

THE EFFECT OF PRODUCT QUALITY AND PRICE ON PURCHASE DECISIONS AT RANTANG EMAS CATERING IN NORTH BANDENGAN, NORTH JAKARTA

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ABSTRACT

The rapid growth of the culinary industry in North Jakarta has intensified competition among catering businesses, requiring companies to maintain high product quality and competitive pricing to influence consumer purchasing decisions. This study aims to examine the partial and simultaneous effects of product quality and price on purchasing decisions at Catering Rantang Emas in Bandengan Utara, North Jakarta. This research applies a quantitative approach with a structured survey design involving 96 respondents who have previously used the catering services. Data were collected through Likert-scale questionnaires and analyzed using multiple linear regression, including t-test, F-test, and coefficient of determination analysis. The results indicate that product quality has a positive and significant effect on purchasing decisions ($p < 0.001$), making it the most dominant variable in the model. Price also has a significant effect ($p < 0.001$) but shows a negative relationship, indicating that higher prices may reduce purchasing decisions. Simultaneously, product quality and price significantly influence purchasing decisions, with more than 70% of the variation explained by these two variables. In conclusion, product quality plays a crucial role in encouraging repeat purchases, while price functions as a sensitive balancing factor. It is recommended that management maintain consistent product quality and implement competitive pricing strategies to sustain customer loyalty.

INTRODUCTION

The culinary industry in Indonesia is currently on the rise, including in the North Jakarta area. People increasingly need practical, uncomplicated food, which can place an order and finish. One of the businesses that seems to be growing is the catering service business where the business is used for various purposes starting from weddings, office meetings, family events, to daily meals. However, because more and more entrepreneurs are opening these businesses, namely catering businesses, the competition is also getting tighter. So, every catering business must be able to offer good quality at an affordable price so that it is still chosen by consumers.

Rantang Emas Catering located in North Bandi, North Jakarta, is one of the businesses engaged in this segment. Rantang Emas Catering provides lunch packages, buffets, and orders for large events. In general, they have tried to serve delicious, hygienic, and maintained quality food. But from initial observations, the number of orders each month is not always consistent. This indicates that there are certain factors that make consumers not always order at Rantang Emas Catering.

One of the most likely factors to influence is the quality of the product. In the catering business, quality is not only about the good taste of the products sold. However, also regarding cleanliness, the appearance of food, the timeliness of delivery, and the raw materials used must be fresh and safe. If one of these aspects is not carried out properly and effectively, then consumers can rethink ordering Re-order at the Rantang Emas Catering. In addition to quality, price is also an important consideration in consumer purchasing decisions. According to [Wicaksono et al. \(2023\)](#), price is the main element in purchasing decisions, this happens because price is directly related to the perception of value received by consumers. So, consumers will definitely compare prices between caterers, and then see whether or not they are comparable to the quality and benefits obtained. The purchase decision itself is not a spontaneous thing without a process. According to [Tjiptono \(2020\)](#), purchasing decisions go through various stages which start with being aware of needs, looking for information, comparing alternatives, and finally choosing the product or service that is considered most suitable.

Based on these conditions, the study aims to see how much the influence of product quality and price on purchase decisions at Rantang Emas Catering, both individually and together. The research method used in the study was a quantitative approach, by distributing questionnaires to 96 respondents who had used the catering services. The data that has been obtained will later be analyzed using multiple linear regression through SPSS. The research is expected to provide a clearer picture of what factors have the most influence on consumer decisions, so that caterers can develop a strategy to improve quality and price more accurately and in accordance with customer expectations.

LITERATURE REVIEW

Product Quality

Product quality is everything that can satisfy consumer expectations, which is seen through characteristics that show how superior the product is (Hidayat, 2022). Kotler & Keller, quoted through Puspita & Budiarmo (2020), stated that product quality is the ability of the product to carry out its functions, which include durability, reliability, accuracy, ease of use, and other valuable attributes. According to Safarudin (2022), good quality shows the company's commitment to meeting customer expectations. Koesharijadi et al. (2023) also emphasized that quality is part of the company's efforts to provide optimal value to consumers. In the midst of increasingly fierce competition, product quality is a strategic factor for company growth, and it is judged through a product that can meet or even exceed user expectations (Fitria et al., 2021; Nainggolan et al., 2023). In addition, consumer experience of products, the environment, and communication also contributes to shaping quality perceptions (Kwartama et al., 2023). In general, product quality can be measured through eight dimensions such as performance, features, reliability, and perceived quality (Nurfauzi et al., 2023).

