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DETERMINANTS OF CUSTOMER PURCHASING DECISION: PRICE, PRODUCT, AND LOCATION

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ABSTRACT

Purpose: The purpose of this study is to analyze the effect of price, product and location on customer home purchasing decision on PT. Putra Bumi Airlangga both partially and simultaneously.

Design/methodology/approach: The population in this study are all customers from PT. Putra Bumi Erlangga as many as 95 customers and sample of this study used a number of respondents who were selected by total sample or census, namely from 95 customers of PT. Putra Bumi Airlangga were selected as samples. The data analysis technique used was multiple regression analysis.

Findings: The research results are: 1) Price affects customer purchasing decision of PT. Putra Bumi Airlangga, 2) Product affects customer purchasing decision of PT. Putra Bumi Airlangga, 3) Location affects customer purchasing decision of PT. Putra Bumi Airlangga, 4) Price, product and location simultaneously affect customer purchasing decision of PT. Putra Bumi Airlangga, 5) Price has the most dominant effect on customer purchasing decisions of PT. Putra Bumi Airlangga.

Research limitations/implications: The number of respondent relatively small.

Practical implications: Result of this research can be referred by company to increase consumer purchasing decision.

Originality/value: This paper is original because there is no similar research that is conducted in PT. Putra Bumi Airlangga.

Paper type: Research paper

Keyword: price, product, location, customer purchasing decision.

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I. INTRODUCTION

Purchasing decisions are considered as a process in which someone has gone through several stages of thinking and alternative choices to actually buy products (SA, 2015). Purchasing decisions are also interpreted as ways of individuals, groups, organizations choosing, buying, using and utilizing goods, services, experiences in order to satisfy the needs of desire. As much as satisfied and well-behaved consumers of a product, it will increasingly enable consumers to buy, use and use the product or brand (Ogbeide, 2015). In practice, there are several things that affect customer purchasing decisions. First, price. Price is the sum of all values that consumers exchange for the benefits of choosing or using the product or service. Price offered to consumers must be in accordance with consumers' views on the value and benefits

obtained from the product (Wanda, 2015). Price is considered to have an important role in purchasing decisions. The company will use price standards in competition to attract consumers to buy products. In practice, pricing by companies must be in accordance with the purchasing power of consumers and on par with competing companies. This is because if the price is raised it will cause a decline in product purchasing decisions (Budiharja, 2016). Second, product. Definition of products in general, namely everything that can influence and satisfy human needs or desires, both tangible and intangible (Tjiptono, 2014). Research conducted by Zulaicha & Irawati (2016) shows that the product has a significant influence on customer purchasing decisions. The presence of several indicators inherent in products such as brands, packaging, labeling, services and guarantees is a consideration for customers in deciding to buy a product. Third, location. Location is an area that makes products available to target customers. Location is the location of the store or retailer in a strategic area so that it can maximize profits. The selection of the right business location will determine the success of the business in the future (Tjiptono, 2014). Research conducted by Senggetang, Mandey, & Moniharapon (2019) shows that promotion influences product purchasing decisions. Based on the description above, it is known that prices, products and locations have an influence on customer purchasing decisions. This is also indicated to occur in PT. Putra Bumi Airlangga's customers.

Based on the background described above, the formulation of the problem to be examined in this study are:

1. Does price affect customer purchasing decisions of PT Putra Bumi Airlangga?
2. Does product affect customer purchasing decisions of PT Putra Bumi Airlangga?
3. Does location affect customer purchasing decisions of PT Putra Bumi Airlangga?
4. Do price, product and location have a simultaneous effect on customer purchasing decisions of PT Putra Bumi Airlangga?
5. Among the variables of price, product and location, which variable has the dominant effect on customer purchasing decisions of PT Putra Bumi Airlangga?

