

The Influence of Service Quality, Product Diversity and Prices on Purchase Decisions at Rizky Store in Bireuen District, Aceh Province

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Abstract

This study aims to determine Influence Quality of Service, Diversity of Products and Prices on Purchase Decisions at Rizky Stores in Bireuen Regency, Aceh Province. Data collection in this study was conducted through an interview approach with a quantitative descriptive type of research by distributing questionnaires to 96 people. Data collection techniques were carried out by interviews and questionnaires. The data analysis tool used in this study uses SPSS (Statistical Product Software Solution). Data analysis in this study is instrument test, multiple linear regression analysis, hypothesis testing using partial significant test (t test) and simultaneous significant test (F test). The results of this study indicate that partially (t test) it is known that Service quality positive and significant effect on Buying decision. Variable Product Diversity positive and significant effect on Buying decision. Then Variable Price positive and significant effect on Buying decision At Rizky's Shop in Bireuen Regency, Aceh Province. In the simultaneous test (F test) it is known that Quality of Service, Diversity of Products and Prices positive and significant effect on Buying decision At Rizky's Shop in Bireuen Regency, Aceh Province.

Keywords

service quality; product diversity; price; purchase decision.



I. Introduction

According to Limakrisna and Purba, (2017) argues that "Marketing management is the art and science of choosing target markets, getting them, and growing customers through creating, delivering and communicating super customer value". According to Alma (2016), expressed the opinion that "Marketing management is a process to improve the efficiency and effectiveness of marketing activities carried out by individuals or by companies". Marketing is a process of planning and execution, starting from the conception stage, pricing, promotion, to the distribution of goods, ideas and services, to make exchanges that satisfy the individual and his institutions (Dianto in Asmuni et al, 2020). According to Tjiptono in Marlizar (2020) marketing performance is a function that has the greatest contact with the external environment, even though the company only has limited control over the company's environment. In the world of marketing, consumers are assets that must be maintained and maintained their existence in order to remain consistent with the products we produce (Romdonny and Rosmadi, 2019).

Consumer purchasing decisions are one of the most important goals in marketing. Every consumer will be faced with two choices, namely buying or not buying. If the consumer decides to buy, then he is in a position to make a decision. If he is satisfied with

the product he buys, then he will show a higher probability of buying that product. On the other hand, if he is not satisfied, he may leave or return the product (Nugroho, 2013). Decision making begins with a need that is trying to be fulfilled. Therefore, marketers must know the needs and wants of consumers. Because by knowing the needs and desires of consumers correctly, the company will be able to provide products and services with superior quality.

Consumers are willing to spend a lot of money to get the product they want with high/good quality. Mowen argues that product quality has a direct influence on customer satisfaction. By increasing the ability of a product, a competitive advantage will be created so that customers become more satisfied (Mowen and Minor, 2012). In addition to quality, decision making also occurs when consumers look for variations, be it variations in shapes, sizes, colors, brands, and so on. If consumers are faced with a choice between various existing goods, consumers can choose the most desired combination of goods (Ridwan, 2013). So marketers must pay attention to the completeness of the product to be sold. There are several ways that marketers can find out the wants and needs of consumers, one of them is through intermediaries (distribution channels) used in the distribution of their products, namely through retail trade (retailing). With retailers, consumers can buy the products they need according to their ability to buy a product.

Retail trade can be found in various places, one of which is in traditional markets. Traditional markets are places where sellers and buyers meet and are marked by the existence of direct transactions between sellers and buyers and usually there is a bargaining process. Traditional markets provide a variety of goods that offer a variety of prices and quality, one of the merchandises being traded is clothing. The need for clothing is currently growing, so it requires business people to follow the trend that is on the rise. In meeting these needs, consumers have different ways to obtain them, such as choosing retail outlets. There are some consumers who choose comfortable modern retail outlets, safe and clean with the hope that consumers will be satisfied with the quality of the clothes even though the prices are relatively expensive. However, there are also those who tend to choose ordinary retail outlets like in traditional markets, but the prices are affordable.

