Predicting the Mediating Impact of Consumer Preferences in Relation to Product Quality, Price, Promotion on Purchasing Decisions on Minaku Edamame Products Pt Kelola Agro Makmur

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Abstract
This study was conducted to analyze the effect of product quality, price and promotion on consumer preferences. to analyze the effect of product quality, price and promotion on consumer purchasing decisions, to analyze the effect of consumer preferences on purchasing decisions and to analyze the effect of product quality, price and promotion on consumer purchasing decisions with consumer preferences as a mediating variable. This research was conducted using a Quantitative research method approach. consumers of PT. Kelola Agro Makmur who have bought Edamame Minaku, and the number cannot be ascertained. The sample in this study were 115 respondents. By using Path Analysis. The results showed that product quality, price, promotion have an effect on consumer preferences. The results of this study indicate that product quality, price, promotion have an effect on purchasing decisions. The results of this study indicate that Consumer Preferences have an effect on Purchasing Decisions. And Product Quality, Price and Promotion have an effect on Purchasing Decisions through Consumer Preferences as a mediating variable.

Keywords: Product Quality, Price, Promotion, Consumer Preferences, Purchasing Decisions

1. Introduction
1.1 Introduce the Problem
The development of the world’s agricultural industry is currently experiencing a very rapid and significant development. The agricultural industry has very good prospects and can be developed in accordance with increasing market needs. China is one of the countries that has dominated and controlled the world agricultural industry in recent years, while Japan and the USA have become one of the potential market destinations. The need and demand for agricultural products in the global market during the Covid 19 pandemic experienced an increasing trend in both fresh and frozen processed products. This is a challenge for several countries in the world, especially Indonesia, to focus more on developing and taking an important role in the global agricultural industry.
Edamame (Japanese soybeans) is one of the products with high demand and has increased sales every year.

1.2 Explore Importance of the Problem

The Covid 19 pandemic has resulted in increased demand for Edamame products, especially for the market in the USA, this illustrates that during the pandemic the awareness of the world community to consume healthy food has increased, including in Indonesia. The largest market for Edamame products is currently still dominated by Japan, with Taiwan as the largest producer and followed by China, Thailand and Indonesia according to the following graph:

![Edamame Import Data in Japan for the period 2010-2019](source)

Source: Japan custom statistics

Figure 1.1 Edamame Import Data in Japan for the period 2010-2019

Based on Figure 1.1 shows that import data for Edamame products in Japan has increased significantly every year and in 2010 there were 66,819,828 kg to 77,571,425 kg in 2019. This shows that consumers in Japan really need these Edamame products.

![Edamame Import Data in Japan by Country](source)

Source: Japan custom statistics

Figure 1.2 Edamame Import Data in Japan by Country
Based on Figure 1.2 shows that Indonesia is still inferior to neighboring countries that are commodities for Edamame products in Japan. Meanwhile, Indonesia is an agricultural country where the agricultural sector plays an important role in national development. The Indonesian government continues to encourage efforts to improve the agricultural sector to produce quality agricultural products. Indonesia is a tropical country that has the advantage compared to subtropical countries that can do planting/cultivation throughout the year. Thus, Indonesia should have high competitiveness of agricultural products in the global market. There are still not many business players in the agricultural industry in Indonesia and the level of competition is still small, so it has a huge opportunity to be developed. One of the agricultural industry players is PT Kelola Agro Makmur (KAM) which is located in Temanggung Regency, Central Java.

Purchasing decisions are consumer decisions regarding what to buy, whether to buy or not, when to buy, where to buy, and how to pay (Sumarwan, 2003). Consumer decisions to modify, delay or avoid purchasing decisions are strongly influenced by perceived risk. The amount of risk thought varies according to the amount of money at stake, the amount of attribute uncertainty, and the amount of consumer confidence (Kotler, 2012). Purchasing decisions can be defined as a process in which consumers evaluate various alternative choices and choose one or more alternatives based on certain considerations. Purchasing decisions made by consumers illustrate how far the level of influence of marketing efforts made on a product so that marketers must know consumer preferences in terms of determining their purchasing decisions.

