

The Implementation of Service Quality, Perception of Price, Location Towards Purchasing Decisions (Case Study of Coffee Shops in North Bekasi)

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ABSTRACT

The purpose of this study is to ascertain how price perception, location, and service quality affect customers' decisions to buy from Identiq Coffee Shop. This kind of study is quantitative in nature. This study's population is unknown. Purposive sampling combined with probability sampling is a sampling strategy. There were 96 responders in the study's sample. methods for gathering data by sending out surveys with Google Form. Multiple Linear Regression analysis was used in this work to test hypotheses. A number of coffee shops in North Bekasi are the topic of the study. The study's findings show that the factors of location, price perception, and service quality all significantly and concurrently positively affect the purchasing decision variable.

INTRODUCTION

"Coffee is a significant plantation commodity that plays an essential role in Indonesia's economy. It is also a vital export commodity for Indonesia, serving as an important source of foreign exchange" (Maulani & Wahyuningsih, 2021). "Coffee itself is not indigenous to the Indonesian archipelago; at the end of the 16th century, during Dutch colonial rule, the VOC introduced Arabica coffee plants to Indonesia." "They were eager to disrupt the Arab monopoly on the global coffee trade. The Dutch colonial government initially planted coffee seeds around Batavia (Jakarta), later extending to the Bogor and Sukabumi areas. As market demand grew, coffee plantations began to be established in various regions across Java and Sumatra."

Coffee has long been part of Indonesian culture, serving not only as a remedy for fatigue but also evolving into a cultural staple and secondary need, becoming a lifestyle choice for many. This is one reason coffee significantly contributes to the Gross Domestic Product (GDP), with coffee consumption reaching 370 thousand tons. According to the Ministry of Agriculture, national coffee consumption grew by 10.54% in 2016, from 250 tons to 276 tons. By 2021, coffee supply was projected to reach 795 thousand tons, with approximately 94.5% of Indonesia's coffee production supplied by smallholder coffee farmers. The largest coffee-producing areas include South Sumatra, Lampung, Bengkulu, Central Java, and East Java, primarily producing robusta coffee.

Today, coffee drinking has become a lifestyle where people enjoy relaxing and spending their leisure time. With the progress of the modern era, coffee shop businesses have expanded, especially among young people. A coffee shop, offering food and drinks with coffee as the main menu, has proliferated across Indonesia, surpassing even the growth of mushrooms in the rainy season. Coffee shops now thrive not only in big cities but also in smaller towns, each with different standards and target markets. The trend of spending time in coffee shops has become highly popular across various groups, such as in North Bekasi, West Java, where several coffee shops cater to young consumers. They offer various advantages, a diverse coffee menu, and have unique and attractive designs, each with distinct tastes and appearances.

With the increasing competition in the coffee shop industry, business owners are now required to be quicker and more responsive in attracting consumers' attention, which influences their purchasing decisions. "A purchasing decision is a process where consumers identify their issues, research specific brands or products, and evaluate how well each option addresses their needs before making a purchase" (Mendur, et al., 2021). "The level of service satisfaction is measured by the extent to which client expectations and actual experiences differ" (Maramis, et al., 2022). "Price perception is the amount of money customers pay for a product or service or the value exchanged to enjoy it. One of

the most crucial factors affecting a service's success is its location, as it is directly linked to the potential market for service providers" (Sumiyati & Soliha, 2020).

THEORETICAL REVIEW

Service Quality

"Service quality serves as the primary foundation for assessing consumer satisfaction; it is deemed satisfactory when it meets consumers' expectations and highly satisfactory if it exceeds them. Service in this context refers to the range of offerings provided by service companies, including speed, convenience, competence, and manners demonstrated through attitudes and behaviors aimed at consumer satisfaction. Service quality can be measured by comparing consumers' perceptions of the service they experience. Many companies view consumers as 'royalty' and strive to provide service as such. Service quality focuses on consumer needs and expectations and on delivering in a way that aligns with those expectations" (Ariyuni, et al., 2020). "The measure of service excellence is the gap between client expectations and actual experience" (Adabi, 2020). "Quality in service specifically emphasizes aligning with consumer desires and needs, with proper delivery to meet their expectations" (Adipramita, 2019). "Quality as a concept serves as a benchmark for achieving perfection in services and products, incorporating both design quality and conformance quality" (Maramis, et al., 2022). The definition above suggests that the quality of service depends on how well the provider meets consumer expectations. Quality is closely tied to customer satisfaction, which builds strong relationships between the customer and the company; over time, this relationship enables the company to better understand and meet consumer needs, thereby enhancing purchasing decisions and minimizing negative consumer experiences.

