



How to Determine the Customer Purchase Decision at Kopi Tikum Shop, South Jakarta

Ikramina Larasati Hazrati Havidz^{1*}, Dika Aji Nugraha², M. Havidz Aima³, Hernawati W. Retno Wiratih⁴

¹Universitas Esa Unggul, Jakarta Barat, Indonesia, email: ikramina.larasati@esaunggul.ac.id

²Universitas Esa Unggul, Jakarta Barat, Indonesia, email: ajidika340@gmail.com

³Universitas Esa Unggul, Jakarta Barat, Indonesia, email: havidz.aima@esaunggul.ac.id

⁴President University, Jababeka, Indonesia, email: hernawati_life@president.ac.id

*Corresponding Author: Ikramina Larasati Hazrati Havidz¹

Abstract: Business development in the digitalization era has an impact on in the business sector. At present time, business sector perceived the impact of intense competition. This competition requires entrepreneurs to act quickly and precisely at present dynamic business competition. Current study aims to determine the effect of product quality (ProQu), Price Suitability (PriSu) and Service quality (ServiQu) on purchasing decisions (PurchDe) at Kopi Tikum, South Jakarta. SEM is the method used to test the hypotheses proposed in the study. The results of this study indicates that ProQu, PriSu, and ServiQu have a positive and significant effect on purchasing decisions. Meanwhile, ProQu, PriSu, and ServiQu simultaneously have effect on PurchDe. Therefore, it is found that the purchase decision of the Kopi Tikum customer occur as the effect given by ProQu, PriSu, and ServiQu. In order to keep the business run, Kopi Tikum is recommended to leverage the product quality. The study may also provide new insight to the practical managerial that runs their business in the field of coffee shop.

Keywords: Product Quality, Price Suitability, Service Quality, Purchase Decision.

INTRODUCTION

Business development in the digitalization era has an impact on world life in the business sector. The large number of small and large businesses has an impact on intense competition between businesses, competition comes from similar businesses. According to research results Rafi dan Budiarmo (2018), increasingly intense business competition, especially business competition in the culinary field. This competition requires entrepreneurs to act quickly and precisely in the face of very dynamic business competition and uncertainty. mentioned that ProQu is the activity of procuring goods that are in accordance with the business undertaken

by the company with good quality. stated that price is a component which is one of the determining factors of the large amount of market demand.

Ramli and Silalahi (2020) signified that good and reliable quality of a product will always be implanted in the minds of consumers, because consumers are willing to spend on the money to purchase good quality products. Malau (2017) implied that price is a component that becomes one of the determinants of the market demand amount. This condition is in line with the description of the market and demand theory, when the price of a product is set high enough, the demand for the product will be low. On the other hand, if the price set for a product tends to be low, the demand for the product will increase. This condition shows that most consumers tend to choose products with more affordable prices, which of course are also followed by adequate quality.

On the other hand, Ani *et al.*, (2021) signified that ServiQu can be interpreted as the level of customer satisfaction. Therefore, Kumbara (2021) founds that before deciding to buy a product, a consumer basically carries out a decision-making process first. Utomo *et al.* (2019) shows that coffee shop entrepreneurs must pay attention to the marketing strategy apply. It is believed that ServiQu defined the customer satisfaction. If the provide service is not good it may affect the purchasing decisions.

Meanwhile, before deciding to buy a product, a consumer basically does the decision-making process first. Purchasing decisions are a reason that drives how consumers choose to purchase a product as needed (Brama Kumbara, 2021). It shows that coffee shop entrepreneurs must pay attention to aspects in marketing strategies, the first aspect is product quality. The quality of new and diverse products is able to be a differentiator in terms of competition. Creating various types of food and beverages that are innovative and able to serve in a varied. The second aspect is price as it is the determining factor in making the decision to buy a product or not. The consumer decides to buy a product if the perceived benefit is greater than or equal to the amount spent to get it. The last aspect is service that meets the customer expectation and needs (Utomo *et al.*, 2019).

