

## **THE INFLUENCE OF SERVICE QUALITY AND PRICE ON PURCHASING DECISIONS THROUGH CUSTOMER SATISFACTION AS MEDIATION IN RETAIL BUILDING STORE IN SEKAYU CITY**

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**Abstract:** This research aims to determine the Influence of Service Quality and Price on Purchase Decisions Through Customer Satisfaction as Mediation in Retail Building Stores in Sekayu City. This type of research is Associative. The variables used by the researcher were the variables of service quality, price, satisfaction and purchase decisions. The sample in this study is Customers as Mediation in Retail Building Stores in Sekayu City which amounted to 100 people who were selected by Accidentail Sampling. The data used in this study is primary data with a questionnaire data collection method. The data analysis technique used is Structural Modeling Equation (SEM) with the Lisrel Program Application. The results of this study show that: (1) Service quality has a significant effect on Customer Satisfaction in Retail Building Stores in Sekayu City. (2) Price has an effect but not significantly on Customer Satisfaction at Retail Building Stores in Sekayu City. (3) Service quality has a significant effect on Purchase Decisions at Retail Building Stores in Sekayu City. (4) Price has an effect but not significantly on the Purchase Decision at Retail Building Stores in Sekayu City. (5) Customer Satisfaction has a Significant Effect on Purchase Decisions at Retail Building Stores in the City of Sekayu Consumer.

**Keywords:** Service Quality, Price, Customer Satisfaction and Purchase Decision

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### **INTRODUCTION**

Marketing is an important aspect of business. The main function of marketing is to introduce products or services to the target market and encourage them to buy. Marketing also plays a role in building a company's reputation and creating good relationships with customers.

Customer decisions before purchasing a product can be influenced by various factors. According to Schiffman & Kanuk (2018: 127), purchasing decisions involve selecting from several alternative options, which means that a person must consider several options before making a decision. The purchasing decision process involves several stages, starting from the emergence of the stimulus to the customer's attitude in responding to the stimulus. Factors such as perception, personality, motivation, interests and needs can influence the customer's attitude.

The factors that influence purchasing decisions are marketing stimuli consisting of product, price, distribution, service, and communicators. Other stimuli consist of economics, technology, politics, and culture. Customer characteristics consist of cultural, social, personal, satisfaction, and psychological. The purchasing decision process includes problem recognition, information search, alternative assessment, purchasing decisions, and post-purchase actors (Kotler and Armstrong, 2016: 187).

Customer satisfaction is very important in marketing. According to Kotler (2016:77), satisfaction is the level of a person's feelings, which express the results of a comparison of the performance (services) received with those expected by the customer. Currently, satisfaction is the focus of company activities because satisfied customers are a guarantee of loyal

customers so that they will support the company's life in the long term. Factors according to Kotler (2016:46) are service quality, price, and satisfaction.

Among the factors that influence customer satisfaction is service quality, according to Rianto (2018: 118), who states that service quality is defined as focusing on meeting needs and requirements and on timeliness to meet customer expectations. Service applies to all types of services provided by the company while the client is at the company. Businesses that can understand and meet customer needs will have a greater chance of success. Conversely, businesses that do not understand customer behavior will find it difficult to compete in the market.

Apart from service quality, price can also affect customer satisfaction. According to Tjiptono (2019: 151), price is the only element of the marketing mix that generates income, while other elements generate or constitute costs.

A previous research study conducted by Damaryanti, Talib & Miranda (2022) found research results that service quality had a significant effect on purchasing decisions. Suryani & Rosalina (2019) research explains that service quality has a positive and significant influence on purchasing decisions. Wahyuningsih (2022) found research results that service quality had a positive and significant effect on purchasing decisions. Sentosa (2019) research results show that service quality has a positive and significant effect on purchasing decisions. In contrast to research conducted by Cahya et al (2021), the results of their research show that service quality does not have a significant effect on purchasing decisions.

Research conducted by Wahyuningsih (2022) found that price had a positive and significant effect on purchasing decisions. Sentosa (2019) research results show that price has a positive and significant effect on purchasing decisions. Laura & Khotimah (2022) in their research found that price has a positive and significant effect on purchasing decisions. Yufa & Lestari (2023) explain that price has a positive and significant effect on purchasing decisions. In contrast to research conducted by Febriansyah & Triputra (2021), in their research the results showed that price did not have a significant effect on purchasing decisions.

