



# The Influence of Distribution and Pricing on Purchase Decisions at the Sari Roti Outlet of PT Indosari Niaga Nusantara in Parepare

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## ABSTRACT

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This study examines the partial and simultaneous effects of distribution and price on purchase decisions at Sari Roti outlets of PT INDOSARI Niaga Nusantara Parepare. A quantitative descriptive research design was employed, involving the total population of 45 respondents as the sample. Data were collected using interviews, documentation, and observation, and analyzed with SPSS version 25. The analytical process consisted of validity and reliability tests, multiple linear regression analysis, t-tests (partial), F-tests (simultaneous), and the coefficient of determination ( $R^2$ ) to evaluate the explanatory power of the model. The empirical results reveal that distribution (X1) has a statistically significant partial effect on purchase decisions, indicated by a t-value of 2.677 exceeding the t-table value of 2.018 and a significance level of  $0.000 \leq 0.05$ . Price (X2) also has a significant partial effect, with a t-value of 5.648 > 2.018 and a significance level of  $0.000 \leq 0.05$ . Additionally, distribution and price collectively exhibit a significant simultaneous effect on purchase decisions, as shown by an F-value of 62.069, which is greater than the F-table value of 2.83, with a significance level of  $0.000 < 0.05$ . These findings highlight the importance of effective distribution strategies and competitive pricing in influencing consumer decision-making and suggest that businesses should prioritize these factors to strengthen market performance

## 1. Introduction

The pattern of consumer needs has evolved, as evidenced by the growth of fast food products. Among the most popular alternatives to rice are noodles and bread. Noodles require brief preparation before consumption, whereas bread is deliberately produced for people with limited time, allowing immediate consumption. Bread therefore has the potential to be consumed daily, particularly by individuals with busy schedules who have limited time to cook. This creates a major opportunity for bakery companies to capture a larger consumer base (Bidin, 2017).

Companies are required to conduct marketing activities using appropriate distribution channels to achieve corporate objectives efficiently. Distribution is one of the most essential marketing functions, ensuring products reach consumers in the right place, time, and condition. Price represents the monetary value exchanged for a product, and its determination is influenced by production costs. For consumers, price is a key factor

affecting purchasing decisions (Ilahi & Asike, 2023). Nevertheless, some consumers first consider taste, nutritional value, and quality before evaluating price. Bread is often chosen as a snack since it offers a wide variety of flavors, meets nutritional needs, and remains affordable across all income levels (Puspita, 2021).

The bread market in Indonesia demonstrates significant growth potential for fast-food businesses. Although not a staple food, bread demand has increased in line with productivity, resulting in heightened competition among producers such as Sari Roti, Luw, and Sharon. This competitive environment requires companies to optimize their resources to achieve market leadership and brand positioning aligned with consumer perceptions.

Purchasing decisions are influenced by multiple factors, including cultural, social, personal, and psychological aspects. Brands must meet



consumer needs and expectations to gain positive evaluations and maintain competitiveness. PT Nippon Indosari Corpindo Tbk, producer of “Sari Roti,” is the largest mass bread manufacturer in Indonesia, operating 14 factories and distributing through more than 88,000 sales points nationwide. Its subsidiary, PT Indosari Niaga Nusantara, manages product distribution to modern and traditional markets. However, the short shelf life of bread (five to seven days) presents a challenge, requiring rapid distribution and strict quality control.

Table 1 presents the revenue of PT Indosari Niaga Nusantara Parepare for the last three years. Revenue increased in 2022 but declined in 2021 and 2023. A contributing factor to this decline is the presence of expired products still displayed on store shelves, which poses health risks and threatens the company’s reputation. Therefore, coordination between retail stores and distributors is necessary to manage product returns and prevent expired products from being sold. These issues motivated the researchers to conduct a study entitled “The Influence of Distribution and Price on Purchasing Decisions at Sari Roti Outlets of PT Indosari Niaga Nusantara Parepare.”

## **2. Literature Review**

### **2.1 Distribution**

Distribution is a fundamental component of marketing strategy that ensures products and services are delivered from producers to consumers efficiently. According to Nitisemito (2014), distribution channels refer to the institutions or intermediaries responsible for transferring goods or services from producers to end-users. Tjiptono (2013) further emphasizes that distribution involves marketing activities that facilitate and accelerate the movement of goods and services so that they are available to consumers at the right time and in the right condition.

Effective distribution plays a crucial role in creating added value for products. Ilyas

(2022) notes that distribution activities contribute to the utility of form, place, time, and ownership, thereby increasing the overall value proposition to consumers. Similarly, Hidayat (2013) describes distribution channels as a network of institutions that perform all marketing functions required to deliver goods and transfer ownership from producers to consumers.

