The Influence of Product Design, Price, and Service Quality on Purchase Decisions in Laluv Buket Home Business in Nganjuk Regency

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Article Information

Abstract

Research Objectives: This study aims to determine whether product design, price, and service quality affect consumers' decisions in purchasing products at Laluv Buket's home business in Nganjuk Regency.

Design/ Method/ Approach: This study uses a causality quantitative method with non-probable techniques, especially purposive sampling with respondents being buyers of Laluv Buket in the last 6 months without limiting the domicile of 40 respondents who will be analyzed performing validity analysis, reality tests, classical statistical diagnostics, coefficient determination, and multiple linear regression tests as well as hypothesis tests with SPSS version 23 research tools.

Research Findings: The outcome of this study reveals that product design, price, and service quality exert a meaningful influence and simultaneous role in shaping purchasing decisions in Laluv Buket's home business in Nganjuk Regency.

Theoretical Contribution/Originality of Research: This research contributes to factors that affect purchasing decisions, especially in the bouquet business, with aspects that affect product design, price, and service quality. This is expected to add literature in understanding consumer behavior, especially in local areas. The novelty of this study lies in the combination of three independent variables, namely product design, price, and service quality on purchasing decisions and research objects in local areas such as home businesses that have rarely been researched by previous research.

Practical/Policy Implications: This study provides practical suggestions for Laluv Buket's home business in Nganjuk Regency.

Research Limitations: This study only focuses on Laluv Buket's home business so that the results found are not completely the same as other similar businesses in urban areas. In addition, this study only focuses on three independent variables in determining purchasing decisions, namely product design, price, and service quality. In the next study, it is expected to add variables such as promotion and location for more relevant results.

Keywords: Product design, price, service quality, and purchase decision.

1. Introduction

Currently, the bouquet industry continues to grow along with the many customer demands, with this phenomenon causing business actors to flock to open a bouquet business. Initially, the bouquet was only in the form of a flower arrangement, but over time many types were provided such as doll bouquets, hijab bouquets, snack bouquets, balloon bouquets, etc. Bouquet business actors are required to follow the bouquet trend from time to time, with many competitors who have their own distinctive product designs that have an impact on purchasing decisions in this business.
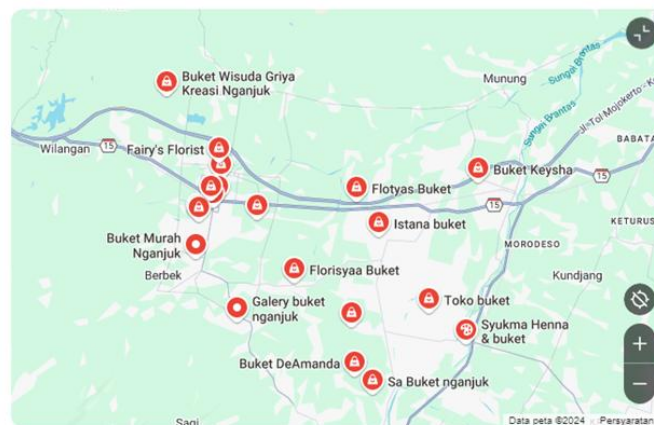
Figure 1 Distribution of Bouquet Shop Locations in Nganjuk

Judging from the map image above which shows the distribution of the location of bouquet shops, it can be seen that currently in Nganjuk one of the businesses that is in great demand is the bouquet business, especially for young people. Bouquets are usually given for celebrations such as graduations, birthdays, weddings and many more.

Laluvv Buket, a home-based business that was established in 2023, is one of the home-based businesses that make bouquets in Nganjuk Regency. Laluvv Bouquet sells a variety of bouquets from flower bouquets, money bouquets, chocolate bouquets, graduation bouquets and others. This business was pioneered starting from a promising business opportunity that in the end the owner learned self-taught in assembling bouquets.

A purchase decision is a state where a person considers various options and makes a decision about a product from many options [1]. There are several factors that affect the purchase decision in the Laluvv Buket home business in Nganjuk Regency, therefore the author researched through a questionnaire of 30 respondents and found that the design of attractive products, competitive prices and the quality of service provided are important aspects of the purchase decision in the Laluv Buket home business in Nganjuk Regency.