Price Perception

"Perception is the cognitive process by which stimulus information is understood, often used to describe one's experience of an object or event" (Jayanti & Arista, 2019). "Price represents the monetary amount or value consumers pay to acquire goods, seen as an exchange for benefits provided by products or services. Price perception influences how consumers use pricing to assess the value of a product" (Afwan & Suryono, 2019). "Perception involves processing information from environmental stimuli received by the senses, which is then sent to the brain for interpretation, forming evaluations based on past experiences. Price refers to the cost in money or goods required to obtain a set of other goods or services" (Ena, et al., 2019). "As one of the four main elements of the marketing mix (4Ps: product, price, place, promotion), pricing is crucial in marketing. Price determines the financial expenditure consumers make to obtain a product and is pivotal for a company's success, as it directly impacts profit

margins. High prices may lower sales, whereas very low prices can reduce profits" (Nugraha & Sumadi, 2020).

Location (Place)

"Location is where products are available to consumers, often strategically selected to enhance business success by being accessible and profitable" (Senggetang, et al., 2019). "Location encompasses the logistical setup of company activities for procuring and providing products in a convenient, secure setting, ensuring accessibility for consumers" (Ariyuni, et al., 2020). Various factors influence location choice, including efficiency and effectiveness, which vary depending on business needs.

Purchasing Decision

According to Swastha in Andrian (2018), "Buying decisions are a method of problem-solving that people use to satisfy wants and needs by identifying, evaluating, and gathering information." Kotler and Armstrong, as cited in Afwan & Suryono (2019), define "Purchasing decisions as the point at which consumers feel assured and choose to make a purchase, driven by behaviors and impulses that fulfill their needs" (Andrian, 2019). "Consumer behavior significantly shapes purchasing decisions, where consumers make decisions based on a process that helps resolve various issues; this process is adaptable, and consumers may not always follow a strict sequence in making decisions. Generally, customers find it easier to express their needs when making repeat purchases of familiar products" (Andrian, 2018).

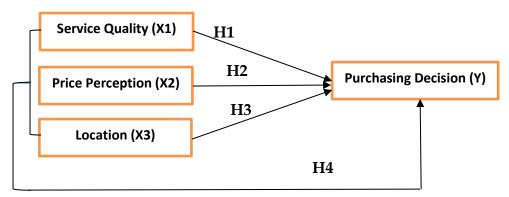


Figure 1. Conceptual Framework

METHODOLOGY

This study employs quantitative analysis. As explained by Sujarweni & Wiratna (2018), "Quantitative Analysis is a systematic scientific approach to studying components, phenomena, and their interrelations." The goal of quantitative research is to develop and apply mathematical models, theories, or hypotheses to explain a phenomenon. The data in this study consists of primary data collected through questionnaires. Primary data refers to information gathered directly from the original source, often described as original, fresh, or current data. Researchers must collect primary data firsthand, using methods such as observations, interviews, structured discussions, and questionnaires" (Mustafa, et al., 2022).

This research applies a Nonprobability Sampling Technique, specifically using the Purposive Sampling method. Sujarweni & Wiratna (2018) describe Purposive Sampling as "a sampling method involving specific considerations to determine a sample that is deemed appropriate for the study. In establishing criteria, the researcher's subjectivity and experience play an essential role." The researcher in this study defined specific responder criteria as follows:

- a. The consumers who have made more than one purchase.
- b. Age (16 and over)
- c. Gender (Male and female)

The number of samples taken in this study uses the Lemeshow formula, because the population is still unknown, the following is the Lemeshow formula:

 $n = [Z\alpha/2E]2$

n = [1.96/0.5]Description:

n : Number of Samples

Za/2: Standard value of the standard abnormal list how the 95% confidence level = 1.96

E: The level of certainty used by stating the maximum error of 0.5

In this research, with an unknown population size, a minimum of 96 respondents is required. Data collection was conducted by directly distributing questionnaires using a Likert scale. According to Sujarweni & Wiratna (2018), "Researchers apply data collection techniques to obtain quantitative insights relevant to the study's scope. In this case, a questionnaire serves as the data collection tool, presenting respondents with a set of questions or statements for their responses" (Sujarweni & Wiratna, 2018). To measure purchase intent, each Likert scale item is scored, reflecting respondents' level of agreement or disagreement on a 5-point scale.

