

Consumer Purchasing Decisions in Review of Digital Marketing, Product Quality, and Location at Anugrah Farm Kediri Cow's Milk

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Abstract

Research aim: The purpose of this study is to examine how Anugrah farm purchasing decisions are impacted by digital marketing, product quality, and location.

Design/Method/Approach: This study uses multiple linear regression analysis as part of a quantitative methodology. Using the Accidental Sampling technique, 30 respondents were given questionnaires to complete in order to collect data.

Research Finding: The results showed that partially Digital Marketing, Product Quality, and Location have a significant influence on purchasing decisions. Simultaneously, the three variables also influence purchasing decisions with an Adjusted R² value of 81.0%.

Theoretical contribution/Originality: This research adds insight into the importance of Digital Marketing, Product Quality, and Location as strategic factors in influencing purchasing decisions, especially in the small and medium enterprise sector engaged in fresh milk production.

Practitioner/Policy implication: Anugrah Farm can increase sales by utilizing more digital platforms such as TikTok, improving product quality through standardization, and considering distribution locations to expand the market.

Research limitation: The results of this study cannot be broadly extrapolated because it only uses three independent variables and a small sample size. It is advised that more study be done to include additional factors like price and promotion.

Keywords: Digital Marketing, Product Quality, Location, Purchase Decision, Cow's Milk.

1. Introduction

The digital era has brought significant changes in consumption behavior and purchasing patterns, including animal food products. One important product is milk, which has a high nutritional content. As a source of animal protein, milk provides essential amino acids that cannot be obtained from other food sources. These amino acids are essential for maintaining a healthy body and improving cognitive function. In addition, cow's milk contains various nutrients such as protein, calcium, vitamins A, B, D and E. Fresh milk, as a natural drink, is characterized by its white color and savory neutral taste. However, to attract more consumers, fresh milk is now processed with additional flavors and packaged attractively. The

advancement of information technology has affected various aspects of life, including business and marketing.

The shift from traditional to digital marketing is one of the most significant transformations. Digital Marketing is becoming a key tool for businesses to reach a wider audience efficiently through platforms such as social media, websites, email, and e-commerce. Through more focused target markets and cost-effective strategies, this approach enables small and medium-sized firms to compete with giant organizations and offers greater efficiency than old methods. In addition to digital marketing, today's consumers are increasingly critical of product quality, product quality quite important for consumers, a product if it has good quality will be able to meet consumer needs without problems[1] , On the other hand, business location plays an important role in marketing strategy. A strategic location can increase accessibility, visibility, and convenience for consumers, which in turn affects their purchasing decisions. Conversely, a less strategic location can be an obstacle for businesses in reaching a wider market.

Anugrah Farm, a milk producer located in Kediri, is a small and medium enterprise (SME) engaged in the production of fresh cow's milk. Despite having a large market potential, Anugrah Farm has not fully utilized digital marketing to boost sales and expand its consumer reach, as digital marketing only covers Facebook and Instagram, without venturing into TikTok and other digital platforms. Although the quality of the cow's milk is natural, it still raises concerns among many consumers. A large number of customers were unsure whether the milk met the right quality standards, which could affect their purchasing decisions. Anugrah Farm faces several challenges in increasing sales of its products. Its rural location restricts access to a wider market, limiting its sales potential to a consumer base comprised mainly of local customers.

Various previous studies have shown different results regarding the factors that influence purchasing decisions Syahri's study[2], research show that the digital marketing communication variable has a partial effectson purchasing decisions, Suparno and hermiati's research[3] his research shows that Product Quality has a partial and significant effect on purchasing decisions and Pratama and Aprilia's research[4] shows that location variables have a significant influence on consumer purchasing decisions, In contrast to that, Hubbina's research[5] digitalsmarketing variables have no positive and insignificant effect on purchasing decisions.