ProQu, ServiQu and PriSu were proven to influence purchasing decisions (Hutagalung & Waluyo, 2020). In research conducted by Sangian (2020) it shows that ProQu, PriSu, and ServiQu have a significant effect on PurchDe. Based on this explanation, several studies have been found that have not been able to answer the relationship between ProQu, PriSu, and ServiQu to PurchDe. Meanwhile, in the research of Adhitama & Sukardi, (2020), the variable of ServiQu has a positive and significant effect on PurchDe at Pak Pong klatak satay stalls. Based on research conducted by Q. W. Astuti, (2017), ServiQu have a significant effect on purchasing decisions.

Meanwhile, Q. W. Astuti, (2017), shows that partially, the variables of ProQu and PriSu have no significant effect on PurchDe. Research conducted by Adhitama & Sukardi, (2020), Product price variables have a positive and insignificant effect on purchasing decisions at Pak Pong klatak satay stalls, variables ProQu has a non-positive and insignificant effect on purchasing decisions at Pak Pong's klatak satay stall. The aforementioned findings lead to the research gap of current study. Several researchs discussing about coffee shops (Anim & Indiani, 2020), (Mariansyah & Syarif, 2020), (Rafi & Budiatmo, 2018), (Utomo *et al.*, 2019). Therefore, current study proposed Kopi Tikum as Local Coffee Shop at Jakarta to be the research study objective. In the culinary field competition, coffee shops should be taken into account in a fairly rapid development. A lot of competition between fellow coffee shops, producers or coffee shop owners occurs. The result of current study may further contribute to the theoretical and scientific level of marketing management and can be useful for companies. On the other hand, the study may also provide additional information regarding ProQu, PriSu, and ServiQu towards the purchase decision of Kopi Tikum South Jakarta.

LITERATURE REVIEW

The effect of Product Quality, Price, and Service Quality on Purchasing Decision

Products, Prices and Services are factors that play an important role in making purchase decisions, where customers are satisfied with the products, prices, and services provided by customers will make a repurchase. In the research of Adhitama & Sukardi, (2020) Q. W. Astuti, (2017) Rafi & Budiarmo, (2018) and Utomo *et al.*, (2019), about the influence of product quality, price and service on purchasing decisions at Warung Kopi Mbah Sangkil Surabaya, it was concluded that simultaneously the variables of product quality, price, and service have a significant effect on consumers' purchasing decisions at Warung Kopi Mbah Sangkil Surabaya.

H1: Product quality, price, and Service Quality simultaneously affect Kopi Tikum customer purchase decision

The Effect of Product Quality on Purchasing Decision

The most important thing of a product is that the product must meet the customer enjoyment once they purchase a particular product. Company must always pay attention to the quality of the products owned by its company. This may increase the customer impression related to the product quality. The higher quality of products offered by business actors can influence a person's purchasing decision. Several studies Fatmawati, N., & Soliha, (2017), Rafi & Budiarmo, (2018), Utomo *et al.*, (2019) and Sugiharto & Darmawan, (2021), signified that ProQu has a significant and positive effect on purchasing decisions.

H2: Purchasing decision of Kopi Tikum customer positive and significantly affected by Product quality.

The Effect of Price Suitability on Purchasing Decision

Price is often used by consumers as an indicator of the value between the perceived benefits and the price of the product. If the price set by the company does not match the benefits of the product, then the level of purchasing decisions may decrease, and vice versa. If the perceived value of consumers is higher, it will create a purchase decision. Several studies Rafi & Budiarmo, (2018), Anggraeni, (2017), and Gunawan & Susanti, (2018), have been conduct and proved that PriSu have a positive and significant effect purchasing decisions.

H3: Purchasing decision of Kopi Tikum customer positive and significantly affected by Price Suitability.

The Effect of Service Quality on Purchasing Decision

ServiQu is one of the factors that influence purchasing decisions. If the service perceived by consumers is good, purchases will increase. However, onc the services perceived by consumers are not good, sales will decrease. Various study Iskandar & Nasution, (2019), Saputra & Ardani, (2020), Tanady & Fuad, (2020) have been conduct which signified the positive significant effect of ServiQuon purchasing decision

H4: Purchasing decision of Kopi Tikum customer positive and significantly affected by service quality.

