

Factors Affecting Consumer's Purchase Decision Of Local Pastry & Bakery Products In Bandung

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ABSTRACT

This study examines the primary determinants that impact consumer buying choices for pastry and bakery products produced locally in Bandung, Indonesia. The research focuses on analysing several factors, including visual appeal, product quality, social influence, product innovativeness, location, and pricing, in order to optimize marketing tactics and product offers in the business context. The study utilized quantitative approach, by administering questionnaires to 100 consumers for pastry-focused, bakery-focused, restaurant, and online-based bakeries. The application of PLS-SEM analysis demonstrated that social influence, location, and price had a substantial influence on customer purchasing behavior within the bakery and pastry industry in Bandung. The main business concern examined in this study is the need to close the disparity between the company's offerings and the desires of the customers. Comprehending these characteristics is vital for organizations to improve customer satisfaction, boost income, and attain long-term success. This research offers practical insights that may be used by local businesses to adjust to market needs, foster sustainable growth, and sustain competitiveness in a continuously changing industry.

Keywords: *Consumer buying behavior; Bakery products; Social influence; Pricing strategy*

1. INTRODUCTION

The purchase decision is critical since it will influence how the future company's marketing plan is implemented. Salem (2018) defines consumer purchase decision as "the process through which a consumer recognizes a need, gathers information on potential solutions, evaluates and chooses among those solutions". Consumers typically follow five stages in their purchasing process: need recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior. Various factors can influence this process, making it unpredictable and challenging for marketers to comprehend.

Interest in local brands has surged in Indonesia due to their affordable prices and good quality. A 2020 survey by Katadata Insight Center (KIC) found that Indonesian consumers were more inclined to buy local goods post-pandemic. The survey indicated a preference for local brands over international ones, with the food and beverage (F&B) sector being notably resilient. Bandung, known as a culinary paradise, has a diverse F&B landscape. The city's culinary industry significantly impacts tourism and the local economy. The researcher intends to analyze the bakery and pastry industry in Bandung, segmenting it into bakery-focused shops, pastry-focused shops, restaurants serving bakery and pastry, and online-based bakery shops.

Despite the growth in the pastries and bakeries sector, many business owners in Bandung struggle with understanding the factors that drive consumer choices. This lack of clarity hampers their ability to adapt to market needs, resulting in lost opportunities and potential decline. Interviews with four bakery and pastry businesses revealed common factors influencing customer purchases: visual presentation, high quality, local community influence, innovative products, strategic location, and attractive pricing. The disparity between business assumptions and consumer preferences can impede business potential. Thus, identifying the determinants influencing consumer purchasing decisions is crucial for aligning offerings with market demands.

This study focuses on the factors influencing consumer purchase decisions of local pastry and bakery products in Bandung, Indonesia, due to its diverse culinary scene. Madalangu, Tupkies, Ettan Habitat, and Please Let Me Eat have been chosen as the samples of Bandung pastry and bakery brand representatives for their strong reputation, diverse menu, and willingness to participate in facilitating data collection and analysis. The research focused to people who ever purchase the

products from one of the brands stated above, aged 19-30 years old, who reside in Bandung and its surroundings. This demographic segment is based on the target market of the bakery and pastry segment in Bandung. The study spans a period of six months, from February to July 2024, focusing on respondents' perception on what factors influence them to purchase the products. The scope of this research is to analyze what are the most prominent factors that influence customers to purchase Madalangu, Tupkies, Ettan Habitat, and Please Let Me Eat products, as a representative of the whole segment in the industry.

The purpose of the research is to identify and analyze the key factors influencing consumer purchase decisions in pastries and bakeries within the Bandung area by analyzing variables such as visual appeal, product quality, social influence, product innovativeness, location, and price. This study enhances the overall understanding of consumer behavior by focusing on the distinct preferences and actions of consumers in the bakery and pastry industry in Bandung. The aim of the study is to assist local businesses in adjusting to market needs, promoting sustainable expansion, and sustaining competitiveness in a rapidly changing industry.