Previous research studies conducted by Gofur (2019) showed that service quality had a significant effect on customer satisfaction. In contrast to research conducted by Rahmandika, et al (2020), the results of their research state that service quality does not have a significant effect on customer satisfaction.

Previous research studies conducted by Gofur (2019) showed that price had a significant effect on customer satisfaction. In contrast to research conducted by Ningtyas (2019), the results of his research stated that price did not have a significant effect on consumer satisfaction.

Febriansyah & Triputra (2021) in their research found that customer satisfaction has a positive and significant effect on purchasing decisions. Yufa & Lestari (2023) explain that customer satisfaction has a positive and significant effect on customer decisions. Sentosa (2019) research results show that customer satisfaction has a positive and significant effect on purchasing decisions. Sentosa (2019) research results show that customer satisfaction has a positive and significant effect on purchasing decisions. In contrast to research conducted by Heryanto (2015), the results of his research show that customer satisfaction has an influence but is not significant on purchasing decisions.

The phenomenon found in the purchasing decision variable occurs in the product choice indicators in building shops in the city of Sekayu, which are still classified as incomplete, so that customers who come to the shop when they have bought goods and want to look for other goods have to complete them in another shop, so that customers find it difficult because many building stores are incomplete in terms of products. Service and cleanliness as well as service quality also influence customers, where many shopping

customers find it easier to find the products they want in the store by looking at the layout/layout of the products displayed in the store. Customers easily match product desires with prices when customers can compare the desired products on the display. Another phenomenon is that now many customers are starting to make purchases by looking at them first, then bidding or getting recommendations from builders, so the decision to buy is often informed by the builders who are working on their building.

## **LITERATURE REVIEW**

### **Purchasing Decision**

According to Tjiptono (2019:55), the purchasing decision is the pre-purchase stage, which includes all customer activities that occur before the purchase transaction and product use occur. This stage consists of three processes, namely identifying needs, searching for information, and evaluating alternatives.

According to Hasan (2021:13), purchasing decisions are the process of customers making purchases that combine knowledge to choose two or more alternative products available, which are influenced by several factors including quality, price, location, promotion, convenience, service, and others. According to Kholik (2020:36), purchasing decisions are a process of making decisions regarding purchases, which includes determining what to buy or not to buy, goods, or services.

According to Kotler & Keller (2016:75), purchasing decision indicators are as follows:

#### **1) Product selection**

Customers make decisions to buy a product or use their money for other purposes; in this case, the company must attract the attention of people so they are interested in buying products and alternatives that consider, for example, the need for a product, the diversity of product variants, and product quality.

#### **2) Brand choice**

Buyers make decisions about which brand to buy. Brands have their own differences; in this case, companies must know how customers choose a brand, for example, brand trust and popularity.

#### **3) Choice of Dealer**

The buyer must make a decision about which dealer to visit. Each buyer has different considerations when choosing a dealer; this could be due to factors such as close location, low prices, a complete inventory of goods, and so on. For example, ease of getting products and product availability.

#### **4) Purchase Time**

Customer decisions in choosing when to buy can vary; for example, some buy once a month, once every three months, once every six months, or once a year.

#### **5) Purchase amount**

Customers can make decisions about how much product to spend at that time. There may be more than one purchase; in this case, the company must prepare many products according to different wishes.

### **Customer Satisfaction**

According to Tjiptono in Meithiana (2019:90), customer satisfaction is a situation demonstrated by customers when they realize that their needs and desires are as expected and are being fulfilled well.

Customer satisfaction is important for a company. According to Abdullah and Tantri (2019:38), customer satisfaction is the level of a person's feelings after comparing the product performance (or results) he feels with his expectations. According to Daryanto and Setyabudi (2014:90) customer satisfaction is a situation where customer needs, desires and expectations

can be met through the products consumed. According to Tjiptono (2019:101), customer satisfaction indicators consist of:

- 1) matching expectations It is the level of conformity between the service performance expected by customers and that perceived by customers.
- 2) Interest in Returning It is the customer's willingness to visit again or reuse the related services.
- 3) Willingness to recommend It is a customer's willingness to recommend services they have experienced to friends or family.

### **Services Quality**

According to Zeithmal, quoted by Sudarso (2016:57), service quality is a perceived benefit based on customer evaluation of interactions compared to previously expected benefits.

