
Proceedings 2nd ^{Medan} International Economics and Business

Volume 2, Issue 1, 2024

"Human Resource Transformation and Collaborative Innovation to Build Independent and Competitive Business in the Digital Era"

The Influence of Price and Product Quality on Purchase Interest Through the Competitiveness of Pandan Coconut in the Pangkalan Susu Community

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ABSTRACT

This research is to determine the effect of price and product quality on purchasing interest through the competitiveness of Pandan Coconut (Case Study of the Pangkalan Susu Community) both directly and indirectly. This study uses a quantitative approach. The data analysis technique for this research uses statistical analysis, namely partial least squares – structural equation model (SEM – PLS). Data collection techniques use questionnaires. The research results show that price has an effect but is not significant on purchase interest. Product Quality has a significant effect on Purchase Intention. Product Quality has a significant effect on Competitiveness. Competitiveness has a significant effect on Purchase Intention. Price does not have a significant effect on Competitiveness. Competitiveness as an intervening variable is unable to mediate price on buying interest. Competitiveness as an intervening variable is able to mediate product quality on purchase interest. The results of testing the R-Square value showed that the path model using intervening variables was 0.788 and 0.684. In other words, the ability of variable 78.8% thus the model is classified as substantial (strong).

Keywords: Competitiveness, Price, Product Quality, Purchase Interest, s.

INTRODUCTION

Talking about marketing, it cannot be separated from several things that cause marketing to arise, these things include desires, needs, requests, exchanges or transactions, and markets. Of the many things that caused the emergence of marketing, many experts in the field of marketing have given different definitions of marketing, but basically their view of marketing remains the same. One of the product marketing is pandan coconut products. Pandan Wangi Coconut is a type of coconut that is full of specific characteristics in its fruit. This coconut fruit has a fragrant aroma and a distinctive taste of pandan in the taste of the water and flesh of the fruit. This coconut originally comes from Thailand and is usually called Aromatic Nam Hom Coconuts. However, as time goes by, this coconut grows and develops in Indonesia. In fact, the interest of the Indonesian people in pandan coconut is very large. The growth of pandan coconut in large quantities only started in 2003. One of the populations currently aged 15 and 8 years is in coastal locations. Cermin, Pangkalan Susu, Langkat Regency covers an area of 120 ha, and in Binjai there are 40 trees. Other problems also arise when there is a lot of public interest in pandan coconut because the growth of pandan coconut is only seasonal and grows

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in areas that are difficult for the Indonesian people to reach and know about. Researchers (Hanso, 2016) also concluded that product quality is proven to have a positive influence on interest. buy consumers. Consumers will buy a product if the price is deemed worthy by them. In purchasing a product, consumers do not. This is what makes the price of pandan coconut more expensive compared to other local coconuts, so some people choose to buy local coconuts. This is reinforced by previous research conducted by (Fauzan, 2020) which concluded that price has a positive effect on buying interest. in pandan coconut products where consumer buying interest can influence the competitiveness that makes pandan coconut products superior in the market or declining in the market. Because of two influences, namely price and product quality. If product quality does not meet consumer expectations or is inconsistent, this can reduce purchasing interest and poor quality can damage the brand's reputation and make it difficult to compete. (Suhendra & Nasution, 2023) The price of pandan coconut products may not be competitive with similar products or other alternatives on the market. Milansari, et al., (2021) If the price is too high compared to the value provided, purchasing interest will decrease. This indicates that purchasing interest is influenced by price which includes product quality and competitiveness.

