

The Effect of Product Innovation, Price, and Service Quality on Purchasing Decisions for Herbalife Products

Yulia Anggraini^{1*}, Nanda Meilania Putri²

¹² IAIN Ponorogo, Indonesia

Email: ¹anggraini@iainponorogo.ac.id, ²nandameilaniap978@gmail.com

Article Info

Article history: Received January 10, 2023 Revised March 1, 2023 Accepted June 2, 2023

*Corresponding author email: anggraini@iainponorogo.ac.id

Keywords:

product innovation, price, quality service, purchase decision.

Abstract

Introduction: Purchasing decisions are individual activities and are directly involved in making decisions to purchase products offered by sellers. Consumer purchase decisions can occur if product innovation, prices and services provided are appropriate and satisfy consumers. This study aims to determine the effect of Product Innovation, Price, and Service Quality on Purchasing Decisions at Rumah Nutrition Melodina Club Dolopo Madiun. Research Methods: This study uses quantitative methods, using primary data. This study uses a census study technique, with a total sample of 62 respondents. The data analysis technique used in multiple linear regression analysis. Results: Product innovation has a positive and significant effect on purchasing decisions, Price partially has a positive and significant effect on consumer purchasing decisions, Service quality partially has a positive and significant effect on consumer purchasing decisions, the coefficient of determination R2 (Adjusted R Square) is positive at 0.789 and the Fcount value is 76.953> Ftable value of 2.68 so product innovation, price and service quality simultaneously have a positive and significant effect on purchasing decisions Conclusion: Based on the results of the study, it can be concluded that product innovation partially affects consumer purchasing decisions, price partially affects consumer purchasing decisions, service quality affects consumer purchasing decisions and

	product innovation, price and service quality simultaneously affect purchasing decisions.
DOI: 10.21154/joie.v2i2.3968 Page: 76-92	Joie with CC BY license. Copyright \tilde{C} 2023, the author(s)

INTRODUCTION

Currently, the growth and activities of Indonesian society are progressing very rapidly. Busyness in activities, especially work, could be more relaxed. This makes people expect a fast and instant process in facilitating an activity, one of which is in the field of food. In Indonesia, there are many food industries that have developed, one of which is fast food restaurants such as Junk Food and hangout places. Seeing this, it is not surprising that most of them are obese due to an unhealthy diet (A.H, 2017).

Based on these problems, many weight management products have sprung up ranging from nutritional products, diet pills, slimming milk and many more. One of the most recognized weight management products in the community is Herbalife Nutrition products. Herbalife Nutrition is a company engaged in the fitness industry. The company was founded by Mark Huges in California, Loss Angeles in 1980. Until now, Herbalife Nutrition products have grown in 90 countries and have more than 8,000 employees worldwide, and have sponsored 250 teams and athletes in the world, including Cristiano Ronaldo, MLS Champions, U.S. Triathlete Heather Jackson, LA Galaxy, Indian Cricket Star, and many more (*Herbalife*, n.d.).

Purchasing decisions are very important. There are many things that can influence consumer purchasing decisions. Companies must have a strategy in order to attract consumers to make purchases of a product (Sari, 2020). The factors of purchasing decisions that researchers consider are product innovation, price, and service quality. Innovation is very important for business survival in business competition. Kotler and Armstrong explain that product innovation is a product that is developed focusing on customer problems and finding new ways to provide a more satisfying experience (Philiph Kotler ; Gary Amstrong, 2019).

The findings of this study are supported by previous research conducted by Henny Indriani in 2016 with the title "The Effect of Price, Service Quality, and Product Innovation on Purchasing Decisions at Hot Dog Culinary Businesses, Oh Dough Medan". Previous research shows that product innovation has a positive and significant effect on purchasing decisions (Indriani, 2016) (Ulya, 2015). The results of previous studies show that the product innovation variable has a partially significant effect on purchasing decisions (Asrori, 2016).

The second factor besides product innovation is price. Price is the most important factor when consumers buy goods and services. Consumers are more likely to make repeat purchases when the price matches the benefits. According to Kotler and Armstrong, price is a proportion of the size of the individual value of the goods purchased. Consumers will pay a high value if they get a high level of satisfaction with the goods or products to be purchased.

Conversely, if they get satisfaction with an item that is low, then they will pay a low or cheap price for it (Philiph Kotler ; Gary Amstrong, 2019).