According to Rianto (2018:118) who states that service quality is defined as focusing on meeting needs and requirements as well as on timeliness to meet customer expectations. Service applies to all types of services provided by the company while the client is at the company. According to Fandy Tjiptono in Heni (2018:314), "service quality is the level of product or service excellence that is expected from that level of excellence to fulfill the customer's desires." Customers will receive services if they meet expectations. According to Lupiyoadi (2019:64), there are several dimensions or attributes that need to be considered in service quality, namely:

- 1) Reliability is the ability of a service provider to provide promised services immediately, accurately, and satisfactorily.
- 2) Responsiveness is the staff's desire to help customers and provide service.
- 3) Assurance is a guarantee that covers the knowledge, competence, politeness, and trustworthiness of the staff.
- 4) Empathy is ease in establishing relationships, good communication, personal attention, and understanding of customers' individual needs.
- 5) Physical evidence (tangibles) is real evidence or attributes regarding physical appearance, equipment, personnel, and communication materials.

### **Price**

According to Tjiptono (2019: 151), price is the only element of the marketing mix that generates income, while other elements generate or constitute costs. Setyo (2017:758) price is the amount of value that a customer exchanges for a product or service that has benefits when the customer owns or uses the product or service purchased. According to Rambe (2024:52) price is the amount of money paid by customers to producers to obtain a product. According to Sudaryono (2016:2016), "price is an exchange value that can be equated with money or other goods for the benefits obtained from a good or service for a person or group at a certain time and in a certain place."

According to Kotler and Armstrong (2017:314), there are four size indicators that characterize prices, namely as follows:

- 1) Affordability Customer purchasing power for the products they buy.
- 2) Price compliance with product quality The price given by the company for its products is in accordance with the quality of the products they produce.
- 3) Price competitiveness Customers tend to compare prices with competitors and also consider the capabilities or usefulness of the goods or services.
- 4) Price matches benefits Customers will feel satisfied if the benefits of the product purchased meet their expectations and match the price spent to get the product.

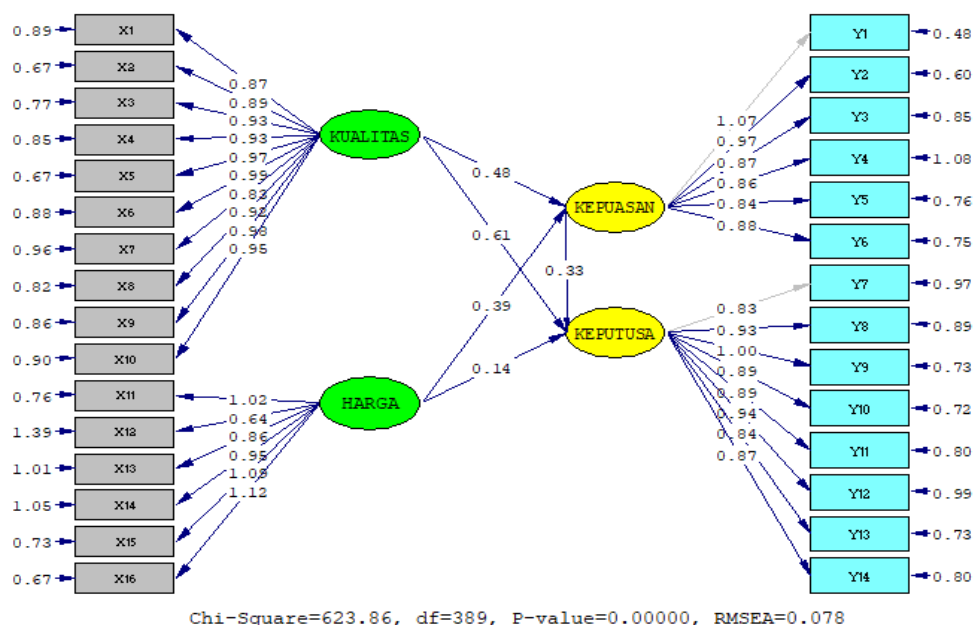
## METHOD

The research method used is the associative method, which is research to test the alleged relationship (influence) between one variable and another variable. The variable in question is to determine the influence of service quality and price on purchasing decisions through customer satisfaction as mediation in retail building stores in Sekayu City. The population in this research is all customers who have visited building shops in Sekayu City. The sample used in SEM (Structure Equation Modeling) research is a minimum of 100–200 samples (Ferdinand, 2013: 80) using the accidental sampling technique. namely, customers who coincidentally meet researchers can be used as samples if customers buy building material products.

