

## The Influence of Promotions, Prices and Location on Consumer Buying Interest

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### ABSTRACT

This research is entitled The Effect of Promotion, Price and Location on Consumer Buying Interest (Case Study of Batik Semarang 16 in Semarang City) and the aim of this research is to determine the effect of promotion on consumer buying interest in Batik Semarang 16, the the effect of price on consumer buying interest in Batik Semarang 16 and the influence of location on consumer buying interest in Batik Semarang 16.

This research is quantitative and qualitative research because it uses data collection techniques, distributing questionnaires and interviews with respondents. Show that simultaneously the promotion, price and location variables have a positive and significant effect on consumer purchasing interest with a calculated F value of 314,498 > 2.70 and a significant value of 0.000 < 0.05. In the t test for the promotion variable, the t value obtained was 5.723 > 1.984 with a significant value of 0.000 < 0.05, the price variable obtained the t value of 2.684 > 1.984 with a significant value of 0.009 < 0.05 and the location variable obtained the t value of 4.350 > 1.984 with a significant value of 0.000 < 0.05. The results of this research obtained a coefficient value of 90.5% with the linear regression equation, namely  $Y = 1583.945 + 0.395X_1 + 0.138X_2 + 0.366X_3 + e$

**Keywords:** The Influence of Promotions, Prices And Location On Consumer Buying Interest.

## INTRODUCTION

It was this moment that revived the development of batik entrepreneurs that had long been extinguished. Batik producing cities such as Jogja, Solo and Pekalongan are experiencing a revival of batik production businesses, both on a domestic and industrial scale. On the other hand, this situation also brings new challenges, where many batik producers and entrepreneurs have emerged. Competition is very tight between cities and from abroad. With so many batik centers originating from several cities in Indonesia, competition between traditional batik is getting tighter. This phenomenon can also be seen in the batik industry in Semarang City, which is currently experiencing a decline. The problem faced by Batik Semarang 16 is that it has not been very successful in convincing consumers to buy it because it lacks competitiveness in the market. The price of Batik Semarang 16 is relatively expensive and not competitive compared to other batik. The location of Batik Semarang 16 is located in Sumberejo Village, Meteseh, Tembalang, Semarang City, Central Java 50271. The following is sales data for Batik Semarang 16 in 2023, namely:

Graph 1. Semarang Batik Sales Data 16



Source: Batik Semarang 16, 2023

From graph 1.1, the results show that during 1 year sales at Batik Semarang 16 experienced ups and downs in income every month. The highest sales occurred in November and the lowest sales occurred in July. This happens because consumer buying interest can be influenced by several factors including promotions, price and location. If the price offered is low then interest in purchasing the product increases, conversely if the price offered is high then interest in purchasing will decrease.

Considering that promotion, price and location are important factors that can increase buying interest, the author is interested in conducting more in-depth research with the title "The Influence of Promotion, Price and Location on Consumer Buying Interest (Case Study of Semarang 16 Batik in Semarang City) ”.

## LITERATURE REVIEW

### Purchase Interest

Purchase interest is the stage where the consumer or buyer has made a decision, purchased and consumed the product (Suharno in Ali, 2017).

### Promotion

According to Kotler & Keller (2012) Promotion is a communication activity that aims to promote the flow of certain products, services or ideas in the sales flow. According to Kotler & Armstrong (2016) Promotion is any activity aimed at attracting customers' attention by presenting products or services in a way to persuade them to buy.

**Price**

According to Kotler & Keller (2016) Price is the amount of money charged for a product or service or what consumers exchange for the benefit of owning or using the product or service.

**Location**

Location is the place where a company is headquartered and the place where the company needs to carry out its business activities (Memah et al., 2015). Location selection has a strategic function because it can determine whether or not a company's goals are achieved.

**RESEARCH METHOD**

The quantitative data collection method in this research is by distributing questionnaires. The scale used is the Likert scale to determine the level of buying interest of Semarang batik consumers 16. The Likert scale is used to measure people's attitudes, opinions and perceptions of social phenomena (Sugiyono, 2019).

The research location was conducted at Batik Semarang 16 with the population being all consumers who visited Batik Semarang 16, because the number of consumers is not known for certain, the sample in this study used the Cochran formula (Sugiyono, 2019):

$$n = \frac{z^2 pq}{e^2}$$

$$n = \frac{(1,98)^2 (0,5)(0,5)}{(0,10)^2}$$

$$n = 96,6$$

**Information**

n = Sample

z = Price in normal curve (5% = 1.96)

p = 50% chance of being correct = 0.5

q = 50% chance of error = 0.5

e = Margin of error (10%)

**Table 1.Likert Scale**

<b>Question</b>	<b>Score weight</b>
STS : Strongly disagree	1
ST : Totally agree	2
N: Neutral	3
S: Agreed	4
SS : Totally agree	5

In this research, the type of research used is quantitative research, because the data used is in the form of numbers. The quantitative data collection method in this research is by distributing questionnaires.

