

The Affection Of Service Quality And Price On Consumer's Purchase Decision (Case Study On Cafe Kopi Raja Ciampea Bogor)

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Abstract

This study aims to identify and analyze case study of service quality and price against consumer's purchase decisions at Kopi Raja Ciampea Bogor Cafe. This case study is using the Classical Assumption Test, Multiple Linear Regression Analysis, Determination Coefficients and Hypothesis. Also, using quantitative analysis methods by primary data obtained from questionnaires. The population came from all visitors at Kopi Raja Cafe with a sample of 100 people. The data processing in this study is requiring the SPSS 25 software program. The research result 1) Quality of Service has a Positive and Significant Effect on consumer Purchase Decisions. This is evidenced by the t-count value of 2,889 > t-table 1,660 with a significance value lower than 0,05 (0.005 < 0.05). 2) Prices Have a Positive and Significant Effect on Consumer Purchase Decisions. This is evidenced by the t-count value of 10,926 > t-table 1,660 with a significance value lower than 0,05 (0.000 < 0.05). 3) There is a partial impact on the Quality of Service and Price influenced against Consumer Purchase Decisions. This is evidenced by the F count value was 154,356 > F table 3.09 and the sig value of 0.000 < 0.05. Therefore, it can be concluded the quality of service and price had an effect on the purchasing decision of Café Kopi Raja consumers (Case Study On Cafe Kopi Raja Ciampea Bogor).

Keywords: Quality of Service, Price, Purchase Decision

Introduction

Nowadays, business development and growth continue to undergo rapid changes. In the culinary field, an entrepreneur in this sector need to develop the right marketing strategies. To be able to set up a proper marketing strategy an entrepreneur need to know the necessity and urge of consumers. Also, the factors that will affect their purchasing decisions.

In the moment, most people do a popular routine like gathering and visiting a cafe. This habit is caused due to changes in people's lifestyles who want something practical in fulfilling the needs for food and drink. Cafe's business is attracting for the business people or entrepreneur who want to build their business in line with the current information technology trends and developments. Therefore, it's so important to be able to do so because there are many cafes selling almost similar products first. One of the highly recommend cafes to visit is Cafe Kopi Raja.

King Coffee Cafe can compete with another competitor cafes by always innovating on each menu, offering attractive offers, and maintaining good relationships between sellers and buyers. The large number of cafes in around Ciampea Bogor made the owner of Coffee Cafe Raja realize that the culinary world competition in this area is very tight. This can only be balanced by continuing to innovate and improve facilities to create consumer convenience. There are services offered such as Toilet, Mushola, spacious Parker Place, Wi-Fi, and live music and mini-soccer that can be rented. Those offered are aimed in maintaining the cafe's existence so that they can face a tight competition with another cafes.

Buying decisions can be interpreted as the ultimate goal of the buying process, which can serve as a reference to how companies can attract consumers to buy and what strategies they can use to win competition. Besides, the

company must be able to set a price that match to their target market, because a good and appropriate price can be an attraction point for every consumer. The strategy to achieve this is named as marketing.

Moreover, the quality of service is closely related to purchasing decisions, this factor is used by every customer who comes to the cafe. If the consumer is satisfied with the service provided, they likely will be interested in the place. So, the quality of the service is a important thing to the purchase decision process, as satisfactory service will affect the next repurchase. One of the long-term effect is, the process allows companies to observe and learn about each customer's expectations and needs. Thus, the company can improve the quality of service and everything considered less optimal, to give its customers a comfortable feel to each of its customers.

In addition to the quality of service, the company has the right to set their default price. Consumers are often willing to choose cafes with relatively expensive prices to get the desired quality. The low price offered to consumers is a consideration. The pricing by businesses must be adjusted according to the location and changes. This will affect consumers before making purchasing decisions because consumers search for information about prices and choose products based on purchasing power. Consumers want a price that must worth the quality of the product.

Based on this background the author is interested in making research under the title "The Affection Of Service Quality and Price on Consumer's Purchase Decision (Case Study on Cafe Kopi Raja Ciampea Bogor)."

The Formulation Of A Problem

1. Is there any effect of Quality of Service on Consumer Purchase Decisions on Ciampea Bogor's Kopi Raja Cafe?
2. Is there any effect of Price on Consumer Purchase Decisions on Ciampea Bogor's Kopi Raja Cafe?
3. How do the Service Quality and Price affect Consumer Purchase Decisions on Ciampea Bogor's Kopi Raja Cafe?