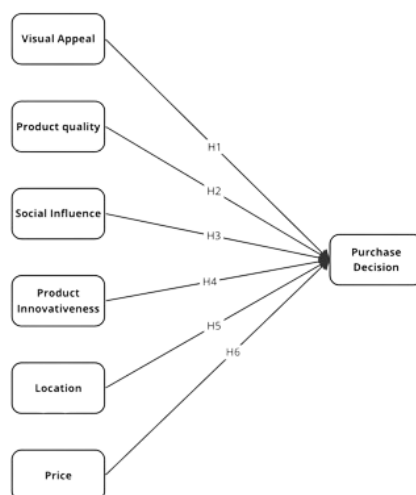


Figure 1. Conceptual framework

Hypothesis

H1: Visual Appeal positively influence the consumers purchasing decisions

In a study conducted by Spence et al (2022), it was shown that arrangement, color and presentation of the food plays an important role in customer perception of the food taste and their desirability to purchase the product. According to Aprillia and Mustofa (2022), whose research suggested that an extraordinary visual appeal is among the characteristics of a product that impact the dynamic behavior of customers when they are making purchases, the assertion was validated. It also mentioned by Aprillia and Mustofa (2022) that the existence of appealing characteristics on a product that attracts customers can increase the product's appeal, which in turn can increase the likelihood that customers will go through with a purchase. So, visual appeal positively influences consumer purchase decision.

H2: Product quality positively influences the consumers purchasing decisions

Product quality significantly influences both customers purchasing decisions and business image (Wang and Hui, 2003). Consequently, numerous businesses attempt to enhance product quality and attributes to satisfy customer requirements (Kaswengi and Lambey-Checchin, 2020). According to Nofrizal et al., (2023), product quality incorporates the product's overall durability, reliability, precision, user-friendliness, maintenance, and additional favorable attributes. It indicates that the quality of a product is directly proportional to its functionality, which includes its general design, dependability, accuracy, ease of use and maintenance, and other essential qualities. Pratama and Santoso (2018) stated that the purchasing decisions of consumers are influenced by the degree of trust they place in Stuck's original products. Therefore, the quality of product influences decision to purchase products (Lin et al., 2019). This statement also supported by (Wong et al., 2011) that said the influence of product quality on customer purchase decisions is substantial. Sartien, K.M.,

Sanam, Y. and Soeradi, Y.S. (2022) in their study also mentioned that product quality (food) have a substantial influence on customer purchase decision.

H3: Social Influence positively influence the consumers purchasing decisions

Al Karimah, Nurdin, and Hestiningtyas (2022) conducted a study that revealed that consumers typically identify their needs prior to making a purchase decision. Following this, they proceed to gather information about the product or service they are considering. The information distributed by social influencers, whether they be individuals or groups, can significantly affect consumers' purchasing decisions or interest in a particular product. Additionally, Kusmaharani and Halim (2020) assert in their research that online reviews, which are a component of social influence, offer crucial information. Furthermore, they demonstrate that peers, serving as agents of consumer socialization, have an impact on the online purchasing behavior of consumers. Cheng et al. (2016) provide support for the claim that social influence significantly impacts impulsive purchasing. Prior studies examining social influence have discovered that engaging in purchases with peers tends to stimulate impulsive purchasing (Luo, 2005). This statement was also supported by Shah, S. S., & Asghar, Z. (2023) who said a person may be influenced by their friends to purchase certain products based on their opinion. Therefore, Bertrandias (2014) clarify that favorable social influence will positively impact online purchases, and Husnain (2017) and Rosetta (2014) concur with the premise that social influence positively impacts online purchasing interest, as supported by prior research.

H4: Product Innovativeness positively influence the consumers purchasing decisions

Kusumawardhani, McCarthy, & Perera, (2012) said in their studies that Innovation is an embedded factor that contributes to the value of an organization via strategy, behavior, motivation, and encouragement in the execution of diverse activities. Effective product innovation occurs during the product development process and may adapt to the demands of consumers who represent the company's target market segment. This type of innovation fulfills the fundamental requirements of a product by modifying its attributes and increasing consumer interest in making purchases (Gupta B. and Agarwal N., 2013; Willy Musa Tua and Charisma, 2014). According to Juanim, Revoliady, F. and Baihaqi, M.I. (2023) Consumer behavior is highly responsive to changes brought about by technological advancements; product innovation positively influences consumers' purchasing decisions; and consumers will purchase and encourage product innovation. Lahindah, L., Merisa, M. and Siahaan, R.A., (2018) also said that the greater a company's product innovation, the greater the impact on its performance in terms of increased purchasing decisions. Product innovation will increase the product's value and influence the consumer's purchasing decision. Thus, innovation influences consumer purchasing decisions.

