

IMPACT OF SERVICE QUALITY, ATMOSPHERE OF STORE, PRICE AND WORD OF MOUTH ON PURCHASE DECISIONS IN SWIWINGS, JEMBER

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ABSTRACT

Culinary business in Jember Regency is increasing and developing rapidly. This phenomenon causes the consumer's various culinary choices. With the existing of competition in culinary business, triggers the employers to move faster in attracting consumers. Swiwings Jember has to be able to take advantage of business opportunity and try hard to apply marketing strategy and factors that can impact the purchasing. This research aims to determine the influence of Service quality, Store atmosphere, Price and Word of Mouth toward the buying decision in Swiwings Jember. This type of research is quantitative research. The technique uses purposive sampling technique. The research sample used was 50 respondents. This study used tools of analysis such as: Instrument test, Classic Assumption test, and Multiple Linear Regression Analysis. Hypothesis is done using the t and F test. It is known that using the t test of Service Quality, Store Atmospheric and Price does not have a partially significant effect on the Purchasing Decision, whereas Word of Mouth has a partially significant effect on the Purchasing Decision. It is known that using the F test Service Quality, Store Atmosphere, Price and Word of Mouth have the significant simultaneous effect in purchasing decision.

Keywords: Service Quality, Store's Atmosphere, Price, Word of Mouth and Purchasing Decisions

INTRODUCTION

The rapid development of the business world has caused entrepreneurs to face intense competition which will directly or indirectly affect the way we live, market conditions, especially human behavior. Not a few new companies have sprung up offering a wide variety of very varied forms of business, so companies have to think about rethinking their business mission and

marketing strategy. The definition of service quality according to Tjiptono (2007: 59) is the level of excellence expected and control over that level of excellence to meet customer desires. Service quality, refers to customer judgments about the core of the service, namely the service provider itself or the overall quality of service. Service quality can also be said to be a level with the good and bad conditions of the offerings

provided by the company that exceeds consumer expectations, so that consumer assessments of service quality also determine consumer buying interest. Sutisna (2001: 164) argues that store atmosphere is an arrangement of indoor space (instore) and outer space (outstore) that can create convenience for customers.

In addition to service quality and store atmosphere, restaurants must also determine price standards, because prices on restaurant menus are things that bring profit to entrepreneurs. The price on the menu must be considered because it is a means of capturing consumers as expected according to the environment and the changes that occur. To be more competitive in the market, entrepreneurs can consider competitor prices as a guide in determining the selling price of their products which is important for consumers to pay accordingly which are expected. According to Philip Kotler and Armstrong (2008: 345) pricing can be oriented towards profit and sales with the hope of achieving the target of investment return or net sales profit, increasing sales volume, maintaining or increasing market share.

There is one form of promotion that is indirectly carried out by consumers because they feel a satisfaction from service quality, store's atmosphere and price, namely word of mouth. Word of mouth is a form of promotion carried out by consumers to other potential consumers, where promotions carried out by means of word of mouth by other consumers are more reliable than promotions in other forms, because consumers tell stories about the taste of a product. According to Hasan (2010), word of mouth is a compliment, recommendation and customer comments about their experience of services and products that really influence customer decisions or their buying behavior.

Jember Regency is one of the districts that has a lot of restaurants that can be said to be reached by the lower, middle and upper classes of society. One example is Swiwings. Swiwings is a fast food

restaurant with a franchise system or can be called Frenchesse which is very popular among students and families. The products sold at Swiwings Jember are chicken wings or can be called crispy chicken wings. By having an affordable price per box starting from the cheapest Rp. 10,000 and up to the most expensive Rp. 100,000 according to the package ordered and Swiwings always has new innovations every year,

Based on the description above, the main issues are: (1) Does service quality, store atmosphere, price and word of mouth partially influence purchasing decisions at Swiwings Jember? (2) Does service quality, store atmosphere, price and word of mouth affect Simultaneously with the purchasing decision at Swiwings Jember?

RESEARCH METHOD

This study uses a quantitative associative research type. According to Sugiyono (2018: 20) Associative research is a method for looking for a correlation or causal relationship (a causal relationship). This study aims to prove the effect of service quality, store atmosphere, price and word of mouth (independent) on purchasing decisions (dependent).

Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics set by researchers to study and then draw conclusions (Sugiyono, 2018: 136). The sampling technique used in this study was purposive sampling. According to (Sugiyono, 2018: 144) purposive sampling is a sampling technique with certain considerations for that the sample taken from the population must be truly representative

Data collection techniques are a way of collecting data needed to answer the formulation of research problems (Juliansyah, 2016: 138). In this study, researchers used the following data collection methods: Observation, interviews and questionnaires.

