

The Influence of Product Quality and Price on Purchasing Decisions at Kaku Food, Makassar City

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Abstract

The purpose of this research is a quantitative study aimed at understanding the influence of product quality and price on purchasing decisions at Kaku Food in Makassar City. The sample was taken from students of the Management Department, Class of 2020, at the Muhammadiyah University of Makassar. The type of data used in this research is quantitative data obtained from distributed questionnaires, which are related to the research problem. In this study, the data sources include both primary and secondary data. The research instrument employed in this study uses the Likert scale method. The data was analyzed using the Statistical Package for the Social Sciences (SPSS) version 25 to examine the influence of product quality and price on purchasing decisions at Kaku Food in Makassar City, as discussed in the previous chapters. This is evidenced by the value of the product quality variable (X1), where the calculated t-value is 4.085, which is greater than the table t-value of 1.996. Additionally, for the price variable (X2), the calculated t-value is 7.462, which is also greater than the table t-value of 1.996. From these results, the researcher concludes that both product quality and price have a positive and significant effect on purchasing decisions. These findings suggest that product quality needs to be further enhanced, and the prices offered should align with the quality received by consumers. This alignment ensures customer satisfaction and loyalty, which are crucial for the continued success of Kaku Food in a competitive market. Furthermore, understanding these dynamics can help Kaku Food strategize better in terms of marketing and product development, ensuring that they meet consumer expectations effectively. This research underlines the importance of both product quality and pricing strategies in shaping consumer behavior and decision-making in the food industry.

1. Introduction

Nowadays, the development of the culinary industry in Indonesia is very rapid in the culinary sector or food is not only a consumer product, but now culinary has become a lifestyle for the community and has very strong potential. This can be seen from the many culinary businesses currently developing with high levels of creativity and innovation in order to attract consumers.

In Indonesia, many culinary delights have developed that are loved and well received by the public. Various innovations and creativity never stop developing and will continue to emerge with newness. This is because Indonesian people have a culinary hobby and want to continue looking for new and unique experiences. Apart from that, Indonesian people are also very enthusiastic about following the latest food and drink trends, thus encouraging the emergence of fast food

restaurants.

Makassar City is one of the cities in South Sulawesi which is said to be very adaptive in keeping up with current developments. In terms of human resource development potential, Makassar has quite large potential in developing human resource potential. Every year the city of Makassar shows quite progressive economic development, almost every year new entrepreneurs emerge in the culinary industry. In Makassar City there are several companies operating in the snack food sector, one of which is Kaku Food. Kaku Food is a food outlet in the city of Makassar that sells various types of snacks such as fried dumplings, crispy cireng, meatball tofu, melted piscok, spicy pentol, wet dumplings with peanut sauce, fried meatballs, boiled tofu with peanut sauce and frozen cireng.

Based on the results of observations by researchers on social media on the Kaku Food

Instagram account itself, consumers who have tried products from Kaku Food think that there are several menus provided that do not match the portions in each Kaku Food branch which creates a feeling of dissatisfaction because the portions provided are not according to price.

A company can be said to be successful if consumers have made purchasing decisions about the company. Consumers as individuals in obtaining or purchasing an item must first go through a process such as obtaining information through advertising or references from other people, then the consumer compares the product with other products and arrives at a purchasing decision. Consumer behavior is an important phenomenon for company marketing activities, namely consumer behavior in making purchases

Based on the background explanation above, the author is interested in conducting research with the title "The Influence of Product Quality and Price on Purchasing Decisions at Kaku Food, Makassar City".

2. Research Methods

The type of research used in this study is quantitative research, employing questionnaires rated on a scale from 1 to 5, with results calculated using statistical techniques. The study aims to test hypotheses by measuring variables with instruments using a Likert scale. The estimated duration for this research is two months, from data collection and field observations to the completion of the questionnaires. The population for this study consists of students from the Management Department, Class of 2020, at the Muhammadiyah University of Makassar, who have tried Kaku Food products, totaling 311 students.