H5: Location positively influence the consumers purchasing decisions

The inclination of customers to visit and engage in transactions is significantly impacted by location. Consequently, business entities consistently strive to identify a strategic site that is conveniently visible and accessible to customers (Sumarwan 2004). An advantageous geographical position ensures convenient accessibility, has the capacity to draw in significant customers, and applies sufficient influence over consumer buying behavior (Daironi, 2017). According to Novrianda, H. et al (2024) A business needs to be located in a prime location that is easily accessible to customers and in close reach to the majority of the population. In terms of time and energy, a critical business operation can be minimized by situating a consumer-facing location strategically. The location variable further influences the purchasing decisions of consumers. Daironi (2017) also stated that aspects such as travel distance and parking convenience are location selection criteria that impact consumer purchasing decisions. In addition to corroborating the preceding statement, Permana's (2017) research showed that the main factor positively impacting purchasing decisions is the location or distribution channel.

H6: Price positively influence the consumers purchasing decisions

According to Dewi & Trianasari, 2020; Rizki et al. (2017), The influence of pricing on consumer purchase decisions is significant and advantageous. This statement supported by Djatmiko and Pradana (2016) that said purchase decisions are notably influenced by product price rather than brand image. Pricing has a significant impact on consumers, particularly price-sensitive consumers, and thus a significant influence in consumer purchase decisions. Additionally, pricing will significantly affect business continuity and revenue (Sjukun, S., Supardin, L., & Taufik, Y, 2022).

The research findings of Arti et al. (2022) agreed with the previous claim by indicating that before reaching a purchase decision, consumers conduct a comparative analysis of multiple alternative options. This is consistent with the results of Zhu et al. (2022), who discovered that price positively influences the purchasing decisions of consumers. Additionally, Chaerudin et al. (2022) discovered that price is the primary factor consumers consider prior to making a purchase decision. From previous studies above, we can conclude that price significantly affects consumer purchasing decisions.

2. METHODS

This study employs quantitative research methods to validate hypotheses about factors influencing consumers' purchasing decisions. A questionnaire is used to collect data, enabling researchers to explore customer responses and relationships between variables. Pilot studies, as noted by Hartono (2010), test the effectiveness of questionnaire instruments. A sample of 30 participants will assess the validity and reliability of the instruments used.

Sugiyono (2017) emphasizes that quantitative research gathers data on attitudes, beliefs, and behaviors, testing hypotheses through numerical analysis. Researchers use this method to establish correlations between predefined variables and research outcomes, as highlighted by Dudwick et al. (2006). Quantitative research relies on mathematical or statistical techniques to collect and analyze numerical data (Pandey, P. et al., 2023).

The survey approach involves collecting data by asking questions to a subset of individuals. This method employs diverse techniques for enlistment and measurement, aiming to understand consumer perspectives on purchasing decisions. The researcher uses a Google form with multiple-choice questions, ensuring clarity to avoid misinterpretation (Tourangeau et al., 2000). Although the study initially mentioned open-ended questions for clarity, these questions were not included in the final questionnaire and, therefore, are not discussed further. Distribution will be via platforms like WhatsApp, Instagram, and Line, targeting residents of Bandung, where the businesses are located. However, to ensure the participants are part of the target sample, screening questions are included to verify that respondents have purchased or prefer bakery and pastry products from the specified businesses.

Respondents are classified into two age groups: 19-30 years old and over 30, based on business owners' data indicating their primary customer demographics. The population is segmented into four business types: pastry-focused (Madalangu), bakery-focused (Tupkies), restaurants/cafes selling bakery products (Ettan Habitat), and online-based bakery businesses (Please Let Me Eat). The segmentation is designed to explore whether customer preferences and purchasing decisions vary across different types of businesses. However, it is important to clarify that the questionnaire is carefully tailored to account for these differences, with specific questions addressing the unique characteristics of each segment. The rationale behind choosing these four businesses is that they represent a diverse cross-section of the bakery and pastry market in Bandung, providing a broad view of consumer behavior in this sector.