Digital marketing, product quality, and location are three factors that can influence consumer purchasing decisions, both partially and simultaneously. Digital marketing enables businesses to reach a broader audience through more personal and interactive approaches, where effective promotion through social media can generate buying interest and strengthen the product's image in the minds of consumers. In addition to promotion, product quality is also a major consideration for consumers, as a product with good quality provides a sense of safety, satisfaction, and meets consumer expectations; milk with a pleasant taste, good texture, and maintained freshness is more likely to be accepted by the market. Meanwhile, business location determines consumer accessibility to the product, where a strategic location increases the likelihood of consumer visits and purchases, while a difficult-to-reach location may reduce purchasing opportunities even for high-quality products. The interrelation between digital marketing, product quality, and location shows that these three variables support each other in influencing consumer purchasing decisions, and attractive promotions will be more effective when supported by superior product quality and easily accessible locations. Therefore, it can be assumed that there is a significant relationship

between these three independent variables and the purchasing decisions of Anugrah Farm's cow's milk, both partially and simultaneously.

Examining the factors that influence Anugrah Farm Kediri customers' decisions to purchase cow's milk is the aim of this study. This study specifically looks at how consumers' decisions to buy are influenced to some extent by digital marketing, product quality, and location. This study also seeks to determine how digital marketing, product quality, and location all affect Anugrah Farm Kediri Cow's Milk purchases at the same time

1.1. Statement of Problem

Based on the background that has been described, there are several main issues of concern in this study. Anugrah Farm, as a fresh cow's milk producer in Kediri, has not maximized the potential of digital marketing to expand market reach. This can be seen from the limited use of platforms such as Facebook and Instagram, without utilizing more popular platforms such as TikTok. In addition, although the milk produced is natural, there are still doubts among consumers regarding product quality standards, which can ultimately affect purchasing decisions. Another significant barrier is the company's rural location, which restricts customer access to a larger market. Regarding the impact of location and digital marketing on customer purchasing decisions, prior research has produced conflicting findings. Thus, the purpose of this study is to determine whether geography, product quality, and digital marketing all significantly influence consumer choices about Anugrah Farm cow's milk products in Kediri, either separately or in combination.

1.2. Research Objectives

The research carried out always has a purpose in order to obtain a clear picture and benefit those in need. According to how the problem was stated above, the goals of this, the objectives of this study are:

1. To determine and analyze whether Digital Marketing partially has a significant effect on purchasing decisions for Anugrah Farm Kediri Cow Milk.
2. To determine and analyze whether product quality partially has a significant effect on purchasing decisions for Anugrah Farm Kediri Cow's Milk.
3. To determine and analyze whether location partially has a significant effect on purchasing decisions for Anugrah Farm Kediri Cow's Milk.
4. To determine and analyze whether Digital Marketing, Product Quality, and Location simultaneously have a significant effect on purchasing decisions for Anugrah Farm Kediri Cow Milk.

2. Method

The research methodology used in this study was quantitative. In order to test theories and find trends and correlations between variables, quantitative research focuses on gathering and evaluating numerical data. This study makes use of both primary and secondary data sources. The milk that the cows at Anugrah Farm Kediri produce is the focus of the investigation. Customers of Anugrah Farm make up the sample unit.

- 1) Population

A population is a group of object or individuals with particular characteristics selected by researchers for examination and conclusion-making in order to make generalizations [6]. The consumer population of this product is broad and diverse, with varied characteristics. Based on initial observations, most consumers prefer to purchase via WhatsApp and have products delivered to the location rather than visiting the production site directly. Only a small proportion of consumers make purchases in person. Therefore, the researcher decided to focus the population on consumers who make online purchases via WhatsApp.

2) Sample

The Accidental sample approach is the sample strategy used in this method. This technique involves selecting individuals who happen to meet the researcher and meet the criteria that have been set for the study[7]. The sample consisted of respondents who were willing to fill out the questionnaire, with the condition that they had purchased dairy products at Anugrah Farm. Referring to Roscoe's guidelines (in Maghfira's research)[8] , A study's optimal sample size falls between 30 and 500 participants. This suggestion led the researcher to select a sample of thirty responders.