Data Analysis Methods

a. Validity Test

According to Sujarweni & Wiratna (2018), "validating a questionnaire is the initial step. A questionnaire is valid if it effectively measures what it intends to assess. The criteria for validity testing are as follows:

- 1. The variable is valid if r count is positive and r count > r table.
- 2. The variable is invalid if r < r table and r count is not positive.

b. Reliability Test

Sujarweni & Wiratna (2018) state that "Reliability Testing applies to the validated question units. A questionnaire is reliable if responses are consistent over time. This test measures the reliability of items, which indicate the variable. The questionnaire is reliable if the Cronbach's alpha value exceeds 0.70."

c. Normality Test

According to Sujarweni & Wiratna (2018), "the normality test aims to determine if the residuals or intervening variables in the regression model follow a normal distribution. The Kolmogorov-Smirnov statistic helps evaluate normality:

- 1. Sig > 0.05 indicates a normal distribution.
- 2. Sig < 0.05 indicates a non-normal distribution.

d. Multicollinearity Test

Sujarweni & Wiratna (2018) explain that "the multicollinearity test is used to identify the presence of high correlation among independent variables, which could affect the regression model's reliability. Multicollinearity is absent if the Variance Inflation Factor (VIF) falls between 1 and 10."

e. Heteroscedasticity Test

According to Sujarweni & Wiratna (2018), "heteroscedasticity testing examines variations in residual variance across observations. A scatter plot pattern indicates if heteroscedasticity is present. If data points are evenly scattered around zero without clustering or distinct patterns, heteroscedasticity is not present in the regression model. The data points should also not form a wave or concentrated pattern."

f. Multiple Linear Regression Analysis Test

According to (Sujarweni & Wiratna, 2018), "Regression involves two or more independent variables and one dependent variable. The following formula represents the basic linear regression equation model:

Y=a+b1X1+b2X2+e

Description:

Y: Dependent variable: constant price

b1: First regression coefficient: second regression coefficient

X1: First Independent Variable

X2: Second Independent Variable

g. Hyphotesis test

According to (Sujarweni & Wiratna, 2018) "there are 3 tests in the hypothesis test", namely:

1. Simultanous Test (F Test)

According to (Sujarweni & Wiratna, 2018) "The data's viability is assessed using the f test. The following are guidelines for making decisions in the F test ":

- ➤ Ho: does not meet the feasibility
- ➤ Ha: meets the feasibility

Size:

- ➤ Ho is rejected and Ha is accepted if F count > F table.
- ➤ Ho is accepted and Ha is refused if f count is less than F table.

or

- \triangleright If p < 0.05 then Ho is rejected and Ha is accepted
- \triangleright If p > 0.05 then Ho is accepted and Ha is rejected

2. Partial Test (t Test)

According to (Sujarweni & Wiratna, 2018) "The t test is a procedure used to partially ascertain the association between independent and dependent variables. Level of significance: 5%".

- ► Ho: variables x and y have no bearing on one another.
- ➤ Indeed, there is a relationship between variables x and y.

Size:

- ➤ if t count < t table, then Ho is accepted</p>
- if t count > t table, then Ho is rejected

Or:

- \triangleright If p < 0.05 then Ho is rejected
- If p > 0.05 then Ho is accepted.

h. Determination Coefficient Analysis (R2)

According to (Sujarweni & Wiratna, 2018), "The degree of the dependent variables' capacity is gauged by the determination coefficient (R²). The determination coefficient's (R²) value ranges from zero to one".

RESULTS

The data analysis results are categorized into two main tests: the validity test and the reliability test, which are as follows:

1. Validity Test

This validity test aims to assess whether the questionnaire is effective in measuring what it intends to measure. A questionnaire is considered valid if responses to the statements remain consistent and stable over time. The validity of the instrument can be evaluated in two ways:

- a. By calculating the correlation between each statement item's score (indicator) and the total score for the variable. The significance is tested by comparing the calculated correlation coefficient (r) with the r table value. The degrees of freedom (df) are determined using the formula df = n 2, where n represents the sample size.
- b. By conducting a bivariate correlation analysis between each indicator score and the total score of the variable. If the significance level is less than or equal to 0.05, then each indicator statement is considered valid.

