THE EFFECT OF SERVICE QUALITY AND PRODUCT QUALITY ON PURCHASE DECISIONS AT UD ZELINDRIYA JAYA

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ABSTRACT

The furniture industry is one of the growing industrial sectors in Indonesia. There have been problems during the Covid-19 pandemic that have caused chaos in the furniture industry sector. The real impact caused by Covid-19 is a decrease in buying and selling activities, raw materials are difficult to obtain, distribution is hampered, service providers are infected to Covid-19. This study aims to analyze the effect of Service Quality and Product Quality on Purchase Decisions. The population in this study were UD Zelindriya Jaya customers as many as 80 customers. Data analysis using Classical Assumptions.

***Keywords:** Service Quality, Product Quality, Purchase Decision*

1. INTRODUCTION

The wood processing industry is one form of business in Indonesia. The sawmill industry is an industry that produces semi-finished goods which will then be further processed to produce finished products. According to Stendahl (2013) sawmills start integrated production of components partly as a consequence of customer firms' outsourcing of their former manufacturing operations. The results of wood processing into sawn wood can be utilized by the advanced wood industry. In addition, the results are also used in the wood furniture business, as building materials and in the business of traditional frames. One of them is the furniture industry, the furniture industry is an industry that processes raw or semi-finished wood, rattan, and other natural materials into finished goods which can be called furniture with higher added value and benefits. Along with the influence of globalization in today's industrial world, it has led to intense and competitive competition between companies. The furniture industry is

one of the growing industrial sectors in Indonesia. The furniture industry has great potential to grow and develop because it is supported by abundant sources of raw materials and skilled and competent craftsmen. The ability of businesses to meet customer needs is a very important thing in competition so that customers can determine where the customer will make a purchase decision.

Purchase decisions made by customers will affect the business, where if the customer increases every year, the business will increase and vice versa. So, for a company to be successful in competition, the company must have a condition, namely the existence of a goal that can make customers to determine their purchasing decisions. To achieve this goal, many factors influence the purchase decision, including the company must produce the goods and services desired by the customer in accordance with the quality of service and good product quality.

Service quality has proven its role and importance in management or marketing, (Mahamad & Ramayah, 2010). According to Signaling theory from Michael Spence (1973), explained that basically information is used to give positive or negative signals to its users, so that good service and quality will send positive signals to the customer, (Irawati et al., 2021). Quality of service or customer service is not something that is permanent or rigid, but flexible and can be changed. This change is of course in the form of improving the quality of service for the better. The quality of this service is

important because it will have a direct impact on the company's image so that it will improve customer purchasing decisions. Good service quality will get a positive value and the customer will give good feedback and make the customer consistent with the place. Of course, this is a calculation and consideration for customers. Quality gives an impetus to customers to establish a strong relationship with the company

Factors in purchasing decisions besides service quality are also due to other factors, namely product quality. Products have important meaning for companies because without products, companies will not be able to do anything from their business. Buyers will buy products if they feel suitable, therefore products must be adjusted to the wishes or needs of buyers so that product marketing is successful. In other words, the manufacture of products is better oriented to market desires or customer tastes. The customer's desire is much more important because the manufacturer is very dependent on the customer. In determining the purchase decision, a customer often looks at the added value of a product or service performance received from a product purchasing process.

In 2020, the COVID-19 (Coronavirus) pandemic occurred which was not only a health disaster, but also caused chaos in the economic sector, both large industries and SMEs (Small and Medium Enterprises). Restrictions on activity by the government to the recommendation to carry out social distancing to avoid the

transmission of the Covid-19 virus have an impact on the economic and industrial sectors. The real impact caused by Covid-19 is the decrease in buying and selling activities due to the declining purchasing power of the people, raw materials are difficult to obtain, distribution is hampered, service providers are also exposed to the impact of Covid-19, this condition also threatens and has even resulted in some companies ending up bankrupt. Based on the description of the background, the problems in this study can be formulated as follows:

1. Does service quality affect purchasing decisions at UD Zelindriya Jaya?
2. Does product quality affect purchasing decisions at UD Zelindriya Jaya?
3. Do service quality and product quality have a simultaneous effect on purchasing decisions at UD Zelindriya Jaya?