Pricing

In addition to quality, price is also one of the components that affect the purchase decision. Price is an amount of money that must be paid to get a product and is a crucial factor in influencing consumer choice (Melpiana & Sudrajat, 2022). Determining prices also cannot be original, which must be carefully thought out in order to be accepted by the market (Hidayat, 2022). Perception of price fairness is also very important. If consumers feel that the price of a product is still affordable, trust can increase and buying decisions are more likely to occur (Robiah & Nopiana, 2022). From an economic perspective, price affects consumer and company decisions, especially being a vital element in marketing success (Al'asqolaini & Musthofa, 2020; Fujawati et al., 2024). Prices have an economic function and are an information function, this happens because through prices consumers can estimate the quality of a product (Nurfauzi et al., 2023). Usually, prices are measured through affordability, conformity with quality, competitiveness, and conformity with the benefits obtained (Winda & Ekowati Sri, 2020).

Purchase Decision

Purchasing decisions are the final stage of a long process that consumers go through before finally buying a product (Safarudin, 2022). Didik (2022) explained the stages to achieve a purchase decision starting with being aware of needs, looking for information, comparing alternatives, deciding to buy, and finally behavior after purchase. Thus, purchase decisions are the result of interaction between consumer needs and offers from producers (Ferine & Yuda, 2022). In this process, there are also roles such as initiators, information seekers, alternative

evaluators, decision makers, and those who provide responses after purchase (Winda & Sri, 2020).

PREVIOUS RESEARCH AND HYPOTHESES

If you look at previous research, the results of the study are quite consistent where it can be seen through research conducted by Astuti & Felicia (2022) where the study found that product quality and price have a positive and significant effect on purchasing decisions in food MSMEs in Medan. In addition, research conducted by Ramdhani & Lesmana (2025) also obtained results that are in line with Griya Coffee 100 South Jakarta. Suci (2023) and Kurniawan & Mashariono (2021) also stated that these two variables are very important in driving purchasing decisions in the food and catering sector.

Other studies such as Festivalia et al. (2024), Ramlawati & Murniati (2023), Islahuben et al. (2023), and Hartini & Setiawan (2023) further strengthen previous research where these studies found that product quality and price have a significant influence on purchasing decisions in various market segments. However, there are slightly different findings where research conducted by Febrina et al. (2025) shows that product quality can be affected indirectly through the mediation of brand image, while price still has a direct effect. In addition, research conducted by Maharani (2020) also found that product quality and price perception contribute significantly to purchasing decisions at restaurants.

Through the theory and results of the research, the relationship between product quality, price, and purchasing decisions can be explained through a framework of thinking as a conceptual model that shows the relationship between variables (Sudaryana & Agusiadi, 2022). So the hypotheses in the study are:

1. Hypothesis 1

H0: It is suspected that the quality of the product does not have a significant influence on the purchase decision in part.

H1: It is suspected that the quality of the product has a significant influence on the purchase decision partially.

2. Hypothesis 2

H0: It is suspected that the price does not have a significant influence on the purchase decision in part.

H2: It is suspected that the price has a significant influence on the purchase decision in part.

3. Hypothesis 3

H0: It is suspected that product quality and price do not have a significant influence on simultaneous purchase decisions.

H3: It is suspected that product quality and price have a significant influence on simultaneous purchase decisions.

RESEARCH METHODOLOGY

The study uses a quantitative approach with a structured survey design. Thus, the entire process in the study will be systematic, neat, and focus on data in the form of numbers (Ghodang & Hantono, 2020). The study uses a quantitative approach because the study aims to test the cause-and-effect relationship between product quality (X1) and price (X2) on purchasing decisions (Y). The research was carried out at the IndoThai Gold Chain Catering in North Bandi, North Jakarta where data collection was carried out from October 1, 2025 to November 1, 2025. The population in the study is all customers who have bought from Rantang Emas Catering where the population was previously calculated using the Lemeshow formula where it was found that the sample number was set at 96 respondents.

The instruments used, namely Likert scale questionnaires 1–5 to measure perceptions of product quality, price, and purchasing decisions, were disseminated directly and through Google Forms, as well as structured interviews with owners and employees for supporting data. Product quality is measured through performance, reliability, features, durability, aesthetics, and *perceived quality*; price through affordability, quality suitability, competitiveness, and benefits and purchasing decisions from need recognition to post-purchase behavior.

Before the main analysis, a *product moment validity test* was carried out (Sugiyono, 2022), a reliability test of Cronbach's Alpha > 0.6 (Ghozali, 2021), and a classical assumption test: Kolmogorov-Smirnov normality (Sintia et al., 2022), multicollinearity, and heteroscedasticity (Ghozali, 2021). The hypothesis was tested with a t-test and an F test at a significance of 0.05 as well as a coefficient of determination (R^2) to see the ability of independent variables to explain dependent variables. Data processing uses SPSS, by ensuring that respondents are voluntary, identities are kept confidential, and data is only for academic purposes (Ghozali, 2021; Riduwan, 2023; Ferdinand, 2022).

RESULTS AND DISCUSSION

Influence of Product Quality (X1) on Purchase Decisions (Y)

Through the results of the analysis, it is clear that the quality of the product has a positive and significant effect on the purchase decision.