The purchase decision is one of the stages of the purchasing decision process after the purchase action. In this case, consumers have been faced with several choices beforehand so that at this stage consumers decide to buy a product based on the choices that have been determined according to their wishes (Yenni Arfah SE., 2022). According to Indriani in her research, the factors that influence purchasing decisions are price, service quality, and product innovation (Indriani, 2016). Findings that are in line with the results of this study were also found in previous research by Azrozi that purchasing decision factors are influenced by product innovation and service quality (Asrori, 2016).

According to Kotler, there are 4 indicators in making a purchase decision, including:

- 1) Stability in a product, namely consumer confidence in determining or choosing a product to be purchased.
- 2) The habit of buying products, namely the habit of consumers buying the same product because of the belief that the product will meet their expectations
- 3) Recommending to others, namely the willingness to recommend products that are used, consumed or feel the benefits to the closest people, family members and other people both in terms of product quality, satisfying service and the benefits that will be obtained from purchasing these products.

Repurchase, namely the willingness to revisit and buy products that have been purchased and feel their quality (Tjiptono, 2014). The results of this study are reinforced by the findings of previous research conducted by Yulianita Wiwid Susanto in 2017 with the title "The Effect of Product Innovation, Product Quality, and Price on Purchasing Decisions at Ferissa Bakery and Cake Shop Bantul Yogyakarta", and the results showed that price has a significant effect on purchasing decisions (Susanto, 2017).

Another factor that influences purchasing decisions is service quality. Quality of Service is an effort to meet the needs and desires of consumers by balancing consumer expectations. Service in an Islamic perspective is based on several characteristics of Allah SWT including Shiddiq, Amanah and Fathonah, Tablig and Istiqomah. A business that is run, an entrepreneur must instill honesty to all members or personal and consumers. The term amanah means trustworthy, responsible, open, punctual, the seller can explain the characteristics, quality, and price of the merchandise to the buyer without exaggerating the specifications so that the truth is one of the most important trader characters and is approved by Allah SWT. Islam teaches that if you want to provide good and maximum business results, as much as possible provide adequate quality for consumers (Hafidudin & Tanjung, 2003).

Kotler and Armstrong state that there are 3 indicators of product innovation, including the following: 1) Product Features, 2) Product Design and Design, 3) Product Quality (Tjiptono, 2014). Based on product innovation variables, according to the results of interviews with the owner of the Melodina Club nutrition house, there is no application in terms of product innovation because the process of serving Herbalife products is only in a blender and there are no other variants as toppings or additional presentations. However, consumer interest in purchasing decisions for Herbalife products is still increasing (Ginanjar, n.d.).

Pricing is a seller's ability to differentiate its offerings from other competitors. Therefore, pricing can be considered as part of the product differentiator function in marketing. Price is used as a benchmark for consumers who have difficulty assessing the quality of the products offered for their needs and desires. Prices are relatively high if consumers want goods with good product quality or quality, and vice versa, prices are relatively low if consumers want goods of medium or mediocre quality (Sudaryono, 2016).

Pricing is measured by several appropriate indicators based on consumer perceptions. According to Kotler and Armstrong, explaining that pricing must start with consumer value with several indicators including the following: 1) The price is in accordance with the benefits, 2) The price of goods is affordable, 3) Competitive prices, namely the match between price and quality (Philiph Kotler ; Gary Amstrong, 2019). It can be said that the price of Herbalife products is quite expensive when compared to other weight management products such as WRP products whose prices start from IDR 40,000 - IDR 250,000, Chinese Teak Tea products IDR 30,000, Flimty Fiber IDR 295,000 and many more competing products in circulation but Herbalife is still the choice of consumers to carry out their weight management program (Ginanjar, n.d.).

Based on interviews with the owner, it can be seen that there are quite a lot of Herbalife consumers at Melodina Club. Meanwhile, based on the theory of Philip Kotler & Garry Armstrong, prices are positioned to influence consumer purchases, higher prices lead to lower purchasing decisions and lower prices, on the contrary, purchasing decisions will be higher (Philiph Kotler ; Gary Amstrong, 2019), but this is inversely proportional to the reality in the field, one of which is in this Melodina Club nutrition house. One of the most important metrics for company survival in a highly competitive industry is quality. Quality is defined as a set of product characteristics that support its ability to meet specific or specified needs (Indrasari, 2019). Tjiptono explains that service quality is a combination of properties and characteristics that determine the extent to which spending can meet consumer needs. In addition, service quality is a dynamic condition related to products or services, people and the environment (Lupiyoadi, 2014)