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Understanding management in general has many points of view and perception. The word management comes from the English language, namely "manage" which means to manage, control, seek, and lead. Some definitions of management according to experts obtained from various journals are as follows: According Dipayanti (2018) defines management as the art of getting work done through other people. In company the manager's job in general is to balance a management. Managers also share the consequences of the decisions they have made, (Putri & Irawati, 2019)

According Dipayanti (2018) states that management is the process of planning, organizing, directing and supervising the efforts of organizational members and the influence of other organizational resources in order to achieve the set organizational goals. According Lesmana & Juwardi (2017) states that management is a science and art that regulates the process of utilizing the process of utilizing human resources and other resources effectively and efficiently to achieve a certain goal.

According to George R. Terry in the journal Suwanto (2021) states that management is the accomplishing of a predetermined objective through the efforts of other people. divides four basic management functions, namely Planning (Planning), Organizing (Organizing), Actuating (Implementation) and Controlling (Supervision). These four management functions are abbreviated as POAC.

According to journal Amirudin (2019), management comes from the word to manage, which means to manage, organize, implement, and manage. The term management has been interpreted by several parties with different perspectives, for example management, coaching, management, leadership, administration and so on.

Based on the understanding of management according to the experts above, it can be concluded that "management is a process consisting of planning, organizing, directing, and

controlling actions to achieve company goals effectively and efficiently".

According to Sugiyono (2017) the hypothesis is a temporary answer to the problem of research problem formulation, where the research problem formulation has been stated in the form of a question sentence.

It is said to be temporary, because the answers given are only based on empirical facts obtained through data collection. There are two hypotheses used in the study:

H1 : Service quality has an effect on purchasing decisions at UD Zelindriya Jaya.

H2 : Product quality influences purchasing decisions at UD Zelindriya Jaya.

H3 : Service quality and product quality simultaneously influence purchasing decisions at UD Zelindriya Jaya.

3. RESEARCH METHOD

In this study using associative research, according to Sugiyono (2017) research that aims to determine the effect or relationship between two or more variables. And using quantitative research methods with associative research types, according to Sugiyono (2017) quantitative research methods are quantitative research methods that can be interpreted as research methods based on the philosophy of positivism, used to examine certain populations or samples. Data collection uses research instruments, data analysis quantitative or statistical, with the aim of testing the established hypothesis.

4. ANALYSIS RESULTS AND DISCUSSION

Based on the results of validity and reliability test using SPSS version 24, all the variables, service quality, product quality and purchasing decisions, are passing the criteria, it can be concluded all items are valid and reliable this is evidenced by all statement items having corrected item total correlation values r-count > r-table (0.220) for validity test and *Cronbach's alpha value* > (0.60) for reliability test.

Table 3 Descriptive of Service Quality Variable (x1)

No	Statement List	Alternative Answer					Score	Total (n)	Average	Category
		5	4	3	2	1				
		SS	S	KS	TS	STS				
Tangible										
1.	UD Zelindriya Jaya employees have a clean and tidy appearance	13	16	40	10	1	270	80	3.38	Pretty good
2.	UD Zelindriya Jaya employees can establish good communication	13	20	42	3	2	279	80	3.49	Good
Empathy										
3.	UD Zelindriya Jaya employees understand customer wants and needs	11	22	31	14	2	266	80	3.33	Pretty good
4.	UD Zelindriya Jaya employees always put customer interests first	3	14	55	8	0	252	80	3.15	Pretty good
Quick Response (Responsivnes)										
5.	UD Zelindriya Jaya employees have the ability to help customer needs well	12	23	42	3	0	284	80	3.55	Good

Based on the descriptive variable the quality of service is said to be quite good. Because the average score of 3.371 is between (2.61 - 3.40) and is evidenced by the highest score of 3.60 in statement no. 9, namely "UD Zelindriya Jaya employees understand about the products offered". But besides that, there is still a low score of 3.15 in statement no. 4, namely "UD Zelindriya Jaya employees always put the interests of customers first".

