

Impact of Product Quality, Price, and Promotional Activities on Consumer's Purchase Decision on a Non-Subsidized NPK Fertilizer Market Leading Brand: Purchase Interest as a Mediator

Ronny Hansje Walean* & Deny Indra Pratama

Program Studi Magister Manajemen, Universitas Klabat, Minahasa Utara, 95371, Indonesia

Abstract

This study investigates the influence of product quality, price, and promotional activities on the choices made while purchasing a market leading, non-subsidized NPK fertilizer brand in Indonesia. There is less study on agricultural marketing before this research. The study specifically looks at how purchase interest plays a role in mediating these factors. A total of 231 customers participated in an online survey, and the data obtained were evaluated using the SmartPLS software. The results indicate that the quality and price of a product have a substantial impact on the level of interest in making a purchase, which subsequently has a considerable influence on the final choice to make the buy. Curiously, there is a direct relationship between pricing and the level of interest in making a purchase. This emphasizes that this market leading NPK fertilizer brand is perceived as a product of great worth by the buyer. However, promotional activities have a minimal impact on the choice to purchase and only a weak connection with the level of interest in buying. The findings highlight the significance of purchase interest as a crucial element in the consumer's journey towards making a purchase, surpassing the impact of promotional tactics employed by leading fertilizer brands in the market. The study offers significant insights for manufacturers and policymakers in Indonesia, emphasizing the importance of prioritizing product quality and pricing strategies to improve customer interest and stimulate purchasing decisions.

Keywords: Purchase Interest, Product Quality, Pricing Strategy, Agricultural Marketing

1. Introduction

The agricultural sector in Indonesia plays a pivotal role in the national economy and food security. The success of this sector is critically dependent on the use of fertilizers, particularly NPK (Nitrogen, Phosphorous, and Potassium) that contain all the macro-nutrient that plants need (Umami et al., 2019). Various commercial NPK fertilizer brands in Indonesia have established market leadership through quality and effectiveness. Understanding the factors influencing the purchase decisions for such fertilizers is essential for manufacturers to formulate strategies that meet farmers' needs and enhance agricultural productivity. Farmers' purchasing decisions are not unique to each individual, but rather there is a certain level of organization and predictability in the way they make decisions to buy items and services, as well as the amount of work they put into acquiring information about their purchases (Hill et al., 2013). This research aims to explore the determinants of purchase decisions for a leading non-subsidized NPK fertilizer brand in Indonesia, considering purchase interest as a mediating variable.

Past studies have examined various aspects that influence the purchase decisions of agricultural inputs, including price sensitivity, perceived quality, brand reputation, and promotional efforts. However, there exists a gap in literature specifically regarding non-subsidized NPK fertilizer in Indonesia, a market characterized by intense competition and a discerning customer base. This study seeks to fill that gap by investigating how factors such as price, product quality, and promotional activities impact the purchase interest and, consequently, the purchase decision of farmers.

Consumers consider the pricing of goods and services as a crucial aspect in their purchasing decisions since it indicates the quality and discourages possible competitors. The conventional economic perspective, which suggests that lower costs generally lead to more demand, is moderated by the notion of perceived value.

* Corresponding author.

E-mail address: rwalean@unklab.ac.id

Product quality, an intrinsic characteristic, has been widely accepted as a critical driver in purchase decisions. For agricultural products, quality not only influences the immediate purchasing behavior but also the long-term trust and loyalty of customers. This study posits that for NPK fertilizers, perceived quality will have a strong positive impact on both interest in buying and the ultimate purchase decision, thereby underlining the need for continuous improvement and innovation in product offerings.

Promotional activities are designed to enhance product visibility and desirability. While the effectiveness of promotions is widely recognized in consumer goods, its influence in the agricultural sector, particularly for non-subsidized market leaders, is less clear. This research seeks to elucidate the role of promotions in generating interest and driving purchase decisions, considering the unique market dynamics and consumer profiles in the Indonesian agricultural sector.

Purchase interest is posited as a mediating factor that transforms various external stimuli into a concrete purchase decision. It reflects a customer's predisposition towards the product before the actual purchase, and this research aims to quantify its mediating effect on the relationship between price, quality, promotion, and the purchase decision.

