

IMPACT OF CONSUMER DECISION MAKING: THE ROLE OF LOCATION, PRICE, AND PRODUCT COMPLETENESS IN A RURAL RETAIL CONTEXT

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ABSTRACT

Indonesia is a developing country with great potential in business and trade, including the retail sector such as department stores (toserba). The success of retail businesses is influenced by several factors, including location, price, and product availability. This study aims to analyze the influence of these three factors on consumer purchasing decisions at Toserba Al-Ikhwan Banyuputih Kidul (Bakid). The approach used is quantitative, with location, price, and product availability as independent variables, and purchasing decisions as the dependent variable. Because the population size is unknown, the sampling technique used is quota sampling with the Lemeshow formula. Data were obtained through observation and questionnaires. The results of the study indicate that all three variables have a significant effect on purchasing decisions, both simultaneously and partially. Store location has a t-value of 2.071 (significance 0.041), product availability 2.294 (significance 0.024), and product price is the most dominant factor with a t-value of 10.129 (significance 0.001). Simultaneously, the three variables had a significant influence with a calculated F value of 113.272 and a significance level of 0.000. These findings can serve as a reference for convenience store managers in developing effective marketing strategies to increase consumer satisfaction and loyalty.

Keywords: location, price, product completeness, purchasing decision

INTRODUCTION

Indonesia is a developing country with enormous potential in business and trade. One business sector that continues to grow is retail, which is the activity of selling goods directly to end consumers. The word "retail" comes from the French word "retailer," meaning to break or separate. (Chaniago, 2014; Mahsun, 2024). Retail businesses can be found in various forms, from traditional market traders, small kiosks, to minimarkets and modern department stores.

Purchasing decisions are the result of an individual's consideration process in choosing a product or service. According to (Kevin Lane Keller &, 2012) Purchasing decisions are the process consumers go through to identify needs, seek information, evaluate alternatives, and ultimately decide to purchase a product. This process is influenced by various internal and external factors that shape consumer perceptions and preferences. (Efendi, 2016; Falach et al., 2024)

Facing increasingly complex business competition, retail businesses, such as convenience stores, must understand and consider the factors that can influence consumer purchasing decisions. Key factors include location, price, and product availability. Strategic locations, such as near residential areas, activity centers, or major highways, facilitate consumer access and can increase the frequency of visits. (Hayani, 2022). Price is also a major consideration because consumers tend to compare prices from various places before making a purchasing decision. (Margaretha Salawati & Indrie Debbie Palandeng, n.d.). Meanwhile, product completeness is very important because consumers prefer to shop in places that provide various needs in one location. (Muqorobbyn Al-AfGhany, Yulihar Mukhtar, 2018)

Al-Ikhwan Bakid Department Store is a convenience store strategically located on the main road, near the Miftahul Ulum Banyuputih Kidul Islamic Boarding School. This store offers a variety of consumer needs, from groceries and food to beverages, to electronics and beauty

products. With competitive prices and a comprehensive selection of products, this store is a top choice for both students and local residents.

Al-Ikhwan Bakid Department Store's monthly revenue data shows an increasing trend year over year. In 2023, the average monthly revenue reached approximately Rp 220,000,000, rising to Rp 235,000,000 in 2024, and approximately Rp 268,000,000 by July 2025. (Toserba Al-Ikhwan, 2025). This increase indicates that location, price and product completeness factors also support sales performance growth.

In various previous studies, it was also found that these three factors have a significant influence on purchasing decisions. The combination of price, product completeness, and service quality is the main element in influencing consumer decisions, although promotion and location factors are not always dominant individually. However, in the context of Al-Ikhwan Bakid Department Store, even though it does not actively carry out promotions, this store remains busy with visitors because of its strategic location and complete products, indicating that under certain conditions, promotions are not always the main factor. (Anang Fuad Syafrudin, Rois Arifin, 2020; Mahsun, 2024).

Keller (2016) explains that consumer purchasing decisions are influenced by elements in the marketing mix, namely product, price, place, and promotion. In this study, the promotional element was not considered significant because even without a special promotional campaign, the store was still busy with visitors. This confirms that competitive prices, strategic location, and product availability are sufficient to influence consumer purchasing decisions.

Based on the description, this study focuses on analyzing the influence of location, price, and product completeness on consumer purchasing decisions at the Al-Ikhwan Bakid Department Store, which is one of the main shopping centers in the Miftahul Ulum Bakid Islamic boarding school environment.

