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# THE INFLUENCE OF PRODUCT QUALITY AND SERVICE QUALITY ON PURCHASE DECISIONS AT TOKO BAJU INVESTOR JEUNIEB BIREUEN

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#### **Abstract**

This study aims to analyze the influence of product quality and service quality on consumer purchasing decisions at Investor Jeunieb Clothing Store in Bireuen. The research was conducted at Investor Jeunieb Clothing Store in Bireuen. The object of the research is consumers who visit Investor Jeunieb Clothing Store. The population in this study includes all consumers of Investor Jeunieb Clothing Store, the exact number of which is unknown. The sample was taken using the Hair formula, with a total sample size of 98 respondents. This study uses a multiple linear regression analysis model to determine the effect of product quality and service quality on purchasing decisions. The data was analyzed using SPSS software version 25.0. The analysis tools used include validity tests, reliability tests, classical assumption tests, multiple linear regression analysis, t-tests, F-tests, R-tests, and R-Square tests. The t-test results show that product quality with a t-value greater than the critical t-value at the 5% level (6.514 > 1.985) and a significance value of 0.000 < 0.05 and service quality with a t-value greater than the critical t-value at the 5% level (6.890 > 1.985) and a significance value of 0.001 < 0.05 have a significant effect on purchasing decisions. The F-test results indicate that the regression model used is significant with an F-value greater than the critical F-value (200.848 > 2.70) and a significance value (sig) of 0.000 < 0.05, which means that product quality and service quality together have a significant influence on purchasing decisions. The R-test results show a strong correlation between the independent variables and the dependent variable (R = 0.899). The R-Square test results indicate that 0.809 or 80.9% of the variation in customer loyalty can be explained by service quality and customer value, while the remaining 19.1% is influenced by other variables not examined in this studv.

Keywords: Product Quality, Service Quality, Purchasing Decision

#### INTRODUCTION

In this research, the researcher identified issues at Investor Jeunieb Clothing Store in Bireuen, particularly related to product quality and service quality. The product quality at Investor Store is still questioned by many customers due to intense competition, leading customers to want to verify the quality of each product. The service quality is also lacking, with insufficient friendliness in customer service and a lack of ability to convince consumers, which ultimately results in customers being less satisfied with the service provided.

Attracting and retaining customers requires a high level of buying interest from consumers, and ultimately, making a purchase decision is not easy. Many factors influence this, including internal factors, which refer to the consumer's own considerations, and external influences, such as stimuli provided by business actors. In this context, companies must be able to identify consumer behavior in relation to making purchasing decisions. Several factors influence consumers' decision to make a repeat purchase, with the first factor being the determination of product quality.

The reason for conducting research at Investor Jeunieb Clothing Store in Bireuen is the increasing competition among clothing or apparel businesses. As a result, sellers are required to offer high-quality products and service quality that provides added value, setting them apart from competing products.



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### LITERATURE REVIEW

#### **Definition of Product Quality**

According to Windarti and Ibrahim (2017), product quality refers to the alignment of product needs and desires with the product's specifications. Product quality is a condition related to the product, service, human, and environmental factors to meet consumer expectations. Therefore, it can be concluded that product quality is the ability of a product to fulfill every consumer's need according to their requirements and desires.

According to Kotler and Keller (2016), product quality is the ability of a product to perform its functions, including durability, reliability, and precision, achieved comprehensively by the product. Companies must continuously improve the quality of their products or services because enhancing product quality can make customers satisfied with the products or services offered and influence them to repurchase the product.

#### **Definition of Service Quality**

Service quality refers to the level of customer satisfaction with their interactions and experiences with a service provider. High-quality service can influence customers' perceptions of value, satisfaction, loyalty, and purchasing decisions. According to Kotler (2013), service quality is defined as the consumer's assessment of the level of service received compared to the level of service expected. According to previous researcher Achmad (2020), service quality is a means of retaining consumers. When quality is present, it means that the company must meet consumers' expectations and satisfy their needs.

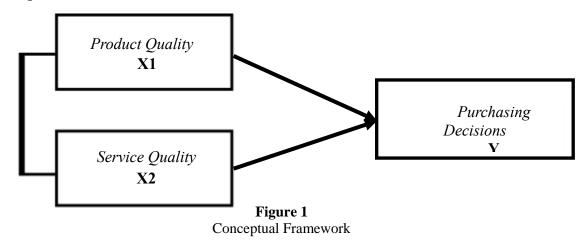
#### **Definition of Purchasing Decision**

A purchasing decision is the process by which consumers select and buy products or services that they believe will meet their needs or desires. The purchasing decision is influenced by various factors, including product quality, service quality, price, brand, reputation, psychological factors, and personal preferences.