A. Definition of Marketing

Many people interpret marketing to a narrow perception, namely marketing is the same as sales and advertising. Indeed sales and advertising are part of marketing activities. Marketing is the process of planning and implementing a concept, applying prices, promoting and distributing ideas, goods or services to create exchanges that can meet individual needs and goals of the organization. According to the American Marketing Association cited by (Kotler and Keller, 2014), namely: "Marketing is an organizational function and a series of processes to create, communicate, and provide value to customers and to manage customer relationships in ways that benefit the organization and its stakeholders. (Kurtz and Bone, 2013), marketing is a function of the organization and a process for creating, communicating, and sending value to consumers and regulating relationships with consumers as a way to benefit the company and also interested parties. Marketing, according to (Tjiptono, 2014) is "the function that has the greatest contact with the external environment, even though the company only has limited control over the external environment". Therefore, marketing plays an important role in developing strategies This definition emphasizes various marketing activities, from deciding what products are offered, how much they are, promotion mix, advertising and personal selling and distributing products so that the product is available to consumers in the right amount and at the right time and place. According to (Kotler and Keller, 2013) marketing is a social process in which individuals and groups get what they need and want by creating, offering, and freely exchanging valuable products with other parties. While the marketing goal itself according to (Kotler and Keller, 2013) is to know and understand the customer in such a way that the product or service matches the needs and desires of the customer and then sells himself. Opinion William J. Stanton defines marketing as an overall system of activities aimed at planning, pricing, promoting and distributing goods and services that can satisfy the needs of both existing and prospective buyers (Igo, Harisa and Rizal, 2019).

Organizations often wish to use the marketing mix in order to deploy their marketing strategy as effectively as possible. (Cannon and McCarthy, 2009) provided a framework by means of the marketing mix: the 4 P's. The 4P 's include Price, Promotion, Product and Place. According to (Cannon and McCarthy, 2009), marketers can draw up a good marketing plan and improve operating results visibly by using the right combination and variables. The 4 P's are also known as the basic **marketing mix**. A product is anything that can be offered to a market for attention, acquisition, use or consumption (Kotler and Keller, 2013). The price is an important factor for both the supplier and the consumer and is mainly determined by the proportional relationship between supply and demand. The price can be adjusted quickly, as a result of which this marketing instrument is frequently used (Cannon and McCarthy, 2009). Place includes both the geographical location where the product is offered and the (type of) distribution channel. Distribution can be divided into direct and indirect distribution. Direct distribution means that the product is delivered directly from the supplier to the end user (insurance companies, outlet stores and sales through the Internet). Indirect

distribution means that the product is sold to the end user by means of an intermediary such as a wholesale or retail business (Cannon and McCarthy, 2009) and all communication of a company that is aimed at stimulating sales comes under promotion (Cannon and McCarthy, 2009).

B.Price

Kotler & Keller (2014) define price as the amount of money that is billed for a product or service. Price is considered as the amount of value exchanged by consumers for the benefits of owning or using a product or service. Price is one of the principles of the marketing mix which is one of the determining factors in product purchases in addition to other factors. Price becomes more important for consumers as a sign of what is expected. Consumers often assume that price is an indicator of quality and companies can reduce product quality to minimize costs, so higher price is a sign of better quality (Santoso, 2016). Price is a number of values that are exchanged by customers who benefit from owning or using a product or service whose value is determined by buyers and sellers through bargaining or set by the seller for the same price to all buyers. Price is considered as one monetary or other measure exchanged in order to obtain ownership rights or use of an item or service (Noto and Hakim, 2016). Price is considered as the basic regulator in the economic system, because prices affect the allocation of production factors such as labor, land, capital and entrepreneurship. Price is determining the value of goods money and the price of goods. With the existence of a price, the community can sell an item that is owned at a public price and can be accepted. Price is an exchange rate that can be equated with money or other goods for benefits obtained from an item or service for a person or group at a certain time and place. Price is considered as a number of values (in currencies) that consumers must pay to buy and enjoy the goods or services offered. Price is also important because it will be a benchmark for consumers to buy products and at the same time to determine how much profit is obtained in trading (Tjiptono, 2014).