This research focuses on understanding how different factors, specifically product quality and pricing, influence purchasing decisions among university students. The quantitative approach allows for a structured analysis of these factors, providing a clear picture of their significance and impact. By using a Likert scale, the study can capture the

intensity of students' perceptions and attitudes towards Kaku Food, making it easier to draw conclusions from the data.

The research process involved several stages, beginning with the preparation of the questionnaire, followed by field observations to understand the context better, and finally, the distribution and collection of responses. During this period, researchers ensured that the data gathered was relevant and accurately represented the students' experiences and opinions about Kaku Food. This systematic approach helps in maintaining the reliability and validity of the research findings.

Analyzing the data with statistical software allows researchers to identify patterns and correlations between variables, such as how price and quality affect the students' purchasing decisions. This analysis provides insights that can help Kaku Food improve its product offerings and marketing strategies. Understanding the preferences and priorities of their target market, especially university students, can significantly enhance Kaku Food's ability to meet consumer demands and stay competitive.

Overall, this research highlights the importance of quantitative methods in studying consumer behavior, particularly in the food industry. By focusing on a specific demographic, the study provides valuable information that can be used to tailor products and services to better suit the needs of consumers. The findings suggest that businesses must pay attention to both product quality and pricing to effectively influence purchasing decisions and achieve long-term success.

3. Results and Discussion

3.1 Research Result

a. Analysis Multiple Linear Regression

Analysis multiple linear regression used For know how much big between independent variable (free) against dependent variable (bound). For obtain results on study In this case , the SPSS 20 software program is used . So can generated output as following :

Table 1 Analysis Results Multiple linear regression
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	Std. Error	Beta		
(Constant)	-.215	1,135		-.189	,851
1 Product quality	,375	,092	,336	4,085	,000
Price	,816	.109	,614	7,462	,000

a. Dependent Variable: Purchase Decisio

Regression coefficient obtained:

$$Y = -0.215 + 0.375X_1 + 0.816X_2$$

1. A constant of 0.215 means that the consistent value of the purchasing decision variable is 0.215, or if the variables X1 (Product Quality) and X2 (Price) are considered constant then the variable Y (Purchasing Decision) will have a positive value.

2. The regression coefficient X1 is 0.375 or states that the better the product quality, the value of purchasing decisions will also increase. This coefficient is positive so it can be said that the direction of influence of variable X1 on Y is positive.

3. The regression coefficient

b. Coefficient Determination (R²)

Table 2 Model Summary
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,905 ^a	,819	,814	1.94484

a. Predictors: (Constant), Price, Product Quality

Based on table 4.11, it can be seen that the coefficient of determination (R²) or Adjusted R Square is 0.81 9 or 81%, meaning that variable Y is explained by 81% by the variables Product Quality (X1) and Price (X2) while the remaining 19% is explained by other

variables not examined in this study.

c. Partial Test (t Test)

The t test was carried out to determine significance. relationship between variables of (<0.05). The results of the t test in the regression equation are as follows.

Table 3 t test results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.215	1,135		-.189	,851
1 Product quality	,375	,092	,336	4,085	,000
Price	,816	.109	,614	7,462	,000

a. Dependent Variable: Purchase Decision

Based on tab el 3 , then hypothesis testing can be described as follows.

1) Product Quality (X1)

The statistical results of the product quality variable test obtained a value of

t_{hitung} 4,085 and a sig value of 0.000. At $\alpha = 5\%$ (because the test is two-sided so $0.05:2 = 0.025$) then $(df) nk-1 = 76-2-1 = 73$ (where k is the number of dependent variables). The df value is 73 so we get t_{tabel} 1.996. The value is

$t_{hitung} 4.085 > t_{tabel} 1.996$ and the significant value is greater than 0.05 ($0.00 < 0.05$) then H1 is accepted. This means that there is a significant influence of product quality on purchasing decisions at Kaku Food, Makassar City.