Table 1. Validity Test

| | | Service | Price | Location | Purchasing |
|------------|-----------------|---------|------------|----------|------------|
| | | Quality | Perception | | Decision |
| Service | Pearson | 1 | 0.259 | 0.343 | 0.341 |
| Quality | Correlation | | | | |
| | Sig. (2 Tailed) | | 0.011 | 0.001 | 0.001 |
| | N | 96 | 96 | 96 | 96 |
| Price | Pearson | 0.259 | 1 | 0.716 | 0.850 |
| Perception | Correlation | | | | |
| | Sig. (2 tailed) | 0.011 | | 0.000 | 0.000 |
| | N | 96 | 96 | 96 | 96 |
| Location | Pearson | 0.343 | 0.716 | 1 | 0.754 |
| | Correlation | | | | |
| | Sig. (2 tailed) | 0.001 | 0.000 | | 0.000 |
| | N | 96 | 96 | 96 | 96 |
| Purchasing | Pearson | 0.341 | 0.850 | 0.754 | 1 |
| Decision | Correlation | | | | |

| Sig. (2 tailed) | 0.001 | 0.000 | 0.000 | |
|-----------------|-------|-------|-------|----|
| N | 96 | 96 | 96 | 96 |

Source : Data processed by SPSS (2024)

It is evident from the data above that all indicators have significant output results of less than 0.05, indicating the validity of each inquiry indication.

1. Reliability Test

A reliability test can be performed to determine the degree of dependability of a measuring device. The Cronbach Alpha technique (Cronbach alpha coefficient) is used to examine the reliability of every statement item in this study. The dependability of an instrument whose score is a range of multiple values or in the form of a scale is determined using this approach. The following forms the foundation of reliability testing:

- a. The test result is deemed credible if the Cronbach Alpha score is more than 0.70.
- b. If the Cronbach Alpha value is less than 0.70, the test data is deemed untrustworthy.

Table 2. Reliability Test

| Cronbach Alpha | N of Items |
|----------------|----------------|
| 0.804 | 4 |
| C D / | 11 CDCC (2024) |

Source: Data processed by SPSS (2024)

Based on the data above, it can be seen that the results of the Cronbach Alpha value are 0.804, meaning 0.804 > 0.70, so it can be concluded that this research questionnaire is reliable.

2. Normality Test

The normality test is useful for testing whether in a regression model, the dependent variable and independent variable have a normal distribution or not. The application in this test is if the significance is less than 0.05, it means that the data to be tested has a significant difference with the standard normal data, meaning that the data is not normal. With the following criteria:

- a. Sig > 0.05 then the data is normally distributed.
- b. Sig < 0.05 then the data is not normally distributed.

Table 3. Normality Test

| | | Service | Price | Location | Purchasing |
|---------------------------|-----------|---------|------------|----------|------------|
| | | Quality | Perception | | Decision |
| N | | 96 | 96 | 96 | 96 |
| Normal | Mean | 34.54 | 25.71 | 21.20 | 30.11 |
| Parameters ^{a,b} | Std. | | | | |
| | Deviation | 3.676 | 2.916 | 2.520 | 3.305 |
| Most Extreme | Absolute | 0.133 | 0.129 | 0.138 | 0.143 |
| Differences | Positive | 0.069 | 0.086 | 0.079 | 0.124 |
| | Negative | -0.133 | -0.129 | -0.138 | -0.143 |
| Test Statistic | | 0.133 | 0.129 | 0.138 | 0.143 |
| Asymp. Sig. | | | | | _ |
| (2 tailed) | | 0.000 | 0.000 | 0.000 | 0.000 |

Source: Data processed by SPSS (2024)

The Asymptotic Significance (2-tailed) for variable (X1) is 0.000, which is less than 0.05. Similarly, for variable (X2), it is 0.000 < 0.05; for variable (X3), it is also 0.000 < 0.05; and for variable (Y), it stands at 0.000 < 0.05. Based on these findings, it can be concluded that the data in this study is not normally distributed.

3. **Multicollinearity**

Test

The multicollinearity test is conducted to determine whether there is a correlation among the independent variables within the regression model. To assess multicollinearity, we examine the Tolerance and Variance Inflation Factor (VIF) for each independent variable. If the Tolerance value is greater than 0.10 and the VIF value is less than 10, then the data is considered free of multicollinearity issues.