In the business world, price is one of the key factors. Therefore pricing decisions must be made repeatedly because the selling price is affected by changes in the external and internal environment. Price is the only marketing mix that generates income and is also one of the most flexible marketing mixes, prices can change rapidly, unlike products or distribution channels. Whereas the purpose of pricing is according to Kotler & Keller (2013), namely survival, maximum current profit, maximum current income, maximum sales growth, product quality leadership and other pricing objectives.

a.Pricing

In practice, there are five pricing in the market, include (Setiadi, 2010):

1. Price positioning

The price of a product is determined to be the same, lower or higher than the competitor's price, depending on whether or not there are attributes desired by consumers on certain products. To determine the value of these attributes, companies can conduct market research on the prices of products from the lowest to higher, so that the market demand curve can be made. In general, companies try to get the price of their products in a price range that shows the position in the quality range. Quality here means that there are attributes desired by consumers.

2. Product line pricing strategy

This strategy is carried out if the company produces and sells more than one product, both substitute and complementary. In this case, the company will be faced with the problem of how to determine its markup for each product line. When producing and selling complementary products, it must be determined how the basic item markup and how its complementary markup. Likewise, when producing and selling substituted products, the company must determine its markup.

3. Pricing to predict quality

Often consumers judge that if a product has a high price, then the quality of the product is also high. Price is an indicator of quality for three reasons, namely:

- a. There is no other information about products other than prices
- b. If the cost of knowing the quality of a product is higher than the value of consumer understanding of product quality.
- c. The veblen effect, namely the tendency of consumers to buy products if the price is high because of the effects of demonstrations such as those purchased by others.

4. Determination of package prices

Product package is to sell two or more products together in one package with one price. This package theory explains why companies offer products in a number of different sizes and why consumers buy smaller sizes that buy large sizes. And why one buys a large amount in another. This is because in package sales companies often apply price discounts based on the quantity purchased.

5. Promotional pricing

This promotion price is often known as "dealing", which includes offering temporary discounts by placing "on sale" products in a certain period. Pricing of this promotion is carried out for several reasons, including:

- a. To reduce storage costs because of the large amount of inventory.
- b. There are price discounts from suppliers in order to increase market share.
- c. Manufacturing owners want to expand the distribution network so that they offer discounts to retailers.
- d. Companies reduce temporary prices to avoid losing market share, because other companies reduce prices or conduct large-scale advertising campaigns.
- e. Often discounted prices for certain products can attract buyers to the store and are expected to also buy products that are not subject to price discounts.
- f. Is part of a promotional strategy so that consumers are aware of its existence.

However, the pricing of this promotion has weaknesses, including:

- a. Sales requests and product profits may fall if the demand is inelastic.
- b. The buyer only buys when the price drops.
- c. Increase consumer awareness of prices.
- d. Damaging the quality image of a product

b.Factors Affecting Prices

According to Kotler & Keller (2013) there are several factors that influence prices, namely:

1. Demand curve

The curve shows the level of market purchases at various prices. The curve sums up the reactions of various individuals with diverse market sensitivities. The first step in estimating demand is to understand the factors that influence buyer price.

2. Costs

Cost is an important factor in determining the minimum price that must be set so that the company does not experience losses. The company wants to set a price that can cover the costs of producing, distributing and selling its products, including adequate returns on the business and the risks

3. Customers

Customer demand is based on several interrelated factors and it is often difficult to accurately estimate the relationships between factors.

c.Price Measurement

Prices can be measured by several things, including (Wardani, Paramita and Minarsih, 2016):

1. Prices offered vary
2. Price affordability
3. Prices of competing products
4. Prices are in accordance with the benefits
5. Prices are in accordance with quality

d.Pricing Objectives

According to Kotler & Keller (2013) there are five main goals in setting prices:

1. Ability to survive

Companies pursue the ability to survive as their main goal if they experience overcapacity, fierce competition, or changing consumer desires. As long as prices cover variable costs and fixed costs, the company stays in business.