Theoretical Study

Service of Quality

According to Parasuraman, Zeithaml, and Berry (Service et al., 2022) define service of quality as a form of attitude, related but not equal to satisfaction, as a result of the comparison between expectations and performance.

Price

According to (Sunyoto, 2014) stated "Prices are the amount of money needed to obtain a certain number of products or a combination of goods and services".

Purchase Decision

A purchase decision according to Tjiptono (Mendure et al., 2021) is a process by which consumers recognize the problem, search for information about a particular product or brand and evaluate how well each alternative can solve the problem, which then leads to a purchase decision.

The Framework of Thought

A framework of thought is a temporary conclusion to a theoretical review that reflects the relationship between the variables studied and is a guide to solving research problems. Based on the formulation and purpose of the study, the following frameworks can be described:

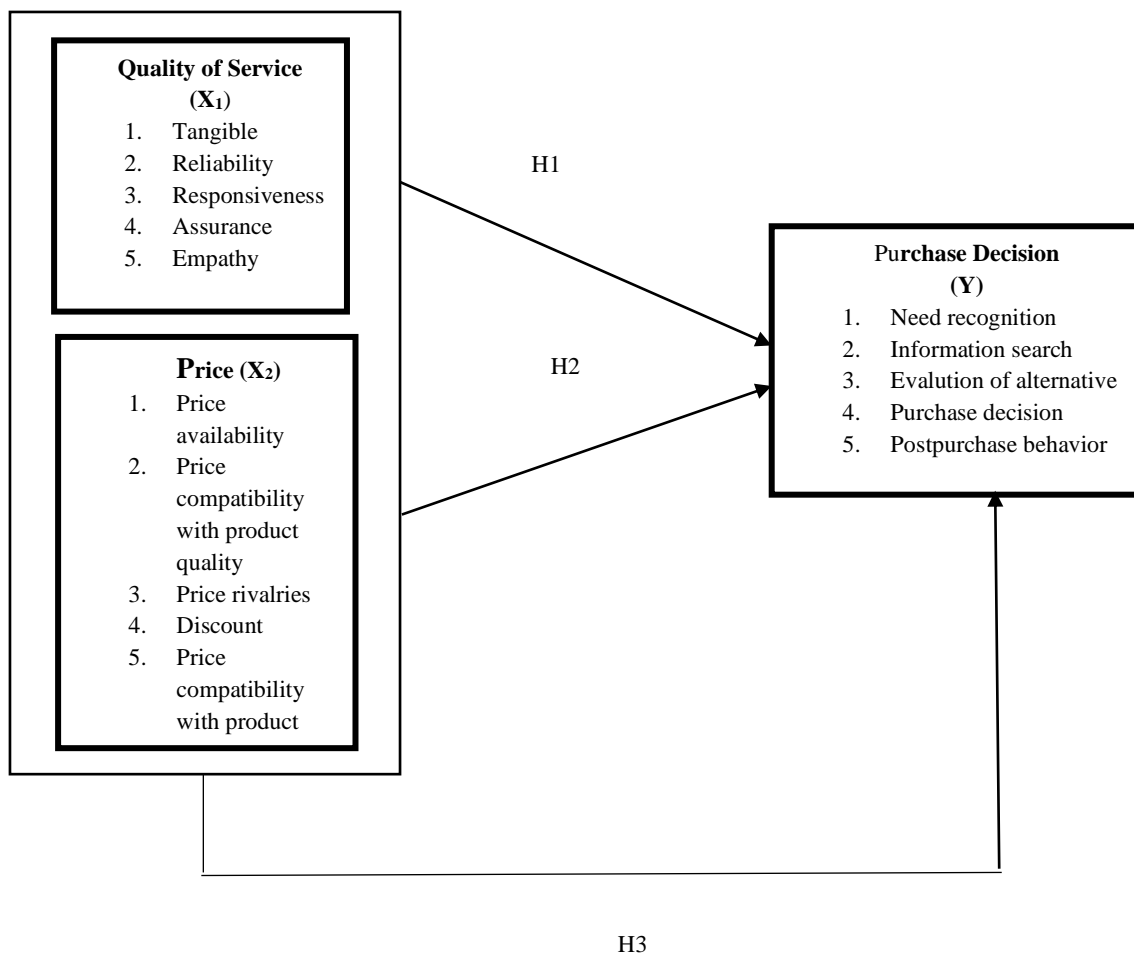


Figure 1. The Framework of Thought

Method

This study was conducted at Cafe Kopi Raja which is located on Ciampea, Bogor Regency, West Java 16620. The study was conducted from 14 May 2023 to 15 June 2023.