Through a rigorous analysis of correlation and significance, this study will provide insights into the factors that affect farmers' decisions to purchase non-subsidized NPK fertilizers. The findings are expected to benefit manufacturers, policymakers, and agricultural stakeholders in Indonesia by informing strategies that cater to the preferences of farmers, enhance brand positioning, and ultimately contribute to the robustness of the agricultural economy. This research is also valuable for augmenting the limited body of knowledge in the field of agricultural marketing.

2. Literature Review

2.1. Purchase Decision

Salem (2018) defines purchase decision as the process that starts when a consumer recognizes a need, searches for options, evaluates alternatives, and then selects a certain product and service. As consumers become more aware of a brand and what it offers, they typically look for additional information about it online and then evaluate the advantages of choosing it over competitors before making a purchase choice (Sharma, 2021). Hence, the buying decision can be understood as a sequential process that consumers undergo prior to making the actual purchase (Hanaysha, 2018).

2.2. Purchase Interest

Purchase interest is defined as a condition of preparedness (Beatty & Smith, 1987) and a direct cause of the actual act of purchase. It represents the motivational condition of being focused on a certain thing (such as the product) and is different from simply being aware or having the intention. The mediation effect of purchase interest has been discussed within the framework of the Consumer Decision Model (Blackwell et al., 2001 as quoted from Boateng, 2019) where it plays a central role between the evaluation of alternatives and the purchase decision. In this model, purchase interest emerges from an affective assessment of available options and precedes the cognitive decision to buy.

H1: Purchase interest has a significant and positive effect on purchase decision.

2.3. Product Quality

Product Quality refers to the combination of attributes and traits of a product that enable it to fulfill specific criteria or standards (Alex & Thomas, 2011). Zeithmal (2001) defines product quality as the consumer's judgment about a product's overall excellence or superiority and posits that quality perceptions significantly impact consumer decision-making and perceived value. Garvin (1988), as quoted from (Sebastianelli & Tamimi, 2002) had earlier identified multiple dimensions of quality, including performance, features, reliability, conformance, durability, serviceability, aesthetics, and perceived quality, all of which have been examined in subsequent research for their influence on purchase decisions. Sweeney et al., (1999) expanded on this by demonstrating how the various dimensions of product quality relate differently to service and goods sectors but consistently show a strong correlation with consumers' purchasing choices.

H2: Product quality has a significant and positive effect on purchase interest.

H3: Product quality has a significant and positive effect on purchase decision.

H4: Product quality has a significant and positive effect on purchase decision when mediated by purchase interest.

2.4. Price

Ferdinand (2002) asserts that pricing is a crucial factor in marketing, as it has the power to influence consumers in their purchasing decisions for various reasons. From an economic standpoint, low prices or consistently competitive prices are crucial for enhancing marketing performance. However, from a psychological perspective, price can serve as an indicator of quality and is therefore strategically used as both a sales tool and a competitive factor. If the price offered aligns with the benefits seen by consumers, they will easily make a purchasing decision (Hermiyenti & Wardi, 2019a).

The pricing of goods and services is a fundamental factor that consumers consider when making purchasing decisions, as it serves as an indication of quality and acts as a deterrent for potential competitors. The conventional economic perspective, which posits that reduced costs typically result in increased demand, is tempered by the concept of perceived value. In this framework, consumers weigh the price of a product against the anticipated benefits it offers (Chen et al., 1998). In their study, Lichtenstein et al. (1993) discovered that price frequently influences purchase interest. Consumers are more inclined to acquire an interest in things that they perceive to provide a higher value in relation to their cost. Subsequent research has further explained this concept, demonstrating that price has a direct impact on the purchase decision. However, its influence is typically more significant when purchase interest is considered. This phenomenon is especially noticeable in markets when customers have a deep engagement with the product category. It implies that the connection between pricing and purchasing is not solely based on transactions, but also contains a psychological aspect (Voss et al., 2003).

H5: Price has a significant and positive effect on purchase interest.

H6: Price has a significant and positive effect on purchase decision.

H7: Price has a significant and positive effect on purchase decision when mediated by purchase purchase interest.