Consumer preferences are formed from the tendency of consumers to take action on objects, these consumer actions to assess an object that they are interested in having. Preference is a comprehensive evaluation and allows a person to respond in a way that is favorable or not to the object being assessed. The results show that promotion has a positive effect on repeat purchases directly and repeat purchases indirectly affect through the mediation of consumer preference variables. This study proves that consumer preferences can be a good mediating variable between promotions and repurchases. This research was conducted by (Adelia, 2018).

1.3 Describe Relevant Scholarship
Consumers who already have a positive attitude towards a product or brand, will lead to a purchase decision for that product or brand. The decision as a drive, which is a strong stimulus that motivates action, where this drive is influenced by stimulus and positive feelings about the product (Kotler, 2006). If the stimulation is strong and positive, it will encourage consumers and increase their purchasing decisions, on the other hand, if the stimulation or encouragement is weak and does not affect consumer feelings, it will affect their purchasing decisions weakly. If the stimuli or encouragement provided exceeds expectations, consumers will be able to receive positive or pleasant feelings so that they have stronger purchasing decisions and the impact appears to buy and make purchasing decisions.

Consumers can make and make purchasing decisions based on several factors such as product quality, price preference and sales promotion. Kotler and Armstrong (2015) define product quality as follows: "Product quality is the characteristics of a product or service that bear on its ability to satisfy stated or implied customer needs" which means that a product is anything that is offered to the market for attention, acquisition, use or consumption that can satisfy wants or
needs. According to Oentoro (2010) product quality is something that needs the main attention of companies or producers, considering that the quality of a product is closely related to consumer satisfaction, which is the goal of marketing activities carried out by the company.

1.4 State Hypotheses and Their Correspondence to Research Design

PT KAM produces and sells Edamame for the domestic market with 2 types of products, namely fresh Edamame and frozen Edamame. Fresh Edamame products go through a very simple process, Edamame raw materials are sorted according to quality standards then packaged and marketed. Fresh Edamame market competition with local small-scale players in cooperation with local farmers. Frozen Edamame products go through a complete process using automatic machines starting from raw materials, washing, sorting, grading, boiling, freezing, final sorting, packaging, and then marketed. The local frozen Edamame market competition is very minimal with only companies in Jember, namely PT Mitra Tani 27 and PT Gading Mas, so the opportunity for the development of the Frozen Edamame market is very large.

PT KAM produces and markets frozen Edamame products using the Daitsabu and Minaku brands with different qualities and of course different market segments. The Daitsabu brand is a premium Edamame product marketed to the upper-middle class, while the Minaku brand is marketed in traditional markets for the lower-middle class segment.

PT KAM is currently focused on developing the domestic market, especially frozen Edamame products, to continue to provide opportunities for local players to meet the needs of fresh Edamame. PT KAM's frozen Edamame products have advantages over competitors' products, namely larger size, greener color, and sweeter taste due to planting areas at higher altitudes of 400 - 800 M above sea level. Although in terms of quality, PT KAM's Edamame products have advantages, it is not easy to take over the market share of existing Edamame competitors. PT KAM is a newcomer to frozen Edamame products in the domestic market, so it still requires time and the right strategy in controlling the market.

Sales of Edamame products in the domestic market for both fresh and frozen Edamame have increased every year. Sales of fresh Edamame decreased in 2021 because raw materials were prioritized to meet the needs of frozen Edamame for the export market which experienced an increase in demand. this can be seen based on the sales data for 2019, 2020 and 2021 presented, it can be seen that in general the sales figures for frozen Edamame have increased from the first year (2019) to 2021. However, based on this data, it shows that sales figures have increased insignificantly and tend to stagnate, besides that Edamame Minaku products are newcomer products compared to other brands in the market. This is a new challenge for PT KAM to increase consumer purchasing decisions so that it is expected to increase greater sales figures in the coming years in accordance with the existing market potential.