## RESULT AND DISCUSSION

### Characteristics

The profile of respondents from the gender characteristics of the respondents sampled in this study was that 59% were male and 41% were female. The age characteristics of the respondents in this research sample were 27% of respondents aged less than 25 years, 39% of respondents aged 26-35 years, 16% of respondents aged 36-45 years, and 18% of respondents aged 45 years and over. Then the job characteristics of the respondents who were the sample for this research were 18% of respondents who worked as ASN/TNI/Polri, 27% of respondents who worked as private employees, 29% of respondents who worked as entrepreneurs, 6% of respondents who worked as farmers, and 20% of respondents. The profile of the expenditure characteristics of respondents who are the sample for this research is 26% of respondents in terms of expenditure of less than 3 million, 31% of respondents in terms of expenditure of 3 to 5 million, 14% of respondents in terms of expenditure of 5 to 9 million, and 29% of respondents saw expenditures of more than 10 million.



The picture above shows that all loading factor variables have values greater than the error value. This shows that the CFA (Confirmatory Factor Analysis) test at the initial stage in the picture above is sufficient for the next stage of testing.

### 1) Construct Validity Test

The validity of a manifest variable is an evaluation of the factor loading of that variable on the latent variable. A variable is said to have good validity against the construct



variable or latent variable if the Average Variance Extract (AVE) is greater than 0.50. Of the 9 statements testing the construct validity of the job satisfaction instrument, each is greater than 0.05, and the overall Average Variance Extract (AVE) value is greater than 0.50. The results show that all indicators of the job satisfaction variable have passed the validity test because they have met the requirements, namely the loading factor value of  $\geq 0.05$ , so that the instrument is declared valid and can be used as a valid measuring tool in subsequent analysis.

## 2) Construct Reliability Test

The calculation results of the CR value are  $>0.70$  so it can be concluded that all constructs in the full model loading factor for the variables quality, price, purchasing decisions and satisfaction in this research are acceptable and reliable.

## 3). Model Fit Test

Based on lamparian Goodness of Fit. A summary of the results of the model suitability test can be made as follows

| <b>Table Goodness Of Fit Index</b> |                     |                |                         |
|------------------------------------|---------------------|----------------|-------------------------|
| <b>Goodness Of Fit Index</b>       | <b>Cut Of Value</b> | <b>Results</b> | <b>Model Evaluation</b> |
| <b>P-Value</b>                     | $\geq 0,05$         | 0,00           | Fit                     |
| <b>RMSEA</b>                       | $\leq 0,1$          | 0,07           | Good Fit                |
| <b>GFI</b>                         | $\geq 0,90$         | 0,70           | Fit                     |
| <b>NNFI</b>                        | $\geq 0,90$         | 0,96           | Good Fit                |
| <b>SRMR</b>                        | $\leq 0,1$          | 0,06           | Good Fit                |
| <b>IFI</b>                         | $\geq 0,90$         | 0,96           | Good Fit                |
| <b>CFI</b>                         | $\geq 0,90$         | 0,96           | Good Fit                |
| <b>RFI</b>                         | $\geq 0,90$         | 0,92           | Good Fit                |
| <b>NFI</b>                         | $\geq 0,90$         | 0,91           | Good Fit                |

Source. Research Data Processing Results, 2024

It can be concluded that the model is good because the overall goodness of fit index criteria are included in the good fit category, especially the P-Value value which is greater than 0.05 and the RMSEA value which is less than 0.05 so there is no need to modify the model.

## Structural Equation Modeling (SEM) Analysis

### 1) Structural Model

Next, structural model testing will be carried out, namely testing the significance of the influence. The image below is the result of a structural equation based on LISREL software

| <b>Hypothesis Test Table</b> |                               |   |                       |                 |                |                    |  |
|------------------------------|-------------------------------|---|-----------------------|-----------------|----------------|--------------------|--|
| <b>No</b>                    | <b>Variable</b>               |   |                       | <b>T-Values</b> | <b>Cr Rate</b> | <b>Information</b> |  |
| <b>1</b>                     | Service Quality               | – | Customer Satisfaction | 2,19            | $> 1,96$       | Significance       |  |
| <b>2</b>                     | Price – Customer Satisfaction |   |                       | 1,76            | $< 1,96$       | Not Significance   |  |
| <b>3</b>                     | Service Quality               | – | Purchasing Decisions  | 4,05            | $> 1,96$       | Significance       |  |
| <b>4</b>                     | Price – Purchase Decision     |   |                       | 1,02            | $< 1,96$       | Not Significance   |  |
| <b>5</b>                     | Customer Satisfaction         | – | Purchase Decisions    | 3,24            | $> 1,96$       | Significance       |  |

