

The Influence of Promotion, Location, and Price on Purchase Intention for Fritto Chicken in Medan

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ABSTRACT

The purpose of this research is to determine whether Fritto Chicken in Medan is more or less attractive to consumers depending on factors such as pricing, location, and promotion. This study employed a quantitative research method using descriptive quantitative theory to analyze the phenomenon under investigation. A total of 120 respondents, representing the customer population of Fritto Chicken in Medan, participated in the survey. Multiple linear regression was the method of data analysis. The F-test results showed that promotion, location, and price all simultaneously had a significant effect on purchase interest ($f\text{-count } 177.360 > f\text{-table } 3.96, p < 0.05$). The t-test indicated that both promotion and price had a positive and significant influence on purchase interest, whereas location had no significant effect. The adjusted R^2 value of 0.816 indicates that 82.1% of the variance in purchase interest can be explained by the three variables, while the remaining 17.9% is influenced by other factors not included in this study.

Keywords: Promotion, Location, Price, Purchase Interest

1. INTRODUCTION

The fast-food industry in Indonesia has witnessed remarkable growth over the past decade, driven by rapid urbanization, increasing consumer demand for convenience, and a growing middle class with evolving lifestyle preferences. This shift toward fast-paced living has heightened the demand for quick, affordable, and satisfying meal options. As a result, numerous local and international fast-food brands have emerged, competing for consumer attention and loyalty. Among these, Fritto Chicken, a local fast-food brand established in 2020 in Medan, has gained attention for offering affordable fried chicken meals with distinct flavors tailored to local tastes.

However, with the rise of competition and consumer awareness, businesses must do more than offer a good product—they must strategically position themselves through effective promotion, an optimal location, and a competitive pricing strategy. Consumers today are more informed, discerning, and influenced by various external stimuli, including digital advertisements, peer reviews, price comparisons, and ease of access. As a consequence, understanding what truly drives consumer purchase intention has become critical for survival and growth in the fast-food sector.

Marketing literature has long emphasized that promotion, location, and price are three core elements of the marketing mix (4Ps) that influence consumer behavior. Effective promotion not only raises product awareness but also builds emotional engagement and urgency. A strategic location increases visibility, foot traffic, and accessibility—especially in urban environments where mobility is a key factor. Meanwhile, price affects perceived value

and affordability, often serving as the decisive factor when consumers face comparable alternatives.

Despite Fritto Chicken's competitive offerings, the brand faces the challenge of differentiating itself and maintaining consumer interest amidst a saturated market. This research was designed to explore to what extent promotion, location, and price contribute individually and collectively to purchase intention among consumers in Medan.

This study seeks to provide empirical evidence regarding the role of these three variables in shaping consumer buying behavior. The findings are expected to support Fritto Chicken's marketing decision-making, help enhance its market positioning, and contribute to broader academic discussions on consumer behavior in emerging urban economies.

2. LITERATURE REVIEW

2.1 Promotion

Promotion refers to marketing efforts intended to inform, persuade, and remind potential consumers about a product (Kotler & Armstrong, 2019). Indicators include advertising, sales promotion, and public relations.

Utami and Iqbal (2018) explain that advertising aims to influence consumer perceptions through strategic messages and persuasion, enhancing recall and ultimately triggering a purchase response. In today's digital era, promotion via social media and digital platforms is also pivotal, as it allows for wider reach and cost-effective campaigns.

Indicators of promotion (Kotler & Armstrong, 2019; Setiawan, 2020):

- a. Advertising (e.g., digital, print, media)
- b. Sales promotions (discounts, coupons, bundles)
- c. Public relations (corporate image, events)
- d. Direct marketing (SMS, email, digital outreach)

Previous studies (e.g., Tondang & Sutrisna, 2019) have shown that effective promotion significantly increases consumer purchase intention, particularly in competitive markets like fast food.

2.2 Location

Location concerns the strategic placement of a business to increase accessibility and customer flow. (Pratiwi, 2020). Hardiansyah (2019) asserts that location significantly influences consumer footfall and decision-making, especially in urban environments where proximity and ease of access are key differentiators. A strategically located business is more likely to attract spontaneous visits and retain loyal customers.