Hypotheses

H1: It is suspected that there is an influence of product quality variables on consumer preferences.

H2: It is suspected that there is an effect of price variables on consumer preferences.
H3: It is suspected that there is an influence of the promotion variable on consumer preferences.

H4: It is suspected that there is an influence of consumer preference variables on consumer purchasing decisions.

H5: It is suspected that there is an influence of product quality variables on consumer purchasing decisions.

H6: It is suspected that there is an influence of the price variable on consumer purchasing decisions.

H7: It is suspected that there is an influence of the promotion variable on consumer purchasing decisions.

H8: It is suspected that there is an effect of product quality variables on consumer purchasing decisions through consumer preferences as a mediating variable.

H9: It is suspected that there is an effect of the price variable on consumer purchasing decisions through consumer preference as a mediating variable.

H10: It is suspected that there is an effect of promotional variables on consumer purchasing decisions through consumer preferences as a mediating variable.

2. Method

Based on the objectives to be achieved, this research is explorative research because the aim is to find the effect of Product Quality, Price, Promotion on Purchasing Decisions with consumer preference as a mediating variable. This research is a problem solving (Malhotra, 2012) whose purpose is to find out how to influence Purchasing Decisions. This kind of research also referred to as a causal study. In terms of how the data is collected, it is survey research. The survey method is by taking a sample using a questionnaire as a primary data collection tool. In terms of the time dimension, it is a cross-sectional study where this research is conducted to find out how the variations and relationships or samples studied at a certain time.

2.1 Identify Subsections

According to Sugiyono (2018) Population is the whole subject under study. Departing from this, it can be understood that the population is individuals or groups or all subjects to be studied in a study. In accordance with this opinion, the population used by researchers is consumers of PT. Kelola Agro Makmur who have bought Edamame Minaku, and the number cannot be ascertained.

2.2 Participant (Subject) Characteristics

1. Primary data, namely research data obtained directly from original sources (not through intermediary sources) and data collected specifically to answer research questions in accordance with the wishes of the researcher. The type of data used as hypothesis testing data is primary data obtained from consumers of PT. Kelola Agro Makmur as respondents with the main instrument in the form of a questionnaire submitted to Edamame Minaku consumers.

2. Secondary data is data obtained from existing sources in the form of documents or archives.
2.3 Sampling Procedures
According to Sugiyono (2020), the sample is the number and characteristics determined by a population. Determination of the sample used in this study using purposive sampling technique. According to Sugiyono (2020) the sampling technique is based on certain considerations and is required to be able to represent the population to be studied, so it is very feasible to be used as a sample. Respondents in this study were consumers who had bought PT Kelola Agro Makmur's Edamame Minaku products.

2.3.1 Sample Size, Power, and Precision
To determine the number of samples, namely using how to multiply the number of indicators by 5-10 (Hair et al, 2010) is based on the number of all question items in the study multiplied by 5-10. In this study using a total of 23 indicators, so 10 multiplied by 23 to 230 is the maximum limit of respondents, while 5 multiplied by 23 to 115 respondents is the minimum limit of respondents. With limited resources, the researcher took 115 respondents.

2.3.2 Measures and Covariates
Variable measurement in this study uses a Likert scale, in which respondents are asked to provide answers to alternative answers. The Likert scale is used to measure the attitudes, opinions and preferences of a person or group of people about social phenomena Sugiyono (2013). The questionnaire is a number of written questions used to obtain information from respondents in the sense of reports about their personal or known things Arikunto (2019). The questionnaire used in this case is a closed questionnaire, which is a questionnaire that has provided answers so that the respondent only has to choose and be answered directly by the respondent. In addition, the question items are asked and alternative answers are also provided. Questionnaire data in the form of qualitative data needs to be converted into quantitative data using symbols in the form of numbers.

By using a scale range of 1 to 5, where the higher the score given, the better the value of the indicator.