2. Maximum current profit

Many companies try to set prices that will maximize current profits. Companies estimate demand and costs associated with alternative prices and choose prices that produce current profits, cash flow, or maximum return on investment.

3. Maximum Market Share

The company believes that the higher the sales volume, the lower unit costs and the higher long-term profits. The company sets the lowest price assuming the market is price sensitive.

4. Market Skimming Pricing

The company revealed new technologies that set high prices to maximize market flush where prices were initially set high and slowly dropped over time. Skimming Pricing is used in the following conditions:

- a. There are quite a lot of buyers whose current demand is high.

- b. The unit cost of producing small volumes is not so high that it eliminates profits from imposing the maximum price that the market can absorb.
 - c. High initial prices attract more market competitors.
 - d. High prices communicate superior product images.
5. Product quality leadership
 6. Many brands strive to be the affordable luxury of products or services that are determined by their character by a high level of quality, taste and status at a price that is high enough to not be beyond the reach of consumers.

e.Pricing Method

Setting the price level, marketers can use one or a combination of various price calculations. According to Kotler, Philip, & Armstrong (2012) states, there are six pricing methods, including the following:

1. Markup Pricing
2. The most basic pricing method is to add standard markups to product costs. Until now markup pricing is still popular because sellers can determine costs much more easily than estimating demand, then prices tend to be the same and minimized price competition when companies in the industry use this method, and finally many people feel that cost plus pricing is more fair for buyers and seller.
3. Determining the price of the target purchase level
The company determines the price that will produce a return on the target investment.
4. Pricing value of presumption
Values consist of several elements such as the buyer image of product performance, channel delivery capabilities, quality assurance, customer support, and less dominant attributes such as supplier reputation, trust and self-esteem.
5. Value setting
Methods that create low prices for consumers to attract consumers' attention by not ignoring the quality of the company's products.
6. Determining going-rate prices
The company bases most of its price on competitor prices, charges the same price, is more expensive or cheaper than the price of the main competitor.
7. Pricing of auction types
Determination of the price of auction type is to dispose of more inventory or used goods.

C.Product

The definition of a product in the narrow sense is a set of tangible physical properties collected in a similar and known form. The definition of product in the broadest sense is a group of tangible and intangible properties which include color, price, packaging, factory prestige, retailer prestige and services provided by consumers and retailers that consumers can accept as satisfaction offered to consumers' wants or needs. Understanding products in general, namely everything that can influence and satisfy human needs or desires, both tangible and intangible (Tjiptono, 2014). Kotler et al. (2012) state that products are anything that can be offered to the market to be noticed, owned, used, or consumed that can satisfy desires and needs. Products include physical objects, services, people, places, organizations and ideas. Cravens (2001) explains that products are all things that have value in a target market where their ability to provide benefits and satisfaction including objects, services, organizations, place, people, ideas. Product is something that can be offered to the market to be owned, used and consumed so that it can satisfy the desires or needs.

a.Classification of product

Broadly speaking, products can be broken down into two namely consumption products and industrial products (Tohar, 2013).

1. Consumption products; i.e. goods that are used by end consumers or households with the intention not to be commercialized or sold again.
2. Industrial products; that is, items that will become so widely used in marketing development programs.
 - a. Raw materials; namely goods that will become physical raw materials for producing other products.
 - b. Factory raw materials and spare parts; namely industrial goods used for actual parts for other products.
 - c. Operational supplies; namely daily necessities for the industrial sector.