According to Malhotra and Birks (2006), a minimum sample size of 400 responses is targeted, with at least 100 responses per segment. Ensuring an equal number of respondents across the segments may require clustering techniques or targeted outreach to balance representation. For the online-based business, the location variable is treated differently; while physical location questions focus on proximity and accessibility, the online business questions are adapted to explore aspects like delivery reach and online purchasing behavior.

A non-probability sampling technique, specifically purposive sampling, is chosen for its ease of access to respondents. This method, suitable for specific study conditions, involves selecting individuals who prefer or have purchased bakery and pastry products from the representative brands in each segment. Purposive sampling allows researchers to gather crucial information from a targeted group, ensuring relevant data collection for the study.

| No. | Variables | Labels | Indicator | Source |
|-----|---------------|--------|---|--|
| 1. | Visual Appeal | VA 1 | The way Brand X product is shown visually fits with the brand image . | Henderson, Pauline W., Joseph A. Cote (1998) |
| | | VA 2 | Brand X's product looks appealing to buy because of its color scheme. | Gorn, Gerald J., Amitava |

| No. | Variables | Labels | Indicator | Source |
|-----|------------------------|--------|--|--|
| | | | | Chattopadhyay, Tracey Yi, and Darren W. Dahl (1997). |
| | | VA 3 | The design of the Brand X's package makes me more likely to buy the product. | Underwood, Robert L. (2003) |
| | | VA 4 | Brand X's product display in the store has a big impact on my choice to buy it. | Orth, Ulrich R., and Michael R. Crouch (2014) |
| 2. | Product Quality | PQ 1 | The quality of the Brand X's product that I buy is always consistent | Clottey, Toyin & Collier, David. (2011). |
| | | PQ 2 | Brand X's product quality consistently meets my expectation | |
| | | PQ 3 | The product quality of Brand X's always meet my demands. | |
| | | PQ 4 | The food served at Brand X's place is very flavorful and satisfying. | |
| 3. | Social Influence | SI 1 | Endorsements from influential people increase my interest in purchasing Brand X's product. | Puspitasari, Novianti & Firdaus, Muhammad & Haris, Celine & Setyadi, Hario. (2019) |
| | | SI 2 | The behavior and choices of my social circle substantially affect my purchase decisions on Brand X's products. | |
| | | SI 3 | Positive feedback about Brand X's product from my social network makes me more likely to purchase it. | |
| | | SI 4 | I am more likely to try Brand X's products if it has been widely shared and discussed on social media. | |
| 4. | Product Innovativeness | PI 1 | Brand X's product offers unique features that are not available in other products. | Rogers, E. M. (2003) |
| | | PI 2 | Brand X's products innovative features are compatible with my current needs. | |
| | | PI 3 | The design innovation in Brand X's product makes it more attractive to me. | |
| 5. | Location | LO 1 | The access to Brand X's location is convenient for me | Brata, B.H., Husani, S., & Ali, H. (2017). |
| | | LO 2 | Brand X's location is easily visible and noticeable from major roads. | |
| | | LO 3 | The environment around Brand X's location is clean and pleasant. | |
| 6. | Price | PR 1 | The special offers available on Brand X make it a more attractive purchase. | Firdausy, Carunia & Idawati, Rani. (2017). |
| | | PR 2 | The price of Brand X's products is a vital consideration in my decision to purchase. | |
| | | PR 3 | I consider Brand X's product price to be affordable. | |
| 7. | Purchase | PD 1 | Products from Brand X consistently | Satriawan, K.A. |

| No. | Variables | Labels | Indicator | Source |
|-----|-----------|--------|---|--|
| | Decision | | match my expectations and desires in every attribute (e.g., quality, price, functionality). | (2020) |
| | | PD 2 | I carefully consider how well a product from Brand X meets my needs before making a purchase. | |
| | | PD 3 | Deciding to buy product from Brand X demands careful consideration. | Paula M. Tidwell and Thomas E. Muller (2001) |

3. RESULTS AND DISCUSSION

Demographic and Behavioral Analysis

The demographic profile of the 442 respondents reveals that most respondents (92.1%) are aged 19-30, aligning with the business owners' remarks. Geographically, 55.9% of the 442 respondents live in Bandung, likely due to the local concentration of businesses. Professionally, 53.2% are employees, and 42.8% are college students, fitting the target demographic of Generation Z and Millennials. Almost all respondents (98%) have purchased from Madalangu, Tupkies, Ettan Habitat, or Please Let Me Eat, with only 2% never having bought from these businesses. Among the 433 qualifying respondents, 70.7% have made 3-5 purchases, 15.2% have made 1-2 purchases, and 14.1% have purchased more than five times.