Indicators of location (Noviyanti et al., 2021):

- a. Accessibility (how easy it is to reach the location)
- b. Traffic flow (foot or vehicle traffic near the site)
- c. Parking facilities (availability and convenience)

Some studies, however, suggest that location's influence may be reduced when food delivery and online ordering dominate purchasing behavior, especially in densely populated areas.

2.3 Price

Price is the amount of money a customer pays in exchange for a product or service. It is the only element in the marketing mix that directly generates revenue, while others represent costs. Goruf (2019) emphasizes that price not only reflects monetary value but also consumer perception of product worth.

Faradisa et al. (2021) highlight that customers often use price as a reference point when comparing similar products. A competitive price, especially in fast food, can greatly enhance perceived value and willingness to purchase.

Indicators of price (Tonce & Yoseph, 2022):

- a. Affordability (can the consumer afford the product?)
- b. Price-quality ratio (is the product worth the price?)
- c. Price competitiveness (how does it compare with alternatives?)

In highly price-sensitive markets, even minor price differences can significantly shift consumer preference.

2.4 Purchase Interest

Purchase intention is defined as a plan or decision made by consumers regarding the purchase of a particular product or service. It is considered a key indicator of consumer behavior and is influenced by psychological, economic, and marketing variables.

According to Kotler and Keller (2021), purchase intention reflects the mental stages of awareness, interest, evaluation, and eventual decision-making. Ferdinand (in Septyad et al., 2022) identifies three dimensions of purchase intention:

Indicators of purchase intention:

- a. Transactional intention (willingness to buy)
- b. Referential intention (likelihood of recommending to others)
- c. Preferential intention (choice over competing products)

Research suggests that positive perceptions of promotion, price, and location enhance these dimensions, increasing the probability of actual purchasing behavior.

3. METHODS

3.1 Research Design

This study employed a quantitative explanatory research design, which is suitable for testing hypotheses and explaining causal relationships between variables. The approach is based on the positivist paradigm, focusing on the use of measurable data and statistical analysis to evaluate the impact of independent variables (promotion, location, and price) on the dependent variable (purchase intention). This design enables the researcher to determine the extent and significance of each independent variable's effect.

3.2 Research Location and Period

The research was conducted at Fritto Chicken, located on Jl. Ayahanda, Medan, North Sumatra. The data collection period spanned from September 2024 to March 2025, allowing adequate time for data gathering, analysis, and validation.

3.3 Population and Sampling

The population of this study consists of consumers who have purchased products from Fritto Chicken in Medan. A non-probability sampling technique (purposive sampling) was used to select individuals who met specific criteria: aged 17 years or above and having purchased Fritto Chicken at least once.

To determine the sample size, the study applied Hair et al.'s rule of thumb which suggests a minimum of 10 respondents per indicator. With 12 indicators across four variables, the sample size was set at:

$$n = 10 \times 12 = 120 \text{ respondents}$$

3.4 Data Collection Methods

Data were gathered using primary data collection techniques:

- Questionnaires: Structured questions using a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).
- Observation: Conducted to understand real-time consumer behavior and outlet environment.
- Interviews: Brief interviews were carried out with selected respondents to support quantitative data with contextual insights.

3.5 Operationalization of Variables

Each research variable is defined and measured through multiple indicators based on prior literature:

- Promotion (X1): Advertising, sales promotion, public relations
- Location (X2): Accessibility, traffic density, parking facilities
- Price (X3): Affordability, fairness, price competitiveness
- Purchase Intention (Y): Transactional interest, referential interest, preferential interest

All items were measured using the Likert scale, and indicators were adapted from validated sources such as Kotler & Armstrong (2019), Ferdinand (2022), and Tonce & Yoseph (2022).

3.6 Instrument Testing

- a. Validity Test: Pearson correlation was used to assess construct validity. Items with $r > 0.361$ were considered valid.
- b. Reliability Test: Cronbach's Alpha values > 0.70 indicated strong internal consistency across all variables.

