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The Influence Of Product Quality, Price Perception, And Location On The Purchasing Decisions Of Mie Gacoan **Among Students In Solo Raya**

Indah Ayu Puji Lestari ¹⁾; Rusnandari Retno Cahyani ^{2)*}; Annisa Indah Mutiasari ³⁾ ¹⁾Program Studi Administrasi Bisnis Fakultas Sosial, Humaniora dan Seni, Universitas Sahid Surakarta, Indonesia

^{2,3)} Administrasi Bisnis, Fakultas Sosial, Humaniora dan Seni, Universitas Sahid Surakarta, Indonesia

Email: ¹ indahapl31@gmail.com;^{2*} rusnandari@usahidsolo.ac.id; ³ mutiasariannisa@usahidsolo.ac.id

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ABSTRACT

This study examines the impact of product quality, price perception, and location on the purchasing decisions of Mie Gacoan among students in Solo Raya. Primary data were collected using questionnaires distributed to 100 students who had purchased Mie Gacoan. The analysis utilised multiple linear regression to assess the relationships between the independent variables (product quality, price perception, and location) and the dependent variable (purchasing decision). The results indicated that product quality and price perception significantly positively influenced purchasing decisions, while location did not have a significant effect. The F-test demonstrated that the independent variables collectively had a significant impact on purchasing decisions, with an F-value of 71.490 and a significance level of 0.000. The coefficient of determination (R²) revealed that the three independent variables could explain 68.1% of the variance in purchasing decisions. This study underscores the importance of product quality and price perception in influencing consumer behaviour, providing valuable insights for businesses seeking to enhance their marketing strategies.

INTRODUCTION

In a highly competitive business environment, a company's success is often determined by consumers' purchasing decisions. A purchasing decision is the result of a series of processes, including problem recognition, information search, alternative evaluation, purchase decision, and post-purchase stage (Ediyanto, 2016). According to Kotler (2009), a purchasing decision is part of consumer behavior in selecting, buying, and using goods or services to satisfy their needs and desires.

The aim of this study is to understand the influence of product quality, price perception, and location on the purchasing decisions of Mie Gacoan by students in Solo Raya. Product quality encompasses the overall features of a product in satisfying consumer needs, becoming a primary consideration in spending money (Damayanti, 2015; Weenas, 2013). Recent research by Padmantyo and Handayani (2017) shows that product quality has a significant impact on purchasing decisions. Zeithaml et al. (2018) also assert that product quality is directly related to customer satisfaction and purchasing decisions.

Additionally, price perception, or consumers' view of the product price, plays a crucial role in purchasing decisions. Consumers tend to consider price as a major factor in determining the value of a product (Octaviona, 2016). A study by Resty (2022) indicates that price perception influences purchasing decisions in restaurants and cafes in Manado. Homburg et al. (2019) support this finding, stating that a positive price perception can enhance purchase intentions.

Location is another important factor in understanding customer behavior. A strategic location, easy access, and good facilities can influence consumers' purchasing decisions (Raharjani, 2005). Although research by Debby (2022) shows that location does not significantly impact purchasing decisions at BUMDes Amanah Mart Podakrejo, this study aims to explore whether similar results apply to the purchase of Mie Gacoan in Solo Raya. Research by Reimers and Clulow (2017) indicates that a strategic store location and good accessibility can increase visits and purchasing decisions.

This study identifies a gap in the literature regarding the simultaneous interaction of product quality, price perception, and location in the context of fast food, particularly among students in Indonesia. Previous research tends to focus on one factor separately, without examining how these three factors interact to influence purchasing decisions.

Therefore, this study seeks to fill this gap by providing a comprehensive analysis of how product quality, price perception, and location affect the purchasing decisions of Mie Gacoan by students in Solo Raya. By understanding the simultaneous influence of these three factors, this research aims to offer deeper and more practical insights for companies in developing more effective marketing strategies.

LITERATURE REVIEW

Product Quality

Product quality encompasses the overall features of a product in meeting consumer needs. This includes aspects such as durability, reliability, and precision. Product quality is a primary consideration for consumers when spending their money, as they tend to seek the best value for their expenditure (Damayanti, 2015; Weenas, 2013). According to Padmantyo and Handayani (2017), product quality has a significant influence on purchasing decisions. Zeithaml et al. (2018) also confirmed that product quality is directly related to customer satisfaction and purchasing decisions. High product quality not only attracts consumers for initial purchases but also influences their loyalty for repeat purchases (Kim et al., 2019).