2) Price (X2)

The statistical results of the price variable test obtained a value of $t_{hitung} 7.462$ and a sig value of 0.000. At $\alpha = 5\%$ (because the test is two-sided so $0.05:2 = 0.025$) then (df) $nk - 1 = 76 - 2 - 1 = 73$ (where k is the number of dependent variables). The df value is 73 so we

get $t_{tabel} 1.996$. The value is $t_{hitung} 7.462 > t_{tabel} 1.996$ and the significant value is greater than 0.05 ($0.00 < 0.05$) then H2 is accepted. This means that there is a significant influence of price on purchasing decisions at Kaku Food, Makassar City.

d. Simultaneous Test (f Test)

The F test is carried out to show whether all the independent variables included in the capital have a joint influence on the dependent variable. Testing was carried out using a significant level of 0.05 ($\alpha = 5\%$)

Table 4 F Test Results
ANOVA ^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1248.042	2	624,021	164,980	,000 ^b
Residual	276.116	73	3,782		
Total	1524.158	75			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Price, Product Quality

Based on the table above, it is obtained $f_{tabel} 164.980$ and the sig value is 0.000. $f_{tabel} = k - 1 = 3$ (k is the number of all variables in the study $k = 3$). Then the df value is (nk) = $(76 - 3) = 73$ and is obtained f_{hitung} at 3.12. The value is $f_{hitung} 164,980 > f_{tabel} 3.12$, so H3 is accepted, which means that the product quality and price variables have a significant influence on purchasing decisions at Kaku Food, Makassar City.

3.2 Discussion

a. The Influence of Product Quality on Purchasing Decisions

Product quality (X1) has a positive and significant effect on purchasing decisions (Y) at Kaku Food, Makassar City. This can be seen from the results of data processing where the variable coefficient value is 0.375 with a significant value of $0.000 < 0.05$. Also proven by the value $t_{hitung} 4.085 > t_{tabel} 1.996$. This means that Kaku Food really has good product quality in terms of appearance so that consumers feel interested and make purchases.

Then, in terms of the aroma of the food provided, consumers can't wait to try the food, which creates an increased appetite. The results of this research are in line with research conducted by Haque (2020) and Pangastuti (2019) that there is an influence of product quality on purchasing decisions.

b. The Influence of Price on Purchasing Decisions

Price (X2) has a positive and significant effect on purchasing decisions (Y) at Kaku Food, Makassar City. This can be seen where the variable coefficient value is 0.816 with a significant value of $0.000 > 0.05$ and is also proven by obtaining a value of $t_{hitung} 7.462 > t_{tabel} 1.996$. From the results above, it can be concluded that consumers feel comfortable with the prices of the product menus at Kaku Food. The price is affordable and in terms of the product it is able to provide good durability in terms of the durability of quality ingredients and provides a satisfying effect on consumers.

The results of this research are supported by research conducted by Amalia (2019) entitled "The Influence of Brand Image, Product Quality and Price on Purchasing Decisions (Case Study of Mie Endess Consumers in Bangkalan" shows that price has a positive and significant effect on purchasing decisions at Mie Endess Bangkalan .

4. Closing

4.1 Conclusion

Based on data analysis through proof of the hypothesis of the problems raised, the following conclusions can be drawn:

- The statistical test results obtained show that the product quality variable (X1) has a positive and significant effect on purchasing decisions (Y) at Kaku Food, Makassar City. This shows that there is a unidirectional relationship between the product quality variable (X1) and purchasing decisions (Y).
- The statistical test results obtained show that price (X2) has a positive and significant influence on purchasing decisions (Y) at Kaku Food, Makassar City. This shows that there is a unidirectional relationship between price (X2) and purchasing decisions (Y).
- The statistical test results show that there is a simultaneous influence between product quality and price variables on purchasing decisions at Kaku Food, Makassar City.

4.2 Suggestion

Based on the results of this analysis, researchers provide several suggestions as follows:

- For Kaku Food snack owners to pay more attention to the price strategy implemented and the quality of the products sold. Prices that are friendly to people in all circles will make it quite easy to attract consumer purchasing decisions and good product quality and consistency in product selection will mean that consumers will not think long about making a purchase.
- For future researchers, they should study the marketing mix in more depth, apart from

product quality and price, so that they can dig up more detailed information regarding matters or problems related to the marketing mix, especially in similar businesses.

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