



# The Effect of Product Innovation and Promotion on Purchase Decisions: Study Case Kaku Food Makassar

Joya Kanna Paembonan\* and Indrianty Sudirman

Hasanuddin University, Makassar, Indonesia  
\*paembonanj24a@student.unhas.ac.id

**Abstract.** This study examines how consumer purchasing decisions at Kaku Food, a local MSME in Makassar, are impacted by product innovation and promotion. Understanding how marketing initiatives and innovation affect consumer behavior in the cutthroat culinary sector is the aim of this study. Being one of the expanding MSMEs, Kaku Food must contend with numerous comparable companies, so product distinctiveness and marketing tactics are crucial. Purposive sampling is used in this quantitative study, which includes 100 respondents who are all Kaku Food customers in Makassar City. To collect primary data, structured questionnaires were employed, while relevant papers and regulations provided supporting data. Product innovation and promotion's impact on consumer purchasing decisions was tested using IBM SPSS 26 multiple linear regression analysis. The findings indicate that there is a considerable and favorable impact from both product innovation and promotion. When compared to promotion, product innovation is the most important variable, indicating that ongoing enhancements to product quality, variety, flavor, and packaging have a greater influence on consumer choice. In the meanwhile, promotion continues to be helpful by raising awareness and promoting experimentation. The result is that in order to maintain competition, boost customer loyalty, and guarantee sustainable growth in Makassar's vibrant food business, Kaku Food must continuously prioritize innovation while fusing it with successful marketing techniques.

**Keywords:** Product Innovation, Promotion, Kaku, Food, Makassar

## 1 Introduction

MSME sector is the backbone of the Indonesian economy, contributing more than 60% to GDP and employing nearly 97% of the workforce, with over 64 million [1]. MSMEs currently operating nationwide. MSMEs not only sustain domestic consumption but also strengthen Indonesia's position in the global market by contributing about 15.7% to national exports [2]. Within this sector, the culinary subsector is a key driver, contributing 41% of the creative economy's GDP and absorbing millions of workers [3]. In Makassar, culinary MSMEs hold strong potential, supported by the government's branding of "Makassar Kota Makan Delicious" and digital platforms such as GoFood that promote local champions [4]. During the pandemic, innovations

© The Author(s) 2026

M. Nohong et al. (eds.), *Proceedings of the 10th International Conference on Accounting, Management, and Economics (10th ICAME 2025)*, Advances in Economics, Business and Management Research 388,  
[https://doi.org/10.2991/978-94-6239-709-5\\_130](https://doi.org/10.2991/978-94-6239-709-5_130)

like GoFood's "saving menu" program enabled MSMEs to increase turnover up to threefold, while initiatives such as halal certification training by Gojek in collaboration with LPPOM MUI and local governments expanded market access and consumer trust. Festivals like F8 also drive the local economy, generating Rp23 billion in transactions in one event, with targets up to Rp30–37 billion and visits reaching half a million [5]. Pre-pandemic studies further show that culinary MSMEs significantly contributed to economic growth in Makassar by increasing community income across sub-districts, reinforcing their role as both an economic pillar and cultural identity strengthened by digitalization, certification, and innovation [6].

Makassar continues to show significant economic progress with the growth of new culinary entrepreneurs, including well-known snack businesses such as Bagoster, Krusit, and Kaku Food [7]. Despite intense competition from roadside fried food vendors offering low prices, Kaku Food has managed to sustain its position through product innovation, as reflected in increased sales after introducing new items and revitalizing older ones to attract consumer interest [8]. In addition to innovation, the business also promotes its products through social media platforms, increasing visibility and consumer awareness. Numerous earlier research emphasize how important product innovation and promotion are in influencing consumers' decisions to buy. Product innovation and promotion have a good and considerable impact on purchasing decisions, according to research conducted on modern tea drink establishments in Bandar Lampung [9]. In support of this, Utari et al discovered that both product promotion and innovation significantly improved consumers' decisions to buy [10]. However, contrasting evidence emerged in other studies, which reported that service quality and promotion significantly influenced purchasing decisions, while product innovation had no effect [11]. Furthermore, promotion itself did not affect purchasing decisions [12].

Previous studies have indicated the existence of research gaps, particularly regarding the relevance of the variables under investigation. Moreover, few studies have quantitatively explored the relationship between these variables within the context of culinary MSMEs in Makassar, with Kaku Food serving as a representative example. To address this gap, the present study seeks to investigate whether product innovation and promotion significantly influence consumer purchasing decisions. The contribution of this research lies in its focus on the culinary MSME sector, which not only represents a dynamic business field but also reflects the increasing importance of meeting contemporary consumer needs. The problem formulations in this study can be summarized as follows in light of the background information mentioned above: (1) To what extent does product innovation influence consumers' purchasing decisions for Kaku Food products in Makassar City?, (2) How does promotion affect consumers' purchasing decisions for Kaku Food products in Makassar City?. The objectives of this study are outlined as follows; (1) To determine how product innovation affects consumers' decisions to buy Makassar City's Kaku Food. (2) To determine how promotions affect Makassar City consumers' decisions to buy Kaku Food products.