Price Perception

Price perception refers to consumers' view of the price of a product. Consumers often consider price as a major determinant of a product's value, significantly influencing their purchasing decisions (Octaviona, 2016). Resty (2022) found that price perception affects purchasing decisions in restaurants and cafes in Manado. A positive price perception, where consumers feel that the product's price is commensurate with its quality, can enhance purchase intentions. Homburg et al. (2019) support this finding by stating that good price perception can increase purchase intentions and customer satisfaction. Research by Grewal et al. (2018) also shows that consumers are more likely to purchase products they perceive as offering good value for the price.

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Location

Location is an important factor in understanding customer behavior. A strategic location, easy access, and good facilities can influence consumers' purchasing decisions. A good location is typically characterized by high accessibility, adequate parking, and additional amenities such as comfort and Wi-Fi availability (Raharjani, 2005). Although Debby (2022) found that location did not significantly influence purchasing decisions at BUMDes Amanah Mart Podakrejo, this study aims to explore whether similar results apply to the purchase of Mie Gacoan in Solo Raya. Research by Reimers and Clulow (2017) indicates that a strategic store location and good accessibility can increase visits and purchasing decisions. Furthermore, research by Seidel and Thiel (2020) found that a convenient and easily accessible location significantly influences customer loyalty.

Purchasing Decision

A purchasing decision is the result of a series of processes that include problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior (Ediyanto, 2016). According to Kotler (2009), a purchasing decision is part of consumer behavior in selecting, buying, and using goods or services to satisfy their needs and desires. Recent studies show that factors such as product quality, price perception, and location significantly influence purchasing decisions (Homburg et al., 2019; Zeithaml et al., 2018). This study focuses on how these three factors interact to influence the purchasing decisions of Mie Gacoan among students in Solo Raya.

METHODS

Research Type

This study employs a quantitative approach, which is a well-organized, planned, and structured method of scientific research aimed at understanding phenomena, elements, and relationships between variables (Salim, 2012). The purpose of this research is to develop a theoretical model that is tested mathematically through data collection, analysis, and interpretation of results. This approach allows for hypothesis testing and generalizing findings to a larger population.

Population And Sample

The population in this study includes students in Solo Raya who have purchased Mie Gacoan. The population is defined as all individuals or objects with similar characteristics that are the focus of the research (Paramita, 2021). The sample was drawn from this population using Smith's formula as cited in Suliyanto (2018), appropriate for an unknown population size. With a 95% confidence level and a margin of error less than 5%, the sample size was rounded to 100 respondents to anticipate sampling errors. This sample consists of students who have purchased Mie Gacoan in Solo Raya (Sinambela, 2021).

Data Collection

Data were collected through a survey using a questionnaire distributed to respondents. The questionnaire was designed to measure students' perceptions of product quality, price perception, and location of Mie Gacoan, as well as their purchasing decisions. The primary data obtained were then analyzed using statistical techniques to test the research hypotheses.

Measurement

The research variables were measured using a 5-point Likert scale, where respondents were asked to indicate their level of agreement with several statements related to product quality, price perception, location, and purchasing decisions.

RESULTS

The data used in this study were primary data collected from questionnaires distributed to students who had purchased Mie Gacoan in Solo Raya. Based on gender characteristics, 23% of the 100 respondents were male, and 77% were female. This indicates that female respondents dominate the purchasing decisions of Mie Gacoan.

In terms of university affiliation, 29% of respondents were from Universitas Sahid Surakarta, 18% from UIN Raden Mas Said Surakarta, 1% from ISI Surakarta, 3% from Poltekes Kemenkes Surakarta, 3% from Universitas Duta Bangsa, 3% from Universitas Kusuma Husada, 1% from Universitas Muhammadiyah Karanganyar, 8% from Universitas Muhammadiyah Surakarta, 16% from Universitas Sebelas Maret, 2% from Universitas Setia Budi, 6% from Universitas Sragen, 3% from Universitas Terbuka Surakarta, and 1% from Universitas Tunas Pembangunan.

