success as its marketing and pricing strategies. Service quality is also the main key in providing satisfaction to consumers. Therefore, the challenge faced by companies is to continue to strive to provide high satisfaction to consumers through product quality and costs that meet their expectations to encourage customers to make more purchases. When making a purchase, buyers have the ability to choose between two or more different possibilities, in other words they have a choice. However, a purchase is not considered a decision if the customer is forced to buy it without any other choice. This shows that the purchasing process begins long before consumers actually make a purchase, and has ongoing implications after the purchase is made. There are many shop businesses that are growing rapidly, one of which is Toko Jitu.

Previous research roadmap, where in a study on purchasing decisions, the research results showed that purchasing decisions (Y) were influenced by the variables Promotion (X1), Price (X2), Service Quality (X3) and Purchase Decisions (Y). Research which obtained results that quality product and price influence purchasing decisions[1]. Research states that price has a big influence on purchasing decisions[2]. Research states that service quality, price and product diversity influence purchasing decisions[3]. Research findings show that considerations such as cost, Ambassador brand, image and product quality have a big influence on consumers' decisions to buy Scarlett Whitening Indonesia products on Tokopedia[4]. Research findings show that factors such as price, promotion, trust, brand image and product quality have a large influence on customer purchasing decisions at the online store karetgrosiran.com[5]. Research findings show the importance of price perceptions, product completeness, and service quality in influencing consumer purchasing decisions[6]. Based on research findings, it can be said that customer satisfaction is influenced positively and significantly by price and service quality together[7]. , the price and quality of merchandise at the Rara Accessories Store has a favorable and large influence on the choices clients make regarding fake jewelry[8]. Research findings show that product quality, price and service offered to customers at Toko Tua Bandung have a significant influence. The combination of these three elements influences the final purchase choice in a favorable way[9]. The study's findings show how purchasing choices are influenced by a combination of product quality, service quality, and online customer reviews[10].

Toko Jitu, a grocery store located in Sumberejo Village, Candipuro District, Lumajang Regency, has become one of the fastest growing businesses in this area since it was founded in 2012. Toko Jitu implements various strategies, one of the strategies is to provide attractive offers and setting prices lower than competing retailers and friendly service to consumers. More affordable prices and friendly service make Toko Jitu a favorite among consumers. With a very strategic location, Toko Jitu is a favorite place for customers because the location is very easy to reach, located in the shopping center of Candipuro District, Lumajang Regency. Toko Jitu also has 5 employees consisting of 2 men and 3 women who have their respective duties such as shop staff, shop admin, and shop assistants. This shop already has 2 (two) branches, this shop is often busy with visitors because of the good promotions offered to consumers, the affordable prices presented to Toko Jitu customers. Where the marketing carried out is related to promotions, prices and service quality. Competition between shops in Candipuro District, Lumajang Regency, is getting tighter with the presence of the Pioneer Shop, Tri Mitra Shop and Sumber Artha Shop competing with each other to attract consumers' attention.

In this study, the author examines the influence of promotional, pricing, and service quality issues on purchase decisions at Toko Jitu. This implies that by completely understanding these factors, effective ways to enhance consumer decision making will be discovered, giving firms a competitive advantage in an increasingly dynamic market. Based on the information provided above, researchers are interested in conducting research under the title "Analysis of the Influence of Promotion, Price, and Service Quality on Consumer Purchasing Decisions at the Jitu Shop, Candipuro District, Lumajang Regency," which is an research topics.

METHOD

Research Design

There are two types of research designs: exploratory and conclusive, the latter being further divided into causal and descriptive research. The variables employed in this study are the independent and dependent variables, therefore it falls under the causality research area. The causality approach employed in this study is a means to describe the cause-and-effect relationship between two variables in which there are elements that impact.

Population, Sample and Sampling Technique

According to Population is a broad category consisting of objects or people with certain According to Population is a large group of items or people with certain traits and properties that scientists select to analyze and assess in order to draw conclusions. This survey included all clients from Toko Jitu, Candipuro District, and Lumajang Regency. The appropriate sample size is determined by the number of indicators used for each latent variable, which is then multiplied by five to ten. The formulation is as follows:

$n = (5 \text{ to } 10 \times \text{number of indicators used})$

$n = \text{number of samples}$

$n = 5 \times 19$

$n = 95$

The research sample consisted of 95 respondents who were calculated using these calculations. Because the target population was too large and the numbers fluctuated, researchers used Ferdinand's perspective.