Table 4 Regression Linier Test_Service Quality
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig
		B	Std. Errors			
1	Constant	4.769	3.599		1.325	.189
	Service Quality	1.003	.106	.731	9.463	.000

a. Dependent Variable: Purchasing Decision

Based on the results of the simple linear regression equation, the quality of service on purchasing decisions is Y = 4.769 + 1.003x concluded Constant = 4.769. This means that the constants are positive or can be explained if the service quality (x) is fixed, the purchase decision (y) is 4.769 units and Service Quality (x) = 1.003. This means that if the quality-of-service increases by one unit, the purchasing decision increases

by 1.003 units assuming other variables remain.

Based on the results of the t test or partial test between service quality and purchasing decisions at UD Zelindriya Jaya, it shows the value of t-count (2.895) > t-table (1.991) and sig (0.005) <0.05, it means that partially there is a

positive and significant influence on the variable service quality on purchasing decision variables at UD Zelindriya Jaya. The result is the same with Chaerudin & Syafarudin (2021), service quality is proven to have a positive and significant effect on purchasing decisions for medical device products.

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Effect of Product Quality (x2) on Purchase Decision (y)

Table 5 Product Quality Variable Descriptive (x2)

No	Statement List	Alternative Answer					Score	Total (n)	Average	Category
		5	4	3	2	1				
		SS	S	KS	TS	STS				
Performance Quality										
11.	ProductUD Zelindriya Jaya has good wood characteristics	10	20	35	12	3	262	80	3.28	Pretty good
12.	ProductUD Zelindriya Jaya has different characteristics from other wood craftsmen	5	16	39	18	2	244	80	3.05	Pretty good
Features (Features)										
13.	ProductUD Zelindriya Jaya uses quality types of wood	13	25	24	16	2	271	80	3.39	Pretty good
14.	ProductUD Zelindriya Jaya uses interesting features	5	22	43	10	0	262	80	3.28	Pretty good
Conformance to Specifications										
15.	ProductUD Zelindriya Jaya has quality that matches the price	4	16	51	9	0	255	80	3.19	Pretty good
16.	ProductUD Zelindriya Jaya has product eligibility standards	3	26	40	9	2	259	80	3.24	Pretty good
Durability										
17.	ProductUD Zelindriya Jaya can be used for a long time	10	24	30	14	2	266	80	3.33	Pretty good
18.	UD Zelindriya Jaya products use a type of wood that has good durability	12	20	24	21	3	257	80	3.21	Pretty good
Reliability (Reliability)										
19.	ProductUD Zelindriya Jaya has strong wood quality	5	25	36	13	1	260	80	3.25	Pretty good
20.	ProductUD Zelindriya Jaya is not easily damaged	6	15	48	11	0	256	80	3.20	Pretty good
Service (Serviceability)										

21.	UD Zelindriya Jaya products are made with fast pre-order times	8	20	34	16	2	256	80	3.20	Pretty good
22.	UD Zelindriya Jaya is fast in serving customer complaints	3	16	53	8	0	254	80	3.18	Pretty good
Aesthetics (Esthetics)										
23.	UD Zelindriya Jaya products have an attractive design	11	18	28	20	3	254	80	3.18	Pretty good
24.	UD Zelindriya Jaya products have a variety of attractive colors	11	21	32	14	2	265	80	3.31	Pretty good
Perceived Quality										
25.	UD Zelindriya Jaya products according to customer wishes	9	21	34	15	1	262	80	3.28	Pretty good
26.	UD Zelindriya Jaya products have specifications according to applicable standards	7	14	40	18	1	248	80	3.10	Pretty good
Amount		122	319	591	224	24	**4131**	**1280**	**3,228**	**Pretty good**
Percentage (%)		9.5 %	24.9 %	46.2 %	17.5 %	1.9%				

Based on the descriptive variable, the product quality is said to be quite good. Because the average score of 3,228 is between (2.61 - 3.40) and is evidenced by the highest score of 3.60 in statement no. 13, namely "UD Zelindriya Jaya products use quality wood types". But besides that, there is still a low score of 3.05 in statement no. 12, namely "UD Zelindriya Jaya's products have different characteristics from other wood craftsmen".