## **2 Literature Review**

### **2.1 Product Innovation**

Product innovation represents the process or outcome of creating concepts, making use of existing resources, and transforming a product into something with greater significance [13]. Product innovation involves improving and further developing products that are already available by coming up with fresh concepts or ideas that offer consumers unique products and satisfying services in order to draw in customers in the face of growing business rivalry [14]. Product innovation is a process developing creative ideas that turn them into products that have value use [15]. Then, consistent with studies showing that consumer purchasing decisions are significantly and favorably impacted by product innovation [16].

### **2.2 Promotion**

Promotion, as a crucial element within the marketing mix, centers on conveying marketing communications. Informing customers about a product is the goal [17]. Promotion is characterized as communication that informs prospective customers about a product that can satisfy their requirements and wants and persuade them to purchase [18]. In marketing, promotion is a one-way flow of information or persuasion designed to guide an individual or group to take a certain action that results in an exchange [19]. Furthermore, studies show that promotions positively influence consumers' decisions to buy; the larger the promotion, the larger the purchase [20].

### **2.3 Purchase Decisions**

Consumer purchase decisions refer to the ultimate choices made by households and the community when acquiring goods and services to utilize in line with necessities [21]. Decisions on what to buy or not to buy, as well as the choices made by those directly involved in acquiring and utilizing the products on offer, are referred to as purchasing decisions [22]. Individuals solve problems when making purchases by selecting behavioral options, and by starting the decision-making process, they determine the best course of action [23].

## 2.4 Research Framework

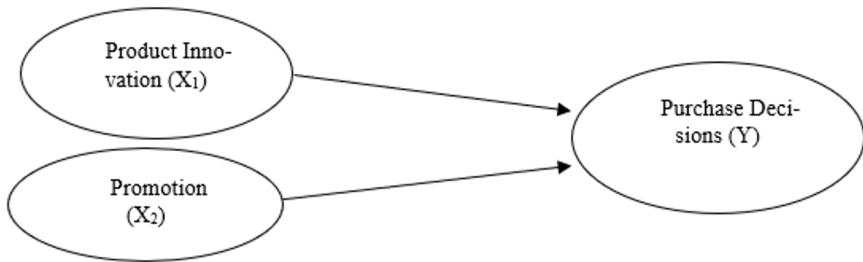


Fig. 1. Research Framework

Source: Processed by researchers, 2025

## 2.5 Formulation of Research Hypothesis

Grounded in the aforementioned theoretical review, this study proposes the following hypotheses

H<sub>1</sub>: Findings suggest that product innovation serves as a critical factor exerting a positive and significant effect on the purchasing intentions and decisions of consumers in Makassar City with respect to Kaku Food products.

H<sub>2</sub>: Findings indicate that promotion functions as a pivotal factor exerting a positive and significant influence on the purchasing intentions and decisions of consumers in Makassar City with regard to Kaku Food products.

## 3 Methodology

### 3.1 Research design

Marketing management methods are used in this study, especially in studying Impact of Product Innovation and Promotion. Product innovation ( $X_1$ ) and Promotion ( $X_2$ ) are variables Independent Research. Next is the dependent variable, which is the decision about what will be bought. Research that focuses on customer product Kaku Food products in Makassar will examine the impact of product innovation and Kaku Food product promotion on consumer purchases.

### 3.2 Time and Place of Research

The estimated time required is two months to complete research, starting in January 2025 and ending in March 2025. This research was conducted in Makassar because Kaku Food products are currently Only available in Makassar City.

### **3.3 Population and sample**

The population refers to the entirety of research objects, which may include humans, objects, animals, plants, phenomena, test scores, or events that serve as data sources possessing specific characteristics within a study [24]. In this research, the population consists of all consumers of Kaku Food products in Makassar City. A sample, on the other hand, is a subset of the population that is expected to represent it within the research [24]. Cochran's formula was used to calculate the sample size because the precise population size is unknown. A minimum of 100 respondents is required in quantitative research to minimize potential errors in the data [25]. Purposive sampling is a sample strategy chosen in accordance with the particular goals of the study, is the sampling strategy used in this investigation, with sample selection determined by data collection considerations [26].

### **3.4 Type and source of data**

In the implementation of this research, the availability of data is essential to ensure the study's validity and comprehensiveness. The data applied in this research are quantitative in nature. Quantitative data are expressed in numerical form and can be systematically processed and analyzed through mathematical and statistical techniques [26].

Primary data was used as the data source for this investigation. Researchers acquire primary data straight from the source [26]. Researchers must gather data directly in order to obtain primary data. This primary data is obtained from questions in accordance with the variables in accordance with the research in the form of the distribution of questionnaires and interviews with Kaku Food owners.

### **3.5 Data collection technique**

In collecting data there are several techniques used in supporting Discussion of this research. There are 1 (one) data collection techniques used namely questionnaires. Google Forms was used to develop this study questionnaire, which included questions specific to the variables, customer identity, and preferred items. Only respondents who satisfied the requirements consumers who have bought Kaku Food items in Makassar City were included thanks to a scoring system. The questionnaire was disseminated via Kaku Food's official social media platforms (Instagram), with a focus on participation conditions. Links in the bio and often updated Instagram Story posts were used to disseminate the content. To prevent data duplication, all responses were screened before additional analysis.