Table 1. T Test

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-29.437	6.044		-4.870	.000
X1	1.442	.090	.890	16.045	.000
X2	-.378	.087	-.240	-4.324	.000

a. Dependent Variable: Y

Where this can be seen through table 1. The T test where the regression coefficient value is 1.442 with a significance of 0.000 (<0.05). This indicates that every time there is an increase of one point in product quality perception, the purchase decision has increased by 1,442 points, assuming a fixed price. A Beta value of 0.890 indicates that the quality of the product is a very dominant variable in the model. Statistically, the result can be said to be strong, this happens because t is calculated as 16.045 where the result is greater than the t table, which is 1.986. Thus, the first hypothesis is acceptable.

When viewed descriptively, product quality gets an average of 86.47%, which is included in the very high category. This indicates that the respondents feel that the taste of food, cleanliness, portions, and consistency are very good. Thus, the influence of product quality on the Rantang Emas Catering business on consumer purchase decisions becomes strong. In catering services, consumers not only think about delicious taste, but also about the consistency and food safety of Rantang Emas Catering products. These results are in line with research that carried out by [Rizal \(2019\)](#) which states that product quality has a positive and significant effect on purchase decisions. In addition, the results are also supported by the concept of Total Quality Management which emphasizes the importance of continuous quality control ([Oscar & Megantara, 2020](#)). So, if you want to increase purchases, then product quality must be maintained and continuously improved.

Effect of Price (X2) on Purchase Decision (Y)

This is in line with the price variable where the price variable also has a significant effect on the purchase decision. This can be seen from table 1. The T test where the significance value is 0.000 (<0.05) with t calculated as -4.324 ($|t| > 1.986$). The regression coefficient of this variable is -0.378, which indicates that each price has increased by one point with a purchase decision of 0.378 points, with the quality of the product remaining. A beta value of -0.240 indicates a smaller price effect compared to product quality.

Descriptively, the price got an average of 69.24% and was included in the high category, although there were two indicators that were only included in the sufficient category. So that if the price perception is good, but the price variables will not be as strong as the quality of the product. However, this negative direction is in line with and in accordance with the law of demand and the concept of price elasticity of demand, where if the price rises, the demand that occurs will decrease ([Venny, 2022](#)). These results are also in line with research conducted by [Mulyadi \(2022\)](#) which found that prices have a negative and significant effect on purchasing decisions. In practice, catering customers are quite sensitive to price because they are often used regularly. So that the price strategy on the product must be appropriate which is in line with the quality provided.

The Simultaneous Influence of Product Quality and Price on Purchase Decisions

When tested simultaneously, the results of the F test showed an F count of 128.720 with a significance of 0.000 (<0.05).

Table 2. Table T

ANOVA					
Model		Sum of Squares	df	Mean Square	F
1	Regression	2221.483	2	1110.742	128.720
	Residual	802.506	93	8.629	
	Total	3023.990	95		

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

This indicates that product quality and price simultaneously have a significant effect on purchasing decisions. An R value of 0.857 indicates a very strong relationship. The coefficient of determination (R^2) is 0.735 or 73.5% which indicates that the variation in purchase decision can be explained by product quality and price, while the remaining 26.5% is influenced by other factors outside the model.

When viewed through its partial contribution, product quality contributed around 73.43% to the variation in purchasing decisions, while price only contributed about 0.02% through effective contribution. This further emphasizes that the main factor in Rantang Emas Catering is product quality. These results are also in line with the concept of marketing mix, especially in the elements of product and price, which states that consumer decisions are the result of the value that consumers feel compared to the price that consumers pay.

Overall, it can be said that a customer's purchasing decision is more determined by the perception of very high product quality. Price variables still play a role in determining purchasing decisions, but price variables are more directed as a balancing factor and sensitive if there are changes. Thus, a hypothesis that states that product quality and price have a partial or simultaneous effect on purchasing decisions is acceptable. These results are practically important because they are the basis for management to focus on maintaining consistent product quality without forgetting the price setting that remains competitive and affordable for customers.

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CONCLUSION

Based on the research results, it can be concluded that product quality and price significantly influence consumer purchasing decisions at Rantang Emas Catering. Partially, product quality has a positive and significant influence on purchasing decisions, with a regression coefficient of 1.442 and a significance level of 0.000. This indicates that the better the product quality, such as taste, cleanliness, portion size, and consistency, the higher the consumer's purchasing decision. Meanwhile, price also significantly influences purchasing decisions, with a regression coefficient of -0.378 and a significance level of 0.000. The negative direction of the influence indicates that price increases can decrease purchasing decisions if not accompanied by appropriate product quality. However, the effect of price is smaller than that of product quality. Simultaneously, product quality and price significantly influence purchasing decisions, with a calculated F-value of 128.720 and a significance level of 0.000. The coefficient of determination of 73.5% indicates that purchasing decisions can be explained by product quality and price, while the remaining 26.5% is influenced by factors outside this study. Thus, Rantang Emas Catering needs to maintain and improve product quality and set competitive prices to increase consumer purchasing decisions.

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