LITERATURE REVIEW

Teori Marketing Mix

According to Kotler, consumer purchasing decisions are influenced by elements in the marketing mix, namely product, price, place and promotion. (Armstrong, 2018). In this context, the three main elements of product, price, and location have a direct influence on consumer perception of value.

In his conceptualization of market mechanisms, particularly the factors that influence them, al-Ghazali bases his theory on the theory that prices in market mechanisms are caused by the law of supply and demand. According to al-Ghazali, pricing achieves *maslahah hajiyah*, which is anything that provides comfort after all needs are met. (Hidayatullah, 2020; Mahsun et al., 2023)

Consumers are more likely to make a purchase if the product is perceived as high quality, competitively priced, and easily accessible. Although promotion is part of the marketing mix, this factor was not considered significant in this study because the store remained busy even without active promotions. This is attributed to the store's strategic location, which is near an Islamic boarding school.

Consumer Behavior Theory

Consumer purchasing decisions are influenced by four main factors. Cultural factors shape values and habits. Social factors, such as family and environment, influence choices. Personal factors include age, occupation, income, and lifestyle, which differentiate individual needs. Finally, psychological factors, such as motivation and perception, influence how consumers evaluate products. Understanding these factors is crucial for

businesses to develop appropriate and effective marketing strategies. (Kanuk, 2007; Kotler, 2012)

Decision Making Theory

Purchasing decision making process (ngel, J. F., Blackwell, R. D., & Miniard, 1995) It consists of five main stages: need recognition, information search, alternative evaluation, purchase decision, and post-purchase evaluation. This process describes how consumers move from need awareness to post-purchase evaluation.

In this context, location, price, and product availability play a crucial role, particularly during the information search and alternative evaluation stages. When consumers begin searching for information, they compare stores based on ease of access (location), price level, and the product availability. In the alternative evaluation stage, consumers use this information to assess the best options before ultimately making a purchase decision.

In other words, these three variables are key factors in the consumer consideration process before a purchase occurs. Understanding these stages helps marketers or business owners adapt their marketing strategies to align with consumer behavior and expectations.

HYPOTHESIS

A hypothesis is a temporary assumption put forward as an answer to the formulation of the problem in research. According to (Sugiyono, 2010), A hypothesis is a temporary answer to a problem formulation that still requires proof through data collection and empirical analysis. Therefore, a hypothesis is theoretical until proven through field research.

Based on the framework of thought and problem formulation that has been explained previously, the hypothesis in this study is formulated as follows:

1. Ha1: Store location (X1) influences purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
2. H01: Store location (X1) does not influence purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
3. Ha2: Price (X2) influences purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
4. H02: Price (X2) does not influence purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
5. Ha3: Product completeness (X3) influences purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
6. H03: Product completeness (X3) does not influence purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
7. Ha4: Store location (X1), price (X2), and product completeness (X3) simultaneously influence purchasing decisions at Al-Ikhwan Bakid Department Store (Y).
8. H04: Store location (X1), price (X2), and product completeness (X3) do not simultaneously influence purchasing decisions at Al-Ikhwan Bakid Department Store (Y).

METHODS

This study uses a quantitative approach with the aim of testing the influence of independent variables, namely location, price, and product completeness, on the dependent variable, namely purchasing decisions at the Al Ikhwan Bakid Department Store. (Unaradjan, 2019). The type of research applied is field research, where researchers go directly into the field to collect data through observation, distributing questionnaires, and interviews with consumers. (Sugiyono, 2017).

The population in this study is all consumers of Al Ikhwan Bakid Department Store. However, due to the lack of official data regarding the number of consumers, the population is considered infinite, as explained by (Nazir, 2013). Therefore, the sample was determined

using the Lemeshow formula, which is intended for populations of unknown size. Based on calculations using this formula, the sample size was 100 respondents..(Sugiyono, 2013) The sample was taken using a non-probability sampling technique with the quota sampling method, where the researcher set a quota for each existing consumer group (Sulung & Yasril, 2023).

This study examines several variables: independent variables consisting of location, price, and product availability, and the dependent variable, purchasing decisions. In this study, location is understood as a strategic factor in determining the success of a retail store, particularly in terms of ease of access for consumers.(Tjiptono, 2008). Price is defined as the cost that must be paid by consumers and reflects the quality of the product. (Kotler, p & Keller, 2009). Meanwhile, product completeness refers to the variety and availability of products that meet consumer needs and desires. (Utami, 2006). Purchasing decisions are a process that includes consumer considerations and actions in selecting and purchasing products.