### 3.6 Research instrument

A validity-tested questionnaire was used as the research tool in this investigation. A Likert scale served as the basis for the measurement that was used. Individuals or groups' attitudes, views, and perceptions on certain phenomena of interest are frequently evaluated using the Likert Scale [26]. The variables being studied are converted into quantifiable indicators using the Likert scale, and these indicators are then used to create instrument items that take the shape of questions or statements. The measurement instrument adopted a Likert scale comprising five options, anchored at 1 for "strongly disagree" (STS) and 5 for "strongly agree." (SS).

### 3.7 Validity and Reliability Test

**Validity Test.** Validity testing serves as a methodological procedure to ensure that the data collected by researchers accurately reflect the actual conditions or observations of the research object. In quantitative analysis, the assessment of item validity is conducted by examining the Corrected Item-Total Correlation column within the item analysis table, analyzed using the SPSS (Statistical Program for Social Science [25].

The following criteria used to assess the validity test: (1) The research tool is considered valid if  $r_{\text{count}} \geq r_{\text{table}}$ . (2) The research instrument is considered invalid if the count is less than the table.

**Reliability Test.** Reliability testing is intended to examine the consistency of outcomes when identical measurements are performed multiple times on the same object [25]. When a respondent consistently answers the same question in the questionnaire from time to time, then things is considered reliable. In measuring reliability using the Cronbach Alpha tool. (1) When the Cronbach's Alpha coefficient exceeds 0.60, the questionnaire is regarded as reliable and demonstrates internal consistency. (2) Conversely, if the Cronbach's Alpha coefficient falls below 0.60, the instrument is considered unreliable and lacking in consistency

### 3.8 Data analysis Method

**Descriptive Analysis.** One statistical method for analyzing data is descriptive analysis, which shows the data as it is, without attempting to draw conclusions or make generalizations beyond the observed sample. The purpose of this method is to transform transforming unprocessed data into a more comprehensible and interpretable format by clearly outlining the results. IBM SPSS 26 was used in this study to further process the data, and the analysis's findings were displayed in the form of descriptive conclusions [26].

**Multiple Linear Regression Analysis.** In this research, multiple linear regression is utilized as the quantitative analytical approach. This method facilitates the examination of the association between a dependent variable and multiple independent variables, thereby allowing the identification of both the direction and the magnitude of the

independent variables' impact on the dependent variable. Consequently, this approach is used to investigate experimentally how much product innovation and promotion influence consumer choices [26].

The regression equation according to Digdownwise is:

$$Y = a + b_1x_1 + b_2x_2 + e \quad (1)$$

Where:

Y = purchase decision

x<sub>1</sub> = product innovation

x<sub>2</sub> = promotion

b<sub>1</sub> = product innovation coefficient

b<sub>2</sub> = Promotion Coefficient

a = constant

e = error

### 3.9 Hypothesis Test Partially (T Test)

The t-test is applied to evaluate the effect of independent variables on the dependent variable [27]. It serves to verify the statistical significance of each predictor and to assess the relationships among the variables. At a 5% significance threshold with a 95% confidence level, the computed t-value (t-count) is compared to the critical value obtained from the t-distribution table (t-table) in order to test the proposed hypothesis.

The testing criteria are as follows:

- H<sub>0</sub>: When the calculated t-value is lower than the critical value, the independent variable is deemed to have no significant effect on the dependent variable.
- H<sub>a</sub>: When the calculated t-value exceeds the critical value, a significant association is inferred between the independent and dependent variables.
- The null hypothesis is retained if the p-value is greater than 0.05, indicating the absence of a partial effect of the independent variable on the dependent variable.
- Conversely, the alternative hypothesis is supported if the p-value falls below 0.05, implying that the independent variable exerts a partial influence on the dependent variable.

### 3.10 Coefficient of Determination

The degree to which independent factors affect the dependent variable is indicated by the coefficient of determination, which is often represented by the symbol R<sup>2</sup> [28]. The independent factors may not significantly affect the dependent variable if the R<sup>2</sup> value is low or almost zero. However, the more the independent factors work together to affect the dependent variable, the closer the R<sup>2</sup> number gets to 100%.

## 4 Results

### 4.1 Analysis of the Characteristics of Respondents

This study aims to investigate how product innovation and promotion impact consumers' decisions to purchase Kaku Food Products in Makassar City. In the meantime customers of Kaku Food in Makassar make up the study's population. Approach in this study, samples of 100 respondents were obtained using the Cochran formula for sample collection. The study's respondents' gender, age, occupation, income source, and monthly income are among its attributes.

**Table 1.** Characteristics of Respondents by Gender

Gender	Frequency	Percentage (%)
Man	27	27
Woman	73	73
Amount	100	100

Source: Processed by researchers, 2025

With a proportion of 73%, it can be inferred from the analysis of the above table that women make up the majority of research participants.

