

Determinants of Consumer Purchase Decisions in The Fishery Sector: The Role of Service Quality, Price, and Location

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Abstract

This study investigates the key determinants that influence consumer purchase decisions in the fishery sector, with particular emphasis on service quality, price, and location. The research employs a quantitative research design and involves 50 respondents selected through simple random sampling to ensure equal representation. Data were collected using structured questionnaires and analyzed using multiple linear regression to determine the significance and strength of each influencing factor. The results reveal that service quality and price have a significant and positive impact on consumer purchase decisions. Consumers tend to choose fishery products from sellers who provide responsive service, clear product information, and maintain a professional approach, alongside offering fair and competitive pricing. Conversely, the location factor does not show a significant effect, indicating that consumers in this context are less influenced by physical proximity, possibly due to increased online accessibility or flexible purchasing habits. The study suggests that businesses in the fishery sector should prioritize improving service interactions and pricing strategies to enhance consumer interest and strengthen purchasing decisions.

Keywords: Consumer_purchase_decision; Fishery_sector; Location; Price; Service_quality.

1. Introduction

The Indonesia as an archipelagic country has enormous fisheries potential, both in the sea and inland waters. One area with a significant contribution is Mimika Regency, Central Papua Province, which directly borders the Arafura Sea. This region has the potential for an annual fish catch of 2.78 million tons, making it a strategic area in supporting food security as well as driving the economy of coastal communities.

Fish is a source of animal protein which is very important for public health. The nutritional content of fish, especially iodine, unsaturated fatty acids and easily digestible protein, makes fish the main commodity in national food consumption patterns [1]. This creates great opportunities for fisheries entrepreneurs to develop their business, both in the form of selling fresh and processed fish [2].

Iodine reaches 83 mcg per 100 grams of fish, especially sea fish, which is a food rich in iodine which is needed by the body to produce the hormone thyroxine. However, only 5 micrograms per 100 grams of meat [3]. Therefore, high consumption of marine fish can prevent violations caused by iodine deficiency. Minerals with minerals and proteins, such as iron, protein, phosphorus, and other minerals necessary for bone formation and iron in the blood [4]. While meat consists mostly of saturated fatty acids, fish contains 70% fat. Fish is not only rich in protein and easy to digest, but also contains amino acids whose structure is similar to the amino acids in the human body. Therefore, fish is a very important food for humans.

However, the fishing business faces the challenge of increasingly fierce competition. Consumers are now increasingly critical and selective in making purchasing choices [5], [6].

Factors such as service quality, price and location are the main considerations that influence purchasing decisions. Service quality not only reflects the seller's reliability and responsiveness, but is also an indicator of consumer satisfaction. Price functions as a representation of product value in the eyes of consumers, while location determines accessibility and convenience in obtaining the product [7].

Consumers are very important for the fishing business, because the large number of consumers who buy fish will give the business person satisfaction or profit. The choice should be increased by the seller [8]. consumers by considering various influencing factors, such as a strategic and neat location, prices that are reasonable and proportional to profits, and quality of service that guarantees customer satisfaction.

The phenomenon that occurs in the field shows that fisheries business actors must be able to compete not only through product quality, but also with service strategies, determining the right price, and selecting strategic locations in order to gain a larger market share. Consumers ultimately become a key factor in business continuity, because the high volume of purchases will have a direct impact on the profitability and sustainability of the business [9].

Based on these conditions, it is important to conduct this research to examine the extent to which service quality, price and location influence fish purchasing decisions. It is hoped that the research results can contribute both theoretically in the development of marketing management science and practically for fisheries business actors in formulating more effective marketing strategies.

2. Methodology

This study employed a quantitative approach with a survey method. The population consists of consumers who purchase fish products, and a total of 50 respondents were selected using a simple random sampling technique. The data collection instrument was a structured questionnaire based on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

The population in this research is all consumers who purchase fish from fisheries businesses. The sampling technique uses simple random sampling so that each consumer has the same opportunity to be selected. The number of samples was set at 50 respondents, in accordance with the research criteria.

The independent variables were service quality (X1), price (X2), and location (X3), while the dependent variable was purchase decision (Y). Service quality was measured using indicators of reliability, responsiveness, assurance, empathy, and tangibles. Price was measured using affordability, price-quality congruence, competitiveness, and benefits. Location was assessed through accessibility, visibility, traffic, parking, expansion, environment, and competitor presence. Purchase decision was evaluated based on certainty to buy, brand preference, needs fulfillment, and recommendations from others.