2.5. Promotional Activity

Promotional activities have a substantial impact on consumer purchasing interest by employing diverse techniques that emphasize product advantages, enhance brand exposure, and encourage prompt buying decisions. Sales promotions, such as discounts and exclusive deals, play a vital role in attracting consumers who are sensitive to prices and motivating them to make quick purchases, ultimately leading to an increase in sales volumes (Hanaysha, 2018). In addition, the changing digital marketing environment has improved the efficiency of celebrity endorsements. These endorsements utilize the perceived reliability, appeal, and credibility of celebrities to increase consumer impulsive purchases and inclinations to buy. The increasing prevalence of digital media amplifies the influence of these promotions, underscoring the significance of strategic promotional strategy in attracting customer interest and translating it into measurable sales results (Liu, 2022). Furthermore, the literature indicates that promotions have a dual effect of boosting immediate sales and cultivating lasting consumer loyalty and brand preference. As a result, promotions have a significant impact on purchase decisions that extends beyond the initial promotion time (Hermiyenti & Wardi, 2019a).

H8: Promotional activity has a significant and positive effect on purchase interest.

H9: Promotional activity has a significant and positive effect on purchase decision.

H10: Promotional activity has a significant and positive effect on purchase decision when mediated by purchase purchase interest.

3. Research Method

3.1. Data Collection and Sample

The main objective of this article was to investigate the direct and indirect influence of product quality, price, and promotional activities on customers' buying decisions, specifically through their purchasing interest. Hence, a survey

methodology is utilized to gather the data. The study included 231 customers who purchased a leading non-subsidized NPK fertilizer brand. Convenience sampling strategy was employed in the survey research to ensure the target number of responses could be obtained by selecting appropriate sample procedures during data collecting. This is because it is often considered the most suitable method for gathering consumer data at lower costs, especially when it is not possible to secure a sampling frame. In addition, convenience sampling enables researchers to conveniently access and disseminate questionnaires to respondents.

3.2. Measures

Data was collected using an online survey form conducted through Google Forms. The questionnaire consisted of seven sections. The first aspect is the respondent's profile, which encompasses their gender, birth year range, province of residence, and occupational category. The second section pertains to the respondent's profile of agricultural commodities. The third component consists of a 5-point scale used to assess the various aspects of product quality. This scale comprises a total of 13 items, based on product quality indicators from Gibb (2003), as quoted from (Sebastianelli & Tamimi, 2002). The fourth component consists of a 5-item measurement related to the price dimension. The sixth component consists of a dimension that measures promotional activities using a 6-item scale. The seventh component consists of a 7-item measurement of purchasing interest dimension. The final component consists of four items that measure the purchasing decision dimension. The study utilized a 35-item Likert scale in its entirety.

3.3. Data Analysis Technique

The SmartPLS software was used to estimate the measurement and structural equation models in this research. The measurement model was employed to determine the reliability and validity of the measurement scales. The reliability analysis was conducted using Cronbach's alpha and composite reliability. Convergent validity and discriminant validity were employed to assess the instrument's validity. Once appropriate values were obtained, the final structural model was created to validate the planned hypotheses.

4. Results and Discussions

The respondent profile for this study comprises a diverse group of individuals varying in gender, birth year range, and domicile province. Out of the 231 participants, the majority are male (170), constituting approximately 73.6% of the total sample, while females represent 26.4% (61 respondents). This indicates a higher male participation in the study, which may reflect the demographics of the target population or the market sector's employment ratios.

Table 1. Respondent Profile

Characteristic	Category	n	%
Gender	Male	170	73.6%
	Female	61	26.4%
Birth Year Range	1946 - 1964 (Baby Boomers)	8	3.5%
	1965 - 1980 (Generation X)	67	29.0%
	1981 - 1986 (Generation Y1)	33	14.3%
	1987 - 1996 (Generation Y2)	92	39.8%
	1997 - 2012 (Generation Z)	31	13.4%

The age distribution of the respondents spans across five distinct generational cohorts. The most represented age group is those born between 1987 and 1996, who are likely to be considered millennials, accounting for 92 respondents (39.8% of the total sample). This is followed by the cohort born between 1965 and 1980, typically categorized as Generation X, with 67 respondents making up about 29% of the sample. Those from the Generation Z cohort (born between 1997 and 2012) are the next significant group, with 31 respondents representing 13.4%. The age group born between 1981 and 1986 includes 33 respondents (14.3%), while the baby boomers (born between 1946 and 1964) have the smallest representation with 8 respondents (3.5%). The prominent presence of younger generations, especially millennials, suggests that the study outcomes may reflect the attitudes and behaviors

characteristic of these demographics, which is particularly relevant for understanding current and future trends in the market.