Data collection was carried out using several instruments, namely observations used to ensure the relevance of the location and condition of the store, questionnaires with a 4-point modified Likert scale to avoid neutral answers, interviews to dig for more in-depth information directly from consumers, and documentation to obtain historical data and store administration.(Kuncoro, 2011).

The questionnaire instrument used was then tested for validity and reliability. Validity testing was conducted using Pearson's product-moment correlation, with the instrument considered valid if the correlation value was greater than 0.3. Reliability testing was carried out using Cronbach's Alpha, with a reliability threshold of more than 0.6.(Husein, 2011).

Data analysis was conducted using multiple linear regression to examine the simultaneous and partial effects of independent variables on purchasing decisions. Prior to the analysis, classical assumption tests were conducted, including the Kolmogorov-Smirnov normality test to ensure the data were normally distributed, a multicollinearity test to ensure there was no high correlation between the independent variables (indicated by a tolerance value > 0.1 and a VIF < 10), and a heteroscedasticity test to ensure constant residual variance.

Hypothesis testing consists of a t-test (partial) used to test the influence of each independent variable individually on purchasing decisions, and an F-test (simultaneous) which tests the influence of the independent variables together. Furthermore, the coefficient of determination (R^2) is used to measure the extent to which the independent variables contribute to explaining the dependent variable.

All data processing was carried out using the SPSS version 27 statistical program, which helps speed up and simplify research data analysis.

RESULT

Normality Test Results

A good regression model is one whose data has a normal or near-normal distribution. Data normality was tested using the Kolmogorov-Smirnov test. Residuals are normally distributed if the significance level is greater than 0.05. The results indicate that the data are normally distributed.

Table 1. Normality Test Results

Variabel	Asym sig.	Sig.	Ket.
Nilai Residual	146	0.05	Data Normal

Source : Processed Data (2025)

Multicollinearity Test Results

Detection of multicollinearity disturbances VIF (Variance Inflation Factor). A multicollinearity-free regression is characterized by a VIF value below 10 and a tolerance value above 0.1. In the Coefficients table, it can be seen that for the three variables, the VIF values for the three independent variables are 1.445; 2.105; and 1.841, respectively. Likewise, the tolerance values are 0.692; 0.475; and 0.543. Thus, it can be concluded that the regression model does not experience multicollinearity disturbances.

Table 2. Multicollinearity Test Results

Variabel	VIF	Tolerance	Ket.
Lokasi	1,445	0,692	Tidak ada multikolinieritas
Harga	2,105	0,475	Tidak ada multikolinieritas
Kelengkapan Produk	1,841	0,543	Tidak ada multikolinieritas

Source : Processed Data (2025)

Heteroscedasticity Test

Multiple regression does not have heteroscedasticity if the data points are spread above and below or around the number 0 and the distribution of data points should not form a wavy pattern that widens then narrows and widens again, apart from that the distribution of data points should not have a pattern.

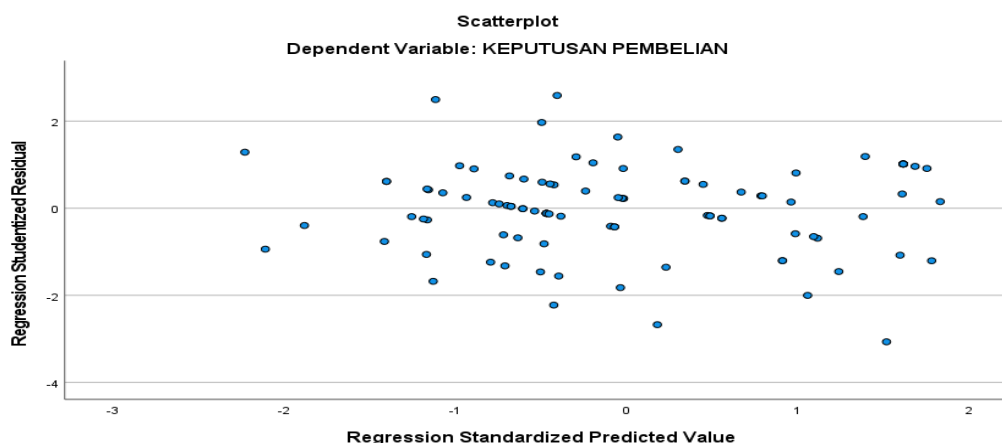


Figure 1: Heteroscedasticity Test Results

Multiple Linear Regression Analysis Test

In this study, the multiple regression equation obtained is $Y = 1.091 + 0.122 X_1 + 0.511 X_2 + 0.138 X_3 + e$, where the constant is 1.091. The regression coefficient for the Location variable (X_1) is 0.122, Price (X_2) is 0.511, and Product Completeness (X_3) is 0.138. This shows that every one unit increase in the Location, Price, and Product Completeness variables will increase purchasing decisions at Al Ikhwan Bakid Department Store. In other words, the Price factor has the greatest influence on purchasing decisions, followed by Product Completeness and Location.