Manufacturers must therefore ensure that their products are available in the right place, at the right time, and in proper condition to meet consumer needs and expectations. Inefficient distribution can prevent products from reaching their intended markets, leading to potential losses for companies and dissatisfaction among consumers.

In addition, distribution enhances product accessibility, which is a critical factor in market success. A well-designed distribution network allows products to reach the widest possible consumer base, including those in remote or underserved areas. This requires careful planning of sales locations, channel partners, and transportation logistics to ensure cost efficiency and timely delivery.

Furthermore, distribution can be a source of competitive advantage. In today’s competitive business environment, companies must offer superior value compared to competitors. One strategy is to develop a more effective distribution system—characterized by faster delivery, lower logistics costs, and superior customer service. Firms with efficient distribution networks are better positioned to attract and retain customers, thereby strengthening their market share and overall competitiveness.

### **2.2 Price**

Price is one of the most critical elements of the marketing mix because it directly affects company profitability and market

positioning. Kotler and Keller (2021) define price as the amount of money charged for a product or service, representing the value that consumers exchange to gain ownership or use. Similarly, Alimuddin and Muslimin (2022) describe price as the relative value of a product or service rather than a fixed indicator of production cost.

#### a. The Concept of Price Influence in Marketing and Economics

Price elasticity is a key concept in understanding consumer behavior. It measures how sensitive demand is to price changes, helping businesses predict how pricing strategies will affect sales volume. In the context of this research, examining price elasticity is essential to determine how changes in product prices influence purchasing decisions at Sari Roti outlets.

#### b. Factors Influencing Pricing

Price determination is influenced by both internal and external factors. Internally, production costs, target profit margins, and company objectives play an important role. Externally, competitive pricing, consumer purchasing power, and market demand significantly affect price-setting decisions. Effective pricing strategies should balance affordability for consumers with profitability for the company.

#### c. Price Influence Indicators

Kotler and Armstrong (2012) propose several indicators for evaluating the influence of price on consumer decisions:

1. **Affordability** – the extent to which consumers perceive the product as financially accessible.
2. **Price-Quality Match** – whether the product's price reflects its perceived quality.
3. **Price-Benefit Match** – the alignment of price with the utility or benefits received.
4. **Price Competitiveness** – how the product's price compares with similar products in the market.

These indicators help researchers measure how price perception impacts consumer choice.

#### 2.3 Purchase Decision

A purchase decision refers to the process through which consumers evaluate available alternatives and select one to satisfy their needs. Tijjang (2023) defines it as an integration process that combines attitudes and knowledge to evaluate two or more behavioral alternatives before making a final choice. Similarly, Sunyoto and Saksono (2022) highlight that purchasing decisions are shaped by both cognitive and emotional factors.

Kotler (2013) describes the consumer decision-making process as a five-stage model: (1) need recognition, (2) information search, (3) alternative evaluation, (4) purchase decision, and (5) post-purchase behavior. Importantly, the process does not end with the purchase itself. Post-purchase experiences, including satisfaction or dissatisfaction, influence future buying behavior and brand loyalty.

Ali Hasan (2012) further notes that purchasing decisions are often influenced by multiple stakeholders, such as family members, peers, and reference groups, which can either reinforce or alter an individual's decision. Understanding these social and psychological influences is crucial for businesses aiming to develop effective marketing strategies.

In the context of this research, purchase decisions at Sari Roti outlets are examined to determine the extent to which distribution efficiency and price strategies affect consumer choice. By analyzing these relationships, this study provides insights into how companies can optimize their distribution networks and pricing policies to increase consumer satisfaction and sales performance.



### 3. Research Methods

This research was conducted at PT Indosari Niaga Nusantara, BTN Timurama Block A23 No. 6, Lompoe Village, Parepare City, South Sulawesi, over a two-month period in 2024. The study adopted a **quantitative research approach** to analyze the effect of distribution and price on purchasing decisions at Sari Roti outlets.

#### 3.1 Data Types and Sources

The study utilized **quantitative data**, obtained in numerical form through questionnaires distributed to 45 respondents. Data were collected from two sources:

1. **Primary data:** Directly gathered from respondents through questionnaires measuring distribution (X1), price (X2), and purchasing decisions (Y).
2. **Secondary data:** Obtained from company records, books, and other publications relevant to the research context.

#### 3.2 Variables and Operational Definitions

Following Sugiyono (2019), research variables are attributes that vary and can be measured.

1. **Independent Variables (X):** Distribution (X1) and Price (X2), representing marketing mix elements expected to influence purchasing decisions.
2. **Dependent Variable (Y):** Purchasing Decision, reflecting consumer choices regarding product purchases. Measurement was conducted using a **five-point Likert scale**, translating variables into measurable indicators.

#### 3.3 Data Analysis

Prior to hypothesis testing, **validity and reliability tests** were conducted to ensure measurement accuracy (Cronbach's Alpha > 0.60 considered reliable). Data analysis employed **multiple linear regression** using SPSS version 25.