Source. Research Data Processing Results, 2024

It can be seen that the research hypothesis test is as follows:

- 1) The effect of service quality on customer satisfaction Based on the calculation results, it can be seen that the T-values calculation results are  $2.19 > 1.96$ , so that  $H_a$  is accepted. This means that

with an error rate of 5%, it can be concluded that service quality has a significant effect on customer satisfaction.

- 2) The effect of price on customer satisfaction Based on the calculation results, it can be seen that the T-values calculation results are  $1.76 < 1.96$ , so that  $H_a$  is accepted. This means that with an error rate of 5%, it can be concluded that price has no significant effect on customer satisfaction.
- 3) The influence of service quality on purchasing decisions Based on the calculation results, it can be seen that the T-values calculation results are  $4.05 > 1.96$ , so that  $H_a$  is accepted. This means that with an error rate of 5%, it can be concluded that service quality has a significant influence on purchasing decisions.
- 4) The Influence of Price on Purchase Decisions Based on the calculation results, it can be seen that the T-values calculation results are  $1.02 < 1.96$ , so that  $H_a$  is accepted. This means that with an error rate of 5%, it can be concluded that price has no significant effect on purchasing decisions.
- 5) The Influence of Customer Satisfaction on Purchase Decisions Based on Figure IV.8 and Table IV.16, it can be seen that the calculation results for the T-values are  $3.24 > 1.96$ , so that  $H_o$  is accepted. This means that with an error rate of 5%, it can be concluded that customer satisfaction has a significant influence on purchasing decisions.

Then direct influence, indirect influence and total influence. The results of direct influence, indirect influence and total influence can be seen in table IV.14 below:

| Recapitulation of Direct Influence and Indirect Influence |                               |   |                              |                      |                  |                    |                 |
|---|-------------------------------|---|------------------------------|----------------------|------------------|--------------------|-----------------|
| No  | Variable                      |   |                              | Variabel Intervening | Direct Influence | Indirect Influence | Total Influence |
| 1   | Service Quality               | – | Customer Satisfaction        | -                    | 0,48             | -                  | 0,48            |
| 2   | Price Satisfaction            | – | Customer                     | -                    | 0,39             | -                  | 0,39            |
| 3   | Service Quality               | – | Purchasing Decision          | -                    | 0,61             | -                  | 0,61            |
| 4   | Price Decision                | – | Purchasing                   | -                    | 0,14             | -                  | 0,14            |
| 5   | Customer Satisfaction         | – | Purchasing Decision          | -                    | 0,33             | -                  | 0,33            |
| 6   | Service Customer Satisfaction | – | Quality Purchasing Decisions | Customer Satisation  | 0,48             | 0,16               | 0,64            |
| 7   | Price Satisfaction            | – | Customer Purchase Decision   | Customer Satisation  | 0,39             | 0,13               | 0,52            |

Source. Research Data Processing Results, 2024

You can see the direct influence, indirect influence, and total influence, which are described as follows:

- a) The direct influence of service quality variables on customer satisfaction, based on the table above, shows that it is 0.48, meaning that if service quality increases, it will increase customer satisfaction or vice versa. Based on the test results, it shows that service quality has a significant effect on customer satisfaction.
- b) The direct effect of the price variable on customer satisfaction, based on the table above, shows it is 0.39, meaning that if the price can be increased, it will increase customer satisfaction or vice versa. Based on the test results, the influence of price has no significant effect on customer satisfaction.