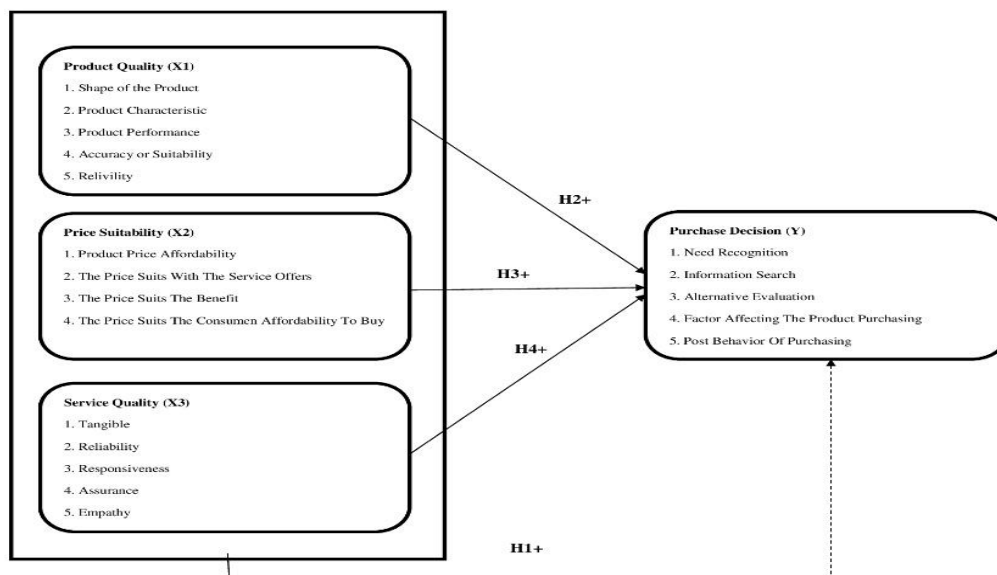


Figure 1. Conceptual Framework

RESEARCH METHODS

The data collection was carried out by distributing questionnaires online via the Google form. The number of population of the study is customer of coffee shop in Indonesia with Kopi Tikum customer as the sample of study sample. Likert scale measurements with a scale of 1- 4 (1 is interpreted as "strongly disagree" and 4 is interpreted as "strongly agree") was apply on the study. There are 190 respondents used to analyzed the data. The research uses quantitative data with *Structural Equation Modeling* (SEM) as the analysis method implemented. SmartPLS as the statistical tools utilize to analyze the collected data.

RESULT AND DISCUSSION

Once the results came out, it is found that the age’s range of were 21 years 1 month up to 26 years with a percentage of 77.3% as the most ages of Kopi Tikum customer. Male is signified as having the highest percentages on consuming Kopi Tikum’s product with 55.2 %, while the remaining is signified to the female customer of Kopi Tikum.

Evaluation of the Measurement Model-Outer Model

Outer model is measured using validity and reliability testing. Researchers tested the validity and reliability of a research sample of 190 respondents with a total of 38 statements in the questionnaire. The outer model consists of convergent validity testing and discriminant validity testing. Convergent validity consists of values of Loading Factor, Average Variance Extracted (AVE), Cronbach Alpha, Composite Reliability. The test has been carried out to obtain the reliability test results of all statements in the study, and therefore the study has achieved the cutoff threshold of every single variable’s validity and reliability testing.