Samples from non-probability sampling are also referred to as research subjects where the results of tests carried out in sampling have no relationship with the population. The research sample criteria are:

1. Gender (male/female)
2. Minimum age 17 and considering that in this age range respondents are considered more capable of understanding and answering customers
3. Jitu Shop customers who buy more than 2 times what they need at the Jitu shop
4. There are no restrictions on the place of residence or domicile of potential respondents.

Data Instruments

a. Validity Test

In agreement with the opinion the item validity test is used to assess the extent to which an item is accurate in measuring its object." If there is a relationship between an item and the overall score, then it is considered valid. Testing item validity using SPSS can be carried out using the Pearson correlation analysis method or corrected item total correlation. Correlating item scores with the overall score and assessing

significance using the r table criterion at a significance level of 0.05 with a 2-sided test is an approach to item validity with Pearson correlation positive and $r_{\text{count}} \geq r_{\text{table}}$, and vice versa.

b. Reliability Test

Reliability testing aims to assess the stability or consistency of measuring instruments, which usually take the form of questionnaires. Cronbach Alpha is a commonly used approach in research to measure reach scales. Only valid items will be assessed for reliability, and the reliability test is carried out after the validity test.

Classic Assumption Test

a. Normality Test

The normality test determines if the regression model's independent and dependent variables have a normal distribution. A good regression model data distribution is normal or nearly normal, meaning it is not skewed to the left or right (normal curve). Data normality was tested using two (two) test techniques: the Probability Plot test and the Kolmogorov-Smirnov test. The Probability Plot test compares the cumulative distribution of a normal distribution to the diagonal line generated by the normal distribution; if the residual distribution is normal, the line reflecting the actual data will follow the diagonal. Using the Kolmogorov-Smirnov test with a significance level (sig) of 0.05 in the SPSS software. The Kolmogorov Smirnov test testing criterion states that data is regularly distributed if the probability value (sig) is more than 0.05 and abnormally distributed if the sig value is less than 0.05.

b. Multicollinearity Test

The multicollinearity test determines if the independent variables are correlated. The multicollinearity test seeks to determine whether there is a link between independent variables in the regression model. A regression model with no association between independent variables is considered excellent. The Variance Inflation Factor (VIF) and tolerance values indicate the outcome of the multicollinearity test. If the VIF number is less than ten, multicollinearity does not exist. If the VIF value exceeds 10, the data exhibits multicollinearity.

c. Heteroskedasticity Test

The heteroscedasticity test determines if the variance of residuals in a regression model varies unevenly between two observations. The Spearman Rank correlation coefficient value between each independent variable and confounding factors can be used to determine heteroscedasticity. If the probability value (sig) exceeds 0.05, heteroscedasticity does not exist.

Multiple Linear Regression Test

An analytical method called multiple linear regression analysis is used to assess how well predictions are made based on how The independent variable (X) influences the dependent variable (Y).

Hypothesis Test

The partial test (t) measures the independent variable's partial effect on the dependent variable. Determines the amount to which each independent variable in this research may partially explain the dependent variable. If more than 0.05 it is not accepted or there is no influence on each variable and vice versa.

Coefficient Of Determination Test (R^2)

In essence, the coefficient of determination (R^2) measures how well the model explains changes in the dependent variable. The coefficient of determination values vary from 0 to 1. A low R^2 value suggests that the independent variable's capacity to explain variations in the dependent variable is limited. In contrast, if the

R2 value is close to one, it suggests that practically all of the independent variables provide the data needed to predict changes in the dependent variable.

RESULTS AND DISCUSSION

Validity and Reliability Test

The correlation of each indicator with the overall construct score of each variable shows valid findings, indicated by $r_{\text{count}} > r_{\text{table}}$ (0.2017) and a significance value < 0.05 , according to the results of the validity test in table 4.22 above. The contents of the statement are all considered valid.

The reliability test resulted in a Cronbach's Alpha number above 0.60. It can be stated that all of the statements have been tested for reliability so that all of them are declared to be reliable.

Classic assumption test

a. Normality Test

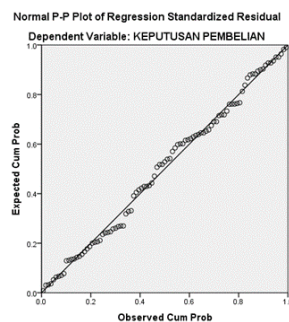


Figure 1. Normality Test Result

The graphic above depicts how the data points are scattered around the line and adhere to the direction of the diagonal line, demonstrating the consistently distributed distribution of research data. (Probability Plot Normality Test).

