THE INFLUENCE OF PRODUCT QUALITY, PRICE PERCEPTION AND BRAND IMAGE ON PURCHASING DECISIONS AT FLASH COFFEE INDONESIA

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ABSTRACT

This study aims to evaluate the influence of product quality, price perception, and brand image on consumer purchasing decisions at Flash Coffee Green Terrace. The population in this research consists of visitors to Flash Coffee Green Terrace. The analysis process was carried out by applying classical assumption tests and multiple linear regression, using SPSS version 24 as the analytical tool. From a total of 100 samples selected through accidental sampling, the results showed that product quality, price perception, and brand image each have a positive and significant effect on purchasing decisions. Simultaneously, these three variables also contribute significantly to shaping consumer purchasing decisions at the research location.
Keywords: *Product Quality, Price Perception, Brand Image, Purchase Decision.*

INTRODUCTION

Buyers are individuals or organizations in obtaining goods or services first considering many factors that affect these goods and services and usually purchases are made with a medium of exchange. money. Purchasing Decision is the stage in the buyer's decision-making process where consumers buy a good or service.

Purchasing decision is a process of several stages carried out by someone who wants to buy, starting from problem recognition, to post-purchase behavior. This is reinforced by the explanation of purchasing decisions according to (P. Kotler & Keller, 2016) Through five stages in the purchasing decision process: problem recognition, information dissemination, alternative evaluation, purchase decisions, and post-purchase behavior.

Another factor that can influence consumer purchasing decisions is brand image. Brand image is what consumers perceive about a brand, where this concerns how a consumer describes what they think about a brand and what they feel about the brand when they think about it, (Susanto in (Wenur et al., 2015)). According to (Kotler and Keller, 2017), identity is the various ways that a company is directed to identify itself or position its products. Meanwhile, image is the public's perception of the company or its products. So it is clear that, Brand Image or brand image is how a brand affects the perception, view of the public or consumers of the company or its products. A positive image that consistently appears strong because it is supported by consistency between credibility and dynamic experience ultimately results in a company's reputation.

Coffee shop is a business place that provides various types of coffee-based drinks as the main product, and is often complemented by snacks, snacks or desserts. The ever-evolving business market situation, especially in the food and beverage business, requires every company to bring added value to consumers. With steps to achieve goals by ensuring product quality, price perception, and building a strong brand image. These three factors are important elements that can influence consumer purchasing decisions, especially in the coffee shop industry such as Flash Coffee Indonesia, which is located at Green Terrace,

Taman Mini, provides product quality, price perception and brand image and is supported by a strategic place, equipped with comfortable indoor and outdoor areas, making it suitable for customers to enjoy coffee while working or relaxing.

Therefore, Flash Coffee provides a variety of menus such as signature drinks, chocolate, matcha, refresher and traditional tea with product quality that meets the standards, this is in order to increase the purchasing decisions of each customer. Previous research found that product quality has a significant impact on purchasing decisions (Mitasari & Tuti, 2024). In competitive business competition, price is the main factor influencing consumer purchasing decisions.

Literature Review
Purchase Decision

(Kotler & Keller, 2016) purchasing decisions are the evaluation stage of consumers forming preferences for brands in the selection pool Then according to (Setiadi, 2017) "that consumer decision making is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them".

Based on the understanding of purchasing decisions above, it can be concluded that purchasing decisions are one of the actions shown by consumers in terms of finding a product or brand that they think will satisfy consumer needs.

Price

According to (Mussay, 2013) price is an amount of money as a medium of exchange for obtaining a product or service or it can also be said to determine the value of a product in the minds of consumers. Price shows the monetary sacrifice made by consumers to obtain the desired product benefits, which is very important in influencing consumer interest, especially for basic necessities. (Cholida Nasution & Amanda Samosir, 2023).

Based on the expert's definition above, it can be concluded that price is the exchange value of consumers for the benefits of consuming a product that raises perceptions of quality and emotionality where price is also an element of revenue for the company.

Brand Image

According to (Chalil, 2020) brand image can be defined as a representation of the overall perception of the brand formed from information and past experiences of consumers of certain brands. Brand image is a consumer's perception to assess a product even though consumers do not have good enough knowledge about a product to be purchased. Consumers tend to choose products that are well known and used by many people compared to products that are new to them (Novalin Bako & Nabila, 2020).