Population

According to Sugiyono (Lestari et al., 2021) the population is a region of generation consisting of objects or subjects with specific qualities and characteristics set by researchers to study and then draw conclusions. The population in this study was all visitors who came to the Kopi Raja Cafe.

Sample

Samples are part of the subjects in the case study population, which can represent the population representatively. A sample is a part or number and characteristic of the population. The sampling technique used in this study uses the Simple Random Sampling technique. This sampling technique provides an equal opportunity or opportunity for each element or member of the population to be selected as a sample. The number of samples used is based on Slovin's formula:

$$n = \frac{N}{1 + Ne^2}$$

Description:

N : population number
 N : number of samples
 e2 : standard error (5%)

The number of visitors to Cafe Kopi Raja Ciampea, Bogor averaged 130 people.

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{130}{1 + 130 (0,05)^2}$$

$$n = \frac{130}{1 + 130 (0,0025)}$$

$$n = \frac{130}{1 + 0,325}$$

$$n = \frac{130}{1,325}$$

$$n = 98,113$$

It can be known that using the Slovin formula of population of 130 and $e^2 = 5\%$, then 98 samples can be found, rounded to 100.

Type Of Data

The type of data used in this study is quantitative data. Quantitative data is data in the form of numbers.

Data Source

The data sources in this study are primary data sources collected directly from respondents who have answered all research questions given to consumers of Kopi Raja Cafe. The secondary data is obtained from documents, the internet and books related to research.

Data Collection Technique

The data collection techniques in this study used library studies, documentation, questionnaires through google forms.

Data Analysis Method

The data analysis applied in this study is a statistical method with SPSS 25 program software. Data analysis used in this study includes Validity Tests, Reliability Tests, Classic Assumption Tests, Multiple Linear Regression Analysis, Determination Coefficients and Hypothesis testing.

Result

Validity Test

According to Ghozali's view (Dwijantoro et al., 2022), the validity test is used to measure whether or not one is valid or not.

Table 1: Validity Test

Variable	Question Item	r_{count}	r_{table}	Decision
Quality of Service (X ₁)	1.	0.533	0.197	Valid
	2.	0.780	0.197	Valid
	3.	0.788	0.197	Valid
	4.	0.787	0.197	Valid
	5.	0.558	0.197	Valid
Price (X ₂)	1.	0.867	0.197	Valid
	2.	0.870	0.197	Valid
	3.	0.734	0.197	Valid
	4.	0.779	0.197	Valid
	5.	0.864	0.197	Valid
Purchase Decision (Y)	1.	0.815	0.197	Valid
	2.	0.848	0.197	Valid
	3.	0.836	0.197	Valid
	4.	0.862	0.197	Valid
	5.	0.814	0.197	Valid

Based on the table data above, the overall research variables were obtained by an r-count of r_{count} -table (0.197). Thus all questionnaire items were declared valid. For this reason, the questionnaire used is suitable for processing as research data.

Reliability Test

Reliability testing is intended to test a reliable or reliable questionnaire.

Table 2: Realibility Test

Variable	Cronbatch Alpha	Standar Cronbatch Alpha	Keputusan
Quality of Service (X ₁)	0.686	0.60	Reliabel
Price (X ₂)	0.888	0.60	Reliabel
Purchase Decision (Y)	0.891	0.60	Reliabel

Based on the results of the tests in the table above, showing that the quality of service (X₁), price (X₂) and purchase decision (Y) are relatable, this is demonstrated by each variable having a Cronbatch Alpha value greater than 0.60.

Multiple Linear Recreation Analysis

The test analysis used by author in this study is a linear analysis of multiple regression. In this study, by multiple linear regression analysis, it will be found which variable between the quality of service (X₁) and price (X₂) variables has the most impact on purchasing decisions (Y).