The significance value of 0.280 is more than 0.05, as shown by the results of the normality test. As a result, the normality test might infer that the residual values follow a normal distribution. (Kolmogorov-Smirnov normalcy test).

b. Multicollinearity Test

Table 1. Multicollinearity Test Results

Variabel	Tolerance	VIF	Information
Promotion (X1)	.809	1.236	There'snt
Price (X2)	.809	1.236	There'snt
Service Quality (X3)	.972	1.029	There'snt

According to the table above, the results of the multicollinearity test on an instrument variable promotion (X1), price (X2), and service quality (X3) have a tolerance value of more than 0.1 and a VIF value of less than 10, or the same as a VIF value of more than 0.1, indicating that multicollinearity does not occur.

c. Heterocedasticity Test

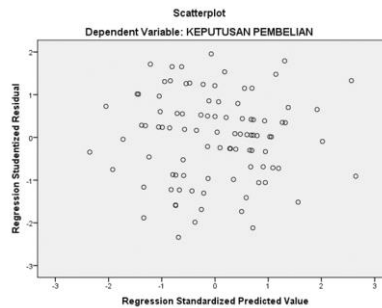


Figure 2. heteroscedaticity test results

The Scatterplot graphic above indicates that the data is randomly dispersed and does not follow a certain pattern. As a result, the residual table shows no signs of heteroscedasticity (assumptions satisfied).

Multiple Linear Regression Test

Table 2. Multiple Linear Regression Test Result

Coefficients ^a						
Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
		B		Beta		
1	(Constant)	4.416	1.014		4.354	.000
	Promotion	.439	.040	.572	10.988	.000
	Price	.385	.045	.443	8.511	.000
	Service Quality	.153	.051	.142	2.999	.003

The results of the multiple linear analysis test above demonstrate that the constant value is 4.416 (positive), indicating that all promotion, price, and service quality factors impact purchase decisions.

Hypothesis Test (Test T)

Table 3. Hypothesis Test (Test T)

Variabel	t - Hitung	t - Tabel	sig
Promotion (X1)	10,988	1,986	.000
Price (X2)	8,511	1,986	.000
Service Quality (X3)	2,999	1,986	.003

The partial t test findings indicate that Promotion (X1), Price (X2), and Service Quality (X3) have a substantial impact on Purchasing Decisions (Y), with a significance value of <0.05. This demonstrates that Promotion (X1), Price (X2), and Service Quality (X3) have an impact on purchasing decisions.

Coefficient Of Determination Test (R^2)

Table 4. Coefficient Of Determination Test (R^2)

Model Summary				
Model	R	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.895 ^a	.801	.794	1.235

According to the findings of the table analysis, the Adjusted R Square Multiple Determination Coefficient (R^2) is 0.794. This demonstrates that 79.4% of changes in purchase decisions are driven by price, promotion, and service quality, with the remaining 20.6% impacted by other variables including product quality. Customer satisfaction, brand image, and other considerations.

Discussion

The Influence of Promotions on Purchasing Decisions

According to the findings of the partial hypothesis test and t test, the Promotion Variable (X_1) has a significant impact on purchase decisions, with a calculated t value $> t$ table 10.988. > 1.986 and a significance value of $0.000 < 0.05$. According to the results of the first hypothesis, promotions have a large and positive impact on purchase decisions. These findings reveal that Toko Jitu, Candipuro District, Lumajang Regency is well-known in the community for selling a range of things, ranging from food, drinks, and everyday essentials.

The Influence of Price on Consumer Purchasing Decisions

The price variable (X_2) has a significant impact on purchase decisions, according to the outcomes of the partial hypothesis test and t test. The calculated t value $> t$ table is $8.511 > 1.986$, with a significance value of $0.000 < 0.05$. According to the evidence from the first hypothesis, price has a positive and significant impact on purchase decisions. These findings demonstrate that Toko Jitu, Candipuro District, Lumajang Regency uses a variety of sales price setting tactics to encourage clients to buy as soon as feasible.

The Influence of Service Quality on Purchasing Decisions

The partial hypothesis test and t test show that the service quality variable (X_3) has a considerable impact on purchase decisions. The estimated t value $> t$ table is $2.999 > 1.986$, and the consequent significance value is $0.003 < 0.05$. According to the results from the first hypothesis, service quality has a positive and significant impact on purchase decisions. These findings demonstrate that Toko Jitu, Candipuro District, Lumajang Regency, takes great care in terms of service quality, particularly with regard to its personnel, ensuring that they are always available to assist customers in need.

CONCLUSION

Promotion (X_1), Price (X_2), and Service Quality (X_3) all have a substantial impact on customer purchase decisions (Y) in Toko Jitu, Candipuro District, Lumajang Regency. According to the data, the better the Accurate Shop in Candipuro subdistrict, Lumajang district is at enhancing promotions, pricing, and service quality, the greater the degree of customer purchasing decisions.

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