According [2] to the set of features that affect the appearance, taste, and function of a product based on the buyer's needs is called product design. Product design here refers to the uniqueness or aesthetic level of the bouquet. With an attractive design and high aesthetic value, it can attract consumers to buy the product in various events such as birthdays, graduations, weddings, etc. According to Kotlet and Armstrong [3] in The amount of money exchanged to get a product is called the price. With affordable prices, it can attract consumers to buy. According to Kotler in research [4] , service quality refers to a delivery process that balances customer expectations and meets customer desires. With good quality service will provide consumer comfort during the purchase process, which is one of the reasons consumers buy products. These

three variables, namely product design, price, and service quality, interact with each other in customer perception to decide to buy a product. Therefore, this study determined that the quality of service, price, and product design have a positive and significant effect on customer purchase decisions made by Laluv Buket, a home-based business in Nganjuk Regency.

Figure 2 Results of the Questionnaire on Reasons for Buying Laluv Bouquet Products

According to previous research conducted by [5] product design variables and prices have an impact on decisions. Meanwhile, according [6] to the price variable, it does not have an impact on the purchase decision and the quality of service has an impact on the purchase decision. And according [7] to the quality of service, it does not have an impact on purchase decisions.

Previous research on the influence of product design, price and service quality has been widely carried out in various sectors. However, special research that focuses on retail businesses such as bouquet businesses, especially at the home-based business level in villages such as Nganjuk Regency, is still very limited. Most previous studies have focused on urban contexts with different consumer characteristics, so the results are not necessarily relevant for flower bouquet businesses in these areas. In addition, the methodological approach used in previous studies often only addresses one of the variables, such as service quality or price, without considering the simultaneous role of the three variables. Previous research was often descriptive and lacked strategic recommendations that could be directly applied by small business actors such as Laluv Buket.

Therefore, this study was determined with the title "The Influence of Product Design, Price, and Service Quality on Purchase Decisions in Home Businesses and Bouquets in Nganjuk Regency" aims to fill the gap by quantitatively analyzing how product design, price, and service quality simultaneously affect purchasing decisions in bouquet businesses, as well as providing practical recommendations for business actors.

1.1. Statement of Problem

1. Does product design affect the purchase decision of Laluvv buket home business in Nganjuk district?
2. Does product price affect the purchase decision of Laluvv Buket's home business in Nganjuk regency?
3. Does the quality of sales service affect the purchase decision in the Laluvv buket home business in Nganjuk district?
4. Does product design, price, and service quality affect the purchase decision of Laluvv Buket's home business in Nganjuk district?

1.2 Research Objectives

1. To identify whether product design has an influence on purchasing decisions in Laluvv buket home businesses in Nganjuk district.
2. To identify whether price has an influence on purchasing decisions in Laluvv buket home businesses in Nganjuk district.
3. To identify whether the quality of service has an influence on purchasing decisions in Laluvv buket home businesses in Nganjuk district.
4. To identify the impact of product design, price, and service quality on purchasing decisions in Laluvv buket home business in Nganjuk district.

2. Method

A quantitative method with a causality approach is applied in this study to find out how product design, price, and service quality affect purchasing decisions in Laluv Buket's home business in Nganjuk Regency. Product design refers to the level of uniqueness and product innovation affects consumer interest. Price relates to the consumer's assessment of the value received based on the costs incurred. Service quality includes aspects of speed, friendliness, and reliability in providing services to customers. The purchase decision as a dependent variable refers to the process that the buyer goes through before deciding to buy a bouquet.

According [8] to Population refers to the scope of generalization which includes objects or subjects with specific characteristics and qualities that have been determined by the researcher to be analyzed and drawn conclusions. The population in this study includes all consumers who have purchased products from Laluv Buket in Nganjuk Regency both offline and online platforms. Because of the uncertain population size, this study can use customer data that has been recorded or estimates based on sales averages.