Products can also be classified based on their consumers and for what products are consumed. Based on these criteria, Tjiptono (2014) classifies products into:

3. Consumer goods

Consumer goods are goods consumed for the benefit of end consumers (individuals or households), and not for business purposes, consumer goods can be divided into four types, namely:

- a. Convenience Goods are goods that generally have a high purchase frequency (often purchased), are needed in a short time and require minimum effort in comparison and purchase.
- b. Shopping Goods are goods which are the process of selection and purchase, compared to consumers among various available alternatives. Comparative criteria include the price, quality, and model of each. Examples: household appliances, clothing, and cosmetics.
- c. Specialty goods are goods that have the characteristic or unique brand identification where a group of consumers is willing to make a special effort to buy it. Generally these types of goods consist of luxury items, with specific brands and models, such as famous jaguar cars and clothing designs.
- d. Unsought goods are goods that are not known by the consumer or even if it is known by consumers, consumers may not necessarily be interested in buying them. Examples: tombstones, encyclopedias, and burial grounds.

4. Industrial goods

Industrial goods are goods consumed by industrialists (intermediate consumers or business consumers). Industrial goods are used for purposes other than direct consumption, namely: to be processed into other goods or to be sold again. Industrial goods can be divided into three groups, namely:

- a. Material and parts are goods which are wholly or fully incorporated into the finished product. This group is divided into two classes, namely raw materials and finished materials and spare parts.
- b. Capital items, are long-lasting items that provide convenience in developing or managing finished products.
- c. Supplies and services, are goods that are not durable and services that provide convenience in developing or managing the entire finished product.

b.Product Level

According to Tjiptono (2014) in planning a product offering, marketers need to understand the five product levels, namely:

1. The main or core product, which is the actual benefit needed and will be consumed by the customer of each product.
2. Generic products, basic products that fulfill the most basic product functions / minimal product design can function.
3. Expected products, namely formal products offered with various attributes and conditions, are normally expected and agreed to be purchased.
4. Equipped product, which is a variety of product attributes equipped with various benefits and services so that it can determine additional satisfaction and can be distinguished from foreign products.

c.Product Measurement

Here are some things that are used for product measurement (Tjiptono, 2014):

1. Brand
2. Packaging
3. Labeling
4. Complementary services
5. Guarantee

D.Location

Location is an area that makes products available to target customers. Location is the location of the store or retailer in a strategic area so that it can maximize profits. The selection of the right business location will determine the success of the business in the future (Senggetang, Mandey and Moniharapon, 2019). Location is also considered as the place where the company operates or where the company conducts activities to produce goods and services that are concerned with its economic aspects (Sastrawan, 2015). Location according to Tjiptono (2015) Location refers to various marketing activities that seek to facilitate and facilitate the delivery or distribution of goods and services from producers to consumers. Whereas according to Kotler et al. (2012) "place include company activities that make the product available to target consumers". Then according to Lupiyadi & Hamdani (2011) "location is a decision made by the company or educational institution relating to where the operations and staff will be placed". Opinion regarding the location of these experts, arrived at the author's understanding that location is a company decision to determine the place of business, carry out business activities or operational activities, and distribute goods or

services that become business activities to consumers. The importance of location for companies or entrepreneurs greatly influences market target decisions in determining their purchasing decisions.

a.Location Measurement

The location can be measured by several things, including (Moniharapon, Oroh and Adilang, 2014):

1. Access, for example, a location that is easily passed or easily accessible by public transportation facilities.
2. Visibility, for example the location can be seen clearly from the roadside or normal visibility.
3. A large, safe and comfortable parking lot that is good for two-wheeled vehicles and also for four-wheeled vehicles.
4. Expansion, which is a sufficiently large space for later widening or expansion of business.
5. Legality, that is the location of the allotment does not have legal problems or applicable regulations and the location has complete documents that are legally valid.

b.Location Selection

The key factors in choosing an ideal location according to Saban Echdar (SA, 2015) are as follows:

1. Availability of resources. Availability of resources, especially raw materials as raw material for production, labor, and transportation facilities will help entrepreneurs in many ways. At the very least, these resources can pay attention to costs, so that products can be made with low costs which ultimately can compete with the closest competitor's products.
2. Personal choice of entrepreneurs. Consideration of choice in determining the place of business adapted to the strong desire of the entrepreneur itself.
3. Lifestyle considerations with a focus on purely prioritizing family harmony rather than business interests.
4. Ease in reaching consumers. An entrepreneur in determining where his business is market oriented (the center of concentration of consumers).