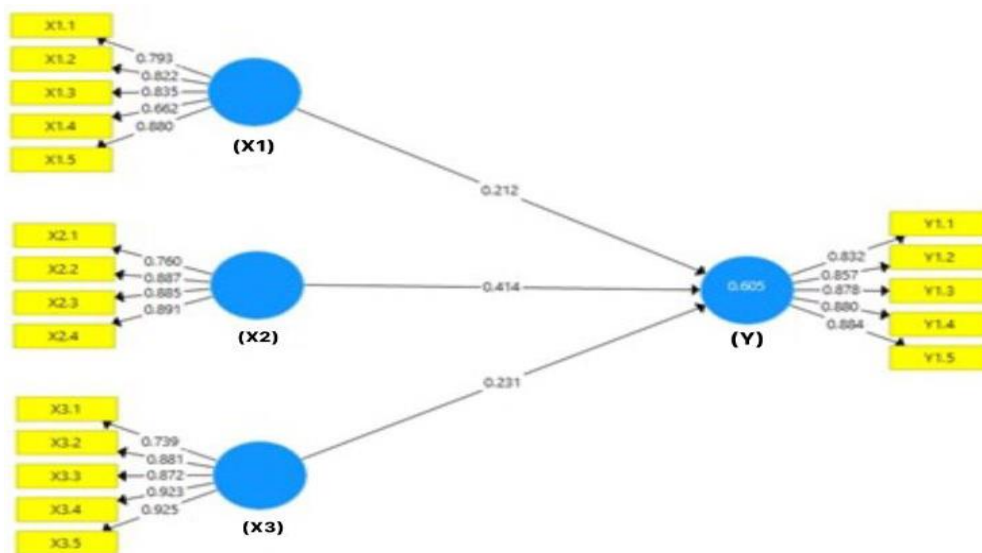


Figure 2. Loading factor tests of the conceptual framework

Evaluation of Structural Model Analysis - Inner Model

After conducting the validity and reliability test on each indicator that determines the dimensions of a variable, the researcher can continue to conduct further test of the inner model analysis from the framework proposed in this study. The study indicates the R-Square of purchasing decision to be 60.5% (Table. 1)

Table 1. Results of Simultaneous Direct Effect Testing on research models

Hypothesis	Hypothesis	R-Square	P-Values	Criterion	Information	Description
H1	ProQu, PriSu, and ServiQu simultaneously effect purchasing decisions	0,605	0.000	Moderate	Data supports Hypothesis	H1 Accepted

Source: Researcher data analysis

It can be seen in Table 1 that the path coefficient values is 0.212, T-statistics 2.170 and P-Values of 0.030. Because the T-statistics value > 1.96 and the P-Values < 0.05, there is a significant direct influence between ProQu, PriSu, and ServiQu on purchasing decisions (H1). This lead to if the benefits of the product and the price of the product offered to consumers are appropriate, the purchase decision will increase. Meanwhile, it can be seen in Table 2, PriSu on purchase decision signified the Path Coefficient value of 0.414, T-statistics 4.482 and the P-Values of 0.000. Therefore, there is a positive and significant direct influence of PriSu on purchasing decisions (H2). ServiQu on Purchasing decision signified the Path Coefficient value of 0.231, T-statistics 2.811 and P-Values 0.005. Hence, there is a significant direct influence PriSu on purchasing decisions(H3). ProQu on Purchasing decision signified the Path Coefficient value of 0.212, T-statistics 2.170, and P-Values value 0.030. Hence, there is a significant direct influence of ProQu on purchasing decisions(H4).

Table 2. Path Coefficient, T-Statistics and P-Value Test Results

	Coefficient path	T Statistics	P Values
PriSu (X2) -> PurchDe (Y)	0,414	4,482	0,000
ServiQu (X3) -> PurchDe (Y)	0,231	2,811	0,005
ProQu(X1) -> PurchDe (Y)	0,212	2,170	0,030

Source: Researcher data analysis

Products, Prices and Services are factors that play a major role in making purchasing decisions, where customers are satisfied with the products, prices, and services that perceived by the customer will make a repurchase. Current study result is strengthened by previous research conducted by Q. W. Astuti, (2017), Adhitama & Sukardi, (2020), Rafi & Budiatmo, (2018) and (Utomo et al., 2019) which stated that simultaneously product quality, price and ServiQu have a positive and significant effect on purchasing decisions.

The study shows that ProQu has a positive and significant influence on purchasing decisions. The higher quality of products offered by business actors can influence a person's purchasing decision. Various study Utomo et al., (2019), Rafi & Budiatmo, (2018), Fatmawati, N., & Soliha, (2017) and Sugiharto & Darmawan, (2021) strengthened the study findings which states that ProQu has a positive and significant effect on purchasing decisions.