A business run by an entrepreneur or company, of course, is based on several main things which include a trustworthy and knowledgeable and skilled personality. The meaning of the words amanah and knowledge which are then described in an Islamic perspective are (Hafidudin & Tanjung, 2003): 1) Shiddiq, It means true and honest, not lying in carrying out various business transactions. Amanah and Fathonah, 2) Tablig, Is an ability to communicate well, 3) Istiqomah, It means being consistent in running and implementing the points above despite the many obstacles faced. CARTER consists of 6 indicators of service quality including Compliance, Assurance, Reliability, Tangibles, Empathy, Responsiveness (Purnama, 2006). 1) Compliance or Islamic Principles, 2) Assurance or Warranty, and 3) Reliability. Based on service quality variables, according to the results of interviews with Melodina Club customers, namely Mrs. Santi, she said that due to the lack of punctuality of the NC (Nutrition Club) owner, consumers had to wait a long time for breakfast and customers had to wait a long time when going to breakfast. long time when going to breakfast. In addition, related to facilities, the parking lot is less spacious and has to fight with BRI Bank customers because the location is next to each other and there is a lack of explanation regarding tips and tricks for diet programs from the mentor or coach at Melodina Club (Santi, 2023).

While based on theory, in an Islamic perspective a business or business is certainly based on several things such as a trustworthy or trusted personality and knowledgeable and skilled. The meaning of the word trustworthy and knowledge which is then described in an Islamic perspective is based on several characteristics of Allah SWT which include Shiddiq, Amanah and Fathonah, Tablig and Istiqomah. Amanah means trustworthy, responsible, open, punctual, the seller can explain the characteristics, quality and price of merchandise to buyers without exaggerating the specifications. Islam teaches that if you want to provide good and maximum business results, as much as possible provide adequate quality for consumers. This is explained in the Al-Qur'an Surah Al-Baqarah verse 267 which emphasizes that Islam is very concerned about quality service, providing the best and not the bad for consumers (Hafidudin & Tanjung, 2003).

This is inversely proportional to the facts in the field at the Melodina Club nutrition house where customers continue to make this nutrition house their choice for a weight management program even though the quality of service is not optimal. Based on the background above, the author finds an interesting thing to research with the title "The Effect of Product Innovation, Price, and Service Quality on Purchasing Decisions for Herbalife Products at the Melodina Club Nutrition House Dolopo Madiun".

RESEARCH METHOD

Research Method is designed to describe the nature of the data. The method should be well elaborated and enhance the model, the approach to the analysis and the step taken. Equations should be numbered as we illustrate.

This section typically has the following sub-sections: Sampling (a description of the target population, the research context, and units of analysis; the sample; and respondents' profiles); data collection; and measures (or alternatively, measurements).

The research methodology should cover the following points: Concise explanation of the research's methodology is prevalent; reasons for choosing the particular methods are well described; the research's design is accurate; the sample's design is appropriate; the data collection processes are properly conducted; the data analysis methods are relevant and state of the art.

In line with the research objectives and theoretical studies that have been described above, then critically and systematically analyzed, describing the framework for thinking about the effect of product innovation, price and service quality on consumer purchasing decisions. In this study, it can be seen that there are three independent variables and one dependent variable. The three independent variables include product innovation, price and service quality, while the dependent variable is purchasing decisions. The conceptual model of this research can be explained through the theoretical framework in the figure below:



Figure 1. Framework

Description:

: partially
: Simultaneously

Research design is a research pattern or model used to facilitate researchers in conducting their research. This study uses quantitative research methods, namely measured research that produces numbers and is analyzed with descriptive and inferential statistics (Surya & Abdillah, 2019).

The reason the researcher chose this location was because he saw the opportunities and business development of Herbalife Nutrition for the future. In terms of the benefits of the product as a meal replacement nutrient for weight management and the advantages of products that can be consumed by various ages, the necessity for humans to maintain their health is very necessary. While in the current era, it can be seen around us that more and more people are obese due to lack of awareness of health, so that's where the opportunity is. Thus, the research location determined can help researchers in the research process.