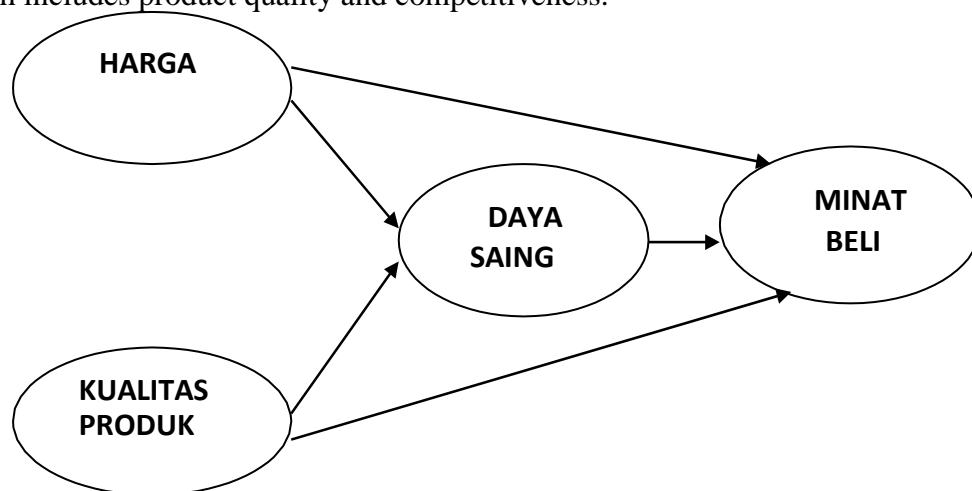


Figure 1 . Framework of thinking

METHOD

In this research, the approach used is a research approach quantitative, as stated by (Juliandi et al., 2015) that quantitative methods This interpreted as method study Which based on philosophy. According to (Sugiyono, 2018) states that, "Population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn." The population in this study is the community in Pangkalan Susu City, Paya Tampak Village, Langkat Regency. Meanwhile, according to (Sugiyono, 2010), the sample is part of the population that is the source of data in the research, where the population is part of the number of

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characteristics possessed by the population. Because the population of the people in Pangkalan Susu City, Paya Tampak Village, Langkat Regency is unknown, the formula needed to determine the sample size is to use the Lemeshow formula in (Nurmasarie & Iriani, 2013). Researchers directly collect data from the sampling units found. Study This use formula lemeshow For limit amount sample Which will taken. Formula used is as following:

$$n = \frac{Z^2 \times P \times Q}{L^2}$$

Information:

n = Minimum number of samples required

Z α = Standard value of the distribution according to the value $\alpha = 5\% = 1.96$

P = Prevalence of outcome, because data has not yet been obtained, 50% is used

L = 10% level of accuracy

Based on the formula, then

$$n = \frac{(1.96)^2 \times 0.5 \times 0.5}{(0.1)^2} = 96.04$$

RESULTS

Analysis Outer Model

The outer model is often also called (outer relation or measurement model) which describes the relationship between each block of indicators and variables latent. Testing This covers reliability And validity construct (construct reliability and validity) and validity discriminant (discriminant validity).

Construct Reliability and Validity

Table 1 . Outer Loading Test Results

	X1	X2	Y	Z
X1.1	0.874			
X1.2	0.876			
X1.3	0.791			
X1.5	0.861			
X1.6	0.788			
X1.7	0.833			
X1.8	0.766			
X2.6		0.799		
X2.1		0.821		
X2.2		0.768		
X2.3		0.817		
X2.4		0.810		
X2.5		0.837		

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X2.7	0.789
X2.8	0.828
Y.1	0.843
Y.2	0.816
Y.3	0.849
Y.4	0.823
Y.5	0.813
Y.6	0.838
Y.7	0.831
Y.8	0.813
Z.1	0.786
Z.2	0.832
Z.3	0.873
Z.4	0.819
Z.5	0.877
Z.6	0.781

Based on table 1. Shows that the statement item on the variable Price, Product Quality, Purchase Interest and Competitiveness decisions are met standard validity that is mark in on 0.6 For items question in study.

Table 2. Cronbach's alpha results and Composite reliability values

Research variable	Cronbach's alpha	Composite reliability
Price (X1)	0.923	0.938
Product Quality (X2)	0.925	0.938
Purchase Interest (Y)	0.935	0.946
Competitiveness (Z)	0.908	0.929

Based on table 2. It is known that the reliability construct is Cronbach's Alpha has met the criteria with a value above 0.6, namely the variables Price, Product Quality, Purchase Interest and Competitiveness. Whereas construct reliability on Composite Reliability has fulfil criteria whose value is above 0.6.

Convergent Validity

Table 3. Results of Average Variance Extracted

Variable	Average variance extracted
Price (X1)	0.686
Product Quality (X2)	0.655
Purchase Interest (Y)	0.686
Competitiveness (Z)	0.687

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Based on table on show that mark Average Variance Extracted has met the criteria with a value of more than 0.5. Based on p It can be concluded that the research variables meet the testing criteriavalidity discriminant and Price, Product Quality, Purchase Interest, and Competitiveness. has fulfilled validity testing assumptions discriminant.