**Data Reliability Test**  
**Validity test**

**Table 4.1 Validity Test Result**

No	Indicator	r count	r tabel	Information
1	<b>Purchase interest</b>			
	-Indikator 1	0.827	0.196	Valid
	-Indikator 2	0.702		Valid
	-Indikator 3	0.667		Valid
-Indikator 4	0.667	Valid		
2	<b>Promotion</b>			
	-Indikator 1	0.863	0.196	Valid
	-Indikator 2	0.777		Valid
	-Indikator 3	0.786		Valid
-Indikator 4	0.645	Valid		
3	<b>Price</b>			
	-Indikator 1	0.810	0.196	Valid
	-Indikator 2	0.914		Valid
	-Indikator 3	0.890		Valid
-Indikator 4	0.887	Valid		
4	<b>Location</b>			
	-Indikator 1	0.855	0.196	Valid
	-Indikator 2	0.727		Valid
	-Indikator 3	0.734		Valid
-Indikator 4	0.691	Valid		

Source: Processed Primary Data, 2024

Based on the test results in table 4.1, each statement indicator item obtained a calculated R greater than R table = 0.196 (r table value for N= 100), so the statement indicator item in this study can be declared valid and suitable for use for further analysis.

**Table 4.2 Reliability Test Result**

Variabel	Cronbach Alpha	Informatio n
Purchase Buying(Y)	0.780	Reliabel
Promotion (X1)	0.805	Reliabel
Price (X2)	0.836	Reliabel
Location (X3)	0.799	Reliabel

Source: Processed Primary Data, 2024

Based on the test results in table 4.2 , it shows that all variables have a Cronbach Alpha coefficient of more than 0.70, so it can be stated that the variables from the questionnaire are reliable.

**Table 4.3 Normality Test Result**

**One-Sample Kolmogorov-Smirnov Test**

		Unstandardize d Residual
N		100
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	809.49906225
Most Extreme Differences	Absolute	.084
	Positive	.084
	Negative	-.041
Test Statistic		.084
Asymp. Sig. (2-tailed)		.078 <sup>c</sup>

Source: Processed Primary Data, 2024

Based on the normality test results in table 4.3, the Asymp sig (2-tailed) value is 0.078  $\geq$  0.05, so it can be concluded that all variables are normally distributed.

**Table 4.4 Multikolinearity Test Result**

Research Variable	Tolerance	VIF
Promotion (X1)	0.169	5.911
Price (X2)	0.236	4.233
Location (X3)	0.121	8.274

Source: Processed Primary Data, 2024

Based on the result of the multicollinearity test in table 4.4, it shows that all independent variables have a tolerance value  $\geq$  0.10 and a VIF value  $\leq$  10. So it can be concluded

that there is no multicollinearity between the independent variables in the regression model of this research.

Research Variable	T	Sig
Promotion (X1)	1.554	0.123
Price (X2)	-1.358	0.178
Location (X3)	-0.944	0.347

**Table 4.5 Heteroskedastiy Test Result**

Based on the results of the heteroscedasticity test in table 4.5, it shows that all independent variables have a sig value > 0.05. So it can be concluded that there are no symptoms of heteroscedasticity in the regression model, so the regression model is feasible.

### **Analysis Test and Hypothesis Testing**

#### **Multiple Linear Regression Analysis**

Multiple linear regression analysis is used in this research with the aim of proving the hypothesis regarding promotion, price and location variables which together have a significant effect on buying interest in Batik Semarang 16. The following is the multiple linear regression analysis in this research, namely:

**Table 4.6 Multiple Linear Regression Analysis  
Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	1583.945	316.111		5.011	.000
	TX1	.395	.069	.432	5.723	.000
	TX2	.138	.052	.171	2.684	.009
	TX3	.366	.084	.388	4.350	.000

Source: Processed Primary Data, 2024

Based on the test results in table 4.6, the multiple linear regression equation obtained from the independent and dependent variables is as follows:

$$Y = 1583.945 + 0.395X1 + 0.138X2 + 0.366X3 + e$$

The above equation can be explained as follows, namely:

1. Based on the results of the regression equation above, a constant value of 1583.945 is obtained. This means that if the promotion, price and location variables are considered constant then the Y variable is 1583.945.
2. The regression coefficient values for promotion, price and location are positive, so it can be said that these variables have a positive relationship with the dependent variable. If the promotion, price and location variables experience a one-unit increase in the variable, the Y variable will increase by the value of the regression coefficient.