**Table 2.** Respondents' Criteria by Age

Age	Frequency	Percentage (%)
10 – 17 Age	2	2
18 – 25 Age	82	82
26 – 33 Age	6	6
34 – 41 Age	4	4
42 – 49 Age	3	3
50 – 57 Age	2	2
>57 Age	1	1
Amount	100	100

Source: Processed by researchers, 2025

It may be inferred from the following descriptive statistics that 82% of the study's respondents were between the ages of 18 and 25. In contrast, the smallest percentage of respondents just 1 person, or 1% were over the age of 57%.

**Table 3.** Respondents' Characteristics Based on Occupation

<b>Work</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Student	73	73
PNS/BUMN	3	3
Private sector employee	9	9
Businessman	3	3
Professional (doctor, lawyer, etc.)	1	1
Freelancer	1	1
Doesn't work	10	10
Others	0	0
Amount	100	100

Source: Processed by researchers, 2025

From the foregoing descriptive analysis, it can be concluded that most of the respondents in the occupational category of this study were students, totaling 73 individuals or 73% of all participants. On the other hand, the smallest proportion of respondents was found in professional occupations (such as doctors or lawyers) and freelancers, with only one individual each, representing 1% of the total sample.

**Table 4.** Characteristics of Respondents Based on Revenue Sources

<b>Source of income</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Parents	70	70
Working	20	20
Scholarship	5	5
Others	5	5
Amount	100	100

Source: Processed by researchers, 2025

It is possible to draw conclusions from the descriptive data that has been supplied, that most respondents, amounting to 70 individuals or 70%, reported that their primary source of income came from their parents. Meanwhile, the smallest proportion of respondents reported scholarships and other sources of income, with a total of 5 individuals or 5%.

**Table 5.** Characteristics of Respondents Based on Revenue per Month

Revenue per month – Indonesia Currency	Frequency	Percentage (%)
0 500.000	30	30
500.001 1.000.000	31	31
1.000.001 3.000.000	14	14
> 3.000.000	25	25
Amount	100	100

Source: Processed by researchers, 2025

Based on the descriptive analysis's findings, it can be concluded that most responders indicated their income fell within the range of 500,001 to 1,000,000, representing 31 individuals or 31% of the total sample. Conversely, the smallest proportion of respondents fell within the income range of 1,000,001 to 3,000,000, with 14 individuals or 14%. This distribution illustrates the varying economic conditions of the respondents within the study population.

#### 4.2 Variable description and variable score calculation

**Table 6.** Likert Scale for Product Innovation Variables (X<sub>1</sub>)

Indic ator	Respondents' Answer										Total Score
	SS		S		KS		TS		STS		
	F	%	F	%	F	%	F	%	F	%	
X <sub>1(1)</sub>	31	31	65	65	4	4	0	0	0	0	427
X <sub>1(2)</sub>	29	29	57	57	13	13	1	1	0	0	414
X <sub>1(3)</sub>	22	22	61	61	16	16	1	1	0	0	404
X <sub>1(4)</sub>	27	27	59	59	14	14	0	0	0	0	413
X <sub>1(5)</sub>	46	46	45	45	9	9	0	0	0	0	437
X <sub>1(6)</sub>	33	33	48	48	16	16	3	3	0	0	411
X <sub>1(7)</sub>	46	46	51	51	3	3	0	0	0	0	443
X <sub>1(8)</sub>	29	29	44	44	18	18	9	9	0	0	393
X <sub>1(9)</sub>	36	36	56	56	8	8	0	0	0	0	428
X <sub>1(10)</sub>	34	34	60	60	6	6	0	0	0	0	428
Amount											4198
Average											419,8

Source: Processed by researchers, 2025

From table 6 it can be concluded that statement X<sub>1</sub> (7) obtained the highest score with the percentage strongly agrees at 46%, agrees at 51%, and disagrees by 3%. Meanwhile, statement X<sub>1</sub> (8) obtained the lowest score with the acquisition of very percentage Agree at 29%, agreed at 44%, disagreed at 18%, and disagreed at 9%.

**Table 7.** Likert Scale Score for Promotion Variables (X<sub>2</sub>)

Indicat or	Respondents' Answer										Total Score
	SS		S		KS		TS		STS		
	F	%	F	%	F	%	F	%	F	%	
X <sub>2</sub> (1)	32	32	43	43	22	22	3	3	0	0	404
X <sub>2</sub> (2)	24	24	61	61	14	14	1	1	0	0	408
X <sub>2</sub> (3)	26	26	61	61	13	13	0	0	0	0	413
X <sub>2</sub> (4)	51	51	45	45	2	2	2	2	0	0	445
X <sub>2</sub> (5)	18	18	49	49	31	31	2	2	0	0	383
X <sub>2</sub> (6)	19	19	51	51	26	26	4	4	0	0	385
X <sub>2</sub> (7)	18	18	52	52	29	29	1	1	0	0	387
X <sub>2</sub> (8)	38	38	52	52	10	10	0	0	0	0	428
<b>Amount</b>											<b>3253</b>
<b>Average</b>											<b>406.6</b>
											<b>25</b>

Source: Processed by researchers, 2025

From table 7 it can be concluded that the statement X<sub>2</sub> (4) obtained the highest score with the percentage strongly agrees at 51%, agrees at 45%, disagree with 2%, and not agree 2%. Meanwhile, statement X<sub>2</sub> (5) obtained the lowest score with the acquisition The percentage strongly agreed at 18%, agreed at 49%, disagreed at 31%, and not agree 2%.

