



Influence on Prices, Quality of Service and Distribution on Palm Oil Crude Purchase Decisions at PT Bangun Sempurna Lestari Medan

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ABSTRACT

The purpose of this study is to discuss and analyze the Price, Service Quality and Distribution of the Decision to Purchase Crude Palm Oil at PT Bangun Sempurna Lestari Medan. The population and sample in this study were 64 CPO customer participants. The research method uses multiple linear regression analysis techniques. The partial hypothesis calculation results obtained $t_{count} > t_{table}$ or $2.806 > 2,000$ and the significant obtained $0.007 < 0.05$, means the partial significance of positive and significant prices on CPO purchases at PT Bangun Sempurna Lestari. The calculation result of hypothesis testing partially obtained $t_{count} > t_{table}$ or $2.193 > 2,000$ and the significant obtained was $0.032 < 0.05$, meaning partial significance. Positive and significant service to CPO purchases at PT Bangun Sempurna Lestari. The partial hypothesis calculation results obtained $t_{count} > t_{table}$ or $2.059 > 2,000$ and the significant obtained $0.044 < 0.05$, meaning partial. Positive and significant distribution of CPO purchases at PT Bangun Sempurna Lestari. The test results obtained calculated F value $(11,240) > F$ table (2.76) and a significance probability of $0.000 < 0.05$, the simultaneous significance of Price, Service Quality and Distribution is positive and significant for CPO Purchasing Decisions at PT Bangun Sempurna Lestari.

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1. Introduction

1.1 Background

PT Bangun Sempurna Lestari which was founded in 2001 and has a factory is located at PT Bangun Sempurna Lestari which is located on Jalan T. Umar Subulussalam Selatan. In this study only conducted research on Crude Palm Oil products or more commonly called CPO or crude palm oil. Purchasing decisions are very important things to consider because purchasing decisions are things that are used by companies to create marketing strategies that will be carried out. The decision to purchase CPO at PT Bangun Sempurna Lestari has decreased as seen from the CPO sales target that has not been achieved during 2019. The lowest target was not achieved in April at 76%.

Price is an important component of a product, because it will affect producer profits. Prices are also a consideration for consumers to buy, so special considerations are needed to determine these prices. The understanding of price is also very diverse, there are many views that explain the understanding of prices in a market. If the price set by the company is not relevant to the quality and benefits of the product, the customer will be dissatisfied. In the price factor, customers PT Bangun Sempurna Lestari considers that the company's CPO selling price is often higher than other similar companies. To clarify this problem, data on the comparison of the company's CPO price with other similar companies will be displayed.

Good service quality is an effort that can be used by companies in facing competition in the service sector which is closely related to customer satisfaction. The service quality for CPO products at PT Bangun Sempurna Lestari is still not optimal and effective, causing many customers to complain to the company. The highest complaint occurred in December, with 7 complaints regarding unresponsiveness in the services provided and the speed of service provided was still in the slow category, causing disappointment.

Distribution is a process of sending goods from a place to consumers. In the distribution process, one of the things that must be considered is customer satisfaction because customer satisfaction will affect the success of product sales. The distribution of CPO products at PT Bangun Sempurna Lestari is still ineffective and inefficient, so it often disappoints customers, leading to customer complaints. The highest distribution complaints occurred in June 2019 with 6 complaints related to the distribution of CPO. The distribution of



CPO products is still often not on time to reach the location of CPO customers, the CPO stock is still small and not widely available so that it cannot fulfill customer wants and needs in product marketing.

1.2 Price Theory of Purchasing Decisions

According to Manullang and Hutabarat (2013: 205-206), price is a very important decision for marketers, because if the price is too high many potential buyers will disappear, while if the price is too low the company will not get enough profit. At the same time, the price of the product must be decided so that it can cover all expenses (costs) in producing and selling the product and at the same time it benefits the company. Pricing is a dynamic process and is usually determined after considering the company's objectives.

1.3 Service Quality Theory of Purchasing Decisions

According to Tjiptono (2015: 26), in evaluating purchasing decisions for a particular company, the determining factors used can be a combination of the determinants of purchasing decisions for products and services. Generally, what consumers often use is the service aspect and the quality of the products and services purchased.