### **Partial Test (t Test)**

The t test is used to test whether each independent variable has an influence and significance on the promotion, price and location variables in Semarang 16 batik by comparing the calculated t and t table values with a confidence level of 0.0. The following are the results of the t test in this research, namely:

**Table 4.7 Partial Test Result**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	1583.945	316.111		5.011	.000
	TX1	.395	.069	.432	5.723	.000
	TX2	.138	.052	.171	2.684	.009
	TX3	.366	.084	.388	4.350	.000

Source: Processed Primary Data, 2024

Based on the results of the t test in table 8, the following hypothesis is obtained:

1. For the promotion variable (X1), the calculated t value is  $5.723 > 1.984$  (obtained from the t table) and the significant value is  $0.000 < 0.05$ , meaning that H1 is accepted and Ho is rejected. So it can be concluded that the promotional variable has a positive and significant effect on purchasing interest.
2. For the price variable (X2), the calculated t value is  $2.684 > 1.984$  and the significant value is  $0.009 < 0.05$ , meaning that H2 is accepted and H0 is rejected. So it can be concluded that the price variable has a positive and significant effect on buying interest.
3. For the location variable (X3), the calculated t value was  $4.350 > 1.984$  and a significant value of  $0.000 < 0.05$ , meaning that H3 was accepted and H0 was rejected. So it can be concluded that the location variable has a positive and significant effect on buying interest.

### **F Test (Simultaneous Test)**

The F test is used to test whether changes in the independent variables have a significant effect on the dependent variables together. The following are the results of the F test in this research, namely:

**Table 4.8 Simultaneous Test Result**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	637581798.55	3	212527266.18	314.498	.000 <sup>b</sup>
		4		5		
	Residual	64873584.446	96	675766.505		
Total		702455383.00	99			
		0				

Source: Processed Primary Data, 2024

Based on the F test results in table 4.8, the calculated F value is  $314.498 > 2.70$  and the significance value is  $0.000 < 0.05$ , meaning that H4 is accepted and Ho is rejected. So it can be concluded that the promotion, price and location variables simultaneously have a positive and significant effect on purchasing interest.

**Coefficient of Determination (R<sup>2</sup>)**

Testing the coefficient of determination (R<sup>2</sup>) aims to find out how much the independent variable is able to explain its influence. The following are the results of the coefficient of determination test in this research, namely:

**Tabel 4.9 Coefficient of Determination**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.953 <sup>a</sup>	.908	.905	822.050

Source: Processed Primary Data, 2024

Based on the test results in table 4.9 , the Adjusted R Square value is 0.905. This can be interpreted that the independent variables promotion, price and location can explain the dependent variable buying interest by 90.5% while the remaining 9.5% is explained by other factors not examined in this research.



### **Qualitative Research Results**

Qualitative methods are used to obtain qualitative data to test, expand and deepen quantitative research results. The results of data collection using qualitative methods are data collected in the first stage using quantitative methods. The following are the results of interviews with several respondents or customers of Batik Semarang 16.

From the results of interviews conducted by researchers with Sari as a customer of Batik Semarang 16, it was stated that:

"Promotions have an effect on consumer purchasing interest if the promotion emphasizes the quality of batik materials such as good quality materials and natural dyes." Sari (21 Years)

### **CONCLUSION**

Based on the results of the research and analysis that has been carried out and the discussion that has been described, it can be concluded as follows:

1. Based on the results of the t test on the promotion variable, the calculated t value was  $5.723 > 1.98$  and the significant value was  $0.000 < 0.05$ , meaning that H1 was accepted and H0 was rejected. So partially the promotion variable has a significant positive influence on buying interest in Batik Semarang 16 in Semarang City.
2. Based on the results of the t test on the price variable, the calculated t value was  $2.684 > 1.984$  and the significant value was  $0.009 < 0.05$ , meaning that H2 was accepted and H0 was rejected. So partially the price variable has a significant positive influence on buying interest in Batik Semarang 16 in Semarang City.
3. Based on the results of the t test on the location variable, the calculated t value was  $4.350 > 1.984$  and a significant value of  $0.000 < 0.05$ , meaning that H3 was accepted and H0 was rejected. So partially the location variable has a significant positive influence on buying interest in Batik Semarang 16 in Semarang City.

### **LIMITATIONS**

Promotions: Focus on specific types of promotions, such as digital promotions, point-of-sale promotions, or promotions via social media. Limit it to the effect of promotions on purchase intention in online or offline contexts.

Price: Determine whether the study will look at general price effects or discounted/promotional prices. Also consider whether the research will focus on price perceptions or price comparisons with competitors.

Location: Limit to physical locations such as retail stores or digital locations such as e-commerce. Also consider whether the research will look at geographic location, ease of access, or location visibility.

Consumer Purchase Interest: Determine whether purchase interest is measured through purchase intent, purchase frequency, or number of purchases. Limit it to certain consumer groups based on demographics or purchasing behavior.

### **ACKNOWLEDGMENT**

In this research, the research results are the author's original work that has never been published. It is hoped that this research can be utilized as well as possible and used as intended.

### **DECLARATION OF CONFLICTING INTERESTS**

Promotional Influence: How promotional strategies influence consumers' desire to make a purchase.

Price Impact: The role of price in attracting purchasing interest and how consumers respond to price variations.

The Role of Location: The importance of strategic location in increasing consumer buying interest.

Interaction of Factors: How the combination of promotions, price, and location together influence consumer purchasing decisions.

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