PLS-SEM Analysis

To test the hypotheses and investigate the connections between visual appeal, product quality, social influence, product innovativeness, location, price, and purchase decision, PLS-SEM was used.

Measurement Model

Internal reliability refers to the degree to which the measuring items effectively measure the intended concept. Reliability is attained when the value of Cronbach's Alpha surpasses 0.7 (Zainudin Awang, 2014).

Table 1. Internal Consistency Reliability

| Variables | Composite Reliability | Reliability |
|-------------------|-----------------------|-------------|
| Visual Appeal | 0.831 | Reliable |
| Product Quality | 0.822 | Reliable |
| Social Influence | 0.815 | Reliable |
| Product | 0.786 | Reliable |
| Innovativeness | | |
| Location | 0.786 | Reliable |
| Price | 0.789 | Reliable |
| Purchase Decision | 0.790 | Reliable |

Validity is established when every item in a measurement model demonstrates statistical significance. To verify the convergent validity, the Average Variance Extracted (AVE) can be computed for each construct. In order to obtain validity, the value of AVE should be 0.5 or more. Therefore, if low factor loading components are kept in a model, it could lead to a lack of Convergent Validity for the construct (Zainudin Awang, 2014).

Table 2. Convergent Validity

| Variables | Average Variance Extracted (AVE) | Validity |
|------------------|----------------------------------|----------|
| Visual Appeal | 0.726 | Valid |
| Product Quality | 0.734 | Valid |
| Social Influence | 0.723 | Valid |
| Product | 0.701 | Valid |
| Innovativeness | | |
| Location | 0.696 | Valid |

| Variables | Average Variance Extracted (AVE) | Validity |
|-------------------|----------------------------------|----------|
| Visual Appeal | 0.726 | Valid |
| Product Quality | 0.734 | Valid |
| Social Influence | 0.723 | Valid |
| Price | 0.701 | Valid |
| Purchase Decision | 0.699 | Valid |

This validity confirms that the measuring model of a concept does not include any unnecessary components (Zainudin Awang, 2014). According to Hensenler et al. (2014), the average variance extracted (AVE) of each item must be greater than zero, and the AVE of the related construct must be larger than the AVE of any other construct.

Table 3. Discriminant Validity

| | Location | Purchase Decision | Product Innovativeness | Product Quality | Price | Social Influence | Visual Appeal |
|------------------------|----------|-------------------|------------------------|-----------------|-------|------------------|---------------|
| Location | 0.834 | | | | | | |
| Purchase Decision | 0.683 | 0.836 | | | | | |
| Product Innovativeness | 0.713 | 0.647 | 0.837 | | | | |
| Product Quality | 0.788 | 0.674 | 0.718 | 0.857 | | | |
| Price | 0.703 | 0.727 | 0.742 | 0.700 | 0.837 | | |
| Social Influence | 0.715 | 0.673 | 0.798 | 0.789 | 0.655 | 0.850 | |
| Visual Appeal | 0.711 | 0.680 | 0.642 | 0.771 | 0.706 | 0.731 | 0.852 |

Hypothesis Testing

Table 4. Hypothesis Testing

| Hypothesis | Structural Path | Madalangu | Tupkies | Ettan Habitat | Please Let Me Eat |
|------------|---|-----------|----------|---------------|-------------------|
| H1 | Visual Appeal → Purchase Decision Awareness | Rejected | Rejected | Rejected | Rejected |
| H2 | Product Quality → Purchase Decision | Rejected | Rejected | Rejected | Rejected |
| H3 | Social Influence → Purchase Decision | Accepted | Rejected | Accepted | Accepted |
| H4 | Product Innovativeness → Purchase Decision | Rejected | Rejected | Rejected | Rejected |
| H5 | Location → Purchase Decision | Rejected | Accepted | Rejected | Rejected |
| H6 | Price → Purchase Decision | Accepted | Accepted | Accepted | Accepted |