Questionnaires with written statements were sent in order to collect data. Respondents were asked to provide their thoughts on the elements that influence consumer decisions to buy Anugrah Farm Kediri cow's milk products, including location, product quality, and digital marketing. This study employs multiple linear regression analysis and descriptive analysis techniques for data analysis.

Table 1. Reliability Test Results

| Variables | Cronbach's Alpha | Critical Alpha | Description |
|------------------------|------------------|----------------|-------------|
| Purchase Decision (Y) | 0,712 | 0,60 | Reliability |
| Digital Marketing (X1) | 0,636 | 0,60 | Reliability |
| Product Quality (X2) | 0,888 | 0,60 | Reliability |
| Location (X3) | 0,627 | 0.60 | Reliability |

Source : SPSS output of the primary data that have been processed in 2024.

The variables digital marketing, product quality, location, and purchasing decisions all have values higher than the Cronbach's alpha coefficient, as seen in Table 1 above. The questionnaire is deemed reliable for these variables with this declaration.

Table 2. Validity Test Results

| Variabel | Item | r_{hitung} | r_{tabel} | Keterangan |
|----------|------|--------------|-------------|------------|
| Y | 1 | 0,730 | 0,361 | valid |
| | 2 | 0,457 | 0,361 | valid |
| | 3 | 0,583 | 0,361 | valid |
| | 4 | 0,457 | 0,361 | valid |
| | 5 | 0,577 | 0,361 | valid |
| | 6 | 0,441 | 0,361 | valid |
| | 7 | 0,588 | 0,361 | Valid |
| | 8 | 0,732 | 0,361 | Valid |
| X1 | 1 | 0,415 | 0,361 | Valid |
| | 2 | 0,434 | 0,361 | Valid |
| | 3 | 0,478 | 0,361 | Valid |
| | 4 | 0,384 | 0,361 | Valid |

| | | | | |
|----|----|-------|-------|-------|
| | 5 | 0,462 | 0,361 | Valid |
| | 6 | 0,407 | 0,361 | Valid |
| | 7 | 0,467 | 0,361 | Valid |
| | 8 | 0,403 | 0,361 | Valid |
| | 9 | 0,547 | 0,361 | Valid |
| | 10 | 0,561 | 0,361 | Valid |
| | 11 | 0,415 | 0,361 | Valid |
| | 12 | 0,421 | 0,361 | Valid |
| X2 | 1 | 0,651 | 0,361 | Valid |
| | 2 | 0,802 | 0,361 | Valid |
| | 3 | 0,635 | 0,361 | Valid |
| | 4 | 0,798 | 0,361 | Valid |
| | 5 | 0,603 | 0,361 | Valid |
| | 6 | 0,706 | 0,361 | Valid |
| | 7 | 0,733 | 0,361 | Valid |
| | 8 | 0,722 | 0,361 | Valid |
| | 9 | 0,592 | 0,361 | Valid |
| | 10 | 0,799 | 0,361 | Valid |
| X3 | 1 | 0,638 | 0,361 | Valid |
| | 2 | 0,470 | 0,361 | Valid |
| | 3 | 0,437 | 0,361 | Valid |
| | 4 | 0,368 | 0,361 | Valid |
| | 5 | 0,451 | 0,361 | Valid |
| | 6 | 0,544 | 0,361 | Valid |
| | 7 | 0,451 | 0,361 | Valid |
| | 8 | 0,454 | 0,361 | Valid |
| | 9 | 0,582 | 0,361 | Valid |
| | 10 | 0,403 | 0,361 | Valid |

Source : SPSS output of the primary data that have been processed in 2024.