- c) The direct influence of the service quality variable on purchasing decisions, based on the table above, shows that it is 0.61, meaning that if service quality increases, it will increase purchasing decisions or vice versa. Based on the test results, it shows that service quality has a significant effect on purchasing decisions.
- d) The direct influence of the price variable on purchasing decisions, based on the table above, shows that it is 0.14, meaning that if the price can be increased it will increase purchasing decisions or vice versa. Based on the test results, it shows that price has no significant effect on purchasing decisions.
- e) The direct influence of the customer satisfaction variable on purchasing decisions, based on the table above, shows that it is 0.33, meaning that if customer satisfaction can be increased it will increase purchasing decisions or vice versa. Based on the test results, it shows that customer satisfaction has a significant effect on purchasing decisions.
- f) The direct influence of service quality on purchasing decisions is 0.61, while the indirect influence of service quality variables on purchasing decisions with customer satisfaction as an intervening variable is 0.64. This means that customer satisfaction strengthens the influence of product quality on customer loyalty.
- g) The direct influence of price on purchasing decisions is 0.14, while the indirect influence of price variables on purchasing decisions with customer satisfaction as an intervening variable is 0.52. This means that customer satisfaction strengthens the influence of brand image on customer loyalty.

## DISCUSSION

### **The Influence of Service Quality on Customer Satisfaction in Retail Building Stores in Sekayu City**

Based on the test results, service quality has a positive and significant effect on customer satisfaction at retail building stores in Sekayu City. Test results using the lisrel application show T-Values results of  $2.19 > 1.96$ , so it can be concluded that service quality has a positive and significant effect on customer satisfaction.

The results of this research are in accordance with the theory according to Kotler (2016:46) which states that service quality is one of the factors influencing customer satisfaction.

Previous research studies conducted by Gofur (2019) showed that service quality had a significant effect on customer satisfaction. In contrast to research conducted by Rahmandika, et al (2020), the results of their research state that service quality does not have a significant effect on customer satisfaction.

Based on the results of respondents' answers, it shows that service quality has a significant effect on customer satisfaction. It can be seen from the distribution of answers among respondents that the problem is as follows:

- a. There are still customers who state that each shop does not provide satisfactory service.
- b. There are still customers who state that information about products is not conveyed by shop employees.
- c. There are still customers who state that they do not receive good treatment when they come to look at existing material products.
- d. There are still customers who say they don't get attention when they first come to the shop.
- e. There are still customers who state that the materials customers are looking for are not always available in every shop



Based on the results of the research, researchers suggest that regarding the quality of existing services, especially focusing on issues regarding reliability by ensuring that product availability in building shops is complete and fulfilled, the responsiveness of existing building shop staff or employees should be equipped with the ability to respond to customers quickly and effectively and then provide guarantees or offers of guarantees regarding the products being sold so that customers feel safe and confident in the products being sold, apart from that, it is necessary to understand the needs of customers who come so that they can provide the best service by providing an orderly display or product display area so that customers can be interested and increase customer satisfaction. Who came to the shop.

## **2) The Effect of Price on Customer Satisfaction in Retail Building Stores in Sekayu City**

Based on the test results, price has no significant effect on customer satisfaction at retail building stores in Sekayu City. Test results using the *lisrel* application show T-Values results of  $1.76 < 1.96$ , so it can be concluded that price has no significant effect on customer satisfaction.

Previous research studies conducted by Gofur (2019) showed that price had a significant effect on customer satisfaction. In contrast to research conducted by Ningtyas (2019), the results of his research stated that price did not have a significant effect on consumer satisfaction.

The reasons the price variable has no effect on customer satisfaction are: first, because the elements in the indicators other than those asked by the researcher may have an effect on customer satisfaction, meaning that in this case the researcher in conducting the research only took three indicators that were close to the goal in asking the question. to respondents because according to researchers these indicators are the indicators that best represent or correspond to the phenomena and facts when making observations. However, the results obtained by researchers from questionnaires that have been distributed and processed actually state that the price variable has no effect on customer satisfaction, so it is very possible that price indicators that are not included in this research have an influence on the price variable on customer satisfaction.

Based on the results of respondents' answers, it shows that price has no significant effect on customer satisfaction. It can be seen from the distribution of answers among respondents that the problem is as follows:

- a. There are still customers who state that the prices listed are not affordable for consumers.
- b. There are still customers who state that the prices given do not match the quality of each material.
- c. There are still customers who state that prices between stores are very different.

As a result of this problem, it appears that the goods in the building shop do not match customer expectations. The services provided make customers not want to buy materials in the same place and customers are not willing to recommend the shop to friends or relatives.