Table 3. Results of Multiple Regression Analysis

Model	Unstandardized Coefficients	Keterangan
Constant	1,091	Konstanta a
Lokasi	,122	X1
Harga	,511	X2
Kelengkapan Produk	,138	X3

Source : Prosseed Data (2025)

Hypothesis Testing

Furthermore, from data processing to answer the hypothesis, the following results were obtained:

Partial Test (t-Test)

Based on the results of statistical tests, the Location variable shows a t-count value of 2.071 with a significance value of $0.041 < 0.05$, the Price variable has a t-count value of 10.129 with a significance value of $0.000 < 0.05$, and the Product Completeness variable obtains a t-count value of 2.294 with a significance value of $0.024 < 0.05$. Thus, the three variables have a partial influence on purchasing decisions at Al Ikhwan Bakid Department Store, because the t-count value is each greater than the t-table of 1.679 and the significance value is less than 0.05.

Table 4
Test Results

Variabel	t hitung	Nilai Sig.	Ket.
Lokasi	2,071	0,041	Signifikan
Harga	10,129	0,000	Signifikan
Kelengkapan produk	2,294	0,024	Signifikan

Source : Prosseded Data (2025)

Simultaneous Test (f-Test)

Based on the table above, the calculated F value is 113.272 with a significance value of 0.000 and a significance value less than 0.05. This indicates that simultaneously, the independent variables consisting of Location, Price, and Product Completeness have a significant influence on Purchasing Decisions.

Thus, the hypothesis H_0 is rejected and H_1 is accepted, which means that there is a significant joint influence between the three independent variables on the dependent variable.

Table 5. F-Test Results (Simultaneous)

Model	JK (Sum of Square)	df	Mean Square	F Hitung	Sig (p-value)
Regresi	450.123	3	150.041	113.272	0,000
Residual (Error)	292.456	96	3.046		
Total	742.579	99			

Coefficient of Determination (R²)

The results of the study showed that the coefficient of determination (R^2) was 0.780, meaning that 78.0% of the variation in purchasing decisions at Al Ikhwan Bakid Department Store can be explained by the variables of location, price, and product availability. Meanwhile, the remaining 22.0% is explained by other factors outside the variables examined in this study.

Table 6. Results of the F-Test for the Coefficient of Determination (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.883 ^a	.780	.773	,78588

CONCLUSION

Based on the results of the research that has been conducted, it can be concluded that: Store location significantly influences consumer purchasing decisions at Al Ikhwan Bakid Department Store. This indicates that a strategic location facilitates consumer access, thus encouraging increased shopping decisions. Price significantly influences consumer purchasing decisions at Al Ikhwan Bakid Department Store. The more affordable and consistent with consumers' perceived value, the more likely they are to make a purchase. Product completeness also significantly influences consumer purchasing decisions. The availability of complete products that meet consumer needs increases satisfaction and increases purchasing decisions. Simultaneously, store location, price, and product completeness influence purchasing decisions at Al Ikhwan Bakid Department Store, with a contribution of 78.0%, while the remainder is influenced by other variables outside this study.

SUGGESTION

Based on the findings in this study, the author presents several suggestions which are expected to provide a positive contribution to retail management in Islamic boarding school environments, especially the Al Ikhwan Bakid Department Store: The store's strategic location should be maintained and, if possible, its accessibility should be improved to make it more accessible to consumers, especially Islamic boarding school students and the surrounding community. This is crucial for increasing the frequency of visits and purchasing decisions. Pricing strategies should be tailored to the purchasing power of primary consumers, namely students and Islamic boarding school communities. Competitive prices that reflect the product's value can foster consumer loyalty. Product completeness needs to be continuously monitored by providing a variety of products to meet consumer needs. Maintaining the availability of basic goods and other supporting items will increase satisfaction and encourage repeat purchases. This research has limitations in terms of object and time scope, so it is recommended for future researchers to develop other variables such as promotion, consumer service, and product quality, as well as expand the research area in order to obtain more in-depth and generalizable results.

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