Inner Model Analysis

Analysis inner model is analysis Which used For predict connection because- consequence between variable latent or variable Which No can be measured in a way direct (Juliandi et al., 2018). Analysis model structural (inner model) use two testing, between other :

Table 4. R-Square results

	R-square	R-square adjusted
Purchase Interest (Y)	0.788	0.781
Competitiveness (Z)	0.684	0.677

Based on the table above regarding the results of testing the R-Square value, the results show that the path model is using intervening variables are 0.788 and 0.684. In other words , the ability of variable and abilities variable X namely Price and Product Quality in explain variables Y that is Interest Buy is amounted to 78.8 % thus the model is classified as substantial (strong).

Square Test Results

Table 5. F- Square Results

Variable	Price (X1)	Product Quality (X2)	Purchase Interest (Y)	Competitiveness (Z)
Price (X1)			0.054	0.029
Product Quality (X2)			0.082	0.248
Purchase Interest (Y)				
Competitiveness (Z)			0.203	

Based on the F-Square table above, it can be seen that the influence is Given the price perception variable on buying interest, it is good because it is more of 0.35 which there is a large, strong effect.

Hypothesis test

This test aims to calculate the path coefficient in the model structural And test significance from all connection or hypothesis Whichsubmitted. There are

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three stages of analysis in testing the hypothesis, namely other: direct effect, indirect effect and total effect. The purpose of direct effect analysis is useful for testing hypothesis influence direct something variable Which influence (exogenous) to variables that are influenced (endogenous) if the P-Values < 0.05 , then they are significant And If mark P- Values > 0.05 , so No significant (Juliandi et al., 2014). The aim of indirect effect analysis is to test the influence hypothesis indirectly a variable that influences (exogenous) the variable Which influenced (endogenous) Which brokered/mediated by something variable intervening (mediator variable) (Juliandi, 2018). if the P-Values < 0.05 , then significant and if the P-Values > 0.05 , then it is not significant (Juliandi et al., 2014).

Table 6. Direct Effect

Hypothesis	T statistics	P values
Price (X1) -> Purchase Interest (Y)	1,520	0.065
Price (X1) -> Daylight Power (Z)	1,470	0.071
Product Quality (X2) -> Purchase Interest (Y)	1,845	0.033
Product Quality (X2) -> Competitiveness (Z)	4,789	0,000
Competitiveness (Z) -> Purchase Interest (Y)	3,522	0,000

Based on the table above regarding the path coefficient results, the results show that all path coefficient values are positive (see on the T-statistic),

Table 7. Indirect Effect

	T statistics	P values
Price (X1) -> Competitiveness (Z) -> Purchase Intention (Y)	1,291	0.099
Product Quality (X2) -> Competitiveness (Z) -> Purchase Intention (Y)	2,900	0.002

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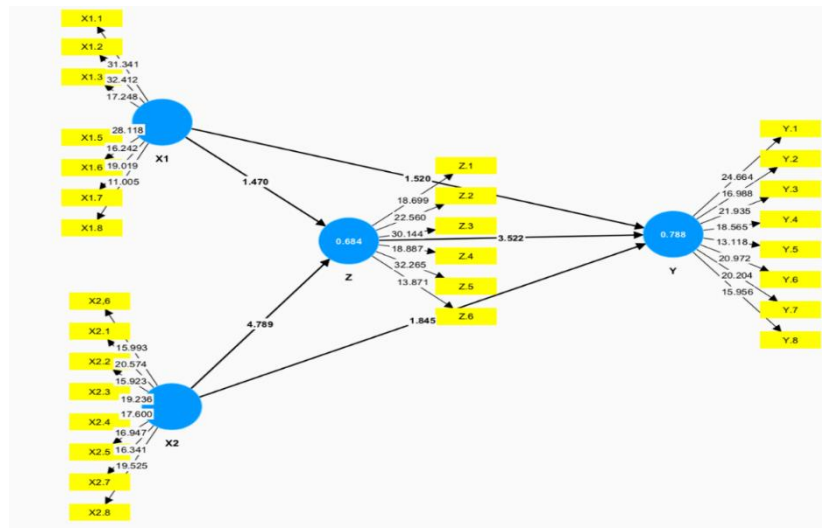


Figure 2. Path Analysis Results

DISCUSSION

The influence of price on purchasing interest in purchasing pandan coconut

The influence of price on purchase intention has a path coefficient of 1.520. These results show that the higher the price given, if it is in accordance with the quality provided, the higher the buying interest. This influence has probability values (p-values) of $0.065 > 0.05$, thus price has an effect but is not significant on Buying Interest. Based on previous research (Suhendra & Nasution, 2023) , (Maharani et al., 2023) concluded that the price of todak has a significant influence on buying interest, where more attention must be paid to the price to increase buying interest in purchasing pandan coconut.