The sampling technique used in this study is a census study, or "a research sampling technique that uses all members of the population as a sample" (Purwito, 2017). This is done considering the relatively small population so that researchers can conduct research on all members of the population. Therefore, the sample size in this study was all customers at the Melodina Club Nutrition House Dolopo Madiun as many as 62 respondents (Ginanjar, n.d.) In this study, the data source used is the primary data source. Primary data is data that comes from either original sources or first parties or individuals such as the results of interviews or filling out questionnaires (Abdullah, 2015). The main data of this study comes from the results of distributing questionnaires to Melodina Club Dolopo Madiun customers.

A. Instrument Validity and Reliability

1. Validity Test

The validity test in this study uses construct validity. Purwito states that "construct validity is a measuring tool that is done by correlating the score obtained on each item with the total score" (Purwito, 2017).

$$r_{xy} = \frac{N(\sum xy) - (\sum x)(\sum y)}{\sqrt{\left[(N\sum x^2 - (\sum x)^2\right]\left[N\sum y^2 - (\sum y)^2\right]}}$$

Description:

r_{xy} : Correlation coefficient xy.

N : Number of research samples.

 ΣX : Number of statement item scores.

 Σ Y : Total score (Purwito, 2017).

According to Sujarweni, the validity test should be carried out on each question item to test its validity. The results of r count are compared with r table where df = n-2 with 5% sig. If r table < r count then valid and vice versa if r count < r table means invalid. The implementation of this validity test with the help of SPSS shows that r_{count} is more prominent than r_{table} , so the things proclaimed in this exploratory survey are valid (Sujarweni & Wiratna, 2014).

2. Reliability Test

The reliability test in this study used Cronbach's Alpha (α) which was completed with the help of the SPSS program. The formula for calculating the Cronbach's Alpha value according to Purwito's explanation is as follows:

$$\alpha = \frac{r}{1 + (k-1)r}$$

Description:

 α = Cronbach's Alpha reliability.

k = Number of statements in the scale.

r = Average correlation between items (Purwito, 2017).

According to Sujarweni, "Reliability tests can be carried out jointly on all question items. If the Alpha value is > 0.60 then it is declared reliable". Given the calculation of the use of the SPSS assistance program, it is very likely that the Cronbach alpha value of all exploration factors is above 0.60 so that it can be said to be ireliable (Sujarweni & Wiratna, 2014).

B. Data Processing and Analysis Techniques

1. Classical Assumption Test

a) Normality Test

This test aims to decide whether each variable is spread or not and is needed to test various factors in the hope that the surviving prices follow a typical distribution. This normality test is useful for assessing residuals that have distinctive characteristics. In detecting whether the residuals are normally distributed or not, namely by means of graph analysis and statistical tests (Ghozali & Latan, 2014). In this study, we will use the One Sample Kolmogrov-Smirnov test with a significance level of 0.05. Data is declared normally distributed if the significance is greater than 5% or 0.05.

b) Heteroscedasticity Test

The heteroscedasticity test aims to test whether or not the variance of residuals in one observation is the same with other observations (Purwito, 2017). If the residuals have the same variance and significant correlation <0.05 then heteroscedasticity occurs.

c) Multicollinearity Test

According to Sunyoto, the purpose of the multicollinearity test is to determine whether a regression model finds similarities or correlations between independent variables in one model. A strong correlation is obtained when there is a correlation or similarity in the variables, but a good regression model should not have a correlation between the independent variables. The correlation value is obtained from the colliniearity statistics, VIF count> VIF with a tolerance of 10% = 0, 10 and multicollinearity does not occur if the resulting VIF is between 1 and 10 (Sunyoto, 2011).

2. Multiple Linear Regression Analysis

Multiple Linear Regression aims to determine the effect between the independent variable and the dependent variable (Sunyoto, 2013). The formula for multiple linear regression analysis is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Description:

Y = Purchase Decision

 α = Constant

X1 = Product Innovation

X2 = Price

X3 = Service Quality

β1 = Product Innovation Regression Coefficient

β2 = Price Regression Coefficient

β3 = Service Quality Regression Coefficient

ε = Error Estimate

3. Hypothesis Test

a) T Test (Individual Parameter Significant Test)

This T test is intended to determine the relationship between the independent variable and the dependent variable (Priyatno, 2013). The T test is conducted at (α) = 0.05. According to Purwito, the T test calculation uses the following formulation:

$$\mathbf{t} = \mathbf{r} \sqrt{\frac{\mathbf{n} - 2}{1 - \mathbf{r}^2}}$$

Description:

r = Correlation Coefficient

n = Number of Research Subjects

In this test, the criteria for rejecting and accepting H0 are:

H0 is rejected if obtained significant t count < t table

H0 is not rejected if significant t count> t table (Purwito, 2017)

b) F Test (Simultaneous Significant Test)

According to Priyatno, the purpose of the F test is to determine how much influence the independent variable has on the dependent variable simultaneously (Priyatno, 2013). For the F test, testing is carried out with an error tolerance (α) = 0.05. According to Purwito, the F test formula is:

$$\mathsf{F}_{\mathsf{hitung}} = \frac{R^2(N-k-1)}{k(1-R^2)}$$

In this test, the rejection and acceptance criteria for H0 are:

H0 is rejected if significant F count < F table.

H0 is not rejected if significant F count > F table (Purwito, 2017)

c) Determination Coefficient Test

Testing the coefficient of determination (R2) determines how much the percentage of change or combination of the dependent variable (Y) is enlarged by the independent variable (X). The higher the R2 value, the better the level of change in the dependent variable (Y) and vice versa (Priyatno, 2013).

RESULT AND DISCUSSION

A. Validity Test

From the results of the validity test, it can be stated that all statement items used in the research instrument on all variables used for research, namely product innovation, price, service quality and purchasing decisions are valid.

B.Reliability Test

The reliability test used in this study is to calculate the Cronbach Alpha value. The results of the reliability test calculation using the help of the SPSS program show that the Cronbach's Alpha value of all research variables is> 0.6. It can be concluded that the instrument used can be categorized as reliable.

C. Classical Assumption Test

1. Normality Test

The implementation of the normality test in this study uses the One Sample Kolmogrov-Smirnov test with a significance level of 0.05. Data is declared normally distributed if the significance is greater than 5% or 0.05. This normality test was carried out with the help of the SPSS program.

Based on the data, it is known that the normality test uses the One Sample Kolmogorov-Smirnov test that the Asymp.Sig (2-tailed) value of 0.962 is more than = 0.05. This shows that the data is normal.

2. Heteroscedasticity Test

To determine the presence of heteroscedasticity in this study, it was carried out with the Glejser test using the SPSS program.

The data shows that the significance value of all research variables> 0.05. So it can be stated that the regression model indicates that there is no heteroscedasticity problem. This means that in the model the variance of residuals from one observation to another is fixed, or homoscedasticity.

3. Multicollinearity Test

The regression model in detecting the relationship between factors can use the multicollinearity test. The assumptions in the multicollinearity test are as follows:

- a). If the Tolerance value <0.10 or equal to the VIF value> 10, it can be said that there is multicorrelation.
- b). If the Tolerance value> 0.10 or the same as the VIF value < 10, it can be said that there is no multicorrelation.

From the data, the VIF value is less than 10 and the tollerance value is more than 0.1 for all independent variables. So it can be concluded that the resulting regression model does not detect multicollinearity problems.

D. Multiple Linear Regression Test

Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients		
		В	Std. Error	Beta		
	(Constant)	7.980	1.803		4.426	.000
1	Product	.352	.150	.327	2.342	.023
	Innovation					
	Price	.297	.127	.321	2.343	.023
	Service Quality	.163	.065	.292	2.508	.015
a. Dependent Variable: Keputusan Pembelian						

Table 1. Multiple Linear Regression Test Results

Source: data processed

According to Table 1, the multiple linear regression equation can be seen as follows:

Y = 7.980 + 0.352X1 + 0.297X2 + 0.163X3

- The constant (a) is 7.980, indicating that the purchase decision will be worth 7.980 if the variables of design innovation, price, and service quality are equal to zero or constant.
- The product innovation variable (X1) which is valued at 0.352 (positive) indicates a positive influence of the product innovation variable on purchasing decisions. If product innovation (X1) increases by one unit, then purchasing decisions will increase by 0.352 and assume other variables, namely price (X2) and service quality (X3) are constant.
- 3. The price variable (X2) which is valued at 0.297 (positive) indicates a positive effect of the price variable on purchasing decisions. If the price (X2) increases by one unit, the purchasing decision will increase by 0.297 and assume that other variables, namely product innovation (X1) and service quality (X3) are constant.
- 4. The service quality variable (X3) which is valued at 0.163 (positive) indicates a positive effect of service quality on purchasing decisions. If the quality of service (X3) increases by one unit, the purchasing decision will increase by 0.163 and assume that other variables, namely product innovation (X1) and price (X2) are constant.