The study also shows that PriSu has a positive and significant influence on purchasing decisions. Consumers often use price as a measure of the ratio between the advantages they perceive and the cost of the product. If the price set by the firm is not in line with the product's advantages, the number of purchases may decrease, or increase if the opposite is true. the perceived value of consumers is higher, it will create a purchase decision. There are several studies Rafi & Budiatmo, (2018), Anggraeni, (2017), and Gunawan & Susanti, (2018) stated that price has a positive effect and significant to purchasing decisions.

The study signified ServiQu has a positive effect on purchasing decisions. This means that ServiQu is one of the factors that influence purchasing decisions. If the service provided by consumers is good, purchases will increase, but if the services provided to consumers are not good, sales will decrease. Several studies Saputra & Ardani, (2020), (Iskandar & Nasution, 2019) and (Tanady & Fuad, 2020) showing that the existence of ServiQu affects positive and significant to the purchase decision.

CONCLUSION

The results of the investigation of Kopi Tikum showed that ProQu and PriSu had a positive and significant impact on buying choices. Additionally, ServiQu was demonstrated to have a positive and significant effect on buying decisions. Taken together, these findings suggest that if the quality of the product, the cost and the quality of the service are favorable, the level of purchase decisions will increase, which is consistent with previous studies.

Those with their own label or franchise need to enhance the quality of their products, prices, and services to draw in consumers and encourage them to come back and purchase the products being sold. This creates its own opportunities for coffee shop entrepreneurs, especially Kopi Tikum. However, the study is limited to the customer of Kopi Tikum Coffee Shop, in which it can't be generalized to other coffee shop. However, future researcher may try to adopt and extend the study's conceptual framework to be tested on other study objectives.

Some recommendation obtained in present study to the managerial implications on Kopi Tikum are as follow: Kopi Tikum managers may pay attention to the dimension value that has the lowest results. In addition, managers may also evaluate the purchasing decision factors by enhancing the quality of the product even better so that the product may have good impression before the customers' perspectives.

REFERENCES

- Adhitama, M. H., & Sukardi, S. (2020). Pengaruh Harga, Kualitas Produk, Dan Kualitas Pelayanan Terhadap Keputusan Pembelian (Studi Kasus Pada Warung Sate Klatak Pak Pong Bantul). *Jurnal Fokus Manajemen Bisnis*, 8(2), 207. <https://doi.org/10.12928/fokus.v8i2.1591>
- Andreas Wijaya. (2019). *Metode penelitian menggunakan Smart PLS 03*. Innosain.