Based on the table above, the hypotheses that are accepted for Madalangu, Ettan Habitat, and Please Let Me Eat are Social Influence and Price. On the other hand, Tupkies stands out with different results with the most prominent factors that influence customer to buy their products being Location and Price. This result is based on PLS-SEM calculation done using data that has been collected previously using a questionnaire technique. The reason for acceptance of the hypothesis is

that the T-value score exceeded the value of 1.96 at a significance level of 0.05 (5%). Therefore, this result represents each of the segments in the industry.

Visual Appeal has a negative impact on Consumers Purchasing Decisions

According to the study's findings, it was determined that the visual appeal of the bakery and pastry business does have an impact on client purchasing decisions, although not to a major extent. The data analysis conducted on the four representative brands revealed that none of them accepted this notion. At a significance level of 0.05, the T-values for Madalangu, Tupkies, Ettan Habitat, and Please Let Me Eat are 0.387, 0.850, 0.994, and 0.635 consecutively. Which all of them are below the critical value of 1.96. This finding indicates that the visual appeal of bakery and pastry products does not have an impact on customer buying decisions. According to a prior study conducted by Spence, C., Motoki, K., and Petit, O. (2022), this discovery is in direct opposition to the results of the present analysis. According to their research, the visual appeal of food has a substantial impact on customer evaluations of taste and their choices to buy it. Bakery and pastry products often possess an aesthetically pleasing visual presentation. Nevertheless, this is not the main factor that drives individuals to buy bakery and pastry products. The decision to buy these products may be impacted by the fact that bakery and pastry possess additional distinctive traits apart from their visual attractiveness.

Product Quality has a negative impact on Consumers' Purchasing Decisions

Based on the second hypothesis, it is believed that the quality of the product has a positive influence on the decision of the client to acquire bakery and pastry products. It can be concluded that the hypothesis is not valid because of the outcome of the T-values and the effect size score of the f^2 square. This hypothesis has T-values of 0.237, 1.045, 0.832, and 0.781, respectively, for Madalangu, Tupkies, Please Let Me Eat, and Ettan Habitat. These values are reported in sequential order. These are the ones that are lower than the minimum requirement of 1.96. It is possible that this result arose as a result of the fact that customers of bakeries and pastry shops in Bandung take into consideration other aspects in addition to the quality of the products. In contrast to the findings of the previous research carried out by Maia, F.C., Saldanha, E.D., and Graciana, B. (2023), Nofrizal, Sucherly, Juju, U., Khairani, Z., Soviyanti, E., Hadiyati, & N, A. (2023), and Sartien, K.M., Sanam, Y., and Soeradi, Y.S. (2022), these researchers came to the conclusion that product quality has a significant influence on the purchasing decisions of customers.

Social Influence has a positive impact on Consumers' Purchasing Decisions

The third hypothesis posited that social influence has a beneficial effect on customer purchasing decisions for bakery and pastry products in Bandung. This hypothesis is validated within the specific segments of the pastry industry, namely Madalangu representing the pastry-focused section, Please Let Me Eat representing the online-based bakery segment, and Ettan Habitat representing the restaurant or cafe segment. The T-values for Madalangu, Ettan Habitat, and Please Let Me Eat are 1.964, 2.495, and 2.152, respectively. This outcome is consistent with the conclusions of a previous investigation carried out by Shah, S. S., & Asghar, Z. (2023), which proposed that people can be influenced by the perspectives of their acquaintances while making buying choices. This outcome could be attributed to the abundance of pastry-centric enterprises in Bandung. To determine the top contender, businesses must devise strategies to advertise their offerings through social media platforms, thereby increasing brand recognition and enticing potential customers to give them a try. Comparable phenomena also occur in the online-based bakery and restaurant sector because of Bandung's renowned culinary industry, which has led numerous business owners to open comparable establishments in the city. However, this concept is not accepted when it comes to the bakery-focused area. The reason for this is that the bakery-focused market in this case has other more influential factors that assist customers in buying their items. Therefore, it can be deduced that social influence has a significant impact on the pastry-focused, restaurant or cafe, and online-based bakeries segment.