Quality provides an impetus to customers to forge a strong bond with the company. Service quality can improve the company's ability to retain customers which in turn affects profitability. If the company does something that is not in line with consumer expectations, it means that the company does not provide good service quality.

The product is the central point of a marketing activity because the product is the result of a company that can be offered to the market for consumption and is a tool of a company to achieve its goals. Good product diversity can make companies attract consumers to visit and make purchases.

According to Ramli (2013) the notion of price is mentioned as the relative value of a product or service and not a definite indicator in showing the number of resources needed to produce a product or service.

II. Review of Literature

2.1 Service quality

According to Tjiptono, (2015) Service quality is the expected level of excellence and control over the level of excellence to meet customer desires. Kotler and Keller, (2012) Service quality is the totality of features and characteristics of a product or service that depend on its ability to satisfy stated or implied needs.

2.2 Product Diversity

There are several theories regarding product diversity, namely according to Mulyani (2009) which states that product diversity is the completeness of the goods sold and the availability of these goods. Utami (2010) states that product diversity is the number of selected items in each product category. Stores with a wide product assortment (large assortment) can be said to have good depth.

2.3 Price

According to Kotler and Keller (2012) price is the amount of money exchanged for a product or service. Furthermore, price is the sum of all the values that consumers exchange for the number of benefits by owning or using a product or service. According to Tjiptono (2015) Price is the only element of the marketing mix that brings income or income to the company, while the other three elements (product, distribution, and promotion) cause costs (expenses).

2.4 Buying decision

Consumer decision making includes all the processes that consumers go through to identify problems, find solutions, evaluate alternatives, and choose among options. Decision is the choice of an action from two or more alternative choices. The purchasing decision-making process is strongly influenced by consumer behavior. According to Sangadji and Sopiah (2013), suggests that "Consumer purchasing decisions begin with stimuli which are then influenced by environmental factors such as social, cultural, personal, and psychological factors, and influence consumers in choosing products with certain brands". According to Suharno (2010), "Consumer purchasing decisions are the stage where the buyer has made his choice and makes a purchase of the product, and consumes it".

2.5 Conceptual framework

Conceptual Framework According to Sugiyono (2014), suggests that "A conceptual model of how theory relates to various factors that have been identified as important problems". A good conceptual framework will explain theoretically the link between the variables studied. Based on the background and literature review, it can be seen the relationship of exogenous variables and endogenous variables. The variables used in this study are service quality (X1), product diversity (X2), price (X3) and purchasing decisions (Y). As follows:

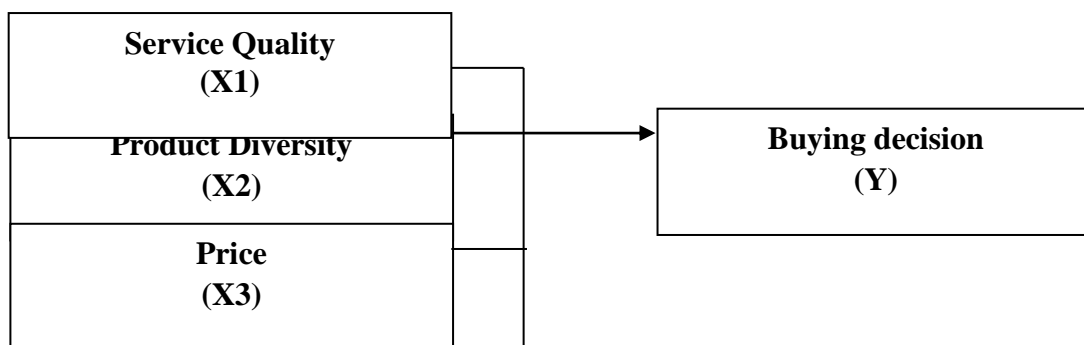


Figure 1. Conceptual framework

III. Research Method

3.1 The place

This research was conducted on Jln. Medan Banda Aceh Cot Keutapang Village, Jeumpa District, Cot Keutapang, Kec. Jeumpa, Kab. Prov. Aceh.