E. T test

The T test is used to test the first, second and third hypotheses in this study. The results of calculations using the help of the SPSS program can be seen in appendix 10 and can be displayed in the following table:

Variabel	thitung	t _{tabel}	Sig
Product Innovation	2,342	2,001	0,023
Price	2,343	2,001	0,023
Service Quality	2,508	2,001	0,015

Table 2. T Test Results

Source: data processed

The data in Table 2 above can be described for hypothesis testing as follows:

- 1. The tcount value of the product innovation variable is 2.342> ttable value = 2.001, and with a significance level of 0.023 <0.05. This means that product innovation has a significant effect on purchasing decisions. The regression coefficient of the service quality variable on purchasing decisions is positive at 0.352. This means that product innovation has a positive effect on purchasing decisions. Thus the null hypothesis is rejected and the working hypothesis is accepted. So the hypothesis that product innovation has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun is proven and accepted.</p>
- 2. The tcount value of the price variable is 2.343> ttable value = 2.001, and with a significance level of 0.023 <0.05. This means that price has a significant effect on purchasing decisions. The regression coefficient of the customer relationship variable on purchasing decisions is positive at 0.297. This means that price has a positive effect on purchasing decisions. Thus the null hypothesis is rejected and the working hypothesis is accepted. So the hypothesis that price has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun is proven and accepted.</p>
- 3. The tcount value of the service quality variable is 2.957> ttable value = 2.001, and with a significance level of 0.015 <0.05. This means that service quality has a significant effect on purchasing decisions. The regression coefficient of the service quality variable on purchasing decisions is positive at 0.163. This means that service quality has a positive effect on purchasing decisions. Thus the null hypothesis is rejected and the working hypothesis is accepted. So the hypothesis that reads service quality has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun is proven and accepted.</p>

F. F test

The F test was used to test the fourth hypothesis in this study, namely the simultaneous influence of all independent variables on the dependent variable. Calculations to test the hypothesis simultaneously carried out using the help of the SPSS version 22.0 program can be seen in table 4.19 as follows:

Variabel	F _{hitung}	F _{tabel}	Sig
Product Innovation			
Price	76,953	2,76	0,000
Service Quality			

Table 3. F Test Results

Source: Data processed

Based on table 3 above, it can be seen that the Fcount value is 76.953> Ftable value of 2.76. The significance level is 0.000 <0.05. This means that the null hypothesis is rejected and the working hypothesis is accepted. Thus the variables of product innovation, price and service quality together have a significant effect on the purchasing decision variable.

G. Test Coefficient of Determination

The results of the calculation of the coefficient of determination are as in table.

Table 4. Calculation of the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the		
				Estimate		
1	0.894ª	0.799	0.789	1.16617		
a. Predictors: (Constant), Service Quality, Price, Product Innovation						

Source: Data processed

The data in table 4 above shows that the R2 (Adjusted R Square) value is positive at 0.789. This means that 78.9% of purchasing decision variables can be explained by product innovation variables, price and service quality while the remaining 21.1% is influenced by other factors not examined. Based on the F test and the Coefficient of Determination (R²), it can be concluded that the hypothesis that product innovation, price and service quality simultaneously have a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun is proven and accepted.

DISCUSSION

A. The Effect of Product Innovation on Purchasing Decisions

The results of hypothesis testing found that product innovation has a positive and significant effect on purchasing decisions. This is known from the regression coefficient value between the product innovation variable (X1) on purchasing decisions (Y) is positive at 0.352 and the tcount value of the design innovation variable is 2.342> ttable value = 2.001, and with a significance level of 0.023 < 0.05. The results of this study indicate that if product innovation is further increased, purchasing decisions will also increase.

Conversely, if product innovation is lower, then consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun will decrease.

Innovation is one of the company's efforts to generate consumer perceptions in choosing and making purchasing decisions on the products produced. The company will try to innovate so that the products sold look attractive and generate consumer interest in buying these products. Kotler and Armstrong argue that product innovation is a customer-centered product development, focused on finding new ways to solve customer problems and provide a more satisfying experience for customers.

In addition, it also states that "Product innovation is an effort by a company to offer fresh thinking in a way that can meet the needs and desires of consumers" (Philiph Kotler; Gary Amstrong, 2019). The findings of this study are supported by Indriani's previous research findings that "product innovation has a positive and significant effect on purchasing decisions" (Indriani, 2016). Similar research results were also found by Azrori's research that "product innovation variables have a partially significant effect on purchasing decisions" (Asrori, 2016).

