

The Effect of Service Quality and Price Perception on Purchase Decisions in Yomart Spring Garden, Bandung Regency

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Abstrak

Competition in the Indonesian retail industry is becoming increasingly intense, with Alfamart and Indomaret dominating the market while Yomart continues to face declining market share. This study investigates the effect of service quality and price perception on purchase decisions at Yomart Spring Garden, Bandung Regency. A quantitative associative method was employed using questionnaires distributed to 100 customers. Data were analyzed using multiple linear regression to test both partial and simultaneous influences. The results show that service quality has a positive but insignificant effect on purchase decisions, while price perception has a positive and significant effect. Simultaneously, both service quality and price perception significantly influence purchase decisions, although the contribution of the two variables is relatively small. These findings highlight that transparent and competitive pricing plays a more dominant role than service quality in shaping consumer purchase decisions in the retail minimarket sector.

Keywords : Service Quality, Price Perception, Purchase Decision, Retail, Yomart

Introduction

The modern retail industry in Indonesia has experienced rapid growth over the past decade, marked by the expansion of minimarkets, supermarkets, and hypermarkets. The most intense competition occurs in the minimarket segment, which is currently dominated by Alfamart and Indomaret. These two leading chains have expanded their market share through aggressive outlet development, promotional strategies, and the use of digital technology to enhance customer service. According to data from the Indonesian Retail Association (APRINDO), the turnover of modern retail increased from IDR 181 trillion in 2015 to IDR 355 trillion in 2024, with steady annual growth. This indicates a promising future for the retail sector but also presents significant challenges for local retailers such as Yomart.

As one of the local minimarket chains, Yomart initially entered the market with the positioning of “Shopping Close and Economical.” However, in recent years, its market share has declined, from 12.6% in 2022 to 11.2% in 2024. This trend shows that Yomart is finding it increasingly difficult to compete with Alfamart and Indomaret. The Yomart Spring Garden branch in Bandung Regency has faced several consumer complaints, particularly regarding price discrepancies between shelf labels and cashier prices,

as well as a lack of employee responsiveness. Such issues reflect a gap between consumer expectations and the actual service provided, which in turn may influence purchase decisions.

In consumer behavior theory, the purchase decision is a process that involves several stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation (Schiffman & Wisenblit, 2019). Two factors that are often highlighted as having a strong influence on purchase decisions are service quality and price perception.

Service quality refers to the company's ability to meet customer expectations through positive interactions, convenience, and assurance of satisfaction. Parasuraman, Zeithaml, and Berry (1988), through the SERVQUAL model, identify five key dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. Previous research indicates that service quality has a significant impact on customer satisfaction and loyalty (Tjiptono, 2019; Ladhari, 2009).

Meanwhile, price perception is not limited to the nominal amount of money paid but also includes how consumers evaluate the fairness of the price relative to the benefits received. Kotler and Keller (2016) argue that price directly affects purchase decisions as it is closely linked to perceived value. When consumers perceive that prices are unfair or inconsistent with quality, they are more likely to switch to alternative products or services. Zeithaml (2022) further emphasizes that a fair price perception can increase purchase likelihood and customer loyalty. However, empirical findings in prior studies are not always consistent. For example, Setiawan and Sayuti (2017) found that service quality could reduce consumer price sensitivity in fast-food restaurants. Conversely, Rusdianto (2020) reported that price had a more dominant influence than service quality on consumer satisfaction in modern minimarkets. These variations suggest that the relative importance of service quality and price perception may depend on the industry and market context.

Based on this background, the present study focuses on analyzing the extent to which service quality and price perception influence purchase decisions at Yomart Spring Garden, a local retailer competing directly with two large national players. The study aims to provide both theoretical contributions to consumer behavior literature in the modern retail sector and practical recommendations for Yomart's management in formulating effective service and pricing strategies.

Literature Review

Grand Theory of Business Administration

Business administration, in general, is a series of activities carried out within a company with the goal of achieving a predetermined profit, according to Lenda Surepi (2021). According to Poerwanto in Lenda Surepi's research (2021), business administration is the overall collaboration in producing goods or services needed and desired by customers, until those goods or services can be delivered to customers, while achieving and providing balanced, responsible, and sustainable profits.

Middle Theory of Marketing Management

According to Rahma and Saputro (2023, p. 11), marketing management is the art and science of selecting and attracting target markets to expand the provision and distribution of exceptional customer value. Successful marketing management satisfies consumer needs, desires, and expectations by consistently delivering valuable goods. Increasing the effectiveness and efficiency of marketing initiatives undertaken by businesses and society is known as marketing management.