2.3.3 Research Design
Data analysis is to decompose the whole into smaller components to determine the dominant component, compare one component with another, and compare one or several components with the whole. Data analysis techniques are used to answer problem formulations or test hypotheses that have been formulated. Validity and reliability tests are tests carried out on research instruments. These two tests are carried out to determine whether each research instrument is suitable for use in research. The instrument in this study is to use a questionnaire.

2.3.4 Experimental Manipulations or Interventions
To determine the effect of mediator variables, namely organizational culture on performance through person organization fit, the Sobel Test is used. Testing the mediation hypothesis can be done with a procedure developed by Sobel (1982) and known as the Sobel Test (Kline, 2011).

This Sobel test is conducted by testing the strength of the indirect effect of the independent variable (X) on the dependent variable (Z) through the intervening variable (Y). The indirect
effect is obtained by multiplying the path coefficient of each relationship. To test the significance of the indirect effect, calculate the t value of the coefficients a (Pyx) and b (Pzy) with the following formula:

\[ t = \frac{ab}{S_{ab}} \]

Note:
\[ a = Pyx \]
\[ b = Pzy \]
\[ S = \text{standar error} \]

According to Sugiyono (2013) path analysis is part of a regression model that can be used to analyze the causal relationship between one variable and another. Path analysis is used by using correlation, regression and path so that it can be known to arrive at the intervening variable. As for the opinion of Riduwan and Kuncoro (2014) the path analysis model is used to analyze the pattern of relationships between variables with the aim of knowing the direct or indirect effect of a set of independent variables (exogenous) on the dependent variable (endogenous).

3. Results
Characteristics of respondents based on gender can be grouped as follows:

3.1 Recruitment
Based on the total percentage of gender, the highest is female, namely 95 respondents or 82.6%, and the total percentage of male gender is 20 respondents or 17.4%. This means that female consumers are more dominant in the sample response, this proves that customers of PT KAM logistics services are more women than men.

Based on the data shows that the highest respondents at the age of 40 - 50 years are 47%. For ages> 50 years in second place with a percentage of 30.4%, ages 18 - 28 years in third place, namely 13%, while for ages under 29 - 39 years are in fourth place with a percentage of 8.6%, based on the data above, it can be concluded that ages 40 - 50 are more dominant consumers of PT. KAM and become customers.

Based on the data, it shows that the highest respondents are in the Private Employee category at 49%. For ASN / PNS in second place with a percentage of 22%, for Students / Students in third place, namely 17%, while for entrepreneurs it is in fourth place with a percentage of 8%, and the category of work fields other than those mentioned is 4% based on the data above, it can be concluded that Private Employees are more dominant consumers of PT. KAM and become customers.

3.2 Statistics and Data Analysis
Hypothesis testing and the coefficient of direct influence between the research variables can be seen from the significant value at \( \alpha = 0.05 \). The following will fully describe one by one hypothesis testing as mentioned in the previous chapter.

H1: The Effect of Product Quality on Consumer Preferences
Hypothesis Testing H1 From table 4.14 above, it can be seen that the Beta value is 0.489 with a significance below 5%, which is indicated by the t-statistic value of 3.534 which is greater than the t-table value of 1.658. The significance value indicates that Product Quality has a positive and significant effect on Consumer Preference. Based on the regression results, it can be concluded that the first hypothesis is accepted.

H2: The Effect of Price on Consumer Preference

Hypothesis Testing H2 From table 4.14 above, it can be seen that the Beta value is 0.474 with a significance below 5%, which is indicated by the t-statistic value of 2.213 which is greater than the t-table value of 1.658. The significance value indicates that Price has a positive and significant effect on Consumer Preference. Based on the regression results, it can be concluded that the second hypothesis is accepted.

H3: The effect of Promotion on Consumer Preference

Hypothesis Testing H3 From table 4.14 above, it can be seen that the Beta value is 0.625 with a significance below 5%, which is indicated by the t-statistic value of 2.119 which is greater than the t-table value of 1.658. The significance value indicates that Promotion has a positive and significant effect on Consumer Preference. Based on the regression results, it can be concluded that the third hypothesis is accepted.