Data analysis included validity and reliability tests, classical assumption tests (normality, multicollinearity, heteroscedasticity), multiple linear regression, and hypothesis testing (t-test and F-test). The regression model applied was:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e.$$

3. Result and Discussion

3.1. Descriptive Statistics

The respondents were dominated by male consumers (60%), with the majority aged between 25–40 years (45%). Most respondents worked as fishermen and fish traders (55%) and had high school education (50%). This indicates that the main consumers are in productive age groups with strong dependence on the fishery sector.

Service Quality (X1): Respondents rated the service of one of the food business actors as quite good in terms of reliability and responsiveness, with an average score above 3.5 (scale 1–5). However, aspects of physical evidence such as facilities and comfort still need to be improved. Overall, the results of the descriptive analysis of variable X1 illustrate that the quality of service is considered good by the majority of respondents. However, there are still several aspects that require improvement so that customer satisfaction is more optimal, especially in indicators that have a higher portion of "Less Agree" than other indicators.

Price (X2): Price is considered affordable and in accordance with product quality. The average price indicator score is 3.8, indicating that consumers feel prices are competitive compared to competitors. Overall, the research results show that participants gave a fairly good assessment for variable X2 to a very good level. This can be seen from the dominance of Agree and Strongly Agree answers. However, some indicators—especially statements 1 and 4, require additional refinement to increase overall respondent satisfaction.

Location (X3): The location is considered quite strategic but accessibility and parking availability are weaknesses. The average location score was 3.2. The research results show that most respondents view variable X3 very well and support most of the indicators. However, a number of elements, especially statements 13 and 14, still require improvement because most respondents still doubt or disagree.

Purchase Decision (Y): The majority of consumers feel confident in making a purchase (purchase certainty indicator = 3.9) and tend to recommend it to others (recommendation indicator = 3.7). The results of the descriptive analysis show that the level of respondent satisfaction is in the quite good to very good category, and the majority of respondents feel satisfied. However, there are several elements, especially in statements 1, 2, 3, and 6, that still need to be improved to achieve optimal levels of respondent satisfaction.

3.2. Regression Analysis

The regression results revealed that service quality and price significantly influence purchase decisions, whereas location does not show a significant impact. The model's R-squared value was 0.612, suggesting that 61.2% of the variation in purchase decisions can be explained by the three independent variables collectively.

Service quality ($\beta = 0.504$, $p < 0.05$) emerged as the most dominant factor, followed by price ($\beta = 0.407$, $p < 0.05$). In contrast, location ($\beta = 0.009$, $p > 0.05$) did not significantly influence consumer purchase decisions.

Of the three variables tested, service quality and price are the main factors that significantly influence purchasing decisions, while location does not have a significant influence. Thus, efforts to improve purchasing decisions should be focused on improving service quality and setting appropriate prices.

The results of the classical assumption test show that the regression model used in this research meets the feasibility criteria. The normality test carried out through Normal P-P Plot graphic analysis and the Kolmogorov-Smirnov test produces a significance value of 0.200 (> 0.05), so it can be concluded that the residual data is normally distributed. Furthermore, the multicollinearity test shows that all independent variables have a Tolerance value greater than 0.1 and a Variance Inflation Factor (VIF) value smaller than 10, which means there is no indication of multicollinearity in the model. The heteroscedasticity test carried out through scatterplot analysis also shows that the distribution of points is random and does not form a particular pattern, so that the homoscedasticity assumption is met. Thus, the multiple linear regression model in this study is declared free from violations of classical assumptions, making it suitable and reliable for use in further hypothesis testing.

3.3. Simultaneous Test and Coefficient of Determination

The results of the F test show that simultaneously service quality, price and location have a significant effect on purchasing decisions ($F_{count} = 24.5$; sig. $0.000 < 0.05$). The coefficient of determination (R^2) is 0.612, meaning that 61.2% of the variation in purchasing decisions can be explained by the three independent variables, while the remaining 38.8% is influenced by other factors outside this research.

Service quality is the most dominant factor influencing purchasing decisions. Price also plays an important role, especially regarding affordability and suitability of price to product quality. Location is not proven to have a significant influence, indicating that consumers are still willing to buy even though the location is less strategic, as long as the quality and price meet expectations.

3.4. Discussion

The research results show that service quality and price have a significant effect on purchasing decisions, while location has no significant effect. These findings strengthen the view that in the context of the fisheries sector, consumers place more emphasis on the service they receive and price affordability, rather than location factors.

First, service quality is proven to be a dominant factor in influencing purchasing decisions. This is in line with the theory of Kotler and Keller (2022) which states that service quality is directly related to customer satisfaction and loyalty. Consumers in the fisheries sector prioