The Influence Of Price Location And Service Quality On Purchasing Decisions
(Case Study At The Naja Putra Demak Clothing Store)

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ARTICLE INFORMATION

ABSTRACT

This research aims to examine the influence of location, price and service quality on purchasing decisions (Study at the Naja Putra Demak Clothing Store). The population in this study includes all consumers who shop at the Naja Putra Demak Clothing Store. The data source used is primary data, this sampling technique uses a purposive sampling method or sample determination with certain considerations, namely respondents who have shopped at the Naja Putra Demak Clothing Store. Using a sample size of 102 respondents. The analytical method for this research uses multiple linear regression analysis using the data processing tool SPSS (Statistical Product and Service Solution) Version 26. The results of this research show that the location variable (X1) has a positive and significant effect on purchasing decisions (Y), price (X2) has a positive and significant effect on purchasing decisions (Y), service quality (X3) does not have a positive and significant effect on purchasing decisions (Y). then simultaneously and together it can be concluded that Location (X1), Price (X2) and Service Quality (X3) have a positive and significant effect on Purchasing Decisions (Y).

Keywords: Location Price Service Quality Purchasing Decisions.

INTRODUCTION

In this modern era, the clothing business has become a trend among today's society. The rapid development of clothing trends has now become part of fashion and a necessity of life for some people. Competition in the clothing business means companies must make greater efforts to develop fashion and brands and manage existing resources to achieve company goals in order to survive in increasingly advanced business competition. The clothing business is not an easy business. Companies must work hard to understand customer desires and improve the quality of their products. In addition, understanding consumer needs and preferences is very important so that businesses can grow according to consumer tastes. To achieve this goal, each store must efficiently manage its economic resources, increase the competitiveness of its products in the market, and continue to develop effective marketing strategies. One of them is through marketing activities, where the Naja Putra Demak Clothing Store creates value for customers and builds strong relationships with them to get value in return from customers.

Apart from that, there are factors that influence the increase or decrease in sales. For example, location, price and increasing competition prevent a company from achieving its desired goals. This is a very important focus for clothing businesses. at the Naja Putra Demak clothing store to improve the quality of service so that it can compete with other competitors. One way to face intense competition with other clothing companies is to maintain the quality of the services provided. Apart from other factors, service quality has a significant influence on product purchase satisfaction. Excellent service quality can also guarantee purchasing decisions.

Table 1. Clothing Sales Data for 2022 Naja Putra Demak Clothing Store

No	Month of 2022	Number of consumers
1.	January	48
2.	February	27
3.	March	39
4.	April	53
5.	May	55
6.	June	48
7.	July	41
8.	Agust	30
9.	September	21
10	October	36
11.	November	50
12.	December	52
Total		**500**

Source: Naja Putra Clothing Store (2023)

Based on table 1, this is sales data for Naja Putra Demak Clothing 2022. It can be seen from the table above that the highest level of consumer visitors during the last year occurred in May, namely 55 consumers. Furthermore, the second highest level of consumer visits was in December with a total of 52 consumer visits. Meanwhile, the lowest level of consumer visits occurred in September, namely 21 consumers. Furthermore, the second highest level of consumer visits was in December with a total of 52 consumer visits. Meanwhile, the lowest level of consumer visits occurred in September, namely 21 consumers. There are several factors that influence the increase

or decrease in sales. For example, location, price and increasing competition prevent a company from achieving its desired goals.

LITERATURE REVIEW

Buying decision
Purchasing decisions involve consumer preferences for a brand among the available choices. Every day, consumers often make decisions in various aspects of their lives without a clear understanding of the processes or considerations involved. So when making decisions, it is important to have a variety of options. If consumers have the choice to buy or not, or can choose when to buy, then they have the ability to make decisions. However, if consumers are forced to make a purchase or take certain actions without any other choice, then this is not a decision. According to (Kotler and Keler, 2016).

Location
Location can be a key factor in determining costs and revenues, therefore, location often plays an important role in designing a business's business strategy. Strategic location aims to optimize profits for the shop. According to (Heizer & Ronder, 2015). According to (Kotler & Armstrong, 2014), location is the place where business activities are carried out, including various activities aimed at making products that are accessible and available to the target market. Meanwhile, according to (Tengku, 2020), placement or location is an element that has very important significance.

Price
Price is an element of the marketing mix that generates revenue for the Company, while product, distribution and promotion generate costs. Apart from that, prices are also flexible and can change easily and quickly. According to (Fandy Tjiptono, 2014).
Price is a value that can be equated with money or other goods given in return for a good or service at a certain time and place, for the benefit of an individual or group. According to (Deliyanti Oentoro, 2012).

Service Quality
For businesses in the service industry, providing quality service to customers is important if they want to be successful. Meanwhile, according to (Aria & Atik, 2018) Service quality is a crucial element in providing superior service. Service quality is the core of store operations, because it has a direct effect on customer satisfaction. Customer satisfaction will arise if the quality of service is provided well.

RESEARCH METHOD

This research method uses a quantitative approach. The population in this study includes all consumers who shop at the Naja Putra Demak Clothing Store. The data source used is primary data, this sampling technique method uses a purposive sampling method or sample determination with certain considerations, namely respondents who have shopped at the Naja Putra Demak Clothing Store. Using a sample size of 102 respondents. The analytical method for this research uses multiple linear regression analysis using the data processing tool SPSS (Statistical Product and Service Solution) Version 26

RESULTS

Table 2. Respondent Demographic Data

No	Gender	Jumlah	Percent (%)
1.	Male	35	34.3
2.	Female	67	65.7
No	**Age**	**Jumlah**	**Percent (%)**
1.	17 - 22 Tahun	51	50.0
2.	22 - 27 Tahun	29	28.4
3.	27 - 32 Tahun	7	6.9
4.	> 32 Tahun	15	14.7
No	**Income**	**Jumlah**	**Percent (%)**
1.	500.000 > 1.000.000	38	37.3
2.	1.000.000 > 1.500.000	17	16.7
3.	1.500.000 > 2.000.000	24	23.5
4.	2.000.000 > 5.000.000	23	22.5

Source : Primay data processed,2024

Table 3. Perason Product Moment

Variable	R hitung	R tabel	Decision
X1			
X1.1	0.710	0.195	Valid
X1.2	0.659	0.195	Valid
X1.3	0.587	0.195	Valid
X1.4	0.625	0.195	Valid
X2			
X2.1	0.658	0.195	Valid
X2.2	0.678	0.195	Valid
X2.3	0.573	0.195	Valid
X3			
X3.1	0.689	0.195	Valid
X3.2	0.692	0.195	Valid
X3.3	0.694	0.195	Valid
X3.4	0.608	0.195	Valid
X3.5	0.677	0.195	Valid
Y			
Y1	0.687	0.195	Valid
Y2	0.646	0.195	Valid
Y3	0.622	0.195	Valid
Y4	0.660	0.195	Valid
Y5	0.669	0.195	Valid

Source : Primay data processed,2024

From table 3, it can be seen that the calculated r value for all research items, including location, price, service quality and purchasing decisions, has a calculated r value that is more than the r table value or > 0.195. So, it can be concluded that all data is valid.

Table 4. Cronbach Alpha

Variable	Number of items in the questionnaire	Number of items retained	Chronbach Alpha	Decision
Location (X1)	4	4	0.894	Reliabel
Price (X2)	3	3	0.894	Reliabel
Service Quality (X3)	5	5	0.888	Reliabel
Buying Decision (Y)	5	5	0.883	Reliabel

Source : Primay data processed,2024

Table 4 shows that the Chronbach Alpha value for all variables is more than 0.06, namely for location and price it is 0.894, service quality is 0.888, and purchasing decisions are 0.883. So, it can be concluded that all variables have met the requirements for reliability.

Kolmogorov-Smirnov, where data is said to be normal if the probability value is more than the alpha value of 0.05, the following is a table of test results.

Table 5 Kolmogorov-smirnov

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		102
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.33695953
Most Extreme Differences	Absolute	.077
	Positive	.077
	Negative	-.062
Test Statistic		.077
Asymp. Sig. (2-tailed)		.154[c]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
Source : Primay data processed,2024

Table 5 shows that the value of Asymp. Sig. (2-tailed) is 0.154, where the value is greater than 0.05, then according to the decision making criteria, the data is normally distributed.

Tolerance and VIF. The model is said to be free from multicollinearity if the tolerance value is more than or equal to 0.1, and the VIF value is less than 10.

Table 6 Tolerance dan VIF

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	.162	.136		1.192	.236		
LOCATION	.350	.091	.340	3.843	.000	.402	2.490
PRICE	.422	.083	.430	5.077	.000	.438	2.281
SERVICE	.151	.094	.153	1.604	.112	.344	2.908

Source : Primay data processed,2024

Table 6 shows that the tolerance values for the location, price and service quality variables respectively have values of 0.402, 0.438 and 0.344, these values are greater than 0.1, meaning that the data is free from multicollinearity. Furthermore, with the VIF value, for the location, price and service quality variables, each of which has a value of 2,490, 2,281, and 2,908, where these values are less than 10, it can be concluded that the model is free from multicollinearity.

Glejser test. Where decision making is based on the significant value compared to the alpha value, if the significant value is more than 0.05, then heteroscedasticity does not occur.

Table 7. Glejser Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.003	.083		.041	.968
1 LOOCATION	.107	.056	.289	1.929	.057
PRICE	.017	.051	.047	.325	.746
SERVICE	.009	.058	.025	.153	.879

Source : Primay data processed,2024

Table 7 shows that the significant value for each variable is 0.057 for location, 0.756 for price, and 0.879 for service quality, where these values are more than 0.05. So the conclusion is that this model does not show symptoms of heteroscedasticity.

Multiple linear regression analysis is aimed at determining the effect of the dependent variable on the independent variable. The following are the results of multiple linear regression analysis.