- Anggraeni, A. R. (2017). Kualitas produk, citra merek dan persepsi harga terhadap keputusan pembelian (Studi pada konsumen Kopi Lain Hati Lamper Kota Semarang). *Al Tijarah*, 6(3), 96. <https://doi.org/10.21111/tijarah.v6i3.5612>
- Ani, J., Lumanauw, B., & Tampenawas, J. L. A. (2021). Pengaruh Citra Merek, Promosi Dan Kualitas Layanan Terhadap Keputusan Pembelian Konsumen Pada E-Commerce Tokopedia Di Kota Manado. *Jurnal EMBA*, 9(2), 663–674. <https://ejournal.unsrat.ac.id/index.php/emba/article/viewFile/38284/34957>
- Anim, A., & Indiani, N. L. P. (2020). Pengaruh Promosi Dan Kualitas Layanan Terhadap Keputusan Pembelian Kembali (Studi Kasus Pada Start Up Coffee Renon Denpasar). *Jurnal Ilmiah Manajemen Dan Bisnis*, 5(1), 99–108. <http://journal.undiknas.ac.id/index.php/manajemen/article/view/2432>
- Astuti, Q. W. (2017). Pengaruh Kualitas Produk, Kualitas Pelayanan Dan Harga Terhadap Keputusan Pembelian Pada Rumah Makan Spesial Belut Surabaya H. Poer Cabang Wiyung. *Universitas Narotama Surabaya*, 1–16.
- Astuti, R., & Abdullah, I. (2017). Pengaruh Kualitas Produk dan Promosi terhadap Keputusan Pembelian Pakaian di Usaha Mikro Kecil Menengah. *Jurnal Ilman*, 0118047804.
- Brama Kumbara, V. (2021). Determinasi Nilai Pelanggan Dan Keputusan Pembelian: Analisis Kualitas Produk, Desain Produk Dan Endorse. *Jurnal Ilmu Manajemen Terapan*, 2(5), 604–630. <https://doi.org/10.31933/jimt.v2i5.568>
- Ernawati. (2019). Kualitas Produk. *Bab Ii Kajian Pustaka 2.1*, 12(2004), 6–25.
- Fandy Tjiptono. (2017). *Definisi Kualitas Pelayanan*. 20–53.
- Fatmawati, N., & Soliha, E. (2017). *Kualitas Produk, Citra Merek dan Persepsi Harga Terhadap Proses Keputusan Pembelian Konsumen Sepeda Motor Matic “Honda”*. *Jurnal Manajemen Teori Dan Terapan*. <https://doi.org/https://doi.org/10.20473/jmtt.v10i1.5134>
- G. Garson, D. (2018). Partial Least Squares. In *Multi-Label Dimensionality Reduction*. <https://doi.org/10.1201/b16017-6>
- Ghozali. (2018a). *Aplikasi Analisis Multivariate Dengan Program IBM SPSS*.
- Ghozali. (2018b). Metode Penelitian. *Metode Penelitian*, 2017, 32–41.
- Gunawan, A. C., & Susanti, F. (2018). Pengaruh Bauran Promosi Dan Harga Terhadap Keputusan Pembelian Produk Kosmetik Maybelline Di Kota Padang. *Jurnal Ekonomi*. <https://doi.org/10.31227/osf.io/npjqh>
- Hair. (2021). *An Introduction to Structural Equation Modeling*. 1–29.
- Hair, & Black, W. C. (2014). *Multivariate Data Analysis Joseph F on Barry J. Babin Rolph E. Anders*.
- Hutagalung, Y. M., & Waluyo, H. D. (2020). Pengaruh Kualitas Produk, Kualitas Pelayanan dan Harga Terhadap Keputusan Pembelian (Studi Kasus Pada Kopi Benteng 2 Banyumanik). *Jurnal Administrasi Bisnis*, IX(Iii), 209–215.
- Iskandar, D., & Nasution, M. I. B. (2019). Analisis Pengaruh Kepercayaan, Keamanan dan Kualitas Pelayanan Terhadap Keputusan Pembelian pada Online Shop Lazada SNK © 2019 Published by UMSU (Studi Kasus Pada Mahasiswa/i FEB UMSU). *Jurnal Kewirausahaan*, 1(1), 128–137.
- Kopi Tikum. (2022). *Aspek Permasalahan Kopi Tikum*.
- Kotler. (2019). Pengaruh Kualitas Pelayanan. *Molecules*, 9(1), 148–162. <http://jurnal.globalhealthsciencegroup.com/index.php/JPPP/article/download/83/65%0Ahttp://www.embase.com/search/results?subaction=viewrecord&from=export&id=L603546864%5Cnhttp://dx.doi.org/10.1155/2015/420723%0Ahttp://link.springer.com/10.1007/978-3-319-76>
- Kotler & Armstrong. (2017). *Principles of Marketing*. global edition.