According to Kotler and Armstrong (2018), in their textbook "Principles of Marketing," Philip Kotler and Gary Armstrong provide a contemporary view of purchasing decisions. They recognize the critical role of factors such as perception, attitude, motivation, culture, and environmental influences in the decision-making process.

Solomon, Bamossy, Askegaard, and Hogg (2019), in their textbook "Consumer Behaviour: A European Perspective," offer a modern perspective on purchasing decisions. They emphasize the importance of understanding the social, cultural, psychological, and situational factors that influence consumer purchasing decisions.

#### **Conceptual Framework**





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### **Hypotheses**

Based on the conceptual framework described above, the researcher proposes the following hypotheses:

- Ha1: Product quality has an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.
- Ho1: Product quality does not have an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.
- Ha2: Service quality has an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.
- Ho2: Service quality does not have an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.
- Ha3: Both product quality and service quality have an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.
- Ho3: Both product quality and service quality do not have an effect on purchasing decisions at Investor Jeunieb Clothing Store in Bireuen Regency.

#### **METHOD**

### Research Approach

This research focuses on the influence of product quality and service quality on purchasing decisions at Investor Jeunieb clothing store. The methods used in this study are descriptive quantitative (questionnaire) and verificative (data) methods, which aim to analyze the issue by collecting data, presenting data, analyzing data, and testing to obtain conclusions and recommendations. Data collection was conducted using a survey method, which involves measuring to gather information through a questionnaire.

#### Place and Time of Research

This research was conducted at Investor Jeunieb clothing store in Bireuen Regency. The study was carried out from April to June 2024. Before starting the research, the researcher conducted observations to identify issues related to product quality and service quality affecting purchasing decisions.

#### **Research Population**

The population in research refers to the area that the researcher wants to study. According to Sugiono (2016), the population is the generalization area consisting of objects/subjects with certain qualities and characteristics defined by the researcher for study and to draw conclusions. In this study, the sample size is 98 people, who are consumers of Investor Jeunieb clothing store. Research Sampel

The sample size is determined using Hair's formula. Hair's formula is used because the exact population size is not known. According to Hair (2021), if the sample size is too large, such as 400, the method becomes very sensitive, making it difficult to achieve good goodness-of-fit measures. Therefore, it is recommended that the minimum sample size is 5-10 observations for each parameter estimated.

In this study, the sample size is 98 people, who are consumers of Investor Jeunieb clothing store. Thus, with 14 indicators multiplied by 7, the calculation based on this formula results in a sample size of 98 people from the consumers of Investor Jeunieb clothing store.

### **Data Analysis Method**

In scientific research report writing, data analysis can be performed for two purposes: to present empirical findings in the form of descriptive statistical data that explain the characteristics of respondents, particularly in relation to the research variables used in hypothesis testing, and to perform inferential statistical analysis to test the proposed research hypotheses and draw conclusions based on that, according to Ferdinand (2011).



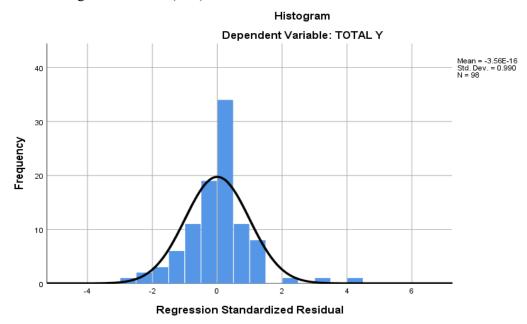
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Quantitative analysis is a method of analysis using numerical data that can be calculated or measured. Quantitative analysis aims to estimate the magnitude of the quantitative influence of changes in one or more other events using statistical analysis tools such as SPSS version 25. This research uses multivariate statistical techniques with two variables: independent and dependent variables. According to the formulated hypotheses, this study begins with evaluating the measurement model (outer model), evaluating the structural model (inner model), and testing hypotheses.

### RESULTS AND DISCUSSION

#### **Normality Test**

The normality test in this research uses histogram graphics, normal P-P Plot, and the non-parametric Kolmogorov-Smirnov (K-S) statistic:



Source: Research Results, Data Processed (2024)

Dependent Variable: TOTAL Y

1.0

0.8

0.6

0.0

0.0

0.2

0.4

0.6

0.8

1.0

Source: Research Results, Data Processed (2024)



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The Normal P-Plot indicates that the regression model satisfies the assumption of normality, as the points on the Normal P-Plot are close to the diagonal line and are spread around it, showing a highly significant result.

## **Multicollinearity Test**

According to Ghozali (2011), multicollinearity is indicated by a Tolerance value <0.10 or a VIF value >10.

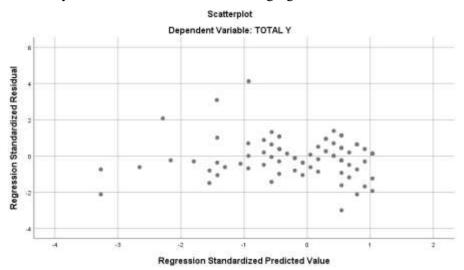
Variabel		Collinearity Statistics		
			VIF	
		ce		
Product	Quality	0,397	2,517	
(X1)				
Service	Quality	0,397	2,517	
(X2)	-			

Source: Research Results, Data Processed (2024)

It is explained that the tolerance value for both the product quality variable is 0.397 > 0.10, and the service quality variable is also 0.397 > 0.10. Additionally, the VIF (Variance Inflation Factor) value for the product quality variable is 2.517 < 10, and for the service quality variable, it is also 2.517 < 10. Therefore, it can be concluded that there is no multicollinearity in this study.

#### **Heteroscedasticity Test**

The heteroscedasticity test in this study uses the scatterplot chart model and the Park test. To examine the scatterplot graph, the researcher uses the predicted independent variable (ZPRED) and its residuals (SPRESID). If a certain pattern is formed, heteroscedasticity occurs, but if the points in the graph are scattered in all directions, heteroscedasticity does not occur. For further clarity, the following is an image of the heteroscedasticity test data processing results: The results of the heteroscedasticity test can be shown in the following figure:



Source: Research Results, Data Processed (2024)

In the first structural model, it can be observed that the points are scattered in various directions, both above and below the value of 0 on the Y-axis, without forming any specific pattern. Therefore, it can be concluded that there is no heteroscedasticity in the regression model of the first structural model.



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# **Multiple Linear Regression Analysis**

The data analysis used in this research is quantitative analysis with a multiple linear regression equation. Quantitative analysis is used to analyze data obtained from questions requiring statistical calculations, hence it is often referred to as statistical analysis. In this study, the goal is to test the influence of service quality and promotion on purchasing decisions.

Coefficients <sup>a</sup>							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
		В	Std. Error	Beta			
1	(Constant)	1.619	.775		2.088	.039	
	TOTAL X1	.365	.056	.464	6.514	.000	
	TOTAL X2	.362	.053	.490	6.890	.000	
a. Dependent Variable: TOTAL Y							

Based on Table 4.12, the multiple linear regression equation is as follows:

$$Y = 1.619 + 0.365X_1 + 0.362X_2$$

- 1. From the regression equation, it can be seen that the constant value is 1.619. This means that if the influence of Product Quality and Service Quality is constant (equal to 0), the Purchase Decision will have a value of 1.619.
- 2. The regression coefficient for Product Quality (X1) is 0.365, indicating that an increase of 1 unit in the Product Quality variable (X1) will result in an increase in the Purchase Decision by 0.365.
- 3. The regression coefficient for Service Quality (X2) is 0.362, indicating that an increase of 1 unit in the Service Quality variable (X2) will result in an increase in the Purchase Decision by 0.362.

#### **Partial Testing (t-Test)**

The t-test is a statistical test used to determine how much an independent variable can explain the variance in a dependent variable on an individual basis. The t-test is performed with a 95% confidence level and a 5% level of significance ( $\alpha$ ). The degrees of freedom (df) used are calculated as df=n-kdf = n - kdf=n-k, where nnn is the sample size and kkk is the number of variables.