Data were obtained using a questionnaire based on a Likert scale, which was distributed to respondents selected through a non-probability sampling technique, specifically purposive sampling. The criteria for respondents were consumers of Laluv Buket who had made at least one purchase within the last six months and were at least 17 years old, without any restriction on their place of residence. The sample size in this study was determined using a multivariate method, in which the number of both dependent and independent variables is multiplied by 10. Therefore, with a total of four variables in this study, the sample size was set at 40 respondents.

SPSS version 23 is used for data and statistical testing in this study. The researcher developed statements based on the indicators of each variable, which were then tested for validity and reliability with 30 respondents before being widely distributed, to ensure that each statement is clearly understood and capable of measuring what is intended. After the statements were validated, the questionnaire was distributed to 40 respondents. The collected research data will then be processed through several testing stages, including classical assumption tests, multiple linear regression, coefficient of determination, and hypothesis testing

Validity tests include item numbers that are created to evaluate/measure the conformity of the results of a given statement. The R provision of the table with 40 respondents, namely df = N-2 is obtained 38, then the R table for the significance level of 0.05/5% is: 0.312

Table 1. Results of Validity Test of All Variaables

Variable	No. Item	R Calculate	R Table	Criterion
Product Design	1	0,853	0,312	Valid
	2	0,742	0,312	Valid
	3	0,808	0,312	Valid
	4	0,854	0,312	Valid
	5	0,865	0,312	Valid
	6	0,848	0,312	Valid
Price	1	0,706	0,312	Valid
	2	0,783	0,312	Valid
	3	0,828	0,312	Valid
	4	0,708	0,312	Valid
	5	0,770	0,312	Valid
	6	0,886	0,312	Valid
	7	0,836	0,312	Valid
	8	0,836	0,312	Valid
Quality of Service	1	0,713	0,312	Valid
	2	0,771	0,312	Valid
	3	0,826	0,312	Valid
	4	0,813	0,312	Valid
	5	0,829	0,312	Valid
	6	0,809	0,312	Valid
	7	0,806	0,312	Valid
	8	0,844	0,312	Valid
	9	0,814	0,312	Valid
	10	0,683	0,312	Valid
Purchase Decision	1	0,803	0,312	Valid
	2	0,798	0,312	Valid
	3	0,831	0,312	Valid
	4	0,859	0,312	Valid
	5	0,831	0,312	Valid
	6	0,812	0,312	Valid

Source : Primary data obtained in 2024

Judging from table 1, it can be concluded that the statements of all variables, namely product design, price, service quality and purchase decisions, can be declared valid because R calculation is greater than R table.

Table 2. Reliability Test Results

No Item	Variable	Crombach Alpha Values	Information
1	Product Design	0,908	Reliable
2	Price	0,916	Reliable
3	Quality of Service	0,933	Reliable
4	Purchase Decision	0,903	Reliable

Source : Primary data obtained in 2024

According to Nunally in Imam Ghozali, reliability is confirmed when the Cronbach's alpha value is greater than 0.60. Table 2 shows that the magnitude of *Cronbach*'s alpha in the variables of product design, price, service quality and purchase decision is greater than 0.60 thus the questionnaire on all variables is declared reliable.

## 3. Results and Discussion

3.1 Respondent Description

This study involved forty respondents who were active consumers of the Laluv Buket home store located in Nganjuk Regency. The purposive sampling method was used to select respondents who had made a purchase at least once in the last six months. According to the data collected, most of the respondents were women, as many as 32 (80%), and men, as many as 8 (20%). The most respondents were aged 22–30 years, as many as 25 (63%), followed by 13 (33%), and the rest were over 30 years old, as many as 2 (2%). Most of the respondents worked as students or students (75%), private employees (15%), and self-employed (10%). In the last six months, most respondents bought a bouquet once, namely 5 respondents (13%), twice, namely 10 respondents (25%), and more than 2 times, namely 25 respondents (63%).

3.2 Classic Assumption Test

To ensure that a regression model that examines how product design, price, and quality of service affect purchasing decisions has statistical validity, a classical assumption test is performed.

