

Influence of Price, Product Quality, Location, Brand Image, and Word of Mouth on Purchasing Decisions at Bacarito Padang Cafe with Buy Interest as a Moderation Variable

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Abstract

The purpose of this study was to determine the effect of 1) the influence of prices on purchasing decisions, 2) the effect of product quality on purchasing decisions, 3) the influence of location on purchasing decisions, 4) the influence of brand image on purchasing decisions, 5) the effect of word of mouth on purchasing decisions, 6) the influence of buying interest on purchasing decisions, this study uses SPSS, with a total sample of 200 people, the type and source of data are primary data and secondary data, the sampling technique is simple random sampling.

Keywords: price, product quality, location, brand image, word of mouth, buying interest, purchasing decision

Introduction

From year to year there is always a revolution in which the development of the current era is very followed by young subjects, whatever trends that emerge must be followed by both individuals and business people. Increasing stress levels also make people need a place to let go of those who are already looking for a refreshing place. Go to Coffee Shop or Coffee Shop to be one of the favorite choices in the community. Aside from being a special culture in Indonesia, the community has proven to have a great interest in this popular place for visitors of all ages.

Get further Coffee Shop approval in the community. The role of the media that often socialize Coffee Shop supports the development of this specialty coffee shop. Originally Coffee Shop was created as a community-sponsored place, but now it seems that Coffee Shop has an additional function as a place to meet old friends, friends or business partners.

In making a purchase decision, there are several that are passed by customers to decide on a purchase, which is seen from the behavior of consumers who are easily influenced by the closest people, the environment and others. Several times customers in Padang Bacolito coffee shop and what makes customers feel at home for long in the Padang Bacolito cafe. In theory, consumer purchasing decisions are actions taken by consumers to make product purchases. Philip Kotler (2005) purchasing decision is a purchasing decision making process, where consumers actually buy products. In evaluating, consumers make a preference for brands in a collection of choices. Consumers can also make an intention to buy the most preferred product. Based on previous research there are only a few variables that are used, in this study the authors add other variables and use the purchase interest variable as a moderating variable. Here see a very large purchase decision on this cafe Where visitors are coming every day more and more, making this cafe always crowded, even though there are many more cafe places where their main menu is coffee that provides good venue facilities, relative prices and hence Bacarito cafe is the first choice for young people of Padang City to unwind and meet with their friends.

factor in purchasing decisions is the frequency of purchases, which is to see how much the level of frequency of purchases made by visitors. Based on the results of research conducted by Yulia Puspita Sari and Lia Perwita Sari (2018) with the title Estimation of Purchase Frequency Hoses, Number of Requests and Purchase Prices of Catfish (*Pangasius.sp*) in Palembang, with the results of research on the frequency of catfish purchases conducted by researchers in several traditional markets in Palembang, it is known that the

frequency of purchases of patin by buyers varies. From the data obtained by the frequency of purchases of catfish by the buyer an average of 3 times.

Cultural shifts make the existence of the Coffe Shop increasingly recognized in the community. The role of the media that often socialize Coffee Shop supports the development of this specialty coffee shop. Originally the Coffee Shop was used as a community gathering place, but now it seems that the Coffee Shop has an additional function as a place to meet old friends, friends or even business partners.

Based on previous theories, Purchasing Decisions are influenced by the variables Price, Product Quality, Location, Brand Image, and Word of Mouth. Furthermore, buying interest is also influenced by Price, Product Quality, Location, Brand Image, and Word of Mouth. Price will affect purchasing decisions, then product quality will also affect purchasing decisions, location will affect purchasing decisions, Brand Image affects purchasing decisions and Word of Mouth will affect purchasing decisions and vice versa with purchasing interests that affect purchasing decisions.

Methods

This research was conducted to test the hypothesis proposed by using research methods that have been designed in accordance with the variables to be studied.

This type of research is research deskriptif kausatif. The population in this study were all customers who bought products at the Padang Kopi Bacolito Cafe, where the amount was not clearly known. In this study the samples taken were consumers who visited and purchased products at the Bacarito Padang cafe. The sampling method used in this study is the purposive sampling method. Types and sources of data needed in this study consisted of primary data. interview data collection techniques, questionnaires, and documentation. In this study there are 8 variables, namely six independent variables (X1, X2, X3, X4, X5, X6) one moderating variable and one dependent variable (Y).