Key factor in determining location, was also stated by Fure (2013) as follows:

1. Location is easy to reach.
2. Availability of parking lots.
3. Enough place.
4. Comfortable surrounding environment

Location according to Pereira, Giantari and Sukaatmadja (2016) can be defined as a place to carry out daily activities or businesses. Indicators of location variables are as follows:

1. Affordability
2. Smoothness
3. Proximity to his residence.
4. Legality
5. Value of investment in the future

Location indicators according to Tjiptono & Chandra (2016) are as follows:

1. Access. For example, locations that are often traveled or easily reached by means of transportation.
2. Visibility. That is the location or place that can be seen clearly from normal visibility.
3. Traffic
4. Parking space that is spacious, comfortable and safe for both two-wheeled and four-wheeled vehicles.
5. Expansion. That is, the availability of a large enough space if there is expansion in the future.
6. Environment. That is around the area that supports the products offered. For example, restaurants or restaurants are adjacent to boarding, dormitory, campus, schools, offices, and so on.
7. Competition (location of competitors). For example, determining the location of a restaurant needs to be considered if on the road or in the same area there are other restaurants.
8. Government regulations. For example, a provision that prohibits restaurants from being located too close to residential areas or places of worship.

E.Customer Purchase Decision

Purchasing decisions are a stage of the purchasing decision process in which consumers ultimately buy a product for meeting their needs and desires. Purchasing decisions are also interpreted as the choice of two or more alternative purchasing decision choices which means that someone can make a decision where there must also be several alternative purchases. Purchasing decisions are considered as a process in which someone has gone through several stages of thinking and alternative choices to actually buy products (SA, 2015). Purchasing decisions are also interpreted as ways of individuals, groups, organizations choosing, buying, using and utilizing goods, services, experiences in order to satisfy the needs of desire. Basically there

are five decisions that might be taken by consumers, namely: brand choice, channel choice, time of purchase, number of purchases and payment methods. As much as satisfied and well-behaved consumers of a product, it will increasingly enable consumers to buy, use the product or brand (Tjiptono and Chandra, 2016).

Measurement of Customer Purchasing Decisions

Purchasing decisions indicate that consumers have the desire to buy a product. Consumers will damage the product to be purchased based on the perception they have of the product related to the ability of the product to meet the needs (Baskara and Hariyadi, 2013). According to Kotler & Keller (2012), the process of making consumer purchasing decisions consists of five stages, namely:

1. Introduction to the problem
2. Information search
3. Alternative evaluation
4. Buying decision
5. Post-purchase behavior

Furthermore Kotler & Keller (2012) states that the decision to buy goods taken by the actual buyer is a collection of a number of decisions. Each decision has a structure consisting of seven components, namely:

1. Decision about the type of product
2. Decisions about the shape of the product
3. Decisions about brands
4. Decision about the seller
5. Decision about the number of products
6. Decision about the time of purchase
7. Decisions about how to pay.

F.Hypothesis

From the description of the background of the problem, the formulation of the problem, the objectives and benefits of the study, the literature review and based on the results of previous studies carried out by previous researchers, a conceptual framework can be made as follows:

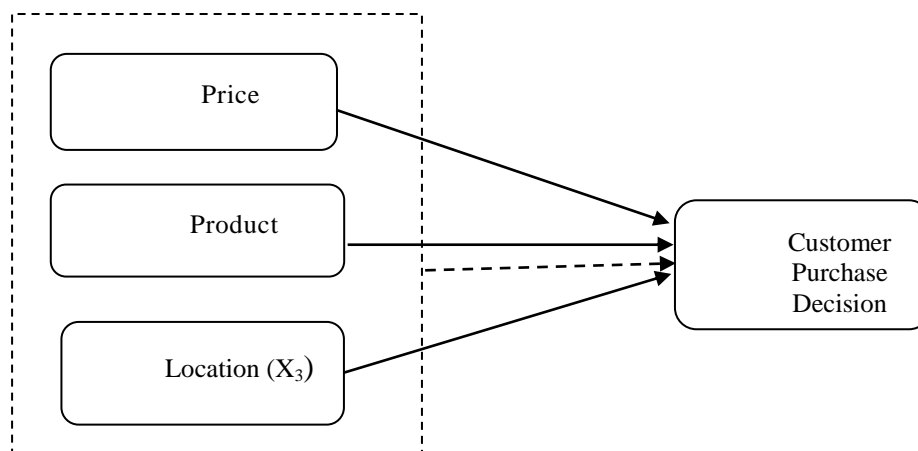


Figure 1: The research model and hypotheses

Notes :

- : parsial relation
- : simultaneous relation

From the model above, the research hypothesis is arranged as follows:

1. Price affects customer purchasing decisions of PT. Putra Bumi Airlangga.
2. Product affects customer purchasing decisions of PT. Putra Bumi Airlangga.
3. Location affects customer purchasing decisions of PT. Putra Bumi Airlangga.
4. Price, product and location simultaneously affect the customer purchasing decisions of PT. Putra Bumi Airlangga
5. Price has a dominant effect on customer purchasing decisions of PT. Putra Bumi Airlangga.

II.METHODS

A.Population and Sample

Population is the whole of the research objects that can be researched, judged to be able to be chosen to answer the questions posed in the questionnaire in order to find out the results of the research then can be concluded (Sugiyono, 2016). The population in this study was 95 customers of PT Putra Bumi Airlangga. Sample in this study was chosen based on the existing population, namely 95 customers of PT. Putra Bumi Airlangga. The research sample used a number of respondents selected by total sampling or census, namely from 95 customers of PT. All of Bumi's sons were chosen as samples and made respondents in this study.

B.Data Analysis Techniques

In order to examine the relationship between independent variables and dependent variables and to analyze research hypothesis proposed, the authors use multiple linear regression analysis with the help of SPSS for Windows.

III. RESULT AND DISCUSSION

A.Multiple Regression Analysis

Multiple linear test results can be seen in the coefficients table as follows:

Table 1 : Results of Multiple Linear Regression Analysis

| Coefficients ^a | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---------------------------|------------|-----------------------------|------------|---------------------------|--------|------|
| Model | | B | Std. Error | Beta | t | Sig. |
| 1 | (Constant) | .038 | 1.754 | | .022 | .983 |
| | Price | .122 | .048 | .111 | 2.544 | .014 |
| | Product | .042 | .019 | .049 | 2.256 | .028 |
| | Location | .826 | .041 | .877 | 19.977 | .000 |

a. Dependent Variable: Y

B.The effect of price on customer purchasing decision

From the results in Table 1 above it can be seen that the acquisition of the value of t count of price is 2.544. Meanwhile, for t table with a significance level of 0.05, the value of t table = 1.985 is obtained. Comparison between the two produces: t count > t table (2.544 > 1.985). The significance value t for the competency variable is 0.014 and the value is smaller than the probability of 0.05 (0.014 < 0.05). So that this test shows that Ha is accepted and Ho is rejected. This means that there is an influence of price on customer purchasing decision of PT. Putra Bumi Airlangga.

C.The effect of product on customer purchasing decision

From the results in Table 1 above it can be seen that the acquisition of the value of t count of product is 2.256. Meanwhile, for t table with a significance level of 0.05, the value of t table = 1.985 is obtained. Comparison between the two produces: t count > t table (2.256 > 1.985). The significance value t for the competency variable is 0.028 and the value is smaller than the probability of 0.05 (0.028 < 0.05). So that this test shows that Ha is accepted and Ho is rejected. This means that there is an influence of product on customer purchasing decision of PT. Putra Bumi Airlangga.