The influence of product quality on purchasing interest in purchasing pandan coconut.

The influence of product quality on purchase intention has a path coefficient of 1.845. These results show that the better the product quality of pandan coconut, the higher the buying interest. This influence has a probability value (p-values) of $0.033 < 0.05$, thus product quality has a significant effect on purchase interest. Based on previous research (Nasution et al., 2017) , (Arianto & Difa, 2020) concluded that product quality influences purchasing interest, where product attributes need to be paid more attention to increasing purchasing satisfaction.

The influence of product quality on the competitiveness of pandan coconut.

The influence of product quality on competitiveness has a path coefficient of 4.789. These results show that the higher the product quality with similar products, the higher the Competitiveness. This influence has a probability value (p-

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values) of $0.000 < 0.05$, thus product quality has a significant effect on competitiveness. Based on previous research (Nasution, 2011) , (Program et al., 2018) concluded that product quality has a significant effect on competitiveness. Thus, good product quality can increase the company's competitiveness in the market.

The influence of competitiveness on purchasing interest in pandan coconut.

The influence of competitiveness on purchase intention has a path coefficient of 3.522. These results indicate that Competitiveness has an influence on Purchase Intention. This influence has a probability value (p-values) of $0.000 < 0.05$, thus Competitiveness has a significant effect on Buying Interest. Based on previous research (Management & Business, 2023) it is concluded that Competitiveness has a significant effect on Buying Interest. Thus, good product quality can increase consumers' competitiveness more, because it is considered more attractive, high quality, or relevant to their needs and desires. Therefore, strong competitiveness can positively influence consumers' purchasing interest in a product or service.

The influence of price on the competitiveness of pandan coconut.

The effect of price on competitiveness has a path coefficient of 1.470. These results show that the more varied the prices given, the higher the Competitiveness. This influence has a probability value (p-values) of $0.071 < 0.05$, thus price has no significant effect on competitiveness. Based on previous research (Tingkat et al., 2013), it was concluded that price has no effect on competitiveness. In this context, consumers may be more likely to choose the product or service despite its higher price because they perceive greater value or a more satisfying experience. Thus, in some cases, factors such as product superiority, brand image, and customer satisfaction may influence competitiveness more than price alone.

The influence of price on purchasing interest through competitiveness in pandan coconut.

The effect of Price on Purchase Intention with Competitiveness as an intervening variable obtained a result of 1.291 and p-values of 0.099, thus it can be concluded that Competitiveness as an intervening variable is not able to mediate Price on Purchase Intention. Based on previous research (Gulo & Amirudin, 2023) (Taan, 2021) concludes that price does not have a significant influence on purchase intention through competitiveness. Thus, price can be an important factor in influencing purchasing interest through competitiveness, but other factors also play a role in consumer purchasing decisions.

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The influence of product quality on purchasing interest through competitiveness in pandan coconut.

The effect of product quality on purchase interest with competitiveness as an intervening variable obtained a result of 2.900 and p-values of 0.002, thus it can be concluded that competitiveness as an intervening variable is able to mediate product quality on purchase interest. Based on previous research (Milansari et al., 2021) concludes that product quality has a significant influence on purchasing interest through competitiveness. Thus, good product quality not only increases consumer buying interest directly but also strengthens the company's competitive position in a competitive market.

CONCLUSION

Study This succeed show part influence between variable like price No influential significant to buy. product quality influential significant to interest in buying. product quality influential significant to competitiveness. competitiveness significant effect on buying interest. Price has no effect significant to competitiveness. price through interested in buying to competitiveness No influential positive. product quality through interest buy to significant competitiveness. Suggestion For pandan coconut sellers, prices must be paid more attention to increase purchasing interest in purchasing pandan coconut. Although price is often considered a key factor in determining the competitiveness of a product or company, there are situations where price does not directly affect competitiveness. Product quality refers to the level of excellence or suitability of a product with consumer needs and expectations. Meanwhile, competitiveness is the ability of a product or company to compete in the market with similar products. High product quality directly affects the competitiveness of a company or product, because consumers tend to choose products that have better quality than their competitors. The relationship between competitiveness and purchasing interest is very close, because consumers tend to choose products that are considered superior or offer better value than their competitors.

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