The data analysis technique used is the classical assumption test is a statistical requirement that must be met in ordinary linear least square (OLS) based multiple regression analysis. The classic assumption test that is often used is multicollinearity test, heteroscedasticity test, normality test and linearity test. Moderated Regression Analysis (MRA), According to Lie Liana (2009) moderating variable is an independent variable that serves to strengthen or weaken the relationship between independent variables and the dependent variable. Moderated Regression Analysis (MRA) or interaction test is a special application of linear multiple regression where the regression equation contains interaction elements (multiplication of two or more independent variables).

The coefficient of determination test (R^2) is used to measure how far the model's ability to explain variations in the dependent variable (Ghozali, 2013). The value of R^2 is getting closer to 1, meaning that the independent variables provide almost all the information needed to predict variations in the independent variable. The coefficient of determination used is the Adjusted R Square value because it is more reliable in evaluating the regression model. The Adjusted R Square value can go up or down if an independent variable is added to the model. In contrast to the value of R^2 , which is sure to increase every additional one independent variable, it does not matter whether the variable significantly influences the dependent variable. For the standard error of esteem (SEE) generated from this test, the smaller the SEE, the more appropriate the regression equation will be in predicting the dependent variable.

Multiple linear regression outputs generated through the SPSS Version 20 program need to be carried out simultaneously with the F Test, and partial test with the t test.

Operational Concept

Buying Decision

Decision making is one of the activities of individuals who are directly involved in obtaining and using the goods offered. Kotler (2001) purchasing decisions can be identified through the following factors: 1) Cultural factors, 2) Social Factors, 3) Personal factors, 4) Psychological Factors

Buying Interest

Buying interest is the stage where consumers look for information to compare and think about the possibility that the product is able to meet their needs.

Peter and Olson (2008) the main dimensions forming Buy interest are: 1) Consumers' memories of the product brand, 2) Cultivated its existence.

Price

Price is an exchange rate that can be equated with money or other goods for the benefits obtained from an item or service for a person or group at a certain time and place. Prices can be determined based on the following factors: 1) Internal Factors: organizational considerations, marketing goals, costs and marketing strategies, 2) External Factors: market situation and demand, competition, and social politics.

Product Quality

Product quality is an understanding that the product offered by the seller gains more selling value than competing products have.

Product Quality (X2), can be determined based on dimensions including (Kotler and Keller): 1) Form, 2) Features, 3) Performance quality, 4) perceived quality, 5) durability, 6) reliability, 7) reparability, 8) Style, 9) Design

Location

location is a decision made by the company regarding where the operations and staff will be located. in research. Location (X3), Fandy Tjiptono (2006), location variables use the following indicators: 1) Affordability of location, 2) Smooth access to the location, 3) Proximity of location.

Brand Image

a trust from consumers of ideas and concepts that have been created which have an interesting symbol and foster a sense of pleasure and impression Brand image (X4), Keller main dimensions form the image of a brand contained in the following: 1) Brand Identity, 2) Brand Personality, 3) Brand Association, 4) brand attitudes and behavior, 5) Brand Benefit and Competence

Word of Mouth

Sumardy, Word of Mouth is a marketing activity carried out by a brand so that consumers discuss, promote, and want to sell our brand to others. in his research measuring word of mouth with the following indicators: 1) The willingness of consumers to talk about positive things about the quality of products from others, 2) Product recommendations from other people., 3) Encouragement from friends or relations to do transactions on the product.

Design Reaserch

in developing the SPSS model using a very strong theory. in this study, aims to see the effect of price, product quality, location, brand image and word of mouth with buying interest as a moderating variable for purchasing decisions at the Bacarito cafe in Padang Coffee.

In accordance with the formulation of the problem and the hypothesis of this study aims to determine the effect of price, product quality, location, brand image, word of mouth on purchasing decisions with the purchase interest variable as moderation in Padang coffee bacarito cafe, then the process of distributing research questionnaires to 200 visitors those who came to the Padang Bacolito coffee shop from the distribution of questionnaires that had been done 100% were successfully returned and a tabulation of research results could be made

Table 1 Characteristics of respondent

Respondent	Frequensi	Percent (%)
Gender		
Male	95	47
Female	105	52
Age		
<20	25	12
>20	80	40
More than 20	95	47
Domicile		
Aparment	95	47
With parent	97	48
Rent House	8	4
Profession		
Student	88	44
College	96	48
State officer	0	0
entrepreneur	16	8
Others	0	0
Arrival Frequency		
1-2 Times	89	44
2 times	75	38
More than 2 times	36	18

Source:Primary Data Processed, 2019

From the above data, the highest level of visitors who came to the Padang Bacolito coffee cafe was the more dominant female gender of 105 people (52%) and 95% of the men (47%). The most dominant age is more than 20 years as many as 95 people (47%). Of the domicile, the most dominant are 97 people (48%). The highest occupation is 95 students (48%). The most dominant frequency of arrival was in the range of 1-2 times, as many as 89 people (44%).