Table 3: Multiple Linear Regression Analysis

Model	Coefficients ^a				t	Sig.	Collinearity Statistics	
	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta				Tolerance	VIF
1 (Constant)	2.534	1.181			2.147	.034		
Quality of Service (X ₁)	.227	.078	.194		2.899	.005	.551	1.814
Price (X ₂)	.665	.061	.731		10.926	.000	.551	1.814

a. Dependent Variable: Purchase Decision

Based on the analysis, the results of the linear regression equation are the following:

$$Y = 2,534 + 0,227 X1 + 0,665 X2$$

From the equation but can be deduced:

1. The constanta value is 2,534 which means that if the quality of service and price are equal to zero, then the purchase decision is 2,534.
2. The regression coefficient value of the service quality variable of 0.227 is positive, stating that an increase in the one-time quality of service score will increase the purchase decision by 0.227 by keeping the scores of other variables constant.
3. The value of the regression coefficient of the price variable of 0.665 is positive, stating that the increase in the one-time price score will increase by 0.665 by keeping the scores of other variables constant.

Determination Coefficients

The value of the coefficient of determination is between zero and one. A small value of R means that the ability of independent variables to explain the variation of dependent variables is very limited. Similarly, values close to one mean independent variables provide almost all the information needed to predict the variation of the dependent variable (Ghozali, 2016:95). The value of the coefficient of determination is determined by the value of R Square as shown in the table below:

Table 4: Determination Coefficients

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.872 ^a	.761	.756	2.15065

a. Predictors: (Constant), Price, Quality of Service

Based on this table the coefficient of determination is seen from the square R of 0.761. It means that free variables have a 23,9% ability to explain bound variables, while 29.9% are influenced by other variables.

Test T (partial)

The T test is used to test the significance of the influence of independent variables on the dependent variables in the resulting regression model. Therefore, a test is used to test each independent variable against the dependent variable.

Table 5: Test T

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.534	1.181		2.147	.034
	Quality of Service (X1)	.227	.078	.194	2.899	.005
	Price (X2)	.665	.061	.731	10.926	.000

a. Dependent Variable: Purchase Decision

In determining a table t using the formula $t_{table} = (n-k = t(100-3=97))$. Where n is 100 and k is 3 which means there are 3 variables. The t table is 1,660.

The table above can be interpreted as follows:

1. H1= Quality of Service has a Positive and Significant Effect on Purchase Decisions.
This is evidenced by the t-count value of 2,889 > t-table 1,660 with a significance value lower than 0,05 (0.005 < 0.05). So it can be concluded Ho was rejected and Ha accepted, which means that the quality of service had a positive and significant effect on the purchase decision.
2. H2 = Price Factors Have a Positive and Significant Effect on Purchase Decisions.
This is evidenced by the t-count value of 10,926 > t-table 1,660 with a significance value lower than 0,05 (0.000 < 0.05). So it can be concluded Ho was rejected and Ha accepted, which means that the price had a positive and significant effect on the purchase decision.

Test F (simultaneously)

The F test is used to test the significance of the influence of independent variables together on dependent variables.

Table 6: Test F
ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1427.935	2	713.967	154.361	.000 ^b
	Residual	448.655	97	4.625		
	Total	1876.590	99			

a. Dependent Variable: Purchase Decision (Y)
b. Predictors: (Constant), Price(X2), Quality of Service (X1)

The test result of F (testing) between the variables X1 (quality of service), X2 (price) to Y (purchase decision) This is evidenced by the F count value was 154,361 > F table 3.09 and the sig value of 0.000 < 0.05. F table obtained from $f(n-k) = f(100-2) = 98$. Where n is the number of samples and k is the number of free variables. So it can be concluded that Ho was rejected and Ha accepted which meant that the quality of service and price had an effect on the purchasing decision of Café Kopi Raja consumers.

Conclusion

The conclusion in this study is: 1) Quality of Service has a Positive and Significant Effect on Consumer Purchase Decisions (Case Study On Cafe Kopi Raja Ciampea Bogor). This is evidenced by the t-count value of 2,889 > t-table 1,660 with a significance value lower than 0,05 (0.005 < 0.05). 2) Prices Have a Positive and Significant Effect on Consumer Purchase Decisions (Case Study On Cafe Kopi Raja Ciampea Bogor). This is evidenced by the t-count value of 10,926 > t-table 1,660 with a significance value lower than 0,05 (0.000 < 0.05). 3) Quality of Service and Price against Consumer Purchase Decisions (Case Study On Cafe Kopi Raja Ciampea Bogor). This is evidenced by the F count value was 154,356 > F table 3.09 and the sig value of 0.000 < 0.05.

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