3.2 Types of research

The data used in this study comes from two types of data, namely primary data and secondary data. Collecting secondary data obtained questionnaires and interviews with consumers Rizky's Shop in Bireuen Regency, Aceh Province. The analytical method used is multiple linear regression analysis.

3.3 Population and Sample

Population Sugiyono (2014) states that population is a generalization area that determines consumers in research that will be used by researchers. Meanwhile, Nawawi (2012) states the population as the whole object of research (humans, objects, animals, plants, etc.) which is used as a data source. From the statement above, it can be concluded that the population is an object or subject in an area and fulfills the requirements related to research. So, the population of this study are consumers who visit Rizky's Shop in Bireuen Regency, Aceh Province.

The research sample according to Arikunto (2019) is part of the population to be studied and can represent the whole. The technique that the author uses in sampling is a non-probability sampling technique (not the entire population is taken), purposive category, which uses the Wibisono formula in Riduwan and Kuncoro (2014) as follows:

$$N = \left\{ \frac{((Z_{\alpha/2}) \cdot \sigma)}{e} \right\}^2$$
$$N = \left\{ \frac{(1,96 \cdot 0,25)}{5\%} \right\}^2$$
$$N = 96,04 \text{ dibulatkan } 100$$

3.4 Research Instrument Test

a. Validity test

Validity test is used to measure the validity or validity of a questionnaire. A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that is measured by the questionnaire (Ghozali, 2018). Because the entire population has been the sample in this study. Testing the validity of the instrument in this study using the help of SPSS software. The criteria in determining the validity of a questionnaire are as follows:

- a. If r is positive, $r_{count} > r_{table}$, then the question is valid.
- b. If r is positive, $r_{count} < r_{bel}$ then the question is invalid.

b. Reliability Test

Reliability test is a measuring tool to measure a questionnaire that has indicators of variables and constructs. A questionnaire is said to be reliable or reliable if a person's answer to the statement is consistent or stable over time (Ghozali, 2018). The reliability

test can be done using the SPSS program, which provides facilities to measure reliability with the cronback alpha statistical test. A construct or variable is said to be reliable if it gives a cronback alpha value (α) > 0.7.

3.4 Multiple Linear Regression Analysis

"The data analysis method used in this research is to collect, process, classify and interpret research data, in order to obtain a clear picture of the object under study using Multiple Linear Regression Analysis. According to Situmorang and Lufti (2014) suggest multiple linear regression analysis is intended to determine the linear relationship between several independent variables, namely Service quality (X1), Product Diversity (X2) and Price (X3) with the dependent variable being Purchase Decision (Y)."

"Based on the relationship between two variables expressed by a linear equation, it can be used to make predictions (forecasts) about the magnitude of the Y value (dependent variable) based on a certain X value (independent variable). The forecast (prediction) will be better if we do not only pay attention to one influencing variable (independent variable). The form of the multiple linear regression equation used in this study can be formulated:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Information:

Y	= Employee Performance
a	= Constant
b ₁ -b ₂ -b ₃	= Regression Coefficient
X ₁	=Service quality
X ₂	= Product Diversity
X ₃	= Price
e	= <i>Standard Error</i>

3.5 Partial Significance Test (t-test)

"To test whether the proposed hypothesis is accepted or rejected, the t statistic (t test) is used. This test is conducted to find out how much influence the independent variables have, namely Service quality (X1), Product Diversity (X2) and Price (X3) partially on the dependent variable, namely Purchase Decision (Y). The form of the test is as follows:

- H₀ : b₁ = 0, meaning that partially there is no positive influence from the independent variable, namely Service quality (X1), Product Diversity (X2) and Price (X3) partially on the dependent variable, namely Purchase Decision (Y).
- H_a : b₁ ≠ 0, meaning that partially there is a positive influence from the independent variable, namely Service quality (X1), Product Diversity (X2) and Price (X3) partially on the dependent variable, namely Purchase Decision (Y).