Table 2. Geographical Profile of Respondents

Domicile Province	Number of Respondents	%
Sulawesi Utara	67	29.0%
Jawa Timur	39	16.9%
Sulawesi Selatan	36	15.6%
Gorontalo	17	7.4%
Sumatera Utara	14	6.1%
Jawa Tengah	11	4.8%
Nusa Tenggara Barat	10	4.3%
Kalimantan Timur	7	3.0%
Sulawesi Tengah	7	3.0%
Kalimantan Selatan	5	2.2%
Sulawesi Barat	5	2.2%
Kalimantan Tengah	4	1.7%
Sulawesi Tenggara	3	1.3%
Kalimantan Barat	2	0.9%
Riau	2	0.9%
Bali	1	0.4%
Jambi	1	0.4%

The respondents are distributed across various provinces in Indonesia, with Sulawesi Utara having the highest representation with 67 respondents (29%). This is followed by Jawa Timur with 39 individuals (16.9% of the total sample), and a significant participation is also noted from Sulawesi Selatan with 36 respondents (15.6%). The remaining provinces such as Bali (1), Gorontalo (17), Jambi (1), Jawa Tengah (11), Kalimantan Barat (2), Kalimantan Selatan (5), Kalimantan Tengah (4), Kalimantan Timur (7), Nusa Tenggara Barat (10), Riau (2), Sulawesi Barat (5), Sulawesi Tengah (7), Sulawesi Tenggara (3), and Sumatera Utara (14) collectively constitute the remaining 38.5% of the sample. This geographic diversity ensures that the study encompasses a wide range of socioeconomic backgrounds, agricultural practices, and market dynamics across the country, thereby enhancing the generalizability of the research findings.

The demographic profile of the respondents provides a comprehensive overview of the individuals whose opinions and behaviors will inform the study. Given the dominance of the male gender and the younger age groups, particularly the millennials, the research outcomes may offer insights that are especially relevant to these segments. Additionally, the widespread provincial representation highlights regional market variations that could influence purchase decisions for non-subsidized NPK fertilizer. The results will potentially reveal nuanced understandings of market leader brands in the Indonesian fertilizer industry, considering gender, generational, and geographical factors.

The analysis of data in this research was conducted using SmartPLS software. Initially, the measurement model was estimated to assess the factor loadings and establish the reliability and validity of the specified measurement scales. Afterwards, the structural model was estimated to validate the hypotheses.

4.1. Convergent Validity

Method for assessing convergent validity is to examine the factor loadings, which are presented in Table 3. All the numbers are greater than 0.7, indicating that this construct has a robust convergent validity.

Table 3. Factor Loadings

	Price	Purchase Decision	Product Quality	Purchase Interest	Promotional Activity
PR1	0.898				
PR4	0.945				
PR5	0.920				
PD1		0.935			
PD2		0.929			

PD3	0.939		
PD4	0.925		
PQ11		0.921	
PQ13		0.955	
PQ5		0.903	
PQ6		0.948	
PQ7		0.932	
PQ9		0.900	
PI1			0.915
PI2			0.921
PI3			0.937
PI4			0.940
PI5			0.910
PI6			0.890
PI7			0.848
PA1			0.929
PA2			0.939
PA3			0.952
PA4			0.908
PA6			0.889

4.2. Construct Reliability

To evaluate the reliability of the construct, a Cronbach’s Alpha value greater than 0.7 is considered to be acceptable, while higher values are preferable. This is a measure of internal consistency, meaning how closely related a set of items are as a group.

Table 4. Construct Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	AVE	Remark
Price	0.911	0.911	0.944	0.849	Reliable
Purchase Decision	0.950	0.950	0.964	0.869	Reliable
Product Quality	0.967	0.968	0.973	0.859	Reliable
Purchase Interest	0.965	0.965	0.971	0.827	Reliable
Promotional Activity	0.957	0.958	0.967	0.853	Reliable

Table 4 shows that the values ranging from 0.911 to 0.967 are considered outstanding, suggesting a high level of consistency among the elements within each construct. While Cronbach’s Alpha assumes that all items have equal loadings, composite reliability does not make this assumption. It provides a more precise assessment of the dependability of an underlying concept. Typically, a result that is higher than 0.7 is considered acceptable. The study’s scores, which range from 0.944 to 0.973, indicate strong dependability for each construct.