RESULT ANALYSIS

Based on the results of processing using the results of the validity test, it is known that all statements are declared valid because the Ritung value \geq from R table and the significance level ≤ 0.05 . While the reliability test results show that all variables have sufficient Alpha coefficient or meet the criteria to be said to be reliable, namely > 0.90 so that further items in each of these variable concepts are suitable for use as a measuring tool.

Normality Test Results In this study using two ways to detect whether the residual distribution is normal or not, namely the analysis of the probability plot normality graph analysis and the Kolmogorov Smirnov non-parametric statistical test. Following are the results of the SPSS program analysis of probability plot normality graphs.

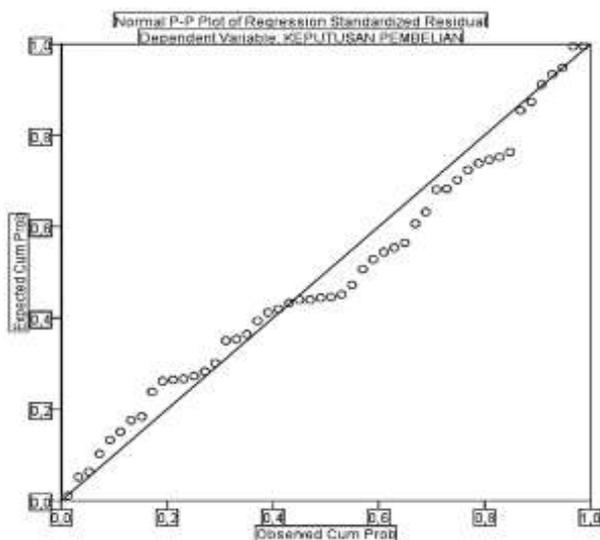


Figure 1. Normality Test with PP Plot

Based on the normal plot graph, it can be seen that the points spread around the diagonal line and the spread is not far from the diagonal line. This shows that the graph of the pattern is normally distributed, so the regression model meets the assumption of normality.

Besides, The residual normality test using the Kolmogorov - Smirnov test, has a significance value above 0.000, so there is a significant difference. This means that H_a is rejected, H_o is accepted, which means

that the residual data is normally distributed, the results are consistent with the previous test.

The multicollinearity test results show that the tolerance value of all independent and dependent variables, namely the variable service quality, store atmosphere, price, word of mouth (independent) and purchase decisions (dependent) > 0.1 while the VIF results < 10 so that it can be concluded that there is no multicollinearity occurs.

The results of the Heteroscedasticity Test show that the test results can be seen in the scatterplot graph that the points spread randomly either above the 0 or below the 0 on the Y axis, it can be concluded that there is no heteroscedasticity.

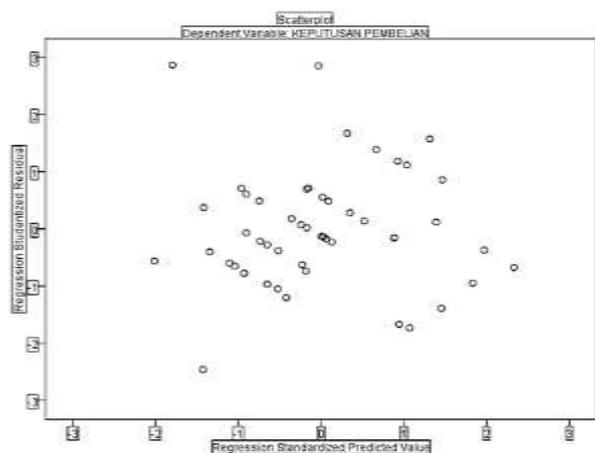


Figure 1. Heteroscedasticity Test

Multiple Linear Regression Analysis

Multiple regression analysis is used to analyze multivariate data. This analysis is used to prove the hypothesis about the effect of service quality, store atmosphere, price and word of mouth on purchasing decisions. The results of the calculation of this multiple linear regression analysis use the SPSS program. The following are the results of the SPSS program.