With the following decision making criteria:

- If t count < t table, then H₀ is accepted or H_a is rejected.
- If t count > t table, then H₀ is rejected or H_a is accepted.

If the significance level is below 0.05 then H₀ is rejected and H_a is accepted.

3.6 Simultaneous Significant Test (F-Test)

"To test whether the proposed hypothesis is accepted or rejected, the F statistic (F test) is used. The F test aims to determine the effect of simultaneously or together the independent variables, namely Service quality (X1), Product Diversity (X2) and Price (X3) partially on the dependent variable, namely Purchase Decision (Y). The formulation of the hypothesis is:

- a. $H_0: b_1 = b_2 = b_3 = 0$, meaning that there is no significant effect of the independent variables together on the dependent variable.
- b. $H_a : b_1 b_2 b_3 \neq 0$, meaning that there is a significant effect of the independent variables together on the dependent variable.

With the following decision making criteria:

- a) If $F_{count} < F_{table}$, then H_0 is accepted or H_a is rejected.
- b) If $F_{count} > F_{table}$, then H_0 is rejected or H_a is accepted.

If the significance level is below 0.05 then H_0 is rejected and H_a is accepted.

IV. Result and Discussion

4.1 Population Policy During Turki Utsmani 1512-1566 M

Table 1. Research Instrument Validity Test Results

Variable	Statement	Value of r calculate validity	rtsbel	Information
Service Quality (X1)	P1	0.767	0.361	Valid
	P2	0.751	0.361	Valid
	P3	0.688	0.361	Valid
	P4	0.636	0.361	Valid
	P5	0.729	0.361	Valid
Product Diversity (X2)	P1	0.805	0.361	Valid
	P2	0.819	0.361	Valid
	P3	0.717	0.361	Valid
	P4	0.823	0.361	Valid
	P5	0.834	0.361	Valid
Price (X3)	P1	0.764	0.361	Valid
	P2	0.755	0.361	Valid
	P3	0.764	0.361	Valid
	P4	0.748	0.361	Valid
	P5	0.849	0.361	Valid
Purchase Decision (Y)	P1	0.847	0.361	Valid
	P2	0.755	0.361	Valid
	P3	0.700	0.361	Valid
	P4	0.639	0.361	Valid
	P5	0.796	0.361	Valid

Source: Processed data (2022)

Table 2. Research Instruments Reliability Testing Results

Variable	Value of r calculate reliability	Information
Service quality(X1)	0.853	Reliable
Product Diversity(X2)	0.831	Reliable
Price (X3)	0.872	Reliable
Buying decision(Y)	0.855	Reliable

Source: Processed data (2022)

4.2 Multiple Linear Regression Analysis Results

Multiple linear regression analysis is intended to determine the effect or relationship between several independent variables, namely Service quality (X1), Product Diversity (X2), Price (X3) with the dependent variable Buying decision (Y), so to obtain more accurate results, the researcher uses the help of the SPSS (Statistics Product and Service Solution) software program, so the output is as follows:

Table 3. Multiple Linear Regression Analysis Results
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,189	2,312		4,148	,023
	Service quality	,379	,234	,446	4,426	,000
	Product Diversity	,264	,215	,189	2,574	,021
	Price	,593	,262	,478	4,682	,000

a. Dependent Variables: Buying decision

Source: Research Results (Data processed by SPSS), 2022

Based on the table above, if you look at the value of B in the Unstandardized Coefficients column, it can be seen the coefficient value of each variable.

- Constant (a) = 4,189. This value means that if the variable Service quality, Product Diversity, and Price does not exist (zero value), then Buying decision of 4,189.
- X coefficient₁ (b₁) = 0.379. This value means that if Service quality increases by one unit, then Buying decision will increase by 0.379.
- X coefficient₂ (b₂) = 0.264. This value means that if Product Diversity increases by one unit, then Buying decision will increase by 0.264.
- Coefficient X₃ (b₃) = 0,593. This value means that if the price increases by one unit, then Buying decision will increase by 0.593.