3.2.1 Normality Test

The normality test was carried out to find out whether the residual distribution in the regression was normally distributed or not. A residual is considered normally distributed if the points on the normal probability plot are spread around a diagonal line and follow its direction.
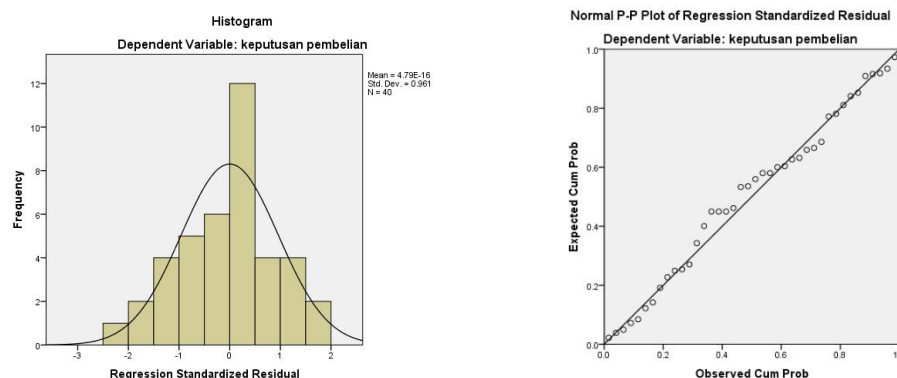
Source : Primary data obtained in 2024

Figure 3 Normality Test Results

From the figure, the histogram that describes the variable data forms a bell chart. As well as the result of the normal probability plot spread around the diagonal line and

follow the direction of the diagonal line. Therefore, it can be concluded that this regression model meets the normality requirements.

3.2.2 Multicollinearity Test

Multicollinesity is a condition in regression when there is a high correlation between independent variables, whereas in regression, relationships between independent variables should be avoided. One step to test multicollinearity is to look at the VIF value or tolerance value (VIF =n1/*toleramce*). The criterion used is that if the VIF value is lower than 10, then regression does not occur multicollinearity [9]

**Table 3 Multicollinearity Test**

Variable	Tolerance	VIF	Information
Product Design (X1)	0,084	1.605	No Multicollineity
Price (x2)	0,109	1.485	No Multicollineity
Quality of Service (X3)	0,130	1.732	No Multicollineity

Source : Primary data obtained in 2024

Referring to the above table, it is clear that VIF value of the three variables is less than 10, thus, there is no relationship surrounded by free variables or the assumption of multicollinearity has been fulfilled.

3.2.3 Heteroscedasticity Test

The optimal regression model is one that shows no signs of heteroscedasticity. Briefing heterokesdasticity cases can be done by looking at scatter plots. If the dots are randomly scattered above and below zero without forming a specific pattern, then it can be concluded that no heteroscedasticity occurs
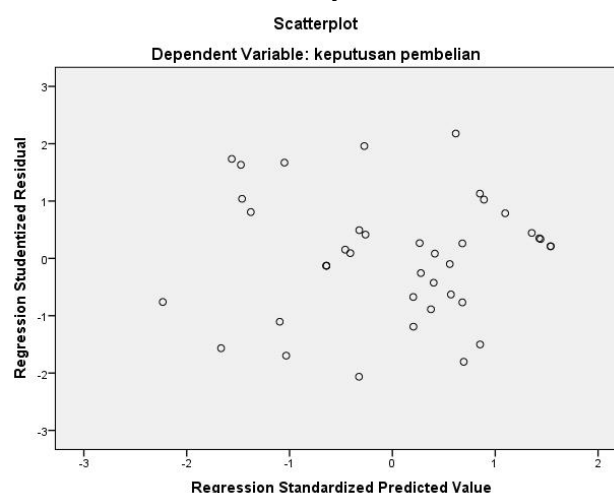
Source : primary data obtained in 2024

Figure 4 Heteroscedasticity Test Results

The image above shows the dots scattered randomly, not forming a specific pattern, and being above and below zero, so the assumption of heteroscedasticity can be considered fulfilled.