Table 4 also provides information regarding the construct's validity. The Average Variance Extracted (AVE) measures the amount of variance that a construct captures relative to the variance caused by measurement error. It evaluates the degree to which two measures of the same construct are correlated. A score greater than 0.5 indicates that, on average, the construct explains more than half of the variation of its indicators, which is considered acceptable. The range of the constructions, which varies from 0.827 to 0.859, satisfies this requirement, demonstrating strong convergent validity.

4.3. Discriminant Validity

In order to assess the discriminant validity of a set of latent constructs in a questionnaire or model, Fornell-Larcker Criterion is used.

Based on Table 5, Price shows a strong relationship with itself (0.921) and has lower correlations with other constructs, which is consistent with discriminant validity. Purchase Decision has a diagonal value of 0.932 and its highest correlation with another construct is 0.906 with Purchase Interest, indicating discriminant validity. Product

Quality has a diagonal value of 0.927 and correlations with other constructs are less than this value. Purchase Interest has a diagonal value of 0.909, again showing higher than its correlations with other constructs. Promotional Activity has the highest discriminant validity, with a diagonal value of 0.924 and the highest correlation with another construct being 0.779 with Price. Based on those data, it can be concluded that the questionnaire or model has strong discriminant validity. Each construct has a greater amount of similar variance with its own indicators compared to other constructs, confirming that the constructs are separate and unique from one another.

Table 5. Fornell-Larcker Criterion

	Price	Purchase Decision	Product Quality	Purchase Interest	Promotional Activity
Price	0.921				
Purchase Decision	0.873	0.932			
Product Quality	0.905	0.878	0.927		
Purchase Interest	0.896	0.906	0.869	0.909	
Promotional Activity	0.779	0.729	0.722	0.755	0.924

This research also checks the fitness of the model. Table 6 present the R Square values for two constructs and Table 7 present the f square values showing the effect sizes between various constructs in a structural equation model (SEM).

Table 6. R square values

	R Square	R Square Adjusted
Purchase Decision	0.856	0.854
Purchase Interest	0.828	0.826

Table 7. f square values

	Price	Purchase Decision	Product Quality	Purchase Interest	Promotional Activity
Price		0.007		0.229	
Purchase Decision					
Product Quality		0.114		0.100	
Purchase Interest		0.326			
Promotional Activity		0.003		0.039	

The Purchase Decision variable has a R² value of 0.856, whereas the Purchase Interest variable has a R² value of 0.828. The high values suggest that the independent variables in the model account for a substantial amount of the variability in the two dependent variables. The Adjusted R Square values closely approximate the R² values, indicating that the model is robust, and the explained variance is primarily attributed to the strong effects of the variables rather than the number of predictors.

The f² effect size measures the influence of individual independent variables on the dependent variable, considering the model's framework. In general, a f² value of 0.02 is classified as a little influence, 0.15 as a medium effect, and 0.35 as a significant effect. Regarding Purchase Decisions, the impact of Product Quality is quite small (0.114), whilst the effect of promotion is extremely minimal (0.003). Remarkably, the variable Purchase Interest exhibits a substantial impact size (0.326) on Purchase Decision, suggesting that it is a powerful predictor of the outcome variable. Regarding Purchase Interest, the Price factor has a modest yet significant effect size (0.229), indicating that price has a noteworthy impact on determining Purchase Interest. Other factors exhibit lesser impacts, while Promotional Activity once again has a very small effect size (0.039), while Product Quality showcases a substantial influence (0.100).

In order to evaluate the quality of the model in representing the data, the researcher compared the saturated model with the estimated model, as shown in the Table 8. SRMR (Standardized Root Mean Square Residual) measures the difference between observed and predicted correlations. A value less than 0.08 is generally considered a good fit. The table shows an SRMR of 0.036, indicating a good fit. Chi-Square is a traditional test where a lower chi-square value suggests a better fit; however, it is sensitive to sample size, often leading to model rejection with large samples. For

NFI (Normed Fit Index), values closer to 1 indicate a better fit. Values above 0.90 are typically considered to indicate a good fit. The model is just below this threshold at 0.869. While not below the commonly accepted cut-off, it suggests the model is reasonably fitting the data. In summary, based on the fit indices provided, the model demonstrates a good fit according to the SRMR, and reasonable fit according to the NFI.