Product Innovativeness has a negative impact on Consumers' Purchasing Decisions

As demonstrated by the T-values and the effect size from all of the segments, the research concluded that the level of product innovativeness does not significantly influence the purchasing choice for the bakery and pastry industry in Bandung. This can be seen from the T-values from Madalangu, Tupkies, Ettan Habitat, and Please Let Me Eat which are 0.692, 0.350, 0.822, and 1.039.

Which are lower than the critical threshold of 1.96. Clients of bakeries and pastry shops in Bandung may be influenced by the innovativeness of the items that they purchase; nevertheless, this is not the only aspect that determines whether or not they purchase the products. In contrast to the findings of prior research conducted by Tarmidi, D. et al. (2021), Lahindah, L., Merisa, M., and Siahaan, R.A. (2018), as well as Juanim, Revoliady, F., and Baihaqi, M.I. (2023), which suggested that product innovation has a significant impact on the choice to make a purchase, this conclusion contradicts those findings. As a result, the presence of a product that is innovative within the company may still hold potential. However, in order for the buyer to continue to be interested in purchasing the products, there must be an additional aspect that shines through and provides support for it.

Location positively influences Consumers' Purchasing Decisions

The influence of the location on the purchasing decisions for a bakery-focused shop, exemplified by Tupkies, has been proven by T-values of 3.262 and an effect size of 0.079. This outcome could be attributed to the strategic location of Tupkies on Jalan Dipatiukur, which serves as the central hub for street food in Bandung. These findings align with Tupkies' descriptive analysis, indicating that the indicators "The access to Brand X's location is convenient for me" and "Brand X's location is easily visible and noticeable from major roads" have a higher average compared to other indications. The strategic positioning of Tupkies significantly impacts consumers' decision to buy their products. This finding aligns with a recent study carried out by Gumilar, B., Sumarwan, U., & Sartono, B. (2020), which determined that the location had a positive and noteworthy influence on purchasing decisions. Thus, it can be deduced that the geographical placement of Tupkies has a favourable influence on customers' buying choices. However, the remaining three segments namely, Madalangu, Ettan Habitat and Please Let Me Eat, yield different results, with T-values being 1.407, 0.187, and 0.073. which are below the critical value of 1.96. Therefore, a bakery-focused business would benefit from having a strategic location, as it would attract visitors passing by to stop and sample their products. Location is also a crucial aspect for customers in determining whether or not they would purchase the products in the next three segments. However, there are other factors that are significantly more vital in influencing customers to make a purchase of their products.

Price positively influences Consumers' Purchasing Decisions

Given the rapid growth of new brands in the bakery and pastry market, business owners must carefully strategize to ensure the survival of their businesses. One method to achieve this is by offering competitive pricing. The findings of this research indicate that price has a favorable influence on customer purchasing decisions for all four brands assessed. This can be seen from the T-values from Madalangu, Tupkies, Ettan Habitat, and Please Let Me Eat consecutively are 5.703, 3.190, 4.789, and 6.377. All of the T-values exceed 1.96 at a significance threshold of 0.05. Bandung has seen a surge of newcomers in the bread and pastry industry, each offering its own distinctiveness. Price is a crucial component that influences customers' decision to acquire a product. Customers in Bandung's bakery and pastry industry are price-sensitive, meaning that if they perceive a price to be too expensive, they are likely to move to a different brand, even if the quality or attractiveness of the product is superior. This conclusion aligns with a previous study conducted by Sjukun, S., Supardin, L., & Taufik, Y. (2022) that found a substantial impact of price on consumer buying choices. Therefore, the pricing exerts a favorable influence on the customer's buying behavior across all segments of the bread and pastry industry in Bandung.

4. CONCLUSION

The objective of this study is to determine the dominant factor that influences consumer purchasing decisions in the pastries and bakeries sector in Bandung. This study specifically examined the impact of visual attractiveness, product excellence, social influence, product novelty, location, and price on the decision to make a purchase. The data was gathered via quantitative methodologies via an online survey and obtained from a total of 442 participants. Subsequently, the data underwent processing and analysis via Smart PLS. Subsequently, this study concludes by addressing the two research questions outlined in the initial chapter.