**Table 8.** Likert Scale Scale Scale for Purchase Decision Variables (Y)

Indicator	Respondents' Answer										Total Score
	SS		S		KS		TS		STS		
	F	%	F	%	F	%	F	%	F	%	
Y <sub>(1)</sub>	32	32	56	56	12	12	0	0	0	0	420
Y <sub>(2)</sub>	20	20	56	56	22	2	2	2	0	0	394

Y <sub>(3)</sub>	27	27	42	42	24	24	7	7	0	0	389
Y <sub>(4)</sub>	27	27	53	53	18	18	2	2	0	0	405
Y <sub>(5)</sub>	12	12	33	33	37	37	16	16	2	2	337
Y <sub>(6)</sub>	17	17	34	34	38	38	9	9	2	2	355
<b>Amount</b>											<b>2300</b>
<b>Average</b>											<b>383,333</b>

Source: Processed by researchers, 2025

From table 8 it can be concluded that the statement Y (1) obtained the highest score with the percentage strongly agreed at 32%, agreed at 56%, and disagreed at 12%. Meanwhile, statement Y (5) obtained the lowest score with the acquisition of a very percentage agreed at 12%, agreed at 33%, disagreed at 37%, disagreed at 16%, and strongly disagree with 2%.

### 4.3 Validity Test

The validity test serves to assess the research instrument in this study, a questionnaire to determine its accuracy in measuring what it is intended to measure. The table below displays the validity test results for each variable applied in this research:

**Table 9.** Validity Test Results

Variable	No Items	Correlation Item (R Count)	r-table	Information
Product Innovation (X <sub>1</sub> )	X <sub>1_1</sub>	0,609	0,1946	Valid.
	X <sub>1_2</sub>	0,47		Valid.
	X <sub>1_3</sub>	0,628		Valid.
	X <sub>1_4</sub>	0,603		Valid.
	X <sub>1_5</sub>	0,433		Valid.
	X <sub>1_6</sub>	0,581		Valid.
	X <sub>1_7</sub>	0,527		Valid.
	X <sub>1_8</sub>	0,301		Valid.
	X <sub>1_9</sub>	0,528		Valid.
	X <sub>1_10</sub>	0,6		Valid.
Promotion(X <sub>2</sub> )	X <sub>2_1</sub>	0,661	0,1946	Valid.
	X <sub>2_2</sub>	0,657		Valid.
	X <sub>2_3</sub>	0,646		Valid.

	X <sub>2_4</sub>	0,582		Valid.
	X <sub>2_5</sub>	0,584		Valid.
	X <sub>2_6</sub>	0,488		Valid.
	X <sub>2_7</sub>	0,684		Valid.
	X <sub>2_8</sub>	0,545		Valid.
	Y <sub>1</sub>	0,541		Valid.
	Y <sub>2</sub>	0,645		Valid.
Purchase Decisions (Y)	Y <sub>3</sub>	0,388	0,1946	Valid.
	Y <sub>4</sub>	0,537		Valid.
	Y <sub>5</sub>	0,571		Valid.
	Y <sub>6</sub>	0,692		Valid.

Source: IBM Data Processing Results SPSS 26 (2025)

According to the results shown in Table 9, all statement items used in this study to assess the two independent variables product innovation and promotion as well as the dependent variable purchasing decision were confirmed as valid. This conclusion is supported by the fact that the calculated r-values exceed their respective r-table values.

#### 4.4 Reliability Test

Assessing the consistency of measurement findings acquired via the questionnaire is the aim of the reliability test. Even when respondents respond to comparable claims at various times, an instrument is deemed reliable if repeated measurements on the same object yield consistent data. Table 10 provides a summary of the reliability testing conducted for each of the variables included in the study.

**Table 10.** Reliability Test Results

Variable	Cronbach's Alpha	Reliability standard	Information
Prooduct Innovation (X <sub>1</sub> )	0.825	0.6	Reliable
Promotion (X <sub>2</sub> )	0.858	0.6	Reliable
Purchase Decisions(Y)	0.797	0.6	Reliable

Source: IBM Data Processing Results SPSS 26 (2025)

Every statement item utilized to gauge the dependent variable in this study, purchasing decisions, and the two independent variables, product innovation and promotion, are dependable, according to the results shown in Table 10. The Cronbach's Alpha values, which surpass the defined reliability level, serve as evidence of this.