3.7 Data Analysis Techniques

Data analysis was performed using SPSS version 24.0, applying the following statistical techniques:

- a. Descriptive Analysis: To summarize respondent characteristics and overall responses.
- b. Classical Assumption Tests:
 - *Normality Test*: Kolmogorov-Smirnov method
 - *Multicollinearity Test*: Variance Inflation Factor ($VIF < 10$)
 - *Heteroskedasticity Test*: Glejser test and scatterplot analysis
- c. Multiple Linear Regression Analysis: To evaluate the influence of promotion, location, and price on purchase intention.
- d. Hypothesis Testing:
 - *t-Test (Partial Test)*: To assess the individual effect of each independent variable
 - *F-Test (Simultaneous Test)*: To assess the collective effect of all independent variables
- e. Coefficient of Determination (Adjusted R^2): To determine the proportion of variance in purchase intention explained by the independent variables.

4. RESULTS AND DISCUSSION

4.1 Validity and Reliability Testing

The validity test using Pearson Correlation showed that all indicator items had r-count values greater than r-table (0.361). This indicates that all items are valid.

The reliability test yielded Cronbach's Alpha values as follows:

- a. Promotion (X1): 0.925
- b. Location (X2): 0.882
- c. Price (X3): 0.882
- d. Purchase Intention (Y): 0.923

Since all values exceed the 0.70 threshold, it can be concluded that the instrument is highly reliable.

4.2 Classical Assumption Testing

- Normality Test: Using the Kolmogorov–Smirnov test, the significance value was $0.144 > 0.05$, indicating that the data is normally distributed.
- Multicollinearity Test: All VIF values were below 10 (VIF range: 3.017–3.453), and tolerance values were above 0.1, indicating no multicollinearity.
- Heteroskedasticity Test: Glejser test results showed significance values for all variables were greater than 0.05, confirming no heteroskedasticity.

4.3 Multiple Linear Regression Analysis

The regression equation generated is:

$$Y = -1.075 + 0.318X_1 + 0.062X_2 + 0.661X_3$$

Interpretation:

- Promotion (X1): A one-unit increase in promotion leads to a 0.318 increase in purchase intention, assuming other variables remain constant.
- Location (X2): A one-unit increase in location adds 0.062 to purchase intention.
- Price (X3): A one-unit increase in price yields a 0.661 increase in purchase intention—the highest among all predictors.

The constant (-1.075) indicates the baseline level of purchase intention when all variables are zero (hypothetically).

4.4 Hypothesis Testing

- Partial t-Test Results

Table 1. Partial t-Test Results

Variable	t-count	Sig. Value	Conclusion
X1 (Promotion)	4.007	0.000	Significant
X2 (Location)	0.681	0.497	Not Significant
X3 (Price)	9.023	0.000	Significant

Promotion and Price have a significant positive effect on purchase intention. Location does not significantly affect purchase intention, possibly due to consumer adaptation to digital ordering or less strategic placement.

- Simultaneous F-Test Results

$F = 177.360$, $\text{Sig.} = 0.000 < 0.05 \rightarrow$ Indicates that promotion, location, and price together have a significant effect on purchase intention.

4.5 Coefficient of Determination (R^2)

The Adjusted $R^2 = 0.816$, meaning 82.1% of the variance in purchase intention is explained by promotion, location, and price. The remaining 17.9% is likely influenced by other factors such as product quality, brand loyalty, service experience, or peer influence.

4.6 Discussion

4.6.1 Effect of Promotion on Purchase Intention

The results affirm the theoretical view (Kotler & Armstrong, 2019; Tondang & Sutrisna, 2019) that promotion increases consumer awareness and motivation to purchase. Social media campaigns, discounts, and product bundling used by Fritto Chicken appear to resonate with consumers, triggering purchase interest.

4.6.2 Effect of Location on Purchase Intention

Although theoretically significant (Pratiwi, 2020), the lack of statistical significance suggests that location may be less relevant in the digital age, where food delivery apps bridge geographic constraints. This aligns with current trends where physical proximity is less critical than convenience and brand familiarity.

4.6.3 Effect of Price on Purchase Intention

Price has the strongest influence among all variables. This supports prior studies (Faradisa et al., 2021; Bakti et al., 2020), confirming that affordability and value-for-money are crucial in fast-food purchase decisions. Fritto Chicken's pricing is perceived as competitive, making it an attractive option for cost-sensitive consumers.

4.6.4 Combined Influence of All Variables

Together, promotion, location, and price significantly shape consumer purchase intention. This validates the importance of integrated marketing strategies, as emphasized in classic marketing theory. While each factor contributes differently, their combined influence is substantial, as reflected in the high R^2 value.

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