Model	$t_{ m hitung}$	t <sub>tabe</sub>	Sig.
Product Quality (X1)	6.514	1,985	.000
Service Quality (X2)	6.890	1,985	.000

Source: Research Results, Data Processed (2024)

- 1. The regression calculation results show that hypothesis H1 is accepted. This means that Product Quality has a partial effect on Consumer Purchase Decisions at Toko Baju Investor Jeunieb in Bireuen. This is indicated by the value of ( $t_{\text{hitung}}$ ) t tabel) at the 5% level (6.514 > 1.985) and a significance value of 0.000 < 0.05.
- 2. The regression calculation results show that hypothesis H2 is accepted. This means that Service Quality has a partial effect on Consumer Purchase Decisions at Toko Baju Investor Jeunieb in Bireuen. This is indicated by the value of (t{hitung} > t table) at the 5% level (6.890 > 1.985) and a significance value of 0.000 < 0.05.



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# **Simultaneous Testing (F Test)**

The F test is a method for testing the null hypothesis involving more than one coefficient. It works by determining whether the fit of a regression equation is significantly improved by including multiple variables, compared to the null hypothesis where these variables do not have a significant effect. The F test is conducted with a confidence level of 95% and a significance level  $(\alpha)$  of 5%. The degrees of freedom for the numerator are df1 = (k-1), and the degrees of freedom for the denominator are df2 = (n-k), where (k) represents the number of parameters (coefficients) in the linear regression model and (n) represents the number of observations. The F test is used to evaluate the simultaneous effect of the independent variables (service quality and promotion) on the dependent variable (purchasing decisions).

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	846.442	2	423.221	200.848	$.000^{b}$
1	Residual	200.181	95	2.107		
	Total	1046.622	97			
a. Dependent Variable: TOTAL Y						
b. Predictors: (Constant), TOTAL X2, TOTAL X1						

The calculation results in the table above show that the value of \( F\_{\text{hitung}} > F\_{\text{tabel}} \) (200.848 > 2.70), with a significance value (sig) of 0.000 < 0.05. The regression calculation results indicate that hypothesis H3 is accepted. This means that Product Quality and Service Quality simultaneously affect Purchase Decisions at Toko Baju Investor Jeunieb in Bireuen.

#### **CLOSING**

Based on the research results and the discussion presented earlier, the following conclusions can be drawn:

- 1. In this study, the product quality variable influences purchase decisions at Toko Investor Jeunieb in Bireuen, which means that product quality has a positive impact on purchase decisions. The regression calculation shows that hypothesis H1 is accepted, indicating that service quality partially affects consumer purchase decisions at Toko Investor Jeunieb in Bireuen. This is evidenced by the value of ( t hitung  $\}$  > t tabel) at the 5% level (6.514 > 1.985) and a significance value of 0.000 < 0.05.
- 2. In this study, the service quality variable influences purchase decisions at Toko Investor Jeunieb in Bireuen, which means that service quality has a positive impact on purchase decisions. The regression calculation shows that hypothesis H2 is accepted, indicating that service quality partially affects consumer purchase decisions at Toko Investor Jeunieb in Bireuen. This is evidenced by the value of (t\_{hitung}} > t tabel) at the 5% level (6.890 > 1.985) and a significance value of 0.000 < 0.05.
- 3. In this study, product quality and service quality simultaneously have a significant impact on purchase decisions at Toko Investor Jeunieb in Bireuen. The calculation results in the table above show that the value of (F\_{hitung} > F\_{tabel} \) (200.848 > 2.70), with a significance value (sig) of 0.000 < 0.05. The regression calculation results indicate that hypothesis H3 is accepted, meaning that product quality and service quality simultaneously affect purchase decisions at Toko Investor Jeunieb in Bireuen.

### Recommendations

In order to improve purchase decisions at Toko Investor Jeunieb in Bireuen, the author offers the following suggestions:



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- 1. The results of this study indicate that product quality affects purchase decisions. However, it is recommended that Toko Investor Jeunieb in Bireuen further optimize direct marketing to consumers by paying attention to several indicators that the researcher has identified.
- 2. Service quality can be enhanced by the management providing training to employees who directly interact with customer service issues. Key criteria to emphasize include communication skills, knowledge of products/services, and accuracy in transactions.
- 3. Based on the discussion, a limitation of this study can be noted: it only uses two exogenous variables and one endogenous variable. Future researchers are encouraged to include more variables, both exogenous and endogenous, to address more significant issues related to repeat purchases or other problems that may arise in the field. This recommendation is directed at future researchers.

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