3.3 Multiple Linear Regression Analysis

Table 4 Multiple Linear Analysis

Type		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	2.873	3.020
	Product Design	.269	.115
	price	.241	.088
	Quality of Service	.181	.080

$$Y = a + b1\ X1 + b2\ X2 + b3\ X3 + b4\ X4 + e$$

$$= 2.873 + 0.269 + 0.241 + 0.181 + e$$

a = 2,873; This means that if the product design (x1), price (x2) and service quality (x3) are assumed to have no influence at all (=0), then the purchase decision is 2,873

b1 = 0.269; This indicates that if the product design (x1) Shows a one-unit increase, while the price (x2) and service quality (x3) remain the same, the purchase decision will increase by 0.269

b2 = 0.241; This indicates that if the price (x2) Shows a one-unit increase, while the product design (x1) and service quality (x3) remain the same, the purchase decision will increase by 0.241

b3 = 0.181; This indicates that if the price (x2) Shows a one-unit increase, while the product design (x1) and service quality (x3) remain the same, the purchase decision will increase by 0.241if the quality of service (x3 Shows a one-unit increase,while the product design (x1) and price (x2) remain the same, A 0.181 improvement in purchasing decisions will occur.

3.4 Coefficient of Determination

Table 5 Coefficients of Determination

Model Summary[b]

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.788a	.620	.589	1.99622	1.883

a. Predictors: (Constant), service quality, price, product design

b. Dependent Variable: purchase decision

The value of R-Square = 0.788 Suggests that product design(X1) has an impact, price (X2), and service quality (X3) on purchase decisions (Y) is 78.8%. This shows that there is still an

influence from other variables of 21.2% that affect purchase decisions but are not analyzed in this study.

3.5 Hypothesis testing

3.5.1 F Test (Simultaneous influence)

Table 6 Test F

ANOVAa

Type	Sum of Squares	Df	Mean Square	F	Sig.
Regression	234.319	3	78.106	19.601	.000b
Residual	143.456	36	3.985		
Total	377.775	39			

a. Dependent Variable: purchase decision

b. Predictors: (Constant), service quality, price, product design

It can be concluded that from the calculation in table 6, a significant value of 0.000 is obtained which is less than 0.05, so that the H0 hypothesis is rejected and Ha is accepted. This means that the variables of product design, price and service quality together have a significant impact, effect on the purchase satisfaction variable.

3.5.2 Test T

Table 7. Test T

Coefficientsa

Type	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.	Collinearity Statistics Tolerance	VIF
1 (Constant)	2.873	3.020		.951	.348		
Product Design	.269	.115	.303	2.327	.026	.623	1.605
price	.241	.088	.344	2.750	.009	.673	1.485
Quality of Service	.181	.080	.304	2.247	.031	.577	1.732

a. Dependent Variable: purchase decision

- For Product Design (X1) the tcal value = 2.327 > from the table (α/2; 35) = 2.030 or sig value = 0.026 < 0.05 then H0 does not hold; This indicates that the Product Design (X1) partially has a significant influence on the Purchase Decision (Y)
- For Price (X2) the tcal value = 2,750 > from the table (α/2; 35) = 2.030 or sig value = 0.009 < 0.05 then H0 does not hold; This indicates that Price (X2) partially has a significant influence on the Purchase Decision (Y)
- For Service Quality (X3) the tcal value = 2.247 > from the table (α/2; 35) = 2.030 or sig value = 0.031 < 0.05 then H0 does not hold; This indicates that Service Quality (X3) partially has a notable effect on Purchase Decisions (Y)

4. Conclusion

Referring to the study which shows that factors such as product design have a significant impact on the customer's decision to buy, pricing also has a significant impact on the consumer's decision to buy the product, and the quality of service also greatly influences the decision-making process in buying products at Laluv Buket. Purchasing decisions (Y) at Laluv Buket are influenced simultaneously by product design (X1), price (X2), and service quality (X3).

This research contributes to factors that affect purchasing decisions, especially in the bouquet business, with the aspects that affect product design, price, and service quality. This is expected to add literature in understanding consumer behavior, especially in local areas. The novelty of this study lies in the combination of three independent variables, namely product design, price, and service quality on purchasing decisions and research objects in local areas such as home businesses that have rarely been researched by previous research.

This study only focuses on Laluv Buket's home business so that the results found are not completely the same as other similar businesses in urban areas. In addition, this study only focuses on three independent variables in determining purchasing decisions, namely product design, price, and service quality. In the next study, it is expected to add variables such as promotion and location for more relevant results.

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