Table 1. Multiple Linear Analysis Results

Model		Coefficients ^a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	5,863	3,137		1,869	,068
	Service Quality	,203	,137	,187	1,475	,147
	Store Atmosphere	,195	,096	,252	2,031	,048
	Price	-,115	,138	-,101	-,832	,410
	Word of Mouth	,338	,100	,425	3,368	,002

a. Dependent Variable: Purchase Decision

Regression equation: $Y = 5,863 + 0,203 (X1) + 0,195 (X2) - 0,115 (X3) + 0,338 (X4)$

The regression equation above can be explained as follows:

1. The constant is positive. This means that if the variable service quality (X1), Store atmosphere (X2), Price (X3) and Word Of Mouth (X4) are deemed fixed or zero, the Purchase Decision (Y) is a fixed value of 5.863.
2. The regression coefficient of the service quality variable (X1) is positive 0.203, meaning that if the quality of service is improved, the purchasing decision will increase.
3. The regression coefficient for the Store Atmosphere variable (X2) is positive 0.195, meaning that if the Store Atmosphere is increased, purchasing decisions will increase.
4. The price variable regression coefficient (X3) is negative - 0.115, meaning that if the price is increased, the purchase decision will decrease, on the other hand, if the price is decreased, the purchase decision will increase.
5. The regression coefficient of the Word Of Mouth (X4) variable is positive 0.338, meaning that the independent variable (Word Of Mouth) has a direct effect on purchasing decisions, in the sense that if quality is improved, purchasing decisions will increase and if the shop atmosphere is more clean and tidy then positive information word of mouth can happen and it will give customers free promotions

Hypothesis testing

Partial Test (t)

According to Ghazali, (2013: 97) the t test is used to determine each independent variable's contribution partially to the dependent variable, using the test for each independent variable regression coefficient whether or not it has a significant effect on the dependent variable. The independent variable has a significant effect on the dependent variable partially with $\alpha = 0.05$. If the significance level generated from the calculation is below 0.05 then the hypothesis is accepted, on the contrary, if the significance level of the calculated results is greater than 0.05, the hypothesis is rejected.

Based on the Table 1 above, it is known that the comparison between the significance level and the table significance is as follows:

1. Service Quality has no significant effect on Purchasing Decisions. This can be seen from the results of the t count obtained in the table above with the t value (1.475) < t table value (1.679) and significance (0.147) > (0.05). This shows that Service Quality does not affect purchasing decisions, which means that Service Quality is not in accordance with customer expectations. The better the quality of service will have an impact on the higher the purchasing decision.
2. Store's Atmosphere has no significant effect on Purchasing Decisions. This

can be seen from the results of the t count obtained in the table above with the t value (2.031) > the t table value (1.679), and the significance (0.048) < (0.05). This shows that the Store Atmosphere does not affect the Purchase Decision of the room arrangement and cleanliness is still not as expected by the customer.

3. Price does not have a significant effect on purchasing decisions. This can be seen from the results of t count obtained in the table above with the t value (- 0.832) < t table value (1.679), and significance (0.410) > (0.05). This shows that the price of the cheapest Rp.10,000 - the price of Rp.100.0000 the most expensive price per package still has not influenced the Purchase Decision

4. Word Of Mouth has a significant effect on Purchasing Decisions. This can be seen from the results of the t count obtained in the table above with the t value (3.368) > the t table value (1.679), and the significance (0.002) < (0.05). This shows that Word Of Mouth affects Purchasing Decisions.

F Test (Simultaneous)

The F test is used to determine whether simultaneously the coefficient of the independent variable has a real effect or not on the dependent variable. To test whether each independent variable has a significant effect on the dependent variable together. The F test for this study is as follows:

Table 2. Anova of Multiple Linear Regression

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	69,236	4	17,309	7,626	,000 ^b
	Residual	102,144	45	2,270		
	Total	171,380	49			

a. Dependent Variable: PURCHASE DECISION

b. Predictors: (Constant), WORD OF MOUTH, PRICE, STORE ATMOSPHERE, SERVICE QUALITY

Based on the output above, it can be seen that Fcount > Ftable (7.626 > 2.57), and a significance level of < 0.05, namely 0.000, so Service Quality, Store Atmosphere, Price and Word Of Mouth have a significant effect on purchasing decisions at a significant level of 5%. Thus, the hypothesis which states Service Quality, Store Atmosphere, Price and Word Of Mouth has a significant influence on purchasing decisions is proven true.

INTERPRETATION

In this study, there are four independent variables, namely Service Quality, Store atmosphere, Price and Word Of Mouth which affect the dependent variable, namely Purchase Decision. The purpose of this study was to determine whether these 4 variables have an influence on purchasing decisions and the object of

this research is Swiwings Jember. Respondents in this study were 50 respondents and on average were women with ages from 16 to 20 years. And from the analysis carried out the researchers obtained the results as below:

The Effect of Service Quality on Purchasing Decisions

The results of the t test hypothesis testing showed the value of t count (1.475) < value of t table (1.679) and significance (0.147) > (0.05). This shows that Service Quality does not affect Purchase Decisions, which means that the Service Quality in Swiwings Jember is not in accordance with what customers expect. Where if the better the quality of service provided to customers will have an impact on the higher the Purchasing Decision in Swiwings Jember.