Table 4. Multicollinearity Test

| | Tuble 4. Mulliconniculty Test | | | | | | |
|---------------|--------------------------------|-------|--------------|-------|-------|--------------|-------|
| Coefficientsa | | | | | | | |
| | Unstandardized Coefficients | | Standardized | | Sig. | Collinearity | |
| Model | | | Coefficients | t | | Statistics | |
| | В | Std. | Beta | | | Tolerance | VIF |
| | | Error | | | | | |
| 1 | | | | | | | |
| (Constant) | 1.488 | 1.908 | | 0.780 | 0.438 | | |
| Service | | | | | | | |
| Quality | 0.075 | 0.048 | 0.084 | 1.580 | 0.117 | 0.882 | 1.134 |
| Price | | | | | | | |
| Perception | 0.718 | 0.081 | 0.633 | 8.890 | 0.000 | 0.488 | 2.050 |
| Location | 0.357 | 0.096 | 0.272 | 3.721 | 0.000 | 0.461 | 2.167 |

Source: Data processed by SPSS (2024)

The results of the tolerance value calculations indicate that all independent variables have tolerance values above 0.10: variable (X1) has a value of 0.882, variable (X2) has 0.488, and variable (X3) has 0.461. Furthermore, the calculations for the Variance Inflation Factor (VIF) show that none of the independent variables exceed a VIF value of 10, with variable (X1) at 1.134, variable (X2) at 2.050, and variable (X3) at 2.167. Consequently, the multicollinearity test suggests that multicollinearity is not present.

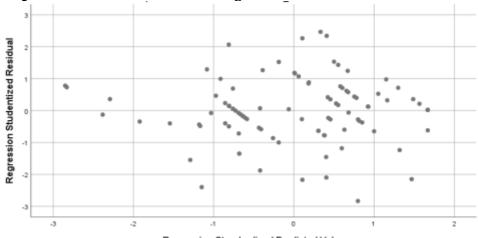
3. Heteroscedasticity

Test

The objective of the heteroscedasticity test is to determine whether the variance of residuals from one observation differs from that of another in the regression model. A scatter plot comparing the predicted values of the independent variables (ZPRED) and the residuals (SRESID) can be utilized to assess the presence of heteroscedasticity. If there is no identifiable pattern and the points are scattered both above and below the zero line on the Y-axis, it indicates that heteroscedasticity is not present.

Scatterplot

Dependent Variable: Purchasing Decision



Regression Standardized Predicted Value

Source: Data processed by SPSS (2024)

Figure 2. Heteroscedasticity Test

It is evident from Figure 2 above that there is no discernible pattern and that the dots are dispersed above and below the Y axis's zero point. This demonstrates that there is no heteroscedasticity in the study's data.

3. Multiple Linear Regression Analysis Test

To find out how much factors like location, pricing perception, and service quality affect decisions to buy, multiple linear regression analysis is utilized. The SPSS software is used to assist with the statistical computations in this investigation.

Table 5. Multiple Linear Regression Analysis Test

| Coefficients ^a | | | | | | | |
|---------------------------|--------|-----------|--------------|-------|-------|-------------|-------|
| | Unstar | ndardized | Standardized | | | Collinearit | y |
| Model | Coeffi | cients | Coefficients | t | Sig. | Statistics | |
| | В | Std. | Beta | | | Tolerance | VIF |
| | | Error | | | | | |
| 1 | | | | | | | |
| (Constant) | 1.488 | 1.908 | | 0.780 | 0.438 | | |
| Service | | | | | | | |
| Quality | 0.075 | 0.048 | 0.084 | 1.580 | 0.117 | 0.882 | 1.134 |
| Price | | | | | | | |
| Perception | 0.718 | 0.081 | 0.633 | 8.890 | 0.000 | 0.488 | 2.050 |
| Location | 0.357 | 0.096 | 0.272 | 3.721 | 0.000 | 0.461 | 2.167 |

Source: Data processed by SPSS (2024)

Based on table 5, the multiple linear regression equation in this study is as follows:

$$Y = 1.488 + 0.75 X1 + 0.718 X2 + 0.357 X3 + e$$

The multiple regression equation above is explained as follows:

- a. The multiple regression equation above is known to have a constant of 1.488. The magnitude of the constant indicates that if the independent variables are assumed constant, then the dependent variable, namely Y, increases by 1.488%.
- b. The coefficient of variable X1 = 0.75 means that every 1% increase in X1 will cause an increase in Y of 0.75%.
- c. The coefficient of variable X2 = 0.718 means that every 1% increase in X2 will cause an increase in Y of 0.718%.
- d. The coefficient of variable X3 = 0.357 means that every 1% increase in X3 will cause an increase in Y of 0.357%.