In accordance with the analysis of the results of hypothesis testing that has been done eating can be seen as follows :

Hipotesis 1

The Rsquare value in the first regression equation is 0.204 so it can be said that the price variable has no effect on the purchasing decision of 20.4%. After the moderating variable (variable buying interest) in the second regression equation the value of Rsquare becomes 0.336 or 33.6%. it can be concluded that the hypothesis is rejected.

Hypothesis 2

The value of Rsquare in the second regression equation is 0.732 so it can be said that the product quality variable influences the purchase decision of 73.2%. After the moderation variable (buying interest variable) in the second regression equation, the Rsquare value increases to 0.822 or 82.2%. it can be concluded that the hypothesis is accepted so that it can be said that the purchase interest variable as a moderating variable will be able to strengthen or increase the influence of the product quality variable on the purchase decision variable.

Hypothesis 3

The Rsquare value in the first regression equation is 0.451 so it can be said that the variable has no effect on the Location of 4.51%. After the moderating variable (variable buying interest) in the second regression equation the value of Rsquare becomes 0.556 or 55.6%. it can be concluded that the hypothesis is rejected.

Hypothesis 4

The value of Rsquare in the first regression equation is 0.130 so it can be said that the Brand image variable has no effect on purchasing decisions of 13.0%. After the moderating variable (variable buying interest) in the second regression equation the value of Rsquare becomes 0.651 or 65.1%. it can be concluded that the hypothesis was accepted. it can be concluded that the hypothesis is accepted so that it can be said that the buying interest variable as a moderating variable will be able to strengthen or increase the influence of the brand image variable on the purchase decision variable.

Hypothesis 5

The value of Rsquare in the first regression equation is 0.741 so that it can be accepted then the Word of Mouth Variable influences the purchasing decision of 74.1%. After there is a moderating variable (variable buying interest) in the second regression equation the value of Rsquare becomes 0.809 or 80.9%. it can be concluded that the hypothesis is accepted. So it can be agreed that the buying interest variable as a moderating variable will be able to be approved or enhanced by the influence of the word of mouth variable on the purchase outcome variable.

Results and Discussion

This study concludes that product quality influences purchasing decisions with buying interest as a moderating variable able to strengthen or enhance customer purchasing decisions, also brand image with a purchase interest variable as moderation is able to increase the influence of brand image on purchasing decisions and word of mout influences on purchasing decisions with buying interest as moderation can strengthen or enhance purchasing decisions.

Purchase decisions arise because of an objective assessment or because of the emotional impulse, the decision to act is the result of a series of activities that can be described in the buying decision process, namely: problem recognition, information seeking, alternative evaluation, purchasing decisions and post-purchase behavior. Kotler and Keller (2009).

Understanding of consumer behavior becomes very important for the success of a company's marketing strategy. therefore companies must not only be able to meet and satisfy economic desires, but also social needs and other motivations that consumers expect.

Conclusion

It is important that product quality, brand image and word of mouth can be noticed by managers of customers, and with the results of hypothesis testing that has been done it can be summarized as follows:

1. Prices do not affect purchasing decisions and buying interest as moderation weakens the effect of prices on purchasing decisions.
2. Product quality affects purchasing decisions with buying interest as moderation reinforcing the effect of prices on purchasing decisions.
3. location does not influence purchasing decisions and buying interest as moderation weakens the effect of prices on purchasing decisions.
4. Inage brand does not affect purchasing decisions with buying interest as moderation reinforces the influence of Brand image on purchasing decisions.
5. word of mouth influences the buyer's decision with buying interest as moderation reinforces the influence of word of mouth on the purchase decision.

6. Research results found in the process of testing the hypothesis is not perfect, there are some limitations in making this study. Future researchers are advised to add respondents who will be used and add some other variables that are not used in this study because it will further increase the influence of customer purchasing decisions.

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