1.4 Distribution Theory of Purchasing Decisions

According to Nitisusastro (2013: 170), the more companies use distribution channel companies, basically the easier it is for consumers to make purchases.

1.5 conceptual framework

With a conceptual framework that can be described as follows:

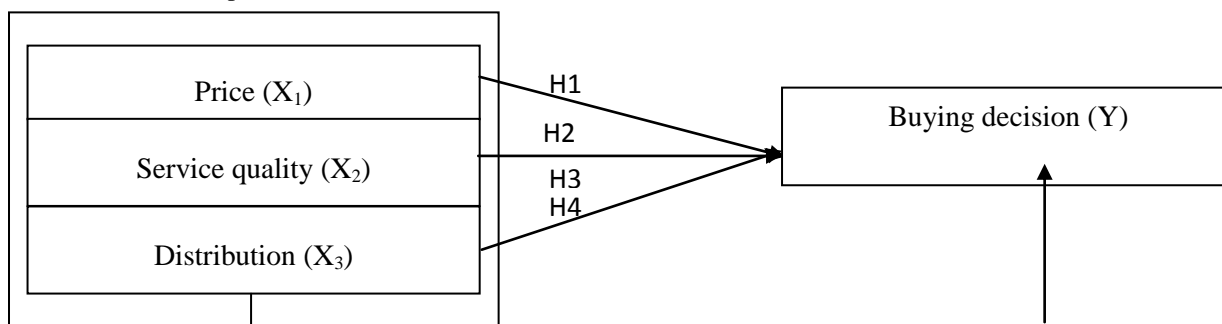


Fig 1. conceptual framework

2. Research methodology

According to Arikunto (2016: 173), the population is the entire research subject. Researchers took the population in this study as many as 64 customers. The sample is a part or representative of the population of the population studied. This research sampling method using saturated sampling. The sample in this study amounted to 64 people. In this study, data collection related to the problems researched by researchers was carried out by means of kuesioner, interview and documentation study.

2.1 Test the Validity and Reliability of Variable Instruments

A. Validity Test

According to Sujarweni (2014: 192), the validity test is used to determine the appropriateness of the items in a list of questions in defining a variable.

In testing the validity of the research instrument, the author uses the SPSS for Windows program using Bivariate Pearson correlation or Pearson Product Moment Correlation with the following criteria:

- 1) If $r_{count} > r_{table}$, then the question is declared valid
- 2) If $r_{hitung} < r_{tabel}$, then the question is declared invalid

B. Reliability Test

According to Ghozali (2016: 47), reliability is a tool for measuring a questionnaire which is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if a person's answer to a statement is consistent or stable over time. UFor testing, the limit used is 0.60. This means that the criteria for an instrument are said to be reliable if the Alpha value is > 0.60 .

3. Results and Discussion

PT Bangun Sempurna Lestari was established in 2001. This company initially took FFB from outside parties and finally in 2002, PT Bangun Sempurna Lestari was a company engaged in the oil palm sector. The company's plantation is located in West Sumatra at the address Bateh Uba Jorong Langgam Hamlet, Kinali, West Pasaman City.

3.1 Classic assumption test

A. Normality test

There are two ways to detect whether the residuals are normally distributed or not, namely:

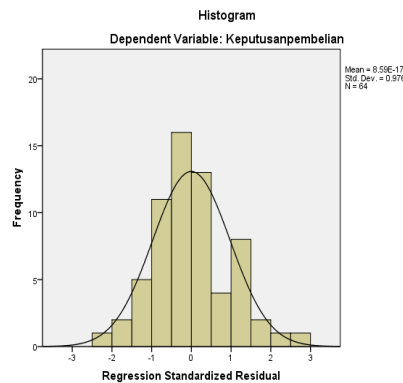


Fig 2. Histogram Normality Test

The histogram graph in Fig 2. shows real data forms curves that tend to be symmetrical (U) does not deviate to the left or right so it can be said that the data is normally distributed.