1. Before finding the factors that influence customers' purchasing decisions, the researcher will first clarify the variables that will be examined and addressed in this study. Key characteristics that can be utilized include visual appeal, product quality, social influence, product innovativeness, location, and price. The researcher utilizes these elements, which are derived from the findings of an exploratory study conducted through interviews with four business

owners, before doing the quantitative research. Based on the literature review, all of the variables positively influence the consumers' purchase decisions. After dividing the analysis into four different segments of the bakery and pastry business, there are only two variables each segment that influence customers to purchase products in the bakery and pastry industry. This is proven by all of the results of T-values are higher than 1.96 and the p-values are below 5% of significance level.

This study considers six variables, including visual appeal, product quality, product innovativeness, location, and pricing, as factors that may impact the purchasing choice in bakery and pastry enterprises in Bandung. Regarding the bakery-focused business in Bandung, represented by Madalangu, two aspects have a beneficial impact on customers' decision to purchase their products. Specifically, the two factors that are being referred to are Social Influence and Price. Visual appeal, product quality, product innovativeness, and location have a significant yet unfavorable impact. This result is equally applicable to restaurants that provide bakery items, as well as online-based bakery and pastry stores. For bakery-oriented businesses like Tupkies, the key aspects that have a positive impact on customers' decision to make a purchase are the shop's location and pricing. On the other hand, Visual Appeal, Product Quality, Product Innovativeness, and Social Influence have a negative impact on client purchasing decisions in this particular market area.

2. In the context of the bakery and pastry industry in Bandung, the most significant factor influencing customer purchase decisions varies across different business segments. For pastry-focused shops such as Madalangu, price is the paramount consideration for customers, as they seek premium and specialized pastries that worth the price they pay for. In bakery-focused business like Tupkies, location plays a critical role; customers prioritize convenience and accessibility, often frequenting bakeries that are easily reachable and situated in bustling areas. For restaurants that offer both bakery and pastry items, exemplified by Ettan Habitat, price again emerges as the key factor, with customers expecting a reasonable balance between quality and cost for a diverse culinary experience. Lastly, in the online-based bakery and pastry sector represented by Please Let Me Eat, price remains the dominant influence, as customers leverage the competitive advantage of online platforms to find the best deals and value for their purchases. Each segment demonstrates unique priorities, but price consistently appears as a crucial determinant, particularly in segments where competition and customer expectations regarding cost are high.

Recommendation

Madalangu (Pastry-focused Shop)

According to the research findings, Madalangu should give importance to keeping their prices competitive while highlighting the superior quality of their unique pastries. This can be accomplished by formulating marketing tactics that emphasize the worth and distinctiveness of their products or services. Employing client feedback to consistently improve product quality and presentation can also yield advantages. By implementing loyalty programs and periodic discounts, businesses can effectively recruit clients who are sensitive to price while still retaining their existing customer.

Tupkies (Bakery-focused Shop)

The location is the crucial determinant for Tupkies. By ensuring optimal visibility and accessibility, an ongoing flow of clients may be attracted. Tupkies should optimize the in-store experience by implementing attractive displays and regular promotional activities. Engaging in partnerships with neighboring businesses and actively participating in local events can enhance their visibility and influence within the community. Highlighting the advantageousness of their location in marketing campaigns can further strengthen their attractiveness

Please Let Me Eat (Online-based Bakery)

Please Let Me Eat should focus on competitive pricing strategies to attract and retain customers. Clear communication of value propositions and offering exclusive online deals can draw in price-sensitive consumers. Enhancing the online shopping experience with engaging content, user-friendly interfaces, and interactive customer engagement will build brand loyalty. Ensuring reliable and efficient delivery services will also be crucial for maintaining customer satisfaction.

Ettan Habitat (Restaurant with Bakery and Pastry Items)

Ensuring an optimal balance between quality and cost is crucial for Ettan Habitat. They should to advertise cost-effective options by giving combo offers and meal bundles that encompass bakery and pastry items. By developing an agreeable dining atmosphere and delivering outstanding customer service, they will set themselves apart from their rivals. Marketing efforts that highlight the superior quality and reasonable prices of their products have the potential to appeal to a wide range of customers who are looking for a complete eating experience.

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