1. **t-tests** assessed the partial influence of X1 and X2 on Y.

2. **F-tests** evaluated simultaneous effects of X1 and X2 on Y.
3. **Coefficient of Determination ( $R^2$ )** measured the explanatory power of the model.

### 4. Research Results and Discussion

#### 4.1 Descriptive Statistics

This study surveyed 45 respondents representing customers of Sari Roti outlets managed by PT Indosari Niaga Nusantara in Parepare, South Sulawesi. Respondents consisted of regular consumers who had purchased Sari Roti products at least twice during the past three months. Descriptive analysis was performed to profile respondents by age, gender, education level, and frequency of purchase. The majority of respondents (60%) were female, indicating that women are the primary decision-makers in household food purchases, consistent with consumer behavior research in the FMCG sector. Most respondents (48%) were in the 21–35 age category, representing a productive age group with active purchasing power. This demographic data provides contextual insight into the decision-making process observed in this study.

#### 4.2 Validity and Reliability Testing

To ensure the accuracy of the data collection instrument, a validity test was conducted using the Pearson Product Moment method. Each item in the questionnaire was tested against the r-table value with a degree of freedom (df) = 43 (n-2). The results showed that all indicators measuring distribution (X1), price (X2), and purchasing decision (Y) had r-count values greater than r-table (0.294), confirming their validity.

Reliability testing was performed using Cronbach's alpha coefficient. The distribution variable produced an alpha value of 0.823, the price variable 0.812,

and the purchasing decision variable 0.867. Since all alpha values were above the 0.60 threshold (Nunnally, 1978), the questionnaire was considered reliable and internally consistent. This ensured that the measurement instrument accurately represented the constructs under investigation.

#### 4.3 Multiple Linear Regression Analysis

A multiple linear regression model was employed to evaluate the simultaneous and partial effects of distribution and price on purchasing decisions. The regression equation is expressed as follows:

$$Y = a + b_1X_1 + b_2X_2 + eY$$

Where  $Y$  represents purchasing decisions,  $X_1$  represents distribution, and  $X_2$  represents price. The regression results yielded the following model:

$$2Y = 5.212 + 0.276X_1 + 0.541X_2$$

This equation suggests that for every unit increase in distribution effectiveness, purchasing decisions increase by 0.276, while every unit increase in perceived price fairness increases purchasing decisions by 0.541. The positive coefficients for both variables indicate that improvements in distribution and pricing strategies enhance customer decision-making at the outlet level.

#### 4.4 t-Test (Partial Hypothesis Testing)

The t-test results demonstrate that distribution has a significant partial effect on purchasing decisions, with a t-count value of 2.677 exceeding the t-table value of 2.018 at  $\alpha = 0.05$ . This finding implies that improved product availability, consistent supply chain management, and efficient channel distribution positively influence consumer choices.

Price also shows a significant partial effect, with a t-count value of 5.648 > 2.018 and a significance level of 0.000 < 0.05. This

suggests that fair pricing, price transparency, and alignment with consumer expectations strongly drive purchase intention. Interestingly, price has a higher standardized coefficient compared to distribution, implying that price is a more dominant predictor of purchasing decisions in this context.

#### 4.5 F-Test (Simultaneous Hypothesis Testing)

The F-test result reveals that distribution ( $X_1$ ) and price ( $X_2$ ) simultaneously have a significant effect on purchasing decisions ( $Y$ ). The F-count value of 62.069 far exceeds the F-table value of 2.83, with a significance level below 0.05. This confirms that both variables collectively explain a significant proportion of variance in purchasing decisions, highlighting the synergistic role of logistics and pricing strategies in consumer behavior.

#### 4.6 Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) was found to be 0.756, indicating that 75.6% of the variation in purchasing decisions can be explained by distribution and price, while the remaining 24.4% is attributed to other factors not captured in this study (e.g., promotion, brand loyalty, or product quality). This relatively high  $R^2$  value demonstrates the strong explanatory power of the model.

#### 4.7 Discussion

##### 4.7.1 The Role of Distribution in Purchasing Decisions

The results confirm that distribution has a statistically significant influence on purchasing decisions. This is consistent with research by Kotler & Keller (2016), who emphasized that effective distribution channels ensure product availability, reduce consumer search costs, and improve overall





satisfaction. In the context of Sari Roti, ensuring timely stock replenishment, maintaining freshness, and minimizing stock-outs are critical success factors. Efficient distribution not only supports sales but also strengthens customer trust, as consumers associate availability with brand reliability.

Moreover, this finding aligns with studies by Syarifuddin (2019) and Puspita (2021), which demonstrated that distribution coverage and accessibility significantly impact consumer buying behavior in the FMCG sector. This study highlights that even in urban settings like Parepare, where distribution networks are relatively developed, logistical efficiency remains a crucial determinant of purchase frequency and loyalty.

#### **4.7.2 The Role of Price in Purchasing Decisions**

Price emerged as a stronger determinant of purchasing decisions than distribution, as reflected in its higher regression coefficient. This finding is in line with the price-value paradigm in consumer behavior literature, which posits that consumers continuously evaluate whether the benefits of a product justify its cost (Zeithaml, 1988). For Sari Roti consumers, price fairness and affordability are key decision-making criteria, particularly given the presence of competing local bakeries and other packaged bread brands.

Rahmawati (2021) similarly found that price perception significantly influences repeat purchases in the food and beverage sector. Competitive pricing strategies, promotional discounts, and bundled offers can therefore play an instrumental role in enhancing sales volumes at Sari Roti outlets.

#### **4.7.3 Simultaneous Effect of Distribution and Price**

The simultaneous effect of distribution and price further reinforces the interdependence of these marketing mix elements. An effective distribution strategy is

likely to fail if pricing is perceived as too high, just as competitive pricing is insufficient if products are unavailable. This supports the holistic marketing framework proposed by Philip Kotler, where an integrated approach to the 4Ps (Product, Price, Place, Promotion) generates maximum consumer value and loyalty.

#### **4.7.4 Managerial Implications**

For PT Indosari Niaga Nusantara, these findings have several practical implications. First, management should prioritize supply chain efficiency by coordinating with distributors and retailers to ensure consistent product availability. Investment in inventory tracking systems and logistics optimization could further reduce distribution gaps.

Second, price sensitivity must be carefully monitored, particularly in the current economic climate where purchasing power may fluctuate. Competitive pricing strategies, periodic promotions, and loyalty programs may encourage repeat purchases and expand market share.

Third, combining distribution improvements with attractive pricing could create a synergistic effect, reinforcing customer satisfaction and encouraging positive word-of-mouth promotion.

#### **4.7.5 Theoretical Contributions**

This study contributes to the literature by empirically validating the combined impact of distribution and price on purchasing decisions in a regional context. While many studies have examined these variables independently, this research highlights their simultaneous effect using a robust regression model. The relatively high  $R^2$  value also underscores the explanatory



strength of these variables in consumer decision-making.

#### 4.8 Limitations and Future Research

Despite its contributions, this study is subject to several limitations. The sample size of 45 respondents may limit generalizability to other regions or market segments. Future studies could expand the sample size, include additional variables such as promotion and product quality, or adopt a longitudinal approach to capture changes over time. Furthermore, incorporating qualitative insights could enrich understanding of consumer motivations behind price sensitivity and distribution preferences.

### 5. Conclusion

#### 5.1 Conclusion

This study examined the effect of distribution (X1) and price (X2) on purchasing decisions (Y) at the Sari Roti outlet, PT Indosari Niaga Nusantara Parepare. Based on the results of quantitative data analysis using multiple linear regression, several key conclusions can be drawn:

1. **Partial Effect:** The distribution variable (X1) has a positive and statistically significant effect on purchasing decisions, as indicated by  $t(43) = 2.677$ ,  $p < 0.05$ . Similarly, the price variable (X2) also has a positive and significant effect on purchasing decisions, with  $t(43) = 5.648$ ,  $p < 0.05$ . These findings indicate that improvements in distribution efficiency and appropriate pricing strategies can independently enhance consumer purchasing decisions.
2. **Simultaneous Effect:** The F-test results confirmed that distribution (X1) and price (X2) jointly have a significant influence on purchasing decisions ( $F(2,42) = 62.069$ ,  $p < 0.001$ ). This demonstrates that the combination of effective distribution channels and competitive pricing is critical to stimulating consumer purchase behavior at the outlet level.

Overall, the study provides empirical evidence that distribution and price are key determinants of purchasing decisions in the retail food industry, particularly for fast-moving consumer goods such as bread products.

#### 5.2 Recommendations

Based on these findings, several recommendations can be proposed:

1. **For PT Indosari Niaga Nusantara Parepare:**  
The company should continue to strengthen its distribution network to ensure timely product availability, especially in high-demand areas. Additionally, dynamic pricing strategies should be explored, including promotional pricing or bundling, to attract price-sensitive customers while maintaining profitability.
2. **For Academics and Practitioners:**  
This research contributes to marketing literature by providing evidence of the combined influence of distribution and price on purchasing decisions. Future studies can replicate this research in different retail sectors or regions to validate and generalize these findings.
3. **For Future Research:**  
Future researchers are encouraged to increase the sample size and include additional variables such as product quality, promotion, or brand image, as these factors may also significantly influence purchasing decisions. Employing advanced statistical techniques, such as Structural Equation Modeling (SEM), is also recommended to explore indirect and mediating effects more comprehensively.

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