- Kotler, P., & Armstrong, G. (2018). *Principles of marketing* (F. Tjiptono (ed.); 17th ed.). Hoboken : Pearson Higher Education.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). global edition.
- Lestari, D. D. (2021). Pengaruh Kualitas Pelayanan, Persepsi Harga, Dan Gaya Hidup Terhadap Keputusan Pembelian. *Universitas Mercu Buana Yogyakarta*. <http://eprints.mercubuana-yogya.ac.id/id/eprint/12209>
- Malau. (2017). Keputusan Pembelian. *Journal of Chemical Information and Modeling*, 21(1), 1–9. <https://doi.org/10.1016/j.tmaid.2020.101607><https://doi.org/10.1016/j.ijss.2020.02.034><https://onlinelibrary.wiley.com/doi/abs/10.1111/cjag.12228><https://doi.org/10.1016/j.ssci.2020.104773><https://doi.org/10.1016/j.jinf.2020.04.011>
- Mariansyah, A., & Syarif, A. (2020). Pengaruh Kualitas Produk, Kualitas Pelayanan Dan Harga Terhadap Kepuasan Konsumen Cafe Kabalu. *EKOMABIS: Jurnal Ekonomi Manajemen Bisnis*, 1(01), 1–14.
- Nasution, A. E., & Lesmana, M. T. (2018). Pengaruh Harga dan Kualitas Pelayanan Terhadap Keputusan Pembelian Konsumen (Studi Kasus pada Alfamart di Kota Medan). *Seminar Nasional Vokasi Indonesia (SNVI) Universitas Islam Indonesia (UII), November*.
- Rafi, M., & Budiarmo, A. (2018). Pengaruh Kualitas Produk, Kualitas Pelayanan Dan Harga Terhadap Keputusan Pembelian Pada Konsumen Kafe Mom Milk Semarang. *Jurnal Ilmu Administrasi Bisnis*, 7(4), 160–166.
- Ramli, R. A. L. P., & Silalahi, R. Y. B. (2020). Pengaruh Kualitas Pelayanan, Persepsi Harga, Dan Kualitas Produk Terhadap Tingkat Penjualan Mobil Toyota Yaris Di Wilayah Batam. *Jurnal Bening*, 7(1), 43–52.
- Rosmayati, S. (2020). *Perilaku Konsumen dan Perkembangannya di Era Digital*. Widina.
- Sangian, C. S. (2020). Pengaruh Kualitas Produk, Persepsi Harga, Dan Promosi, Terhadap Keputusan Pembelian Pada Coffeegato. *Applied Microbiology and Biotechnology*, 2507(1), 1–9. <https://doi.org/10.1016/j.solener.2019.02.027><https://www.golder.com/insights/block-caving-a-viable-alternative/%0A???>
- Saputra, G. W., & Ardani, I. G. A. K. S. (2020). Pengaruh Digital Marketing, Word of Mouth, Dan Kualitas Pelayanan Terhadap Keputusan Pembelian. *E-Jurnal Manajemen Universitas Udayana*, 9(7), 2596. <https://doi.org/10.24843/ejmunud.2020.v09.i07.p07>
- Sugiharto, A., & Darmawan, M. F. (2021). Pengaruh Kualitas Produk, Harga Dan Kualitas Layanan Terhadap Keputusan Pembelian Janji Jiwa Coffee Citra Raya. *PAPATUNG: Jurnal Ilmu Administrasi Publik, Pemerintahan Dan Politik*, 4(2), 24–32. <https://doi.org/10.54783/japp.v4i2.454>
- Sugiyono. (2018). *Metode Penelitian Pendidikan (Kuantitatif, Kualitatif, Kombinasi, R&d dan Penelitian Pendidikan)*.
- Tanady, E. S., & Fuad, M. (2020). Analisis Pengaruh Citra Merek dan Kualitas layanan Terhadap Keputusan Pembelian Tokopedia di Jakarta. *Manajemen Pemasaran*, 9(021), 113–123.
- Tjiptono. (2017). *Pengaruh Kualitas Pelayanan*.
- Uma Sukaran & Roger Bougie. (2017). Penelitian Primer. *Paper Knowledge . Toward a Media History of Documents*, 7(2), 107–115.
- Utomo, P., Maduwiniarti, A., & Pratiwi, N. made ida. (2019). Pengaruh kualitas produk, harga dan pelayanan terhadap keputusan pembelian konsumen di warung kopi mbah sangkil surabaya. *Jurnal Dinamika Administrasi Bisnis*, 5(9), 1–19.
- Wijaya, T. (2018). *Manajemen kualitas jasa* (B. Sarwiji (ed.); Issue July). PT Indeks.

Zakaria. (2017). Harga. *E-Jurnal Riset Manajemen*, 10(1), 46–62.

Zulkarnaen, W., & Nurbaeti Amin, N. (2018). Pengaruh Strategi Penetapan Harga Terhadap Kepuasan Konsumen. *Jurnal Ilmiah MEA (Manajemen, Ekonomi, & Akuntansi)*, 2(1), 106-128. *Jurnal Ilmiah MEA (Manajemen, Ekonomi, & Akuntansi)*, 2(1).