Judging from the description of the respondent's answer

Based on age and different occupations, they can fulfill what they want and can make purchasing decisions. This study produces findings that are different from previous research conducted by Afrendo, Edward Stephen Malonda (2014) and Agung, Bulan Prabawani (2015) with the results of the study showing that Service Quality has an influence on Purchasing Decisions.

The Effect of Store Atmosphere on Purchasing Decisions

The results of the t-test hypothesis testing show the value of t count (2.031) > t table value (1.679), and significance (0.048) < (0.05). This shows that the Store Atmosphere does not affect purchasing decisions. Which means that the shop atmosphere in Swiwings Jember is still not suitable in terms of cleanliness, a unique impression that resonates with what customers expect. If the shop atmosphere is more organized and gives a unique, attractive impression, it will have an impact on the Purchase Decision. Judging from the descriptions of respondents' answers based on age and different occupations, they can fulfill what they want and can make purchasing decisions. This study produces findings that are different from previous research conducted by Nuraini Azizah, Ridwan Baraba, Murry Hermawan Saputra (2014) and Agung S, Bulan Prabawani (2015) with the results of research showing that Store Atmosphere has a positive and significant effect on Purchasing Decisions.

The Effect of Price on Purchasing Decisions

The results of the t test hypothesis testing showed the value of t count (-0.832) < t table value (1.679), and significance (0.410) > (0.05). This shows that the price of the cheapest Rp.10,000 - the price of Rp.100.0000 The most expensive price per package still does not affect the Purchase Decision. Prices are not

according to customer expectations. Judging from the descriptions of respondents' answers based on age and different occupations, they can fulfill what they want and can make purchasing decisions. This study produces findings that are different from previous research conducted by Afrendo, Edward Stephen Malonda (2014) and Ferdy Zoel Kurniawan (2014) with the results of the study showing that price has a positive and significant effect on purchasing decisions.

The Influence of Word of Mouth on Purchasing Decisions

The results of the t test hypothesis testing show the value of t count (3.368) > t table value (1.679), and significance (0.002) < (0.05). This shows that Word Of Mouth affects purchasing decisions positively and significantly, which means that positive information dissemination between consumers occurs continuously, consumers will tell about Service Quality, Price and Store Atmosphere that is in Swiwings Jember and will have an impact on higher Purchasing Decisions . Judging from the descriptions of respondents' answers based on age and different occupations, they can fulfill what they want and can make purchasing decisions. This research produces the same findings as previous research conducted by Priskyla Wenda Rumondor, Altje L. Tumbel, Imelda WJ Ogi (2017) and Alifitsa Ibrahim, Ai Lili Yulianti (2017) with the results of the study showing that the Word Of Mouth has a positive and significant in the Purchase Decision.

The Effect of Service Quality, Store Atmosphere, Price and Word Of Mouth on Purchasing Decisions

The results of the F test above can be seen that Fcount > Ftable (7.626 > 2.57), and a significance level of <0.05, namely 0.000, so Service Quality, Store Atmosphere, Price and Word Of Mouth have a significant effect on purchasing decisions at a significant level 5 %. Thus, the

hypothesis which states Service Quality, Store Atmosphere, Price and Word Of Mouth has a significant influence on purchasing decisions is proven true. This research is in line with previous research conducted by Priskyla Wenda Rumondor, Altje L. Tumbel, Imelda WJ Ogi (2017) Product Quality, Price and Word of Mouth simultaneously have a positive and significant effect and research conducted by Agung S, Bulan Prabawani (2015). The results of this study indicate that the Store Atmosphere, Product Quality and Service Quality simultaneously affect the Purchase Decision.

CONCLUSION

Based on the results of the analysis and interpretation of the research that has been described previously, the authors get the conclusions that can be drawn in this study as follows:

1. Service Quality has no significant effect on Purchasing Decisions at Swiwings Jember.
2. Store Atmosphere has no significant effect on Purchasing Decisions on Swiwings Jember.
3. Price does not have a significant effect on Purchasing Decisions at Swiwings Jember.
4. Word Of Mouth has a positive and significant influence on Purchasing Decisions on Swiwings Jember.
5. Service Quality, Store Atmosphere, Price and Word Of Mouth together (simultaneously) have a significant effect on Purchasing Decisions on Swiwings Jember.

IMPLICATION

Based on the discussion and analysis that has been done, the implication is that Service Quality must be further improved so that customer purchasing decisions can increase and Store Atmosphere is more kept clean so that the shop atmosphere is more comfortable and tidy. This will later trigger Word Of Mouth positive information to other customers to be more

interested in buying Swiwings Jember products and creating Purchasing decisions.

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