Table 8. Test Regresi Linier Berganda

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.162	.136		1.192	.236
	LOCATION	.350	.091	.340	3.843	.000
	PRICE	.422	.083	.430	5.077	.000
	SERVICE	.151	2.094	.153	1.604	.112

Source : Primay data processed,2024

From the results of table 8, the following regression equation can be created.
$Y=a+b_1 X_1+b_2 X_2+b_3 X_3+e$
$Y=0.162+0.350X_1+0.422X_2+0.151X_3+e$

- A constant of 0.162 means that if location, price and service quality are 0, then the sales value will be 0.162 or 16.2%
- A regression coefficient value of 0.350 means that if the location experiences an increase of 1 unit, then buying interest will increase by 0.350 or 35.0%
- The regression coefficient value of 0.422 means that if the price increases by 1 unit, then buying interest will increase by 0.422 or 42.2%
- The regression coefficient value of 0.151 means that if service quality increases by 1 unit, then purchasing interest will increase by 0.151 or 15.1%

The calculated T value, if the calculated T value is greater than the T table, then there is an influence. Apart from that, it can also be viewed with a significant value, if the significant value is smaller than 0.05 then there is an influence. It is known that the T table value for a sample of 102 is 1.987.

Table 9. Test T (Parsial)

Independent Variable	T hitung	T tabel	Signifikansi	Decition
Location	3.843		0.000	There is influence
Price	5.077	1.987	0.000	There is influence
Service Quality	1.604		0.112	No influence

Source : Primay data processed,2024

From table 9, it can be concluded that:
- The calculated T value of the location variable is 3.843, because the calculated T value is greater than the T table (1.222 > 1.987), the location variable has a significant influence on purchasing decisions.
- The calculated T value of the price variable is 5.077 which is greater than the T table (5.077 > 1.987), so the price variable has a significant influence on purchasing decisions.
- However, in contrast to the service quality variable which has a value of 1.604 and is smaller than the T table value (1.604 < 1.987), the service quality variable does not have a significant influence on purchasing decisions.

The calculated F value is greater than the F table, so there is a significant influence between the independent variable and the dependent variable. Apart from that, it can also be seen from the significant value, if the significant value is smaller than 0.05 then

there is an influence between the independent and dependent variants. It is known that the F table value with a sample of 102 and 3 independent variables is 2.70.

Table 10. Test F (Simultan)

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	31.987	3	10.662	73.579	.000[b]
1	Residual	14.201	98	.145		
	Total	46.188	101			

Source : Primay data processed,2024

From table 10 it can be seen that the calculated F value is 73.579, because the calculated F is > from F table 2.70, it indicates that there is a significant influence between the independent variable on the dependent variable. Meanwhile, the sig value. The result is 0.000, meaning it is smaller than the alpha value or <0.05, so it can be concluded that there is a significant influence between the independent variable and the dependent variable.

The R square test is used to see how far the independent variable contributes to influencing the dependent variable.

Table 11. Test R Square

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.832[a]	.693	.683	.380671	1.894

Source : Primay data processed,2024

It can be seen that in table 11 the R square value in the table above is 0.693 or 69.3%. This means that the variables of location, price and service quality can influence purchasing decision variables by 69.3%, while the remaining influence, namely 30.7% (100.0% - 69.3%) is influenced by other factors.

DISCUSSION

The Influence of Location on Purchasing Decisions
The research results state that there is a partial positive influence between location on purchasing decisions based on a significant value of less than 0.05. This proves that the better the location, the greater the purchasing decision.

The Influence of Price on Purchasing Decisions
The research results show that the relationship between price and purchasing decisions has high partial significance, with a significance value of less than 0.05. These findings confirm that effective pricing strategies have a positive impact on consumer purchasing decisions. The implication is that the better the pricing strategy implemented, the greater the likelihood that consumers will make a purchase.

The Influence of Service Quality on Purchasing Decisions
The research results confirm that there is no partially significant influence between service quality and purchasing decisions, with a significance value greater than 0.05. These findings indicate that although service quality is improved, it does not always have a positive impact on consumer purchasing decisions. In this regard, it is worth noting that other factors may have a greater influence in determining purchasing behavior.

The Influence of Price Location and Service Quality on Purchasing Decisions
The research results show that location, price and service quality simultaneously have a positive and significant effect on purchasing decisions. This is indicated by a significance value that is smaller than 0.05, which indicates that these three variables together have a significant contribution in influencing consumer purchasing decisions.

CONCLUSION

Based on the analysis and discussion that has been provided, conclusions can be drawn and the research results obtained are: 1) Location is proven to have a positive and significant influence on purchasing decisions at the Naja Putra Demak Clothing Store. 2) price is proven to have a positive and significant influence on purchasing decisions at the Naja Putra Demak Clothing Store. 3) service quality is proven to have a negative and insignificant effect on purchasing decisions at the Naja Putra Demak Clothing Store. 4) location, price and service quality are proven to have a positive and significant influence on purchasing decisions at the Naja Putra Demak Clothing Store

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