4. Hypothesis Test

a. Partial t Test

One independent variable's impact on the dependent variable is demonstrated by the T statistic test. The following purchase choice was made after the t test in this study was performed by comparing the significance of t with α of 0.05:

Table 6. Partial t Test Coefficients

| | Unstandardized Coefficients | | Standardized | | |
|------------|--------------------------------|-------|--------------|-------|-------|
| Model | | | Coefficients | t | Sig. |
| | В | Std. | Beta | _ | J |
| | | Error | | | |
| 1 | | | | | |
| (Constant) | 1.488 | 1.908 | | 0.780 | 0.438 |
| Service | | | | | |
| Quality | 0.075 | 0.048 | 0.084 | 1.580 | 0.117 |
| Price | | | | | |
| Perception | 0.718 | 0.081 | 0.633 | 8.890 | 0.000 |
| Location | 0.357 | 0.096 | 0.272 | 3.721 | 0.000 |

Source: Data processed by SPSS (2024)

Based on the results from the SPSS calculation presented in Table 6, two criteria can be used for decision-making. The first criterion involves examining the significance value: if Sig < 0.05, the hypothesis is accepted, indicating that the independent variable influences the dependent variable. Conversely, if the Sig value is greater than 0.05, it suggests that the independent variable does not affect the dependent variable. The second criterion compares the computed t value to the t table. If the computed t value exceeds the t table value, it indicates an influence of the independent variable on the dependent variable; if the computed t value is less than the t table value, the hypothesis is rejected.

In this study, the results of the partial t test for the variables of service quality, price perception, and location in relation to purchasing decisions indicate a computed t value of 0.780, with a t table value of 1.985 and a significance value of 0.438, which is greater than 0.05. This implies that the hypothesis suggesting a significant direct effect of location, price perception, and service quality on purchasing decisions is not supported.

b. Simultaneous F Test

The F test aims to assess whether the independent variables—location (X3), price perception (X2), and service quality (X1)—have a simultaneous or combined effect on purchasing decisions (Y). The decision-making criteria are as follows:

a. **Decision Based on Probability Values**: If the significant F value is less than 0.05, the null hypothesis (Ho) is rejected, and the alternative hypothesis (Ha) is accepted. Conversely, if the significant F value is greater than 0.05, the null hypothesis (Ho) is accepted, and the alternative hypothesis (Ha) is rejected.

b. **Decision Based on Estimated F Value**: The null hypothesis (Ho) is rejected if the calculated F value exceeds the F table value; if the calculated F value is less than the F table value, the null hypothesis (Ho) is accepted.

Table 7. Simultaneous F Test

ANOVA^a

| Model | Sum of | df | Mean | F | Sig. |
|--------------|----------|----|---------|---------|--------|
| | Squares | | Square | | |
| 1 Regression | 801.486 | 3 | 267.162 | 104.036 | 0.000b |
| Residual | 236.254 | 92 | 2.568 | | |
| Total | 1037.740 | 95 | | | |

Source: Data processed by SPSS (2024)

According to the simultaneous computation results presented in Table 7, the F table value is 2.47, while the F count value is 104.036, with a significance level of less than 0.000. Since the significance value is below 0.05 and the F count exceeds the F table value, the hypothesis is accepted. This indicates that location (X3), price perception (X2), and service quality (X1) have a significant simultaneous impact on purchasing decisions (Y).

Coefficient of Determination Test (R2)

Regression analysis is also essential for assessing the extent to which the variation in the dependent variable can be explained by the independent variable. The coefficient of determination (R²) is used for this purpose. R² values range from 0 to 1. If the coefficient is close to zero, it suggests that the independent variable has minimal influence on the dependent variable. Conversely, if the coefficient approaches one, it indicates a strong contribution from the independent variable, meaning it can account for nearly all the variation in the dependent variable.