Tabel 6. Regression Linier Test_Product Quality

Model		B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig
1	Constant	13.738	1.908		7.201	.000
	Product Quality	.481	0,36	.832	13.249	.000

Dependent Variable: Purchasing Decision

Based on the simple linear regression equation of product quality on purchasing decisions, namely Y = 13.738 + 0.481x concluded Constant = 13.738. This means that the constants are positive or can be explained if the quality of the product (x) has a fixed value, the purchase decision (y) is 13.738 points and the Product Quality (x) = 0.481. This means that if the quality of the product increases by one unit, the purchasing decision increases by 0.481 units assuming other variables remain.

Based on the results of the t test or partial test between product quality and

purchasing decisions at UD Zelindriya Jaya, it shows the tcount (7,224) > ttable (1,991) and sig (0,000) < 0,05, it means that partially there is a positive and significant influence on the variable product quality on purchasing decision variables at UD Zelindriya Jaya. The result is the same with The Herawati et al., (2017) product quality is the most dominant variable in influencing purchasing decisions. But the result is different with the research results of Wahyuni & Ginting (2017) that product quality does not have a significant effect on purchasing decisions.

The Influence of Service Quality (x1) and Product Quality (x2) on Purchase Decisions (y)

Table 7 Descriptive Purchase Decision Variable (y)

No	Statement List	Alternative Answer					Score	Total (n)	Average	Category
		5 SS	4 S	3 KS	2 TS	1 STS				
		Product quality								
27.	UD Zelindriya Jaya has products that suit customer tastes	6	15	44	14	1	251	80	3.14	Pretty good
No	Statement List	Alternative Answer					Score	Total (n)	Average	Category
		5 SS	4 S	3 KS	2 TS	1 STS				
28.	UD Zelindriya Jaya has products that suit the tastes or desires of customers	3	30	35	10	2	262	80	3.28	Pretty good
		Brand Choice								
29.	UD Zelindriya Jaya has a good brand image	12	16	37	12	3	262	80	3.28	Pretty good
30.	UD Zelindriya Jaya has a good brand image	11	23	28	16	2	265	80	3.31	Pretty good
		Dealer Choice								
31.	UD Zelindriya Jaya has access to supporting transportation	6	24	43	7	0	269	80	3.36	Pretty good
32.	UD Zelindriya Jaya has supportive access	6	37	30	6	1	281	80	3.51	Good
		Purchase Time								
33.	UD Zelindriya Jaya has a fairly long operational time	7	20	40	11	2	259	80	3.24	Pretty good
34.	UD Zelindriya Jaya has a fairly long operational time	2	14	55	9	0	249	80	3.11	Pretty good
		Purchase Amount								
35.	The number of purchases can be adjusted according to customer wishes	7	15	42	15	1	252	80	3.15	Pretty good
36.	The purchase amount can be adjusted according to the product price	6	14	40	19	1	245	80	3.06	Pretty good
		Payment method								
37.	UD Zelindriya Jaya provides various payment methods	2	8	58	10	2	238	80	3.98	Good

38.	The payment method at UD Zelindriya Jaya makes it easy for customers	3	16	53	8	0	254	80	3.18	Pretty good
Amount		71	232	505	137	15	**3087**	**960**	**3,216**	**Pretty good**
Percentage (%)		7.4 %	24.2 %	52.6 %	14.3 %	1.6 %				

Source: Processed questionnaire results (2021)

Based on table above the purchase decision is said to be good. Because the average score of 3,492 is between (3.41-4.20: Good) and is evidenced by the highest score of 3.66 in statement no. 9, namely "customers consider Reksa Jaya's current products to be in accordance with their needs." Besides that, there is still a low score of 3.27 in statement no. 2, namely "customers will make purchases regularly".