### 4.5 Results of Hypothesis Testing

The suggested hypotheses are tested, and the degree of correlation between the independent and dependent variables is assessed using multiple linear regression analysis. The outcomes of the multiple linear regression analysis for every variable this study looked at are shown in the following table:

**Table 11.** Coefficients Outcomes of Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)				-	
Product Innovation	-			1.590	
Promotion	4.136	2.602		5.77	
	.388	.067	.462	4	.115
	.333	.070	.380	4.74	.000
				9	.000

Source: IBM Data Processing Results SPSS 26 (2025)

**Dependent Variable: Purchasing Decision.** The following is the regression equation that was produced using the information in Table 11:

$$Y = -4.136 + 0.388X_1 + 0.333X_2 \tag{2}$$

The following is an interpretation of the regression model: (1) The constant value of -4.136 indicates that if both product innovation (X<sub>1</sub>) and promotion (X<sub>2</sub>) are assumed to be zero or absent, the purchasing decision variable (Y) would take on a negative value. (2) Product innovation (X<sub>1</sub>) shows a positive regression coefficient of 0.388, this suggests that decisions to buy are directly and favorably impacted by product innovation. Thus an increase in product innovation leads to an increase in purchasing decisions. (3) The positive regression coefficient of 0.333 for promotion (X<sub>2</sub>) indicates that it also has a direct and favorable impact on decisions to buy. Therefore, more promotions will lead to more people making purchases.

The importance of each independent variable, product innovation (X<sub>1</sub>) and promotion (X<sub>2</sub>), on the dependent variable, purchase decisions (Y), is evaluated using partial hypothesis testing, commonly referred to as the T-test. As shown in Table 12, the T-test findings corresponding to the variables analyzed in this study are reported:

**Table 12.** Outcomes of the Partial Hypothesis Testing

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		

	B	Std. Error	Beta		
(Constant)				-	
Product				1.590	
Innovation	-			5.77	
Promotion	4.136	2.602		4	.115
	.388	.067	.462	4.74	.000
	.333	.070	.380	9	.000

**Dependent Variable: Purchase Decision.** The T-test results based on the information in Table 12 are as follows: (1) Testing the First Hypothesis ( $H_1$ ) for the Product Innovation Variable ( $X_1$ ). According to Table 12, the t-table value of 1.98 is lower than the computed t-value of 5.774 for the product innovation variable ( $X_1$ ) at a significance level of 0.000. The first hypothesis is accepted since the result falls below the 0.05 threshold. Thus, it may be said that the product innovation variable ( $X_1$ ) has a major influence on purchasing decisions (Y). (2) Testing the Second Hypothesis ( $H_2$ ) for the Promotion Variable ( $X_2$ ). As shown in Table 12, the promotion variable ( $X_2$ ) yields a computed t-value of 4.749 at a significance level of 0.000, which is greater than the t-table value of 1.98. Since this is also less than 0.05, the second hypothesis is accepted. Thus, it may be said that the promotion variable ( $X_2$ ) significantly influences purchasing decisions (Y).

**Coefficient of Determination.** The coefficient of determination test is used to evaluate the extent to which independent variables influence the dependent variable. The independent variables have very little effect on changes in the dependent variable when the  $R^2$  value is near zero. Conversely, an  $R^2$  value close to 100% suggests that the independent factors significantly affect the dependent variable. The results of the coefficient of determination test for the variables utilized in this study are shown in the table below:

**Table 13.** Results of the Determination Coefficient Test Model Summary

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of the Estimate
1	.731	.535	.525	2.391

Source: IBM Data Processing Results SPSS 26 (2025)

One significant drawback of the coefficient of determination test ( $R^2$ ) is that it is frequently skewed by the quantity of independent variables included in the model. This is addressed by the Adjusted R Square ( $R^2$ ), which is seen to be better suitable for assessing the regression model's quality. A significant relationship between the independent and dependent variables is indicated by the correlation coefficient (R), which is 0.731 in Table 13. Furthermore, the independent variables explain 52.5%

of the variation in the dependent variable, with the remaining 47.5% being influenced by factors not included in this regression model, according to the Adjusted R Square value of 0.525.

## **5 Discussion**

### **5.1 The Effect of Product Innovation on Purchasing Decisions**

Empirical evidence reinforces the first hypothesis ( $H_1$ ), demonstrating that product innovation plays a critical role in positively and significantly shaping the purchasing behavior of Kaku Food consumers in Makassar City. The data analysis supports this by showing that, at a significance level below 0.05, the calculated t-value is higher than the crucial t-value. These results align with Maryana and Permatasari's study, which found that product innovation had a major influence on decisions to buy for trendy drinks at the Indonesian Iced Tea Store in Bandar Lampung and serves as the dominant variable with the greatest partial influence [9]. This suggests that decisions to buy are positively and significantly impacted by product innovation. It is true that a company's efforts to innovate its products will have a favorable impact on the decisions made by its customers. The findings of this investigation showed that the claims "Kaku Food's innovation is very good," "Kaku Food's product innovation is very diverse," "Kaku Food's product flavors suit my taste," "Kaku Food's product packaging has a unique and easily recognizable appearance," and "Kaku Food's products can compete favorably among similar products" received the highest scores and were above average. This concludes that Kaku Food has strong product transformation, which can influence purchasing decisions. Therefore, the extent of product innovation implemented by the company determines its influence on consumer purchasing decisions for Kaku Food products in Makassar. Product innovations developed by the company to create something new and better than before will influence consumers' purchasing decisions for Kaku Food products in Makassar. The greater the product innovation undertaken by the company, the greater the purchasing decisions of Kaku Food products in Makassar City. According to this study, product innovation significantly influences consumers' decisions to buy.