Table 8. Goodness of Fit Model

	Saturated Model	Estimated Model
SRMR	0.036	0.036
d_ULS	0.423	0.423
d_G	0.908	0.908
Chi-Square	1139.221	1139.221
NFI	0.869	0.869

4.4. Discussion

The main objective of this study was to investigate the direct and indirect impact of product quality, price, and promotional activity on purchasing decisions. Additionally, the study aimed to determine whether purchase interest acts as a mediator between these factors in a market leading non-subsidized NPK fertilizer brand. Research has revealed that the level of purchase interest is a strong indicator of whether or not a transaction will actually be made.

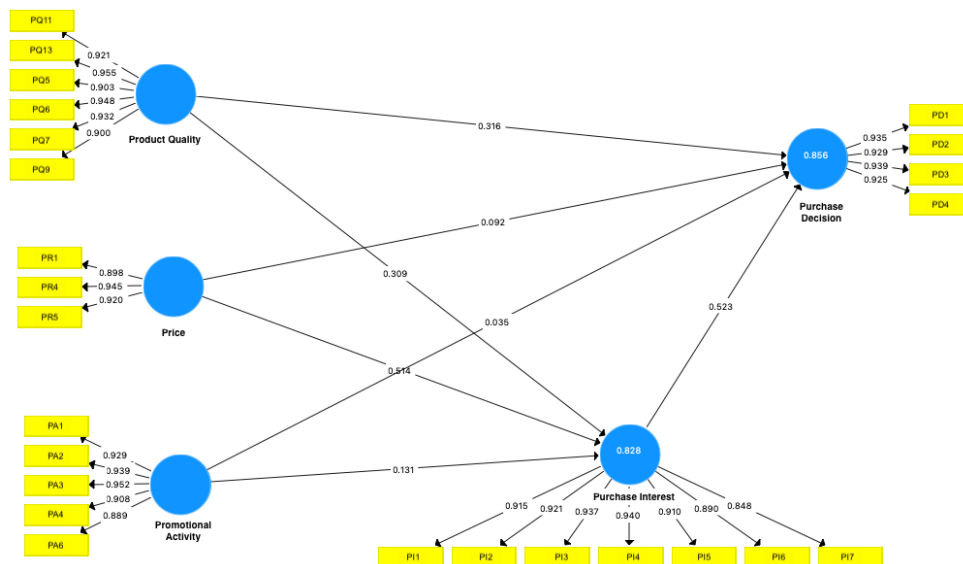


Fig 1. The structural model

Table 9 offers further understanding on the statistical significance of the connections between variables. Statistical significance is commonly assessed using a p-value, which has a threshold of 0.05. A p-value below 0.05 often indicates a statistically significant link, meaning that it is unlikely to have occurred randomly. Purchase Interest to Purchase Decision has the p-value of 0.000 indicates a statistically significant positive correlation between interest in buying and purchase decision, suggesting that the more interested customers are, the more likely they are to make a purchase. Thus, **hypothesis H1 is accepted** and supports the proposed concept of Engel et al. (2005).

According to the result table, Price to Purchase decision has the p-value of 0.363 suggests that the correlation between price and purchase decision is not statistically significant. Therefore, **hypothesis H6 is not acceptable**. In the contrast, Price to Purchase Interest has the p-value of 0.000 indicates that there is a statistically significant positive correlation between price and purchase interest, which supports the notion that as prices increase, interest in buying might also increase, particularly in markets where price is associated with quality or prestige. Hence, **hypothesis H5 is acceptable**. The price has a statistically significant indirect effect on the purchase decision, when mediated by purchase interest, as indicated by a p-value of 0.000. This result supports the **acceptance of hypothesis H7**. The notion put forth by Hermiyenti & Wardi (2019b), is supported by these findings.

Product Quality to Purchase Decision has a p-value of 0.004, the positive correlation between product quality and purchase decision is statistically significant, indicating that higher product quality is likely to positively affect the purchase decision. Thus, **hypothesis H3 is acceptable**. Product Quality to Purchase Interest has the p-value of 0.000 signifies a statistically significant positive correlation between product quality and interest in buying, suggesting that better quality products tend to increase consumer interest (**hypothesis H2 is acceptable**). The p-value of 0.011 indicates that there is a statistically significant indirect influence of product quality on purchase choice when purchase interest is considered as a mediator. This outcome validates the **acceptance of hypothesis H4**. These data provide support for the concept proposed by Kotler & Armstrong (2001).