Researchers suggest that paying attention to the prices offered should pay more attention to the target market that will be reached and provide discounts to attract the attention of customers. The shop should provide detailed information regarding product specifications, materials and product advantages in each building store and explain it to customers clearly. how the products sold can meet customer needs or solve customer problems so that they can increase customer satisfaction.

### **3) The Influence of Service Quality on Purchasing Decisions in Retail Building Stores in Sekayu City**

Based on the test results, service quality has a positive and significant effect on purchasing decisions at retail building stores in Sekayu City. Test results using the lisrel application show T-Values results of  $4.05 > 1.96$ , so it can be concluded that service quality has a positive and significant effect on purchasing decisions.

The results of this research are in accordance with the theory according to Kotler and Armstrong (2016: 187) which states that service quality is one of the factors influencing purchasing decisions.

This research is in line with research conducted by Damaryanti, Talib, & Miranda (2022), which found research results that service quality had a significant effect on purchasing decisions. Suryani & Rosalina's (2019) research explains that service quality has a positive and significant influence on purchasing decisions. Wahyuningsih (2022) found research results that service quality had a positive and significant effect on purchasing decisions. Sentosa (2019) research results show that service quality has a positive and significant effect on purchasing decisions. In contrast to research conducted by Cahya et al. (2021), the results of their research show that service quality does not have a significant effect on purchasing decisions.

Based on the results of respondents' answers, it shows that service quality has a significant influence on purchasing decisions. It can be seen from the distribution of answers among respondents that the problem is as follows:

- a. There are still customers who state that each shop does not provide satisfactory service.
- b. There are still customers who state that information about products is not conveyed by shop employees.
- c. There are still customers who state that they do not receive good treatment when they come to look at existing material products.
- d. There are still customers who say they don't get attention when they first come to the shop.
- e. There are still customers who state that the materials customers are looking for are not always available in every shop.

Based on the results of the research, researchers suggest that regarding the quality of existing services, especially focusing on issues regarding reliability by ensuring that product availability in building shops is complete and fulfilled, the responsiveness of existing building shop staff or employees should be equipped with the ability to respond to customers quickly and effectively and then provide guarantees or offers of guarantees regarding the products being sold so that customers feel safe and confident in the products being sold, apart from that, it is necessary to understand the needs of customers who come so that they can provide the best service by providing an orderly display or product display area so that customers can be interested and increase customer satisfaction. who come to the store thereby influencing purchasing decisions.

### **4) The Influence of Price on Purchasing Decisions in Retail Building Stores in Sekayu City**

Based on the test results, price has no significant effect on purchasing decisions at retail building stores in Sekayu City. The test results using the lisrel application show T-Values results of  $1.02 < 1.96$ , so it can be concluded that price has no significant effect on purchasing decisions.

Research conducted by Laura & Khotimah (2022) in their research found that price had a positive and significant effect on purchasing decisions. In contrast to research conducted by

Febriansyah & Triputra (2021), in their research the results showed that price did not have a significant effect on purchasing decisions.

The reason the results of this research are different from research conducted by Laura & Khotimah (2022) is based on several aspects, namely, the data analysis method used by Laura & Khotimah (2022) uses partial least squares (PLS) while this research uses Structural Equation Modeling (SEM). The sample used was 139 respondents, whereas in this study the sample used was 100 respondents. Based on the results of respondents' answers, it shows that price does not have a significant effect on purchasing decisions. It can be seen from the distribution of answers among respondents that the problem is as follows:

- a. There are still customers who state that the prices listed are not affordable for consumers.
- b. There are still customers who state that the prices given do not match the quality of each material.
- c. There are still customers who state that prices between stores are very different.

As a result of this problem, it appears that customers think there are not many product choices in each building shop, the existing brand choices are not of good quality, customers do not consider distance when they want to shop for building materials, customers do not often make purchases in one place. Researchers suggest that paying attention to the prices offered should pay more attention to the target market that will be reached and provide discounts to attract the attention of customers.

The shop should provide detailed information regarding product specifications, materials and product advantages in each building shop and explain it to customers clearly. how the product being sold can meet customer needs or solve customer problems so that it can increase consumer satisfaction and influence purchasing decisions

## **5) The Influence of Customer Satisfaction on Customer Loyalty in Retail Building Stores in Sekayu City**

Based on the test results, customer satisfaction has a significant effect on purchasing decisions at retail building stores in Sekayu City. Test results using the Lisrel application show T-values results of  $3.24 < 1.96$ , so it can be concluded that customer satisfaction has a significant influence on purchasing decisions. The results of this research are in accordance with the theory according to Kotler and Armstrong (2016: 187), which states that customer satisfaction is one of the factors influencing purchasing decisions.