Based on the description, it can be concluded that brand image is a consumer belief that is concerned with consumer perceptions of a brand as a key element in the relationship between companies and consumers where brands try to meet consumer needs.

RESEARCH METHOD

There are several important things that need to be done, namely determining research methods, data, objectives, and uses. Research methods are basically scientific methods used to obtain and determine data with specific purposes. Quantitative research methods are based on accidental sampling and testing populations or samples that have been collected, the aim is to investigate previously made hypotheses (Sugiyono, 2013). This study uses a quantitative approach, information for research is collected through direct data from Flash Coffee consumers.

Population

Population is a collection of objects that have certain characteristics and characteristics, which are determined by the researcher as a subject to be studied and used as the basis for drawing conclusions (Sugiyono, 2013). Determining the population is the first step in collecting and analyzing data. Therefore, the subject of this research is consumers who buy products from Flash Coffee.

Sample

The sample in the research conducted was buyers who came directly and bought food and beverage products to Flash Coffee. The sample in this study amounted to 100 people who were randomly selected. In this study, the testing technique was accidental sampling who made purchases at Flash Coffee Green Terrace which is located at Jl.Taman Mini Pintu Utama No.1, Ceger, Kec.Cipayung, East Jakarta City, taken by conducting a sample using several considerations of the desired criteria.

Data Collection Technique

In this study, the data collection technique was carried out through distributing questionnaires to consumers who were visiting Flash Coffee outlets. This technique is applied to obtain data that is relevant to the research objectives. Observation is carried out directly, while the main instrument in data collection is a questionnaire that has been designed to measure research variables.

Analysis Method

The data analysis process in this study used IBM SPSS Statistics software version 25. The stages of analysis include Normality Test, Linearity Test, Multicollinearity Test, Heteroscedasticity Test, Multiple Linear Regression Analysis, F Test, t Test, and calculation of the Coefficient of Determination (R^2). The results of data processing indicate that the variables of product quality, price perception, and brand image have a positive and significant effect on consumer purchasing decisions, both partially and simultaneously.

RESULTS AND DISCUSSION
Respondent Data

Table 1. Respondent Profile

No	Profi	Category	Frequency	Percentage (%)
1	Gender	Male	73	73%
		Female	27	27%
	Total		100	100%
2	Age	<20th	19	19%
		21-30th	47	47%
		31-40th	26	26%

		>40th	8	8%
	Total		100	100%
3	DomicileEast Jakarta		73	73%
	Outside East Jakarta		27	27%
	Total		100	100%
4	Occupation	Student	49	49%
		Private employee	33	33%
		Civil servants	12	12%
		Others	6	6%
	Total		100	100%

The purpose of collecting data from respondents during the discussion was to gain a better understanding of the people who visit Flash Coffee Green Terrace. Details on gender, age, residence, and occupation. In the domicile data, the majority of respondents are from East Jakarta (73%); while outside East Jakarta (27%). In the respondent's occupation data, the majority of respondents are students (49%); then private employees (33%); then state employees (12%); and the least other professions (7%).

If all classical assumptions are met, the multiple regression model can be considered satisfactory. Therefore, it is very important to conduct classical assumption testing before conducting regression analysis. The data was tested for normality, multicollinearity, heteroscedasticity, and linearity.

Table 2. Normality Test Results
One-Sample Kolmogorov-Smirnov Test Unstandardized Residuals

N		**100**
Normal Parameters a b	Mean	**.0000000**
	Std. Deviation	**1.57289108**

Most Extreme Differences Absolute		**.068**
	Positive	**.068**
	Negative	**-.062**
Test Statistic		**.068**
Asymp.Sig. (2- tailed)		

a. **Test distribution is Normal.**

b. **Calculated from data.**

Based on table 2 of the normality test results above, it can be concluded that the data follows a normal distribution, as indicated by the significance value of 0.068, which is higher than the 0.05 threshold.