### **5.2 The Effect of Promotions on Purchasing Decisions**

The results demonstrate that promotions have a favorable and significant impact on decisions to buy Kaku Food items in Makassar City, which supports the adoption of the second hypothesis ( $H_2$ ). The data analysis supports this by showing that, with a significance level of less than 0.05, the computed t-value is greater than the t-table value. These results are consistent with Fitrotin et al study, which showed that promotions have a big impact on Batik Menak Koncar Lumajang buyers' decisions, although not as the most dominant variable. In this research, promotion is shown to

positively shape consumer behavior, as reflected in consumer perceptions that Kaku Food's promotions meet expectations, utilize attractive and easily accessible media, and are consistently carried out through discounts, savings redemption, and other promotional strategies [29]. The findings of this investigation show that the claims "Kaku Food's promotions meet my consumer expectations," "Kaku Food's promotional media are very attractive," "Kaku Food promotes through easily accessible media," and "Kaku Food regularly promotes through discounts, savings redemption promotions, and other means" received the highest scores and are above average. This suggests that Kaku Food has strong promotions, which can influence purchasing decisions. As a result, the degree to which the company's promotions impact Makassar consumers' decisions to buy Kaku Food products depends on them. Active promotions by the company not only provide product information to consumers but also influence consumer purchasing decisions for Kaku Food products in Makassar. The more actively businesses promote their products, the more people in Makassar will choose to purchase Kaku Food products.

## 6 Conclusion

Several important conclusions can be made in light of the findings and arguments that have been given. Both product innovation and promotion have a favorable and significant impact on consumers' decisions to buy Kaku Food items. The results indicate that customers are more inclined to purchase when businesses adopt innovative practices. Likewise, the intensity and effectiveness of promotional activities also contribute to strengthening consumer purchase intentions. Among the two independent variables examined, product innovation emerged as the most influential factor, underscoring its critical role in shaping consumer behavior. These findings support Kotler's theory on the impact of innovation in driving purchasing decisions. In terms of practical implications, businesses should place greater emphasis on product innovation initiatives to enhance consumer purchasing decisions. This includes continuous improvement in menu variety, flavor development, packaging, and customer service experience. At the same time, promotional strategies remain essential in expanding market reach and building stronger brand awareness. The findings also reinforce Kotler and Keller's perspective on the role of promotions in influencing consumer behavior.

By integrating sustainable innovation efforts with effective promotional strategies, businesses can strengthen competitiveness and foster long-term customer loyalty. It is therefore recommended that MSMEs, particularly within the culinary sector, adopt a similar approach to that of Kaku Food, leveraging product innovation and strategic promotions to achieve sustainable growth.

Due to the study's exclusive focus on Kaku Food customers in a single area, it is challenging to extrapolate the findings. Although other elements like price, taste, brand image, and service may also have an impact on decisions to buy, the independent variables utilized are restricted to product innovation and promotion. Additionally, a cross-sectional study design and questionnaires with a small segment size only reflect

conditions for a specific time period; they do not account for long-term shifts in consumer behavior.

To obtain more representative results, it is advised that future research increase the number of respondents and the area coverage. To provide a more complete picture, researchers can also include additional factors like price, product quality, customer satisfaction, and brand image. In-depth interviews and other longitudinal and qualitative techniques can be used to investigate consumer perceptions of product innovation and promotional effectiveness in further detail as well as to look at consistency. Comparative studies with related culinary enterprises can also yield fresh perspectives on pertinent innovation and marketing tactics to boost competitiveness.