B. The Effect of Price on Purchasing Decisions

The results of hypothesis testing found that price has a positive and significant effect on purchasing decisions. This is known from the regression coefficient value between the price variable (X2) on the purchase decision (Y) is positive at 0.297 and the tcount value of the price variable is 2.343> t table value = 2.001, and with a significance level of 0.023 <0.05. The results of this study indicate that if the price is more in line with consumer perceptions and expectations, the purchasing decision will increase. Conversely, if the price is less in accordance with consumer perceptions and expectations, the Melodina Club Nutrition House Dolopo Madiun will decrease.

The price in this study is the price perceived by consumers (Ulya, 2015), not the nominal price set by the company for the product being marketed. The suitability of price perceptions with consumer perceptions certainly makes the potential for consumers to choose the desired product even greater. This means that the more the price set is in accordance with what consumers expect, the consumer will make a purchase decision (Iskandar et al., 2023). This is in accordance with the statement put forward by Kotler and Armstrong, the relationship between price and purchasing decisions, namely the position of price influences consumer decisions in making purchases, the higher the price, the lower the purchasing decision, on the contrary, if the price is low, the purchasing decision changes higher (Philiph Kotler ; Gary Amstrong, 2019).

The results of this study are reinforced by the findings of previous research by Susanto that price has a significant effect on purchasing decisions (Susanto, 2017). Previous research by Putra also found that price has a significant effect on purchasing decisions (Putra, 2021).

C. The Effect of Service Quality on Purchasing Decisions

The results of hypothesis testing found that service quality has a positive and significant effect on purchasing decisions. This is known from the regression coefficient value between the service quality variable (X3) on purchasing decisions (Y) is positive at 0.163 and the t count value of the price variable is 2.957> t table value = 2.001, and with a significance level of 0.015 <0.05. The results of this study indicate that if the service quality is higher, the purchasing decision will increase. Conversely, if the quality of service is lower, then consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun will decrease.

Service quality is an aspect that can support the marketing activities of a product. According to Tjiptono "service quality is a dynamic condition related to products, services, people, processes and the environment that meet expectations. Quality is a combination of properties and characteristics that determine the extent to which spending can meet the requirements of customer needs" (Lupiyoadi, 2014).

The results of this study support the findings of previous research by Indriani that "partially service quality has a positive and significant effect on purchasing decisions" (Indriani, 2016). Findings that are in line with the results of this study were also found in previous research by Azrozi that "service quality partially has a significant effect on purchasing decisions" (Asrori, 2016).

D. The Effect of Product Innovation, Price and Service Quality on Purchasing Decisions.

The results of hypothesis testing found that product innovation, price and service quality simultaneously have a positive and significant effect on purchasing decisions. This is known from the coefficient of determination R2 (Adjusted R Square) is positive at 0.789. This means that product innovation, price and service quality simultaneously have a positive effect on purchasing decisions. The results of the F test obtained the Fcount value of 76.953> F table value of 2.68. The significance level is 0.000 <0.05. This means that design innovation, price and service quality simultaneously have a significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun.

The findings of this study indicate that the purchasing decision variable can be explained by the variable product innovation, price and service quality together by 78.9%. While the remaining 21.1% is influenced by other factors that are not the subject of this study. This means that the combination of design innovation, price and service quality in accordance with consumer expectations and desires can increase purchasing decisions. This is supported by the findings of previous research by Indriani that "together the variables of price, service quality, and product innovation have a positive and significant effect on consumer purchasing decisions at the OH DOUGH Medan culinary business" (Indriani, 2016).

CONCLUSION

Product innovation partially has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun. Evidenced by the

positive regression coefficient of 0.352 and the tcount value of 2.342 > t table value = 2.001, and with a significance level of 0.023 < 0.05. Price partially has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun. Evidenced by the positive regression coefficient of 0.291 and the t count value of 2.343 > t table value = 2.001, and with a significance level of 0.023 < 0.05.

Service quality partially has a positive and significant effect on consumer purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun. Evidenced by the positive regression coefficient of 0.163 and the t count value of 2.957> t table value = 2.001, and with a significance level of 0.015 < 0.05. Product innovation, price and service quality simultaneously have a positive and significant effect on purchasing decisions at the Melodina Club Nutrition House Dolopo Madiun. Evident from the coefficient of determination R2 (Adjusted R Square) is positive at 0.789 and the Fcount value is 76.953 > F table value of 2.68.