From these values, a regression equation model can be formed as follows:

$$Y = 4.189 + 0.379X_1 + 0.264X_2 + 0.593X_3 + e$$

4.3 Hypothesis Test Results

a. Partial Significance Test (t Test)

Partial test (t test) that is Service quality (X1), Product Diversity (X2), Price (X3), partially to the dependent variable, namely Buying decision (Y). The t count value is obtained from the SPSS results, while the t table value used is the t value at = 0.05 with degrees of freedom $df = (nk-1) = (96-4-1) = 91$, namely $1.987 = 1.987$

Table 4. Partial Test Results (t Test)
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,189	2,312		4,148	,023
	Service quality	,379	,234	,446	4,426	,000
	Product Diversity	,264	,215	,189	2,574	,021
	Price	,593	,262	,478	4,682	,000

a. Dependent Variables:Buying decision

Source: Research Results (Data processed by SPSS), 2022

Based on the table can be explained as follows:

- 1) For variableService quality(X1), the value of tcount is 4.426 with a significance level of 0.000. ttable value, then tcount (4.426) > ttable (1.987) and the significance level is 0.000 <0.05. This means that partiallyService qualityhas a positive and significant effect on purchasing decisions at Rizky's Stores in Bireuen Regency, Aceh Province. Thus means that the hypothesis can be accepted.
- 2) For variableProduct Diversity(X2), the tcount value is 2,574 and the significance level is 0,021. If the value of ttable, then tcount (2.574) > ttable (1.987) and the significance level is 0.021 <0.05. This means that partiallyProduct Diversityhas a positive and significant effect on purchasing decisions at Rizky's Stores in Bireuen Regency, Aceh Province. Thus, means that the hypothesis can be accepted.
- 3) For the price variable (X3), the tcount value is 4.682 and the significance level is 0.000. If the value of ttable, then tcount (4.682) > ttable (1.987) and the significance level is 0.000 <0.05. This means that partially the price has a positive and significant effect on purchasing decisions at Rizky's Shops in Bireuen Regency, Aceh Province. Thus, it means that the hypothesis can be accepted.

Table 5. Simultaneous Test Results (F Test)

ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1234,107	4	348,027	18,211	,000b
Residual	515,591	91	16,358		
Total	2137,698	96			

a. Dependent Variables:Buying decision

b. Predictors: (Constant), Service Quality, Product Diversity and Price

Source: Research Results (Data processed by SPSS) 2022

The Fcount value is 18.211 and the Sig value is 0.000. While the Ftable value used is the distribution value of F with degrees of freedom $df_1 = (k-1) = (4-1) = (3)$ and $df_2 = (nk) = (93)$ at $\alpha = 0.05$, which is 2.486. Furthermore, the value of Fcount is compared with the value of Ftable, then obtained Fcount (18.211) > Ftable (2.486) and a significance level of 0.000 <0.05. This shows that Service Quality, Product Diversity and Price simultaneously (simultaneously)Purchase Decisions at Rizky Stores in Bireuen Regency, Aceh Province. Thus, means that the hypothesis can be accepted.

V. Conclusion

Based on the analysis that has been done in this research, it can be concluded as follows:

1. Partially Service Quality (X1) has a positive and significant effect on Purchase Decisions (Y) at Rizky Stores in Bireuen Regency, Aceh Province with a tcount of 4.426 > ttable 1.987.

2. Partially, Product Diversity (X2) has a positive and significant effect on Purchase Decisions (Y) at Rizky Stores in Bireuen Regency, Aceh Province with a tcount of $2,574 > t_{table} 1,987$.
3. Partially Price (X3) has a positive and significant effect on Purchase Decisions (Y) at Rizky Stores in Bireuen Regency, Aceh Province with a tcount of $4.682 > t_{table} 1.987$.
4. Simultaneously Service Quality (X1), Product Diversity (X2) and Price (X3) together have a positive and significant effect on Purchase Decisions (Y) at Rizky Stores in Bireuen Regency, Aceh Province with value Fcount $(18,211) > F_{table} (2,486)$.

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