Febriansyah & Triputra (2021), in their research, found that customer satisfaction has a positive and significant effect on purchasing decisions. Yufa & Lestari (2023) explain that customer satisfaction has a positive and significant effect on customer decisions. Sentosa's (2019) research results show that customer satisfaction has a positive and significant effect on purchasing decisions.

Sentosa's (2019) research results show that customer satisfaction has a positive and significant effect on purchasing decisions. In contrast to research conducted by Heryanto (2015), the results of his research show that customer satisfaction has an influence but is not significant on purchasing decisions. This is a research gap in this research.

Based on the results of respondents' answers, it shows that customer satisfaction has a significant effect on purchasing decisions. It can be seen from the distribution of answers among respondents that the problem is as follows:

- a. There are still customers who state that the goods in building stores do not meet customer expectations.

- b. There are still customers who state that the services provided make customers not want to buy materials at the same place.
- c. There are still customers who state that they are not willing to recommend the shop to friends or relatives.

As a result of this problem, it appears that customers think there are not many product choices in each building shop, the existing brand choices are not of good quality, customers do not consider distance when they want to shop for building materials, customers do not often make purchases in one place.

Based on the results of the research, researchers suggest that customer satisfaction, especially focusing on issues regarding customer expectations, is that the shop should be able to provide fast response, friendly and informative service so that it can help customers find products that suit their needs, then ensure that the product layout is easy. visible and cleanliness is always maintained so that customers want to come back and are willing to recommend the shop which can influence satisfaction and thus increase purchasing decisions.

#### **6) The Influence of Service Quality on Purchasing Decisions with Customer Satisfaction as an Intervening Variable**

Based on the test results, the direct influence of service quality on purchasing decisions is 0.61, while the indirect influence of service quality variables on purchasing decisions with customer satisfaction as an intervening variable is 0.64. This means that customer satisfaction strengthens the influence of product quality on customer loyalty. In this case, the service quality variable needs to be supported by the intervening variable customer satisfaction. Supporting the customer satisfaction variable actually strengthens the influence of service quality on purchasing decisions.

This statement is based on the results of distributing questionnaires and responses to existing statement items showing that service quality influences purchasing decisions through the intervening variable customer satisfaction with the results of the questionnaire statement from the customer satisfaction variable being dominated by respondents' answers disagreeing and strongly disagreeing, even quite high neutral. However, out of 100 respondents, there were respondents who agreed and strongly agreed.

#### **7) The Effect of Price on Purchasing Decisions with Customer Satisfaction as an Intervening Variable**

Based on the test results, the direct influence of price on purchasing decisions is 0.14, while the indirect influence of price variables on purchasing decisions with customer satisfaction as an intervening variable is 0.52. This means that customer satisfaction strengthens the influence of brand image on customer loyalty. In this case, the price variable needs to be supported by the intervening variable customer satisfaction.

Supporting the customer satisfaction variable actually strengthens the influence of price on purchasing decisions. This statement is based on the results of distributing questionnaires and responses to existing statement items showing that price influences purchasing decisions through the intervening variable customer satisfaction with the results of the questionnaire statement from the customer satisfaction variable being dominated by respondents' answers disagreeing and strongly disagreeing, even neutral, quite high. However, out of 100 respondents, there were respondents who agreed and strongly agreed.

#### **Conclusion**

Based on the discussion discussed in the previous chapter, the following author can draw conclusions from the research results, namely as follows:

1. Service quality has a significant effect on customer satisfaction at retail building stores in Sekayu City.
2. Price has an effect but is not significant on customer satisfaction at retail building stores in Sekayu City.
3. Service quality has a significant influence on purchasing decisions at retail building stores in Sekayu City.
4. Price has an influence but is not significant on purchasing decisions at retail building stores in Sekayu City.
5. Customer satisfaction has a significant influence on purchasing decisions at retail building stores in Sekayu City.
6. Customer satisfaction strengthens the influence of service quality on purchasing decisions at retail building stores in Sekayu City.
7. Customer satisfaction strengthens the influence of price on purchasing decisions at retail building stores in Sekayu City.

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