Table 8. Coefficient of Determination Test

Model Summarvb

| | <i>j</i> | | | |
|-------|----------|----------|----------|-----------------|
| Model | R | R Square | Adjusted | R Std. Error of |
| | | | Square | the Estimate |
| 1 | 0.879 | 0.772 | 0.765 | 1.602 |

Source: Data processed by SPSS (2024)

The coefficient of determination value (Adjusted R Square) is 0.765, or 76.5%, according to table 8 above. This indicates that the factors of location, price perception, and service quality account for 76.5% of the variables that impact purchase decisions, with additional factors that are outside the focus of this study influencing the remaining 23.5%.

DISCUSSION

The following discussion provides an explanation based on test findings regarding the impact of location, price perception, and service quality on purchasing decisions at various coffee shops:

- 1. The Influence of Service Quality on Purchasing Decisions Based on the test results and data analysis, the calculations from the partial test revealed a t-value of 1.580 (t-count) that exceeds 1.985 (t-table), with a significance value of 0.117, which is greater than 0.05. Therefore, it can be concluded that service quality (X1) does not have a significant partial effect on the purchasing decision variable (Y). This indicates that providing the best possible service is a critical factor influencing purchasing decisions. This finding aligns with the research conducted by Mujid and Andrian (2021), which states that service quality does not significantly affect purchasing decisions.
- 2. The Influence of Price Perception on Purchasing Decisions The results from the test and data analysis indicate that the partial test calculations show a t-value of 8.890 (t-count) that is greater than 1.985 (t-table), with a significance value of 0.000, which is less than 0.05. Thus, it can be concluded that price perception has a positive partial effect on the purchasing decision variable. This is consistent with the research by Ena et al. (2019), which concludes that there is a significant partial influence of price perception on purchasing decisions.
- 3. The Influence of Location on Purchasing Decisions According to the test results and data analysis, the calculations from the partial test reveal a t-value of 37.218 (t-count), which is greater than 1.985 (t-table), and a significance value of 0.000, which is less than 0.05. Therefore, it can be stated that location has a positive partial effect on the purchasing decision variable. This aligns with research conducted by Maramis et al. (2022), which finds that the independent variable location significantly influences purchasing decisions.
- 4. The Effect of Service Quality, Price Perception, and Location on Purchasing Decisions

Based on the results from the simultaneous test, the calculated F-value is 104.036, which exceeds 2.47 (F-table), leading to the conclusion that H0 is rejected and Ha is accepted. Furthermore, the significance value of 0.000 is less than 0.05. Together, these results indicate that the variables of service quality, price perception, and location have a significant positive effect on purchasing decisions. The analysis of the coefficient of determination shows an Adjusted R Square value of 0.765 or 76.5%. This means that 76.5% of purchasing decisions can be explained by the variables of service quality, price perception, and location, while the remaining 23.5% of purchasing decisions are influenced by other variables not examined in this study. This finding is consistent with the research

conducted by Adipramita (2019), which indicates a determination coefficient of 0.585, suggesting that the variables of service quality, price perception, and location affect purchasing decisions by 58.5%.

CONCLUSIONS AND RECOMMENDATIONS

The conclusions drawn from this study are as follows:

- 1. **Impact of Service Quality on Purchasing Decisions**: The findings from the partial testing indicate that the service quality variable does not significantly influence coffee shop purchase decisions. High service quality can enhance a company's profitability and customer base, while poor service quality can have the opposite effect.
- 2. Impact of Price Perception on Purchasing Decisions: The results of the partial testing show that price perception significantly affects coffee shop purchasing decisions. If the perceived price quality is favorable, purchasing decisions tend to increase; conversely, unfavorable price quality leads to a decrease in purchasing decisions.
- 3. **Impact of Location on Purchasing Decisions**: The findings indicate that location has a significant effect on coffee shop purchasing decisions. A strategically located shop plays a crucial role in influencing consumers' purchasing choices.
- 4. Combined Effect of Service Quality, Price Perception, and Location: The simultaneous testing results demonstrate that the combined variables of service quality, price perception, and location have a significant impact on coffee shop purchasing decisions, accounting for 76.5% of the variance in the dependent variable. The remaining 23.5% is attributed to other variables not explored in this study.

FURTHER STUDY

For further researchers, it is hoped that they will add other variables that are not included in this study, such as product quality, promotion and consumer loyalty that are not included in this study so that more comprehensive research results are obtained related to purchasing decisions.

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