REFERENCES

- A.H, I. N. (2017). Analisis SWOT Dalam Penentuan Strategi Bisnis Pada Enjoy Club Herbalife Independent Member Dolopo. Universitas Muhammadiyah Ponorogo.
- Abdullah, M. (2015). Metode Penelitian Kuantitatif. Aswaja Pressindo.
- Asrori, M. (2016). Pengaruh Inovasi Produk dan Kualitas Pelayanan Terhadap Keputusan Pembelian Pada Batik Jambi Zhorif di Kecamatan Danau Teluk Jambi Kota Seberang. Medan: Universitas Sumatera Utara.
- Ghozali, I., & Latan, H. (2014). Partial Least Squares: Konsep, Teknik dan Aplikasi Menggunakan Program SmartPLS 3.0 Untuk Penelitian Empiris. Universitas Diponegoro.

Ginanjar, P. (n.d.). Wawancara.

Hafidudin, D., & Tanjung, H. (2003). *Manajemen Syari'ah Dalam Praktik*. Gema Insani.

Herbalife. (n.d.).

- Indrasari, M. (2019). Pemasaran & Kepuasan Pelanggan. Unitomo Press.
- Indriani, H. (2016). Pengaruh Harga, Kualitas Pelayanan Dan Inovasi Produk Keputusan Pembelian Pada Usaha Kuliner Hot Dog, Oh Dough Medan. Medan: Universitas Sumatera Utara.
- Iskandar, O., Prasetiyo, L., & Abdullah, U. (2023). Halal Supply Chain on Food Products: Evidence From Wali Songo Islamic Boarding School, Ngabar Ponorogo. *Journal of Islamic Economics (JoIE)*, 3(1), 1–17.
- Lupiyoadi, R. (2014). *Manajemen Pemasaran Jasa: Berbasis Kompetensi* (3rd ed.). Salemba Empat.
- Philiph Kotler ; Gary Amstrong. (2019). Prinsip-Prinsip Pemasaran Alih bahasa Bob Sabran Edisi Bahasa Indonesia (1st ed.). Erlangga.

Priyatno, D. (2013). Analisis Korelasi Regresi dan Multivariate Dengan SPSS. Gava Media.

Purnama, N. (2006). Manajemen Kualitas Perspektif Global. Ekonosia.

- Purwito, D. (2017). *Metodologi Penelitian. Pendekatan Praktis Untuk Bidang Ilmu Ekonomi* Dan Ilmu Sosial. LPM Universitas Soerjo Ngawi.
- Putra, V. S. (2021). Pengaruh Harga dan Inovasi Produk Terhadap Keputusan Pembelian di Wisna Fresh Desa Siman Kecamatan Siman Kabupaten Ponorogo. Institut Agama Islam Negeri Ponorogo.
- Santi. (2023). Wawancara.
- Sari, S. P. (2020). Hubungan Minat Beli Dengan Keputusan Pembelian Pada Konsumen. Jurnal Psikoborneo, 8(1).
- Sudaryono. (2016). Manajemen Pemasaran Teori dan Implementasi. Andi Offset.
- Sujarweni, & Wiratna. (2014). Metodologi Penelitian. Pustaka Baru Press.
- Sunyoto, D. (2011). Metode Penelitian Kuantitatif, Kualitatif Dan R&D. Alfabeta.
- Sunyoto, D. (2013). Perilaku Konsumen (Panduan Riset Sederhana untuk mengenali Konsumen). PT. Buku Seru.
- Surya, D., & Abdillah, C. (2019). *Modul Metode Penelitian*. Unpam Press.
- Susanto, Y. W. (2017). Pengaruh Inovasi Produk, Kualitas Produk, Dan Harga Terhadap Keputusan Pembelian Di Toko Roti Dan Kue Ferissa Bantul Yogyakarta. *Jurnal Ekonomi*, *2*.
- Tjiptono, F. (2014). Pemasaran Jasa Prinsip, Penerapan, dan Penelitian. Andi Offset.
- Ulya, H. N. (2015). Permintaan, Penawaran dan Harga Perspektif Ibnu Khaldun. Justicia Islamica, 12(2), 143746.
- Yenni Arfah SE., M. A. (2022). *Keputusan Pembelian Produk*. PT. Inovasi Pratama Internasional.