Scatterplot
Dependent Variable: Keputusan pembelian
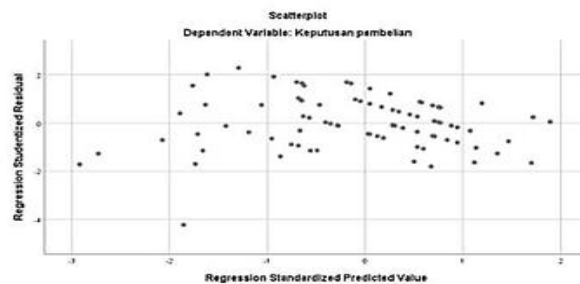
Heteroscedasticity Test Results

Based on Figure 3, which displays the results of the heteroscedasticity test, it can be concluded that the pattern of point distribution on the scatterplot does not appear to form a certain pattern. The dots are scattered randomly, both horizontally and vertically, around the zero line on the Y-axis. This random distribution pattern indicates that there are no symptoms of heteroscedasticity in the regression model, so the classical assumption of homoscedasticity has been met.

Table 4. Multicollinearity Test Results

Variable	**Tolerance**	**VIF**
Product quality	.735	**1.361**
Price perception	.681	**1.468**
Brand image	.764	**1.309**

Referring to Table 4 which presents the results of the multicollinearity test, it is known that all independent variables have a tolerance value above 0.1 and a Variance Inflation Factor (VIF) value below 10. This condition indicates that there is no multicollinearity relationship between the independent variables, so it can be concluded that each independent variable in the regression model is independent of each other.

Table 5. Linerity Test Results
ANOVA Table

		F	Sig.
Purchase decision * Product quality	Linearity	69.011	**.000**
Purchase decision *Price perception	Linearity	90.129	**.000**
Purchase decision *Brand image	Linearity	37.309	**.000**

Based on Table 5, which displays the results of the linearity test, it is known that the significance value in the deviation from linearity section for each independent variable shows a number below 0.05. This indicates that the three independent variables studied, namely product quality, price perception, and brand image, have a linear relationship with the dependent variable. Thus, the linearity assumption in the regression model is stated to have been fulfilled.

Table 6. F Test Results
ANNOVAb

Model	Sum of Squares		DF	Mean Square	F	Sig.
Regression	295.825		3	98.608	38.650	**.000b**
Residual	244.925	96	2.551			
Total	540.750	99				

Based on Table 6 which presents the results of the F test, a significance value of 0.000 is obtained which is below the 0.05 threshold. These results indicate that the independent variables, namely product quality, price perception, and brand image simultaneously have a significant effect on consumer purchasing decisions at Flash Coffee Green Terrace.

Table 7. Multiple Linear Regression Test

Model	Unstandardize Coefficients		Standardized Coefficients
	B	Std.Error	Beta
(Constant)	2.809	1.931	
Product quality	.301	.073	**.331**
Price perception	.405	.084	**.400**

Brand image	.331	139	**.187**

Referring to Table 7 which presents the results of multiple linear regression, the regression equation model is obtained as follows:

From this model, the interpretation of the regression coefficients is as follows:

1. The constant of 2.809 indicates that if all independent variables are zero, the value of the purchase decision is predicted to be 2.809.
2. The coefficient of the Product Quality variable of 0.301 indicates that each one unit increase in product quality, assuming other variables remain constant, will increase the value of purchasing decisions by 0.301.
3. The coefficient of the Price Perception variable of 0.405 means that if the price perception increases by one unit, while other variables do not change, the purchasing decision is estimated to increase by 0.405.
4. The Brand Image variable coefficient of 0.331 indicates that a one unit increase in brand image, with other variables constant, will increase purchasing decisions by 0.331.

Table 8. Results of the t test

Model	t	Sig.
(Constant)	1.454	**.149**
Product quality	4.135	**.000**
Price perception	4.811	**.000**
Brand image	2.373	**.020**

Referring to Table 8 regarding the t-test results, it is known that the significance value of each independent variable is below the 0.05 significance level. This finding indicates that partially, the three independent variables - namely product quality, price perception, and brand image - have a significant influence on purchasing decisions. Thus, each independent variable is proven to contribute directly to the dependent variable in this study.