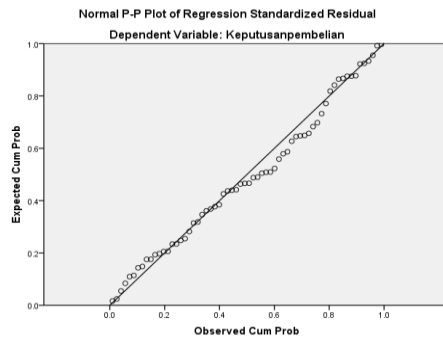


Fig 3. PP Plot Normality Test

Fig 3. The PP Plot Normality Graph shows that the data spreads around the diagonal line, the spread is mostly close to the diagonal line. This means that the data is normally distributed.

Table 1.
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		64
Normal Parameters a, b	Mean	.0000000
	Std. Deviation	6.68468567
Most Extreme Differences	Absolute	.086
	Positive	.086
	Negative	-.044
Kolmogorov-Smirnov Z		.686
Asymp. Sig. (2-tailed)		.735
a. Test distribution is Normal.		
b. Calculated from data.		

Table 1.shows the results of the normality test using the Kolmogorov Smirnov test showing a significant value of $0.735 > 0.05$. Thus, the Kolmogorov Smirnov test results show that the data is normally distributed.

B. Multicollinearity Test

The following are the results of the multicollinearity test, namely:

Table 2.
Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	Price	.853	1,172
	Service quality	.820	1,219
	Distribution	.802	1,248



Model	Collinearity Statistics	
	Tolerance	VIF
1 Price	.853	1,172
Service quality	.820	1,219
Distribution	.802	1,248

a. Dependent Variable: Purchasing decision

Table 2 shows that the tolerance value for the price variable is $0.820 > 0.1$, the service quality is $0.820 > 0.1$ and the distribution is $0.802 > 0.1$, while the VIF value for the price independent variable is $1.172 < 10$, the service quality is $1.219 < 10$ and a distribution of $1.248 < 10$. Thus in the multicollinearity test there is no correlation between the independent variables.

C. Heteroscedasticity Test

The heteroscedasticity test aims to test the difference in residual variance from one observation period to another. There are several ways to detect the presence or absence of heteroscedasticity:

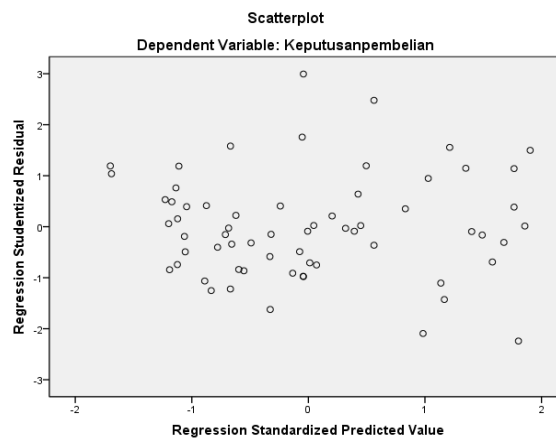


Fig 4. Heteroscedasticity Test

From the scatterplot graph, it can be seen that the dots spread with an unclear pattern both above and below the zero (0) on the Y axis, not gathering in one place, so from the scatterplot graph it can be concluded that heteroscedasticity does not occur in the regression model.

Table 3.
Gletjer test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3,368	1,788		1,883	.064
Price	.003	.055	.006	.046	.964
Service quality	.001	.066	.002	.011	.991
Distribution	.068	.052	.186	1,313	.194

a. Dependent Variable: ABSUT

Table 3 above shows the significant value of the independent variable price of $0.964 > 0.05$, the free variable of service quality of $0.991 > 0.05$ and the independent variable of distribution of $0.194 > 0.05$. Thus, from the results of the Gletjer test, it can be said that there is no heteroscedasticity problem.