Regarding allowance, 57% of respondents had an allowance of less than Rp. 1,000,000, 29% had an allowance between Rp. 1,000,000 - 2,000,000, 11% had an allowance between Rp. 2,000,000 - 5,000,000, and 3% had an allowance of more than Rp. 5,000,000. For the number of product purchases, 10% of respondents purchased Mie Gacoan 1-2 times, 12% purchased it 2-4 times, and 78% purchased it more than 4 times.

The classical assumption tests showed that the residuals were normally distributed based on the normal P-P plot. The multicollinearity test showed no multicollinearity issues with VIF values less than 10 and tolerance values greater than 0.1. The heteroskedasticity test indicated that the data were free from heteroskedasticity as the scatterplot points were evenly distributed around zero on the X-axis without forming a specific pattern.

The multiple linear regression test showed that product quality, price perception, and location together significantly influenced the purchasing decisions of Mie Gacoan. The regression equation obtained was:

$Y=a+b_1X_1+b_2X_2+b_3X_3+e$ Y=1,344+0,286+0,274+0,096+e

The regression coefficients indicated that each one-unit increase in product quality would increase purchasing decisions by 0,286 units; each one-unit increase in price perception would increase purchasing decisions by 0,274 units; and each one-unit increase in location would increase purchasing decisions by 0,096 units.

Detailed Interpretation Of Regression Results

From the regression equation, it can be explained as follows:

The constant value of 1.344 indicates that if the variables of product quality (X_1), price perception (X_2), and location (X_3) are held constant or equal to zero, the purchasing decision for Mie Gacoan (Y) would increase by 1.344 units.

The regression coefficient for product quality (X_1) of 0.286 shows that each one-unit increase in product quality will increase the purchasing decision for Mie Gacoan by 0.286 units, indicating a positive relationship.

The regression coefficient for price perception (X_2) of 0.274 indicates that each one-unit increase in price perception will increase the purchasing decision for Mie Gacoan by 0.274 units, indicating a positive relationship. The regression coefficient for location (X_3) of 0.096 suggests that each one-unit increase in location will increase the purchasing decision for Mie Gacoan by 0.096 units, indicating a positive relationship.

Partial Test (T-test)

The T-test was used in this study to determine the effect of each independent variable (product quality, price perception, and location) on the dependent variable (purchasing decision

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of Mie Gacoan). The hypothesis is accepted if the t-value is greater than the t-table value and the significance value is less than 0.05. The t-table value was determined with a 95% confidence level (α = 0.05), N = 100 (number of samples), k = 4 (number of dependent and independent variables), df = n-k = 96, resulting in a t-table value of 1.985.

1. Variable X₁: Product Quality

From the table above, the t-value is 4.650, which is greater than the t-table value of 1.985, and the significance value is 0.000, which is less than 0.05. Therefore, H1 is accepted, and H0 is rejected, indicating a significant positive partial effect between product quality and the purchasing decisions of Mie Gacoan.

2. Variable X₂: Price Perception

The t-value is 3.326, which is greater than the t-table value of 1.985, and the significance value is 0.001, which is less than 0.05. Therefore, H2 is accepted, and H0 is rejected, indicating a significant positive partial effect between price perception and purchasing decisions of Mie Gacoan.

3. Variable X₃: Location

The t-value is 1.475, which is less than the t-table value of 1.985, and the significance value is 0.144, which is greater than 0.05. Therefore, H3 is rejected, and H0 is accepted, indicating no significant partial effect between the location and purchasing decisions of Mie Gacoan.

Simultaneous Test (F-test)

The F-test in this study was used to determine the simultaneous effect of the independent variables (product quality, price perception, and location) on the dependent variable (purchasing decision of Mie Gacoan). The hypothesis is accepted if the f-value is greater than the f-table value and the significance value is less than 0.05.

The f-table value was determined with k = 4 (number of independent variables) and df = 96 (number of samples minus the number of variables), resulting in an f-table value of 2.47.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	689.410	3 229.80)3	71.490	0.000
Residual	308.590	96	3.214		
Total	998.000	99			

Table 1 ANOVA Test Results

Source: Research Data, 2024

The table shows an f-value of 71.490 with a significance value of 0.000, which is less than 0.05. Therefore, H4 is accepted, and H0 is rejected, indicating that there is a simultaneous significant effect of product quality, price perception, and location on the purchasing decisions of Mie Gacoan.

Coefficient of Determination (R²)

The coefficient of determination was used in this study to determine the ability of the regression model to explain the dependent variable. The adjusted R Square value is expressed as a percentage.