Based on the descriptive variable the purchasing decision is said to be quite good. Because the average score of 3,216 is between (2.61 - 3.40) and is evidenced by the highest score of 3.98 in statement no. 37, namely "UD Zelindriya Jaya provides various payment methods". But besides that,
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there is still a low score of 3.06 in statement no. 36, namely "the number of purchases can be adjusted to the price of the product".

Based on the results of the classical assumption test, the data is said to be normally distributed because in the probability plot image there are (dots) spreading around the diagonal line and following the direction of the diagonal line. There is no multicollinearity because the tolerance value (0.456) 0.1 and the VIF value (2.193) 10. And free from heteroscedasticity symptoms because in the scatterplot image there is no clear pattern, and the points spread above and below the number 0 on the scatterplot image. Y axis.

Multiple Linier Regression

Tabel 9 Multiple Regression

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig
1	Constant	7.502	2.822		2.658	.010
	Service Quality	.353	.122	.257	2.895	.005
	Product Quality	.371	.051	.642	7.224	.000

Dependent variable: Purchasing Decision

Based on the multiple linear regression equation, namely Y = 7.502 + 0.353x1 + 0.371x2, it is concluded that Constant = 7.502. This means that

the constants have a positive value or can be explained if the quality of service (x1) and product quality (x2) is fixed, the purchase decision (y) is 7.502

units. Service Quality (x1) = 0.353. This means that if the quality-of-service increases by one unit, the purchasing decision will increase by 0.353 units assuming other variables remain. And Product Quality (x2) = 0.371. This
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means that if the quality of the product increases by one unit, the purchasing decision will increase by 0.371 units assuming other variables remain.

Coefficient of Determination Test

Table 10. Coefficient of Determination Test
Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson
1	.850[a]	.723	.715	2.979	1.814

b. Predictors: (Constant), Product Quality, Service Quality
c. Dependent Variable: Purchasing Decision

Based on the results of the coefficient of determination test the value of the coefficient of determination (Adjusted R Square) of 0.715 is equal to 71.5%. Means that the effect of service quality and product quality on purchasing decisions has an effect of 71.5%. While the rest (100–71.5%) 28.5% is influenced by other variables outside this regression.

F test Result

Table 11. F test
ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1779.897	2	889.948	1.814	.000[b]
	Residual	683.491	77	8.877		
	Total	2463.388	79			

a. Predictors: (Constant), Product Quality, Service Quality
b. Dependent Variable: Purchasing Decision

Based on the F test (simultaneous testing) the effect of service quality and product quality on purchasing decisions at UD Zelindriya Jaya shows the value of Fcount (100.259) > Ftable (3.12) and sig (0.000) <0.05, then it means that together there is a positive and significant influence between service quality variables and product quality variables on the purchasing decision variables of UD Zelindriya Jaya.

5. CONCLUSION & SUGGESTION

The purpose of this study was to examine the effect of service quality

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and product quality on purchasing decisions at UD Zelindriya Jaya. Based on the results of this study, it can be concluded that there is a positive and significant effect between service quality on purchasing decisions at UD Zelindriya Jaya with a value of tcount (2.895) > ttable (1.991) and sig (0.005) <0.05. There is a positive and significant influence between product quality on purchasing decisions at UD Zelindriya Jaya with tcount (7,224) > ttable (1,991) and sig (0,000)< 0.05. There is a positive and significant effect between service quality and product quality together on purchasing decisions at UD Zelindriya Jaya with Fcount (100.259) > Ftable (3.12) and sig (0.000) <0.05.

SUGGESTION
1. In terms of empathy, UD Zelindriya Jaya must prioritize the interests of customers by understanding customer desires by listening to customer needs and desires and giving advice to customers regarding the products they want to buy.
2. In terms of performance quality (performance quality) provided by UD Zelindriya Jaya, it must have different characteristics from the others, for example using carvings on the products made, giving different colors to other colors to designs that are characteristic, such as minimalist designs but elegant.
3. In terms of the amount given, UD Zelindriya Jaya must be able to adjust to the price offered, such as if you buy a product in large quantities, you will get discounts and bonuses for customers.

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