4. Results of Research Data Analysis

4.1 Research Model

The regression model used is as follows:

Table 4.
Results of Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4,881	2,853		1,711	.092
Price	.247	.088	.314	2,806	.007
Service quality	.231	.105	.250	2,193	.032
Distribution	.171	.083	.238	2,059	.044

a. Dependent Variable: Purchasing decision

$$Y = 4.881 + 0.247 X_1 + 0.231 X_2 + 0.171 X_3 + e$$

The explanation of the multiple linear regression above is:

- A. A constant of 4.881 states that if the independent variables are price, service quality and distribution are not there or constant, the dependent variable is the purchase decision on amounting to 4,881 units.
- B. The price independent variable regression coefficient is 0.247 and is positive, this means that if each increase in the price of 1 unit of the independent variable will increase the dependent variable of the purchase decision by 0.247 units, assuming the other variables are constant.
- C. The regression coefficient for the independent variable service quality is 0.231 and is positive, this means that if each increase in the independent variable of service quality 1 unit will increase the dependent variable of the purchase decision by 0.231 units with the assumption that the other variables are constant.
- D. The regression coefficient for the distribution independent variable is 0.171 and is positive, this means that if each increase in the distribution of the independent variable 1 unit will increase the dependent variable of the purchase decision by 0.171 units, assuming the other variables are constant.

4.2 Hypothesis Determination Coefficient

Following are the results of testing the coefficient of determination, namely:

Table 5.
Determination Coefficient Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0 1	.600a	.360	.328	6,850

a. Predictors: (Constant), Distribution, Price, Quality of service

b. Dependent Variable: Purchasing decision

Table 5, the test results of the coefficient of determination, obtained an Adjusted R Square value of 0.328, this means 32.8% of the variation in the dependent variable, namely the purchase decision which can be explained by the variation of the independent variables, namely price free, service quality and distribution, while the remaining 67.2% (100% - 32.8%) explained by other variables not examined in this study.

4.3 Simultaneous Hypothesis Testing (Test F)

The F statistical test basically shows whether all the independent variables included in the model have a simultaneous influence test on the dependent variable.

Table 6.
Simultaneous Test (Test F)

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1582,078	3	527,359	11,240	.000a
Residual	2815,156	60	46,919		
Total	4397,234	63			

a. Predictors: (Constant), Distribution, Price, Quality of service

b. Dependent Variable: Purchasing decision

Table 6. Degree of freedom 1 (df1) = k - 1 = 3-1 = 2, and degrees of freedom 2 (df2) = nk = 64-4 = 60, where n = number of samples, k = number of variables, then the value of F table at the level of confidence significance 0.05 is 2.76. The test results show that the value of F count (11.240) > F table (2.76) and a significance probability of 0.000 < 0.05, meaning that Ho is rejected and Ha is accepted, namely that simultaneously Price, Service Quality and Distribution have a positive and significant effect on CPO Purchase Decisions. at PT Bangun Sempurna Lestari.



4.4 Partial Hypothesis Testing (t test)

The t test is used to determine whether there is a significant (significant) relationship or influence between the independent variables partially on the dependent variable.

Table 7.
Partial Test (t test)

	Model	Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	4,881	2,853		1,711	.092
	Price	.247	.088	.314	2,806	.007
	Service quality	.231	.105	.250	2,193	.032
	Distribution	.171	.083	.238	2,059	.044

a. Dependent Variable: Purchasing decision

This the results of partial hypothesis testing can be explained as follows:

- A. The results of the calculation of the partial hypothesis testing obtained $t_{count} > t_{table}$ or $2.806 > 2,000$ and the significance obtained was $0.007 < 0.05$, means that H_0 is rejected and H_a is accepted, namely partially Price has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.
- B. The results of the calculation of the partial hypothesis testing obtained $t_{count} > t_{table}$ or $2.193 > 2,000$ and the significance obtained was $0.032 < 0.05$, means that H_0 is rejected and H_a is accepted, namely partially Service Quality has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.
- C. The results of the calculation of the partial hypothesis testing obtained $t_{count} > t_{table}$ or $2.059 > 2,000$ and the significance obtained was $0.044 < 0.05$, means that H_0 is rejected and H_a is accepted, namely partial distribution has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.

5. Conclusion

Based on the results and discussion that can be collected, namely:

- A. Partially Price has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.
- B. Partially Service Quality has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.
- C. Partially the distribution has a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.
- D. Simultaneously Price, Service Quality and Distribution have a positive and significant effect on the CPO Purchase Decision at PT Bangun Sempurna Lestari.

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