D.The effect of location on customer purchasing decision

From the results in Table 1 above it can be seen that the acquisition of the value of t count of location is 19.997. Meanwhile, for t table with a significance level of 0.05, the value of t table = 1.985 is obtained. Comparison between the two produces: t count > t table (19.997 > 1.985). The significance value t for the competency variable is 0.000 and the value is smaller than the probability of 0.05 (0.000 < 0.05). So that this test shows that Ha is accepted and Ho is rejected. This means that there is an influence of location on customer purchasing decision of PT. Putra Bumi Airlangga.

Table 2 : ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|---------|-------------------|
| 1 | Regression | 2506.278 | 3 | 835.426 | 722.304 | .000 ^b |
| | Residual | 61.301 | 53 | 1.157 | | |
| | Total | 2567.579 | 56 | | | |

- a. Dependent Variable: Y
- b. Predictors: (Constant), X₁, X₂, X₃

F. The effect of price, product, and location on customer purchasing decision

From table 7 above with the results of data analysis using SPSS calculations obtained F count of 722.304. This shows F count (722.304) > F table (2.70) and significance level of 0,000 < 0.05. The test results show that the significance value of the simultaneous test (F test) is obtained by a value of 0,000, thus the significance value obtained is smaller than the probability α specified (0,000 < 0,05). So Ho is rejected and Ha is accepted. Then conclusions can be drawn, there is influence of price, product, and location on customer purchasing decision of PT. Putra Bumi Airlangga.

G. Among the variables of price, product, and location, which variable has the dominant influence on customer purchasing decision

Based on the output in table 1 above between price, product, and location. Variable having the dominant influence on customer purchasing decision is location variable. It is shown in the acquisition of 19.977 t count which is greater than t count of other independent variables, price and product. Thus location variable has a dominant influence on customer purchasing power of PT. Putra Bumi Airlangga. So Ha is rejected and Ho is accepted.

IV. CONCLUSION

Based on the results of the analysis and discussion previously stated, conclusions can be taken as follows:

1. There is an effect of price on customer purchasing decision of PT. Putra Bumi Airlangga. It can be proven from the comparison between the two yielding: t count > t table (2.544 > 1.985). Significance value t for price variable is 0.014 and the value is smaller than the probability of 0.05 (0.014 < 0.05). So H1 is accepted.
2. There is an effect of product on customer purchasing decision of PT. Putra Bumi Airlangga. It can be proven from the comparison between the two yielding: t count > t table (2.256 > 1.985). The significance value of t for the product variable is 0,028 and the value is smaller than the probability of 0.05 (0,000 < 0,05). So H2 is accepted.
3. There is an effect of location on customer purchasing decision of PT. Putra Bumi Airlangga. It can be proven from the comparison between the two yielding: t count > t table (19.977 > 1.985). The significance value of t for the location variable is 0.000 and the value is smaller than the probability of 0.05 (0.000 < 0.05). So H3 is accepted.
4. There is an effect of price, product, and location on customer purchasing decision of PT. Putra Bumi Airlangga. It can be proved from the results of the calculation of SPSS obtained F count of 722.304 This shows F count (722.304) > F table (2.70) and significance level of 0,000 < 0.05. The test results show that the significance value of the simultaneous test (F test) is obtained by a value of 0,000, thus the significance value obtained is smaller than the probability α specified (0,000 < 0,05). So H4 is accepted.
5. Among the variables of price, product and location, variable having the dominant effect on customer purchasing decision of PT. Putra Bumi Airlangga is location variable which has t cont 19.977 which is greater than t count of other independent variables – price and product -. Thus location variable has a dominant influence on customer purchasing decision of PT. Putra Bumi Airlangga. So H5 is rejected.

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