## References

1. Coordinating Ministry for Economic Affairs of the Republic of Indonesia. "The Government Encourages MSMEs to Upgrade to Increase Their Contribution to Indonesian Exports". (2025). Available at: <https://www.ekon.go.id/publikasi/detail/6152/pemerintah-dorong-umkm-naik-kelas-tingkatkan-kontribusi-terhadap-ekspor-indonesia/>, [Accessed: 2025/07/30].
2. Sandiaga Uno. "The Culinary Sector is the Largest Contributor to Indonesia's Creative Economy GDP". (2021). Available at: <https://www.kompas.com/food/read/2021/08/11/210300375/sector-kuliner-penyumbang-terbesar-pdb-ekonomi-kreatif-indonesia/>, [Accessed: 2025/07/30].
3. Cicilia, M. "Minister of Tourism and Creative Economy: Culinary is the largest contributor to the creative economy's GDP". (2021). Available at: <https://www.infodenpasar.id/news/menparekraf-kuliner-penyumbang-terbesar-pdb-ekonomi-kreatif/>, [Accessed: 2025/07/30].
4. Al Yusuf. "GoFood Makes It Easy to Choose a Variety of Culinary Delights in Makassar, the City of Delicious Food". (2023). Available at: <https://infokejadianmakassar.com/2023/03/07/gofood-mudahkan-pilih-ragam-kuliner-di-makassar-kota-makan-enak/> [Accessed: 2025/07/30].
5. Public Relations of Makassar Communication and Information Technology. "F8 Makassar 2024 Press Release Targets Transactions". (2024). Available at: <https://www.kememparekraf.go.id/berita/siaran-pers-f8-makassar-2024-targetkan-transaksi-hingga-rp30-miliar/>, [Accessed: 2025/07/30].
6. Makassar Communication and Information Public Relations. "Chairperson of the Makassar City Family Welfare Movement (TP PKK) Reveals the Significant Role of MSMEs in Driving the Economy at the F8 Festival". (2024). Available at: <https://makassarkota.go.id/2024/07/ketua-tp-pkk-kota-makassar-ungkap-peran-besar-umkm-gerakkan-ekonomi-di-pagelaran-f8/>, [Accessed: 2025/07/30].
7. Haristomo, A. "Kaku Food Marketing Communication Strategy in Increasing the Number of Consumers in Makassar City". (Doctoral dissertation, Universitas Hasanuddin). (2022).
8. Yulis. "Successfully Becoming a Viral and Popular Snack in Makassar, Owner of Kaku Food: The Key Must Be Flexible!". (2021). Available at: <https://www.tribunnews.com/bisnis/2021/07/13/berhasil-jadi-jajanan-viral-dan-populer-di-makassar-owner-kaku-food-kuncinya-harus-flexible/>, last accessed 2025/07/30.
9. Permatasari, B., & Maryana, S. "The Effect Of Promotion And Product Innovation On Purchase Decisions" (A Case Study of a New Indonesian Iced Tea Outlet in Bandar Lampung). *TECHNOBIZ: International Journal of Business*, 4(2), 62-69. (2021).
10. Nurfadilla, U., Zaki, H., & Nofirda, F. A. "The Influence of Price, Product Innovation, and Promotion on Purchasing Decisions at De Klapper Pie Pekanbaru". *Merdeka Emba Student Scientific Journal*, 4(1), 1552-1563. (2025).
11. Abilia, D., Jintar, C., & Bayti, N. "The Effect Of Service Quality, Promotion, And Product Innovation On Purchase Decisions At Florist Bouquetholic". Co In Tanjungpinang (Doctoral Dissertation, Raja Ali Haji Maritime University). (2025).
12. Damayanti, N., & Tarigan, H. "The Influence of Promotion, Brand Image, and Price Perception on Purchasing Decisions of Vaseline Gluta-Hya Body Lotion". *YUME: Journal of Management*, 7(1), 886-901. (2024).

13. Diharto, A. "Innovation and Creativity Management". Publisher: Gerbang Media Aksara. (2022).
14. Widjaja, Y. R., & Wildan, W. "The Influence of Product Innovation, Promotion, and Service Quality on Motorcycle Purchasing Decisions". *Journal of Management Science*, 5(1), 1-13. (2023).
15. Kotler, P., & Armstrong, G. "Principles of Marketing Global Edition 16th Edition". Pearson Education. (2016).
16. Duha, R., & Siagian, M. "The Influence of Product Innovation, Product Features, and Product Design on Consumer Purchasing Decisions at Luar Garis Coffee". *ECo-Buss*, 6(1), 166-178. (2023).
17. Kotler, P., Keller, K. L. "Marketing Management Global Edition 15th". Pearson. (2016).
18. Yulia, H., Sulaeman, & Suwiryo, D. H. : "The Effect of Promotion Costs on Sales Volume at PT Kimia Farma Tbk". *Journal of Retail Management Science (JIMAT)*, 1(2), 33-40. (2020). <https://doi.org/10.37150/jimat.v1i2.981/>
19. Yoq, Matias, Ahmad Ahmad, and Muinah Fadhilah. "Factors Influencing Purchasing Decisions Regarding Product Quality, Product Price, and Product Promotion". *IMWI Repository Horizon* 6, no. 4: 1027-1036. (2023). <https://doi.org/10.52851/cakrawala.v6i4.445/>
20. Prilianto, R., & Arini, E. : "The Effect Of Promotion On Purchase Decisions At Pt. Sutan Kasim Branch, Bengkulu City". *Journal of Entrepreneurship and Management Science (JEMS)*, 4(1), 196-200. (2023).
21. Kotler, Philip. "Management Marketing". Erlangga, Jakarta. (2009).
22. Zusrony, E. "Consumer behavior in the modern era". Prima Agus Teknik Foundation. (2021).
23. Marbun, M. B., Ali, H., & Dwikoco, F. "The Influence of Promotion, Service Quality, and Purchase Decisions on Repeat Purchases (Marketing Management Literature Review)". *Journal of Educational Management and Social Sciences*, 3(2), 716-727. (2022).
24. Hardani, et al. : "Qualitative and Quantitative Research Methods". Yogyakarta: Pustaka Ilmu. (2020).
25. Sugiyono. "Quantitative, Qualitative, and R&D Research Methods". Bandung: Alfabeta. (2019).
26. Digdowiseiso, K. : "Economic and Business Research Methods (1st ed.)". Jakarta: National University Publishing Institute. (2017).
27. Ghozali, Imam. "Multivariate Analysis Application with SPSS Program". Semarang: Diponegoro University Publishing Agency. (2016).
28. Sahir, S.H. "Research Methodology". Yogyakarta: KBM Indonesia Publisher. (2021).
29. Fitrotin, H., Muttaqien, F., & Fauziah, A. "The Influence of Product Innovation and Promotion on Purchase Decisions for Menak Koncar Lumajang Batik". *Jobman: Journal of Organization and Business Management*, 3(1), 37-41. (2020).

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