Table 9. Test Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std.Error of the Estimate
1	.740a	.547	.533	1.597

a. Predictors: (Constant), Product quality, Price perception, Brand image

The R Square value is 0.533, indicating that 53.3% of the purchase decision of Flash Coffee Green terrace is influenced by variables of product quality, perceived pricing, and brand image. The remaining 45.3% of the decision is influenced by variables not included in the study.

DISCUSSION

The effect of product quality on purchasing decisions

Based on the results of the analysis, the first hypothesis is accepted. The research findings show that the product quality variable has a significant influence on purchasing decisions. These results are consistent with previous studies which state that there is an influence between product quality and purchasing decisions (Ma'ruf et al., 2024). Theoretical support also comes from Kotler & Keller (2016), who state that product quality reflects the extent to which a product is able to meet consumer needs and expectations, through the creation of relevant value in its product characteristics. In the context of Flash Coffee Green Terrace, the quality of the distinctive taste and aroma of the product is the main factor that encourages consumers to make repeat purchases. Superior product quality increases the level of consumer satisfaction, which in turn encourages them to make purchases.

Effect of Price Perception on Purchasing Decisions

The second hypothesis in this study is accepted, where the price perception variable is proven to have a significant influence on purchasing decisions. This finding supports the results of previous research which states that price perceptions contribute to purchasing decisions (Syahrin & Paludi, 2020). In addition, Safitri (2023) also emphasizes that pricing should reflect the quality of the products offered. In the context of Flash Coffee Green Terrace, the price offered is considered affordable and in accordance with consumer expectations, so it is one of the factors that encourage consumers to make purchases. The perception of prices that are considered reasonable and comparable to the benefits of the product is also an important factor in consumer decision making.

The Effect of Brand Image on Purchasing Decisions

The third hypothesis is also accepted, which shows that the brand image variable has a significant effect on purchasing decisions. This result is in line with previous research which confirms that brand image is an important determinant in shaping consumer decisions (Syahrin & Paludi, 2020) and (Budiono, 2020). Brand image reflects consumer perceptions of the reputation, quality, and identity of a product or service. In the context of Flash Coffee Green Terrace, a strong, modern, and easily accessible brand image has given a positive impression in the minds of consumers, thus encouraging them to make purchases. A positive brand image shapes consumers' favorable perceptions of the product, thereby strengthening purchase intentions.

The effect of product quality, price perception and brand image together on purchasing decisions

The fourth hypothesis indicates that there is a significant influence between product quality, price perception, and brand image on purchasing decisions. This finding is consistent with the results of previous research which states that the three variables simultaneously influence consumer decisions in making purchases. Suhartini et al., (2023) also stated that the purchasing decision-making process is an important part that determines consumer preferences for certain products or services. In the context of Flash Coffee Green Terrace, the integration of these three factors together has a positive impact on consumer purchasing decisions.

CONCLUSIONS

Based on the results of data analysis, this study concludes that partially product quality, perceived price, and brand image have a positive and significant effect on purchasing decisions. Simultaneously, the three variables make a significant contribution in

shaping purchasing decisions. These findings emphasize the importance of companies in maintaining and improving product quality, setting the right pricing strategy, and building and maintaining a strong brand image in order to increase competitiveness in the market.

Limitations And Suggestions

This study has several limitations that need to be considered. First, the object of research is limited to one particular brand/entity, so the results may not necessarily be generalized to other brand or industry contexts. Second, the approach used is quantitative with a questionnaire instrument, which is highly dependent on the subjective perceptions of respondents. Third, this study only includes three independent variables, while in practice purchasing decisions can be influenced by more factors. In line with the results and limitations found, some suggestions that can be given are as follows:

1. For practitioners and business actors, it is important to maintain and improve product quality through continuous innovation and consistent quality control. Pricing should consider consumer perceptions of the value of the products offered. Strengthening brand image can be done through consistency in brand communication and improving service to consumers.
2. For future researchers, it is recommended to develop research with a wider range of objects, both in terms of product types and research locations, in order to obtain more generalized results. The addition of other variables such as promotion, customer loyalty, or service quality can also provide a more comprehensive understanding of the factors that influence purchasing decisions. The use of a qualitative or mixed methods approach is also recommended to dig deeper into consumer perceptions and motivations.

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