Table 7 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.831	0.691	0.681	1.79290

Source: Research Data, 2024

The results showed an R Square value of 0.681, indicating that 68.1% of the variance in purchasing decisions can be explained by the variables of product quality, price perception, and location. The remaining 31.9% is influenced by other variables not included in this study. The table shows an f-value of 71.490 with a significance value of 0.000, which is less than 0.05. Therefore, H4 is accepted, and H0 is rejected, indicating that there is a simultaneous significant effect of product quality, price perception, and location on the purchasing decisions of Mie

Coefficient Of Determination (R²)

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The partial test (T-test) showed that product quality and price perception significantly positively influenced purchasing decisions, while location did not have a significant effect. The simultaneous test (F-test) showed that product quality, price perception, and location together significantly influenced purchasing decisions, with an F-value of 71.490 and a significance value of 0.000. The coefficient of determination (R²) test showed that 68.1% of the variance in purchasing decisions could be explained by the variables of product quality, price perception, and location.

DISCUSSION

Gacoan.

The findings from this study support the first hypothesis that product quality significantly influences the purchasing decisions of Mie Gacoan among students in Solo Raya. The positive coefficient for product quality indicates that higher product quality is associated with higher purchasing decisions. This aligns with previous research by Wijaya (2011) and Padmantyo & Handayani (2017), who found that product quality directly affects consumer satisfaction and loyalty.

The second hypothesis, which posits that price perception significantly influences purchasing decisions, is also supported by the data. The significant positive coefficient for price perception suggests that students are more likely to purchase Mie Gacoan when they perceive the price as fair and providing good value for money. This finding is consistent with the studies by Rangkuti (2008) and Resty (2022), which highlight the importance of price perception in consumer purchasing behavior.

Contrary to the third hypothesis, the study found that location does not significantly influence purchasing decisions of Mie Gacoan among students in Solo Raya. The non-significant coefficient for location suggests that factors such as product quality and price perception may play a more crucial role in determining purchasing behavior than the physical location of the store. This result is in line with the findings of Debby (2022), who also found that location was not a significant factor in purchasing decisions in certain contexts. However, it contrasts with the research by Reimers & Clulow (2017), which emphasized the importance of a strategic location for increasing store visits and purchases. The discrepancy might be explained by the increasing

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use of delivery services such as GoFood, GrabFood, and ShopeeFood, which reduce the importance of a store's physical location.

The simultaneous effect of product quality, price perception, and location on purchasing decisions was significant, indicating that these factors collectively influence consumer behavior. This integrated perspective supports the comprehensive model proposed by Kotler & Keller (2016), which suggests that multiple factors interact to shape purchasing decisions. The high R² value of 68.1% indicates that a significant portion of the variance in purchasing decisions can be explained by these three factors, underscoring their importance in the marketing strategy for Mie Gacoan.

CONCLUSION

Based on the findings of this study, it can be concluded that product quality has a significant positive influence on the purchasing decisions of Mie Gacoan among students in Solo Raya. Improved product quality directly increases the likelihood of purchasing decisions. Price perception also significantly influences purchasing decisions; students tend to buy Mie Gacoan when they perceive the price as fair and providing good value for money. Conversely, the location does not have a significant impact on purchasing decisions. This may be attributed to the accessibility of delivery services, which diminishes the importance of physical proximity. However, when considered together, product quality, price perception, and location significantly influence purchasing decisions. This indicates that while location alone may not be a strong determinant, it contributes to the overall decision-making process when combined with other factors.

LIMITATION

This study has several limitations that should be acknowledged. Firstly, the sample size was limited to 100 students, which may not be representative of the entire population of Mie Gacoan consumers in Solo Raya. Future research should consider larger sample sizes to enhance the generalizability of the findings. Secondly, this study was geographically confined to Solo Raya, limiting its applicability to other regions. Expanding the geographic scope in future studies could provide a more comprehensive understanding of the factors influencing purchasing decisions. Thirdly, the study relied solely on self-reported data through questionnaires, which may introduce response biases. Future research could incorporate observational or experimental methods to validate the findings. Finally, this study focused only on product quality, price perception, and location. Other factors such as brand image, customer service, and promotional activities were not considered and could be explored in future research to provide a more holistic view of consumer purchasing behavior.

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