

ABSTRACT

Market saturation due to increasing competition in world trade particularly in the area caused a decline in the intensity of retail purchase by customers who are automatically also cause a decline in profitability of retail merchants. It is also experienced by retailers as Toko Murah. To obtain a high profitability, the need for efforts to increase the purchasing decisions made by consumers because the purchase is the key to profitability. In this study the authors use the product, price, and location as independent variables to be studied how they affect purchasing decisions.

After doing a literature review and preparation of the hypothesis, obtained data by spreading questionnaires from 100 consumer Toko Murah in Sukoharjo, which is obtained by using purposive sampling, and then conducted an analysis of data obtained using the analysis of quantitative and qualitative data. A quantitative analysis include validity and reliability, the classic assumption test, multiple regression analysis, hypothesis testing via t test and F test, and analysis of coefficient of determination (R^2). Qualitative analysis is the interpretation of the data obtained in this study, and results of data processing that have been implemented with a description and explanation.

The results showed that the coefficient of determination shown in the Adjusted R Square of 0.636, which means that its influence purchasing decisions can be explained by the three independent variables in the research are product, price, and location of 63.6%, and the remaining 36.4% to explained by other variables outside the model of this research. Partially based on the results of t test variables in this study has positive and significant in which the product has the greatest influence than other variables in this study, while the price has the lowest influence on purchase decisions. Based on F test results indicate that simultaneously or jointly variables in the research are product, price, and location has positive and significant impact on purchasing decisions. Therefore, to enhance the buying decision can be done by increasing product diversity, competitive pricing, and selection of strategic locations.

Keywords: Profitability, purchasing decisions, product, price, location