H4: The Effect of Product Quality on Purchasing Decisions

Hypothesis Testing H4 From table 4.14 above, it can be seen that the Beta value is 0.413 with a significance below 5%, which is indicated by the t-statistic value of 3.687 which is greater than the t-table value of 1.658. The significance value indicates that Product Quality has a positive and significant effect on Purchasing Decisions. Based on the regression results, it can be concluded that the fourth hypothesis is accepted.

H5: The Effect of Price on Purchasing Decisions

Hypothesis Testing H5 From table 4.14 above, it can be seen that the Beta value is 0.312 with a significance below 5%, which is indicated by the t-statistic value of 2.807 which is greater than the t-table value of 1.658. The significance value indicates that Price has a positive and significant effect on Purchasing Decisions. Based on the regression results, it can be concluded that the fifth hypothesis is accepted.

H6: The Effect of Promotion on Purchasing Decisions

Hypothesis Testing H6 From table 4.14 above, it can be seen that the Beta value is 0.324 with a significance below 5%, which is indicated by the t-statistic value of 1.930 which is greater than the t-table value of 1.658. The significance value indicates that Promotion has a positive and significant effect on Purchasing Decisions. Based on the regression results, it can be concluded that the sixth hypothesis is accepted.

H7: The Effect of Consumer Preferences on Purchasing Decisions

Hypothesis Testing H7 From table 4.14 above, it can be seen that the Beta value is 0.463 with a significance below 5%, which is indicated by the t-statistic value of 2.314 which is greater than the t-table value of 1.658. The significance value indicates that Consumer Preferences have a
positive and significant effect on Purchasing Decisions. Based on the regression results, it can be concluded that the seventh hypothesis is accepted.

3.3 Ancillary Analyses

Hypothesis testing and the coefficient of indirect influence between research variables can be seen from the sobel test value of more than 1.96. The following will fully describe one by one hypothesis testing as mentioned in the previous chapter.

H8: The effect of Product Quality on Purchasing Decisions through Consumer Preferences as a mediating variable

Hypothesis Testing H8 From table 4.15 above, it can be seen that the results of the sobel test calculation above get a value of 2.038, because the sobel test value obtained is 2.038 > 1.96 with a significance level of 5%, it proves that Consumer Preferences are able to mediate the relationship between the influence of Product Quality on Purchasing Decisions. Based on these results it can be concluded that the eighth hypothesis is accepted.

H9: The effect of price on purchasing decisions through consumer preference as a mediating variable

Hypothesis Testing H9 From table 4.15 above, it can be seen that the results of the sobel test calculation above get a value of 2.587, because the sobel test value obtained is 2.587 > 1.96 with a significance level of 5%, it proves that Consumer Preference is able to mediate the relationship between the effect of Price on Purchasing Decisions. Based on these results it can be concluded that the ninth hypothesis is accepted.

H10: The effect of Promotion on Purchasing Decisions through Consumer Preferences as a mediating variable

Hypothesis Testing H10 From table 4.15 above, it can be seen that the results of the sobel test calculation above get a value of 2.569, because the sobel test value obtained is 2.569 > 1.96 with a significance level of 5%, it proves that Consumer Preference is able to mediate the relationship between the influence of Promotion on Purchasing Decisions. Based on these results it can be concluded that the tenth hypothesis is accepted.

4. Discussion

1. Product quality, Price, Promotion affect Consumer Preference
5. Price affects Purchasing Decisions through Consumer Preference as a mediating variable
Acknowledgments
In the results of this study also prove that Consumer Preferences as moderation can prove the hypothesis tested, meaning that the influence of Product Quality, Price, Promotion has an effect on Purchasing Decisions, based on the results of the analysis it is recommended that companies provide opportunities for consumers to freely provide criticism and suggestions that can build the company's image.

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