Because their values are higher than the r-table criterion, Table 2 demonstrates that every questionnaire item has a strong association with the overall score. This shows that every item is legitimate and successfully adds to the total measurement.

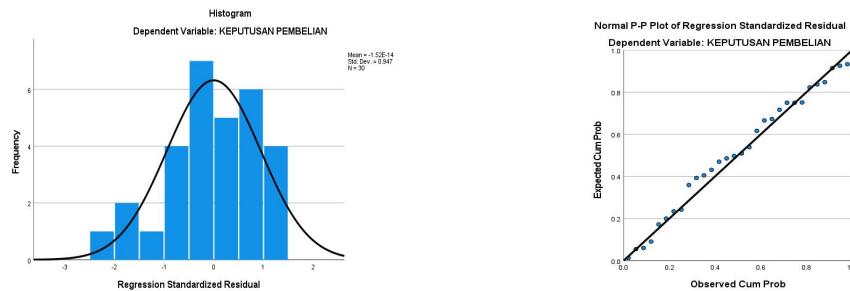
3. Results and Discussion /Hasil dan Pembahasan

This study successfully collected all data from 30 planned samples through questionnaires. To obtain comprehensive data, researchers used primary data and secondary data collected through various methods, such as questionnaires, observations, and document studies.

3.1 Testing Classical Assumptions

This study makes use of multiple linear regressions analysis using primary data. To ensure the validity of the analysis, the data must first undergo classical assumption testing. One of these tests is the normality test, which checks if the independent and dependent variables follow a normal distribution. This is important because multiple linear regression relies on the assumption of normality.

The normality test can be conducted by visually inspecting histograms and normal probability plots. A bell-shaped histogram suggests a normal distribution. In a normal probability plot, the data points should cluster around and follow the diagonal line [9]

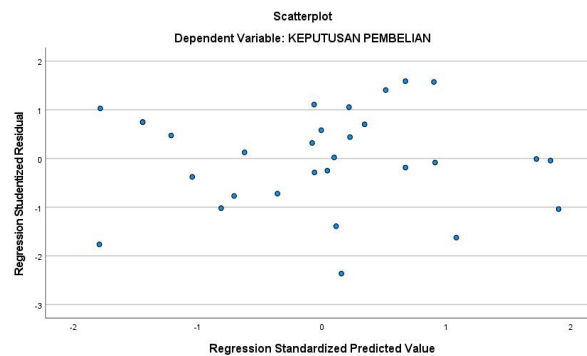


Source : SPSS output of the primary data that have been processed 2024.

Figure 1 Normality Test Results

The data used in this research is normally distributed, as shown in Figure 1. Both the normal probability plot, where the data points roughly resemble the diagonal line, and the histogram, which shows a bell-shaped curve, make this clear.

Moving on to the heteroscedasticity test, this test is crucial in regression analysis to determine if the variability of residuals is consistent across all observations[10] Homoscedasticity, where the variance is constant, is desired for a reliable regression model. Conversely, heteroscedasticity indicates unequal variance and can pose problems for the model's accuracy. Figure2, which uses a scatterplot to visualize the relationship between residuals and predicted values, will reveal whether the data exhibits heteroscedasticity or homoscedasticity.



Source : SPSS output of the primary data that have been processed 2024

Figure 2 Heteroscedasticity Test Results

Figure 2's scatterplot shows that the regression model is free of heteroscedasticity. The random distribution of dots, without any visible pattern and spread both above and below the Y-axis, suggests that the variability of residuals is constant throughout all observations. This confirms the presence of homoscedasticity, which is a desirable characteristic for a reliable regression model.