Applied Theory of Service Quality

Service quality can be evaluated through five main dimensions in the Servqual model: tangibility, reliability, responsiveness, assurance, and empathy. This model has been widely applied in various studies related to customer satisfaction and remains relevant today. Lovelock & Wirtz (2021)

Price Perception

According to Chen, Zhang, and Wang (2022), price perception is not only understood as the nominal amount paid by customers, but rather how customers interpret the price in relation to the quality, benefits, and perceived value of the product or service received.

Purchase Decision

Purchase decision is the process customers go through in determining their choice, purchasing, and utilizing a product or service to meet their needs. This process does not occur instantly, but rather involves several stages that reflect the mindset and behavior of consumers before making a purchase decision. According to Schiffman and Wisenblit (2019), the purchasing decision process consists of five main stages: problem recognition, information search, alternative evaluation, purchase satisfaction, and post-purchase evaluation.

Previous Research

Previous research has largely focused on the influence of each variable separately, while this study seeks to understand the combination of both factors—service quality and price perception—in a single model that simultaneously influences customer purchasing decisions. Furthermore, this study considers the development of digital technology and changes in consumer behavior post-pandemic, which have further strengthened the role of technology-based services and price transparency in purchasing decisions.

Hypothesis

Based on the theoretical review and conceptual framework, the research hypothesis is:

1. H1: Service quality significantly influences purchase decisions.
2. H2: Price perception significantly influences purchase decisions.
3. H3: Service quality and price perception simultaneously influence purchase decisions

Research methods

This study adopted a quantitative associative research design. The population consisted of customers who had made purchases at Yomart Spring Garden. Using Slovin's formula with a 10% margin of error, 100 respondents were selected as the sample.

Data collection was conducted through a structured questionnaire with Likert scale items. Validity and reliability tests confirmed that all indicators were suitable for analysis.

The analytical method used was multiple linear regression, supported by classical assumption tests including normality, multicollinearity, and heteroscedasticity. The regression model tested the following

Results and Discussion

Company Overview

Yomart is a minimarket chain managed by PT. Griya Pratama, with a vision to become a leading retail distribution network owned by the wider community. Yomart operates under the motto "Shop Near and Save" and has a presence in various regions across West Java. The company's primary focus is strengthening small businesses, meeting consumer needs and expectations, and competing globally.

Respondent Characteristics

Respondents consisted of 56% female and 44% male customers, with the majority aged 18–25 years and classified as students or early workers. This demographic suggests that price sensitivity is an important factor in their purchase decisions.

Instrument Testing

1. Validity Test

All 10 items for Service Quality (X1), 10 items for Price Perception (X2), and 9 items for Purchase Decision (Y) were declared valid because the calculated r value for each item was greater than the table r (0.1654).

Table 1 Validity Test

Item	Variable	r count	r table	Information
X1.1	Quality of Service	0,587	0,1654	Valid
X1.2		0,550	0,1654	Valid
X1.3		0,530	0,1654	Valid
X1.4		0,538	0,1654	Valid
X1.5		0,489	0,1654	Valid
X1.6		0,488	0,1654	Valid
X1.7		0,464	0,1654	Valid
X1.8		0,405	0,1654	Valid
X1.9		0,540	0,1654	Valid
X1.10		0,403	0,1654	Valid
X2.1	Price Perception	0,489	0,1654	Valid
X2.2		0,548	0,1654	Valid
X2.3		0,501	0,1654	Valid
X2.4		0,390	0,1654	Valid
X2.5		0,558	0,1654	Valid
X2.6		0,503	0,1654	Valid
X2.7		0,576	0,1654	Valid
X2.8		0,449	0,1654	Valid
X2.9		0,468	0,1654	Valid
X2.10		0,596	0,1654	Valid
Y.1	Buying decision	0,535	0,1654	Valid
Y.2		0,479	0,1654	Valid
Y.3		0,538	0,1654	Valid
Y.4		0,512	0,1654	Valid
Y.5		0,470	0,1654	Valid
Y.6		0,403	0,1654	Valid
Y.7		0,538	0,1654	Valid
Y.8		0,475	0,1654	Valid
Y.9		0,546	0,1654	Valid

2. Reliability Test

The test results show that Service Quality (Cronbach's Alpha = 0.665), Price Perception (Cronbach's Alpha = 0.682), and Purchase Decision (Cronbach's Alpha = 0.624) are all

reliable, with Cronbach's Alpha values > 0.60 .