Table 9. Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Remark
PI → PD	0.523	0.533	0.108	4.826	0.000	Positive, significant
PR → PD	0.092	0.086	0.101	0.910	0.363	Positive, not significant
PR → PI	0.514	0.508	0.086	5.967	0.000	Positive, significant
PR → PI → PD	0.269	0.269	0.067	4.044	0.000	Positive, significant
PQ → PD	0.316	0.309	0.109	2.895	0.004	Positive, significant
PQ → PI	0.309	0.307	0.086	3.593	0.000	Positive, significant
PQ → PI → PD	0.162	0.166	0.063	2.554	0.011	Positive, significant
PA → PD	0.035	0.037	0.051	0.684	0.494	Positive, not significant
PA → PI	0.131	0.139	0.056	2.324	0.020	Positive, significant
PA → PI → PD	0.069	0.074	0.033	2.060	0.039	Positive, significant

Note: PQ = Product Quality, PR = Price, PA = Promotional Activity, PI = Purchase Interest, PD = Purchase Decision

Promotional Activity to Purchase Decision has a p-value of 0.494 suggests that there is no statistically significant correlation between promotions and purchase decisions, meaning that promotions may not be effective in significantly influencing the decision to purchase. Hence, **hypothesis H9 is not acceptable**. In contrary, Promotion to Purchase Interest has the p-value of 0.020 indicates a statistically significant, albeit likely weak, correlation between promotion and interest in buying. This suggests that promotions can increase the interest in buying to some extent (**H8 is acceptable**). The promotional activity has a statistically significant indirect impact on the purchase decision, when influenced by buy interest, as demonstrated by a p-value of 0.039. This outcome backs up the **acceptance of hypothesis H10**. The concept proposed by Hermiyenti & Wardi (2019b) is validated by these findings.

In summary, there is a strong positive relationship between purchase interest and purchase decision. It is found that there is a uniquely strong positive relationship between price and interest in purchasing. A similar relationship exists between product quality and the choice to make a purchase. Conversely, promotion does not exhibit a substantial association with the purchase choice and only has a weak correlation with interest in purchasing.

5. Conclusion

Analysis clearly shows that purchase interest is the most important determinant of purchase decision for an agricultural product – especially non-subsidized NPK fertilizer – that could preserve its strong market position. This implies that implementing techniques designed to enhance purchasing interest could have a substantial impact on the probability of a transaction being completed. This research also proposes that for market leader agricultural brands, higher prices might correlate with an increased interest in buying, stemming from the perception of superior quality or efficacy. This notion challenges traditional price theory and opens a discussion about price positioning in a market-driven environment.

The product's quality exerts both a direct and indirect impact on the purchasing decision. The causal impact is seen in the strong and statistically significant correlation between the quality of the product and the choice to make a purchase. Moreover, the caliber of a product also impacts the purchasing choice indirectly by heightening the consumer's desire in buying. The level of interest in purchasing a product is a highly accurate indicator of future buying decisions. Enhancing product quality not only boosts consumer interest in making a purchase but also enhances their whole decision-making process. Surprisingly, promotional activity has very little effect on purchase interest or purchase decision for market leader agricultural brands, which implies that in this particular situation its influence is smaller than that of the quality or price of the product.

Overall, it is recommended that agricultural product manufacturers focus on improving product quality in order to maximize consumer interest and purchasing decisions. When a product and brand are already well-known and dominate the market, manufacturers could develop a price positioning strategy. This is because price is often seen as a reflection of quality. In addition, manufacturers also have the opportunity to significantly reduce their promotional activities budget, as the impact on the purchasing interest and decision of end buyers for a market-leading agricultural product is minimal.