3.2 Multiple Linear Regression Analysis

Table 3. Multiple Linear Regression Analysis

| Coefficients ^a | | | | | | |
|---------------------------|-----------------------------|------------|-------|---------------------------|--------|------|
| Model | Unstandardized Coefficients | | | Standardized Coefficients | t | Sig. |
| | B | Std. Error | | Beta | | |
| 1 | (Constant) | 19.018 | 2.101 | | 9.053 | .000 |
| | DIGITAL MARKETING | .128 | .037 | .337 | 3.480 | .002 |
| | KUALITAS PRODUK | -.065 | .018 | -.300 | -3.702 | .001 |
| | LOKASI | .316 | .049 | .626 | 6.474 | .000 |

a. Dependent Variable: KEPUTUSAN PEMBELIAN

Source : SPSS output of the primary data that have been processed 2024

Based on the results of the multiple linear regression analysis table above, the regression analysis equation is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$= 19.018 + 0.128X_1 - 0.065X_2 + 0.316X_3 + e$$

The constants value of 19.018 indicates that if all independents variables are considered zero (0), then the value of the dependents variable, namely the purchase decision, is 19.018.

If the coefficients of digital marketing (X1) grows by one unit, and the variables of product quality (X2) and location (X3) remain constant or do not change, the purchase decision (Y) will increase by 0.128.

if the product quality coefficients (X2) increases by one unit while digital marketing (X1) and location (X3) remain the same or there is no change, the purchasing decisions (Y) will decrease by -0.065.

If the location coefficients (X3) increases by one unit, while digital marketing (X1) and product quality (X2) remain the same or there is no change, the purchasing decisions (Y) will increase by 0.316.

3.3 Analysis of the Determination Coefficient (Adjusted R2)

Table 4. Coefficient of Determination

| Model Summary ^b | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .911 ^a | .830 | .810 | .529 |

a. Predictors: (Constant), LOKASI, KUALITAS PRODUK, DIGITAL MARKETING

b. Dependent Variable: KEPUTUSAN PEMBELIAN

Source : SPSS output of the primary data that have been processed in 2024

The analysis shows that digital marketing, product quality and location are strong predictors of purchase decisions, based on the table above, explaining 81% of the variation. However, The analysis shows that digital marketing, product quality and location are strong predictors of purchase decisions, based on the table above, explaining 81% of the variation. However Other factors that are not part of this study also have an impact., accounting for the

remaining 19% of the variability in purchase decisions, accounting for the remaining 19% of the variability in purchase decisions.

3.4 Hypothesis Testing

With a significance threshold of 0.05, the partial t-test results are displayed in the table below to ascertain the individual importance of each independent variable.

Table 5. T-test (Partial Test)

| Model | Coefficients ^a | | Standardized Coefficients Beta | t | Sig. |
|-------------------|-------------------------------|------------|--------------------------------|--------|------|
| | Unstandardized Coefficients B | Std. Error | | | |
| 1 (Constant) | 19.018 | 2.101 | | 9.053 | .000 |
| DIGITAL MARKETING | .128 | .037 | .337 | 3.480 | .002 |
| KUALITAS PRODUK | -.065 | .018 | -.300 | -3.702 | .001 |
| LOKASI | .316 | .049 | .626 | 6.474 | .000 |

a. Dependent Variable: KEPUTUSAN PEMBELIAN

Source : SPSS output of the primary data that have been processed in 2024

The variable Digital Marketing has a computed T-value that is higher than the T-table, according to the findings of the partial t-test in Table 5. Because the significance level is less than 0.05, Ha1 is approved while Ho is refused. This indicates that decisions about what to buy are partly influenced by digital marketing..

Although the estimated T-value for the product quality variable is negative, transforming it into an absolute number results in a value greater than the T-table. Because the significance level is less than 0.05, Ha1 is approved while Ho is refused. Thus, decisions to buy are significantly influenced by the quality of the product.

Meanwhile, the location variable has a determined T value that exceeds the T-table. This indicates that Ho is refused while Ha2 is accepted because the significance threshold is less than 0.05. Therefore, location has minimal bearing on decisions about what to buy..

The results of the F test, which compares values at a significance level of 0.05, are displayed in Table 6 for the simultaneous test.

Table 6. F test (simultaneous test)

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|----|-------------|--------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 35.462 | 3 | 11.821 | 42.281 | .000 ^b |
| | Residual | 7.269 | 26 | .280 | | |
| | Total | 42.731 | 29 | | | |

a. Dependent Variable: KEPUTUSAN PEMBELIAN

b. Predictors: (Constant), LOKASI, KUALITAS PRODUK, DIGITAL MARKETING

Source : SPSS output of the primary data that have been processed in 2024

With a F value of 42.281 and a significance level of 0.000, the statistical study unequivocally demonstrates that location, product quality, and digital marketing all significantly influence consumer decisions to buy. This indicates that when taken into account collectively, these three elements significantly impact customer behavior.

4. Discussion

4.1 Digital Marketing

According to the study's results, the t-value of 3.450 is over the critical t-value of 2.055 with a probability value of 0.002 and below the significance level of 0.05. This shows that the null hypothesis (H0) is rejected and the alternative hypothesis (H1) is accepted. Stated otherwise, there is proof that the variable of digital marketing (X1) significantly influences the choice to buy (Y). This finding is in line with earlier studies [2], which demonstrated that digital marketing communication significantly influences customer purchasing decisions. The positive relationship between X1 and Y implies that when a business enhances its digital marketing—through platforms such as social media, online advertising, and search engine optimization—consumers become more informed, attracted, and motivated to make purchases. Hence, effective digital marketing efforts can lead to increased customer engagement and drive buying behavior.

4.2 Product Quality

According to the analysis, the probability value of the product quality (X2) t-value is less than the significance level of 0.05, and it is more than the crucial t-value. This lends credence to the alternative hypothesis (H2) and the rejection of the null hypothesis (H0). Thus, it may be said that decisions to buy are significantly influenced by the quality of the product (Y). These results align with previous studies [3], which supports this result, stating that there is a clear and positive relationship between product quality and consumer purchase decisions. The strong positive relationship between X2 and Y indicates that when consumers perceive the product as hygienic, fresh, durable, or better than alternatives, they are more likely to choose to buy the product.

4.3 Location

The study reveals that the location variable's (X3) t-value is higher than the crucial t-value, even though the probability value is below the significance level of 0.05. This indicates that while the alternative hypothesis (H3) is accepted, the null hypothesis (H0) is rejected. In other words, the location variable has a substantial impact on purchasing decisions (Y). Other research [4] showing that location has a significant influence on consumers' purchase decisions. The positive relationship between X3 and Y suggests that the easier it is for customers to access a business's physical location, the more likely they are to make purchases. Location can reduce effort, time, and transportation cost for customers, making the purchase decision easier and faster.

Overall, this study reinforces the hypothesis that Digital Marketing, Product Quality, Location have significant effects on Purchase Decisions. Therefore, business practitioners are advised to effectively utilize digital marketing strategies, maintain and enhance product quality, and select strategic business locations to boost sales.

5. Conclusion

Purchase decisions are influenced by digital marketing, which has a significance value of 0.002, which is less than 0.05. Location has a significance value of 0.000, which is less

than 0.05, and product quality has a moderately significant impact on purchasing decisions with a significance value of 0.001, which is also less than 0.05. This indicates that more people will visit Anugrah Farm if it enhances its digital marketing, product quality, and location.

Purchasing decisions are positively and significantly influenced simultaneously by Digital marketing, product quality and location. In addition, the Adjusted R² value of 81.0% indicates that the three independent variables in this study Digital marketing, product quality and location can influence repurchase intentions. The remaining 19.0% is influenced by other factors not included in this analysis.

The results of the study can be the basis for further research, especially in the same sector. To produce better research, future research is recommended to include more variables. This is proposed because research has shown that elements such as price, location and service quality can influence purchasing decisions. In addition, it has been proven that variables such as Digital marketing, Product quality and Location have an influence of 81.0% on purchasing decisions.

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