Table 2 Reliability Test Results

Variable	Cronbach alpha	Koefisien Cronbach Alpha	Information
Quality of Service (X1)	0,665	0,6	Reliable
Price Perception (X2)	0,682	0,6	Reliable
Buying decision(Y)	0,624	0,6	Reliable

Table 3 Descriptive Statistical Test

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
X1	100	14.00	45.00	30.5000	6.99856
X2	100	14.00	46.00	30.5900	7.01095
Y	100	12.00	41.00	26.7400	6.18506
Valid N (listwise)	100				

Verification Statistical Analysis

Classical Assumption Test

1. Normality Test

The Kolmogorov-Smirnov test results showed a significance value of 0.200 (>0.05), and the histogram and P-P plot showed points spread around the diagonal line. This indicates that the residual data is normally distributed.

Table 4 Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	5.95487146
Most Extreme Differences	Absolute	.061
	Positive	.061
	Negative	-.039
Test Statistic		.061
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

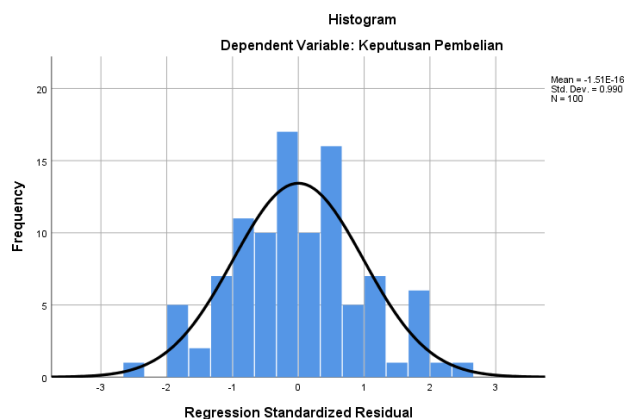


Figure 2 Histogram

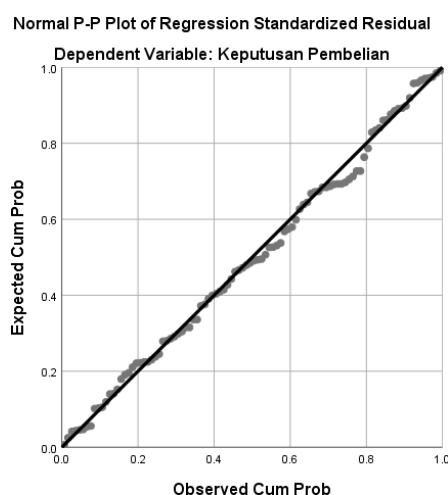


Figure 3 P.P Plot

2. Multicollinearity Test

Based on the table below, the tolerance value calculation results show that all independent variables have values > 0.10 , or 1.000 . Meanwhile, the VIF value is < 10 , or 1.101 . The service quality and price perception variables have values of 1.000 and 1.101 , respectively. Therefore, it can be concluded that there is no correlation between the independent variables. This means that the independent variables used in this study do not experience multicollinearity and can be used effectively in research.

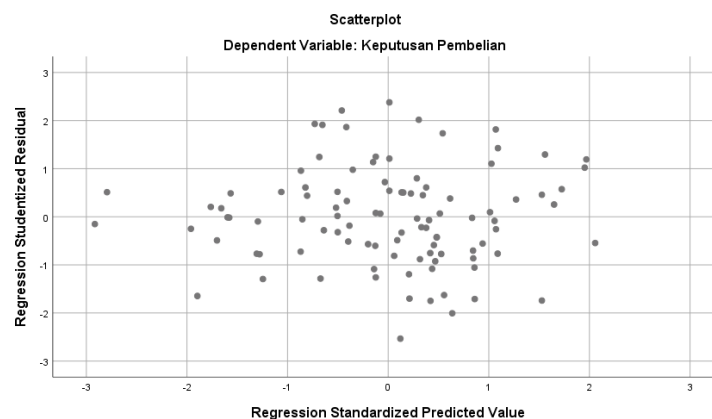
Table 7 Multicollinearity Test

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	24.421	3.767		6.483	.000		
	Quality of Service	-.127	.086	-.144	-1.471	.144	1.000	1.000
	Price Perception	.203	.086	.230	2.349	.021	1.000	1.000
a. Dependent Variable: Buying decision								

3. Heteroscedasticity Test

The scatterplot graph shows points randomly distributed above and below the number 0 on the Y-axis, indicating the absence of heteroscedasticity.