References

- Alex, D., & Thomas, S. (2011). Impact of Product Quality , Service Quality and Contextual Experience on Customer Perceived Value and Future Buying Intentions. *European Journal of Business and Management*, 3(3), 307–316.
- Beatty, S. E., & Smith, S. M. (1987). External Search Effort: An Investigation Across Several Product Categories. *Journal of Consumer Research*, 14(1), 83. <https://doi.org/10.1086/209095>
- Boateng, I. O. (2019). “Assessing the Type of Advertising Influencing Consumers’ Behaviour of Telecommunications Firms in Ghana: A Case Study of MTN Ghana”. *Texila International Journal of Management*, 5(2), 95–111. <https://doi.org/10.21522/tijmg.2015.05.02.art010>
- Chen, S. F. S., Monroe, K. B., & Lou, Y. C. (1998). The effects of framing price promotion messages on consumers’ perceptions and purchase intentions. *Journal of Retailing*, 74(3), 353–372. [https://doi.org/10.1016/S0022-4359\(99\)80100-6](https://doi.org/10.1016/S0022-4359(99)80100-6)
- Engel, J., Blackwell, R., & Miniard, P. (2005). Perilaku konsumen. Edisi Keenam. In *Jakarta: Binarupa Aksara*.
- Ferdinand, AugustyFerdinand, A. (2002). (2002). Kualitas Strategi Pemasaran. In *Jurnal Sains Pemasaran Indonesia* (Vol. 1, Issue 1, pp. 107–119).
- Gibb, T. (2003). Managing quality. *Occupational Health*, 55(9), 23–26.
- Hanaysha, J. R. (2018). An examination of the factors affecting consumer’s purchase decision in the Malaysian retail market. *PSU Research Review*, 2(1), 7–23. <https://doi.org/10.1108/PRR-08-2017-0034>
- Hermiyenti, S., & Wardi, Y. (2019a). A Literature Review on The Influence of Promotion, Price and Brand Image to Purchase Decision. 64, 538–545. <https://doi.org/10.2991/piceeba2-18.2019.34>
- Hermiyenti, S., & Wardi, Y. (2019b). A Literature Review on The Influence of Promotion, Price and Brand Image to Purchase Decision. <https://doi.org/10.2991/piceeba2-18.2019.34>
- Hill, M., Kaine, G., & Ashburner, R. (2013). Where farmers ’ seek information when making purchasing decisions , implications for extension. *Extension Farming Systems Journal*, 9(1), 43-51??
- Kotle, P., & Armstrong, G. (2001). *Prinsip-Prinsip Pemasaran*.
- Lichtenstein, D. R., Ridgway, N. M., & Netemeyer, R. G. (1993). Price Perceptions and Consumer Shopping Behavior: A Field Study. *Journal of Marketing Research*, 30(2), 234. <https://doi.org/10.2307/3172830>
- Liu, M. (2022). Determining the Role of Influencers’ Marketing Initiatives on Fast Fashion Industry Sustainability: The Mediating Role of Purchase Intention. *Frontiers in Psychology*, 13(June). <https://doi.org/10.3389/fpsyg.2022.940649>
- Salem, M. Z. (2018). Effects of perfume packaging on Basque female consumers purchase decision in Spain. *Management Decision*, 56(8), 1748–1768. <https://doi.org/10.1108/MD-04-2017-0363>
- Sebastianelli, R., & Tamimi, N. (2002). How product quality dimensions relate to defining quality. *International Journal of Quality and Reliability Management*, 19(4), 442–453. <https://doi.org/10.1108/02656710210421599>
- Sharma, A. P. (2021). Consumers’ purchase behaviour and green marketing: A synthesis, review and agenda. *International Journal of Consumer Studies*, 45(6), 1217–1238. <https://doi.org/10.1111/ijcs.12722>
- Sweeney, J. C., Soutar, G. N., & Johnson, L. W. (1999). The role of perceived risk in the quality-value relationship: A study in a retail environment. *Journal of Retailing*, 75(1), 77–105. <https://doi.org/10.1016/S0022->

4359(99)80005-0

- Umami, N., Abdiyansah, A., & Agus, A. (2019). Effects of different doses of NPK fertilization on growth and productivity of *Cichorium intybus*. *IOP Conference Series: Earth and Environmental Science*, 387(1). <https://doi.org/10.1088/1755-1315/387/1/012097>
- Voss, K. E., Spangenberg, E. R., & Grohmann, B. (2003). Measuring the hedonic and utilitarian dimensions of consumer attitude. *Journal of Marketing Research*, 40(3), 310–320. <https://doi.org/10.1509/jmkr.40.3.310.19238>
- Zeithmal, V. (2001). Service Quality , Profitability , and the Economic Worth of Customers : What We Know and What We Need to Learn Service Quality , Profitability , and the Economic Worth of Customers : What We Know and What We Need to Learn. *Journal of the Academy of Marketing Science*, 28(1), 67–85.