Figure 4 Grafik Scatterplot



Correlation Test

This value is slightly below 2, indicating no autocorrelation in the residuals.

It even tends toward slight negative autocorrelation, but is still within normal limits (generally a range of 1.5-2.5 is considered safe). This means that this regression model is valid from the perspective of the assumption of non-autocorrelation of residuals.

The Durbin-Watson value of 2.323 indicates that there is no autocorrelation in the residuals of the regression model. The classic regression assumption of residual independence has been met.

This model is suitable for further decision-making, at least from the perspective of the autocorrelation assumption.

Table 8 Correlation Test

Coefficients ^a					
Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.270 ^a	.073	.054	6.01595	2.323
a. Predictors: (Constant), Price Perception, Quality of Service					
b. Dependent Variable: Buying decision					

Multiple Linear Regression Analysis

The results of the regression analysis show that variable X1 has a regression coefficient of -0.127 with a significance value of 0.144. The negative sign in this regression coefficient indicates a reverse effect, meaning that when the value of variable X1 increases, variable Y tends to decrease. However, because the significance value is greater than 0.05, variable X1 influences variable Y. In other words, although there is an indication of a negative direction of influence between variable X1 and variable Y in this study sample, this may be due to the presence of other variables that more dominantly influence purchasing decisions, thus weakening the role of variable X1 or even reversing it when tested simultaneously with other variables in the regression model.

Table 9 Multiple Linear Regression Analysis

Model	Unstandardized Coefficients			Standardized Coefficients	t	Sig.
	B	Std. Error	Beta			
1	(Constant)	24.421	3.767		6.483	.000
	X1	-.127	.086	-.144	-1.471	.144
	X2	.203	.086	.230	2.349	.021
a. Dependent Variable: Y						

Coefficient of Determination Test

The results of the study showed an R-square value of 0.073, meaning that the service quality and price perception variables together only explained 7.3% of the influence on purchasing decisions, while the remaining 92.7% was influenced by other factors not examined.

Table 10 Coefficient of Determination Test

Model Summary^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.270 ^a	.073	.054	6.01595
a. Predictors: (Constant), Price Perception, Quality of Service				
b. Dependent Variable: Buying decision				

Hypothesis

Testing Partial

Test (t-Test)

1. Effect of Service Quality: t-test = -1.471

Sig. (p-value) = 0.144. Since the sig. value is greater than 0.05, Ho is accepted, meaning there is no significant effect between service quality and purchasing decisions. Although the direction of the effect is negative (B = -0.127), it is not statistically significant.

2. Effect of Price Perception: t-test = 2.349

Sig. (p-value) = 0.021. Since the sig. value is less than 0.05, Ho is rejected, meaning there is a significant effect between price perception and purchasing decisions. The positive regression coefficient (B = 0.203) indicates that the better the consumer's price perception, the higher the purchasing decision.

Table 11 t-Test

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	24.421	3.767		6.483	.000
	X1	-.127	.086	-.144	-1.471	.144
	X2	.203	.086	.230	2.349	.021

a. Dependent Variable: Y

Simultaneous Test (F Test)

The F test results indicate that the multiple linear regression model constructed was simultaneously significant, with a significance value of 0.025. Thus, overall, the service quality and price perception variables jointly influence purchasing decisions.

Table 12 F Test

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	276.651	2	138.326	3.822	.025 ^b
	Residual	3510.589	97	36.192		
	Total	3787.240	99			

a. Dependent Variable: Buying decision

b. Predictors: (Constant), Price Perception, Quality of Service

Discussion

The findings suggest that price perception is a stronger determinant of purchase decisions compared to service quality. This contrasts with studies in other retail settings where service quality had a stronger role. In the context of minimarkets, particularly Yomart, consumers tend to prioritize transparent and competitive pricing due to the nature of daily necessities being purchased.

However, service quality cannot be disregarded. While statistically insignificant in this study, poor service experiences such as lack of responsiveness and pricing errors could negatively affect brand image in the long run. Thus, Yomart management must improve both aspects simultaneously to remain competitive.

Conclusion

1. Service quality has a positive but insignificant effect on purchasing decisions.
2. Price perception has a significant positive effect on purchasing decisions.
3. Simultaneously, service quality and price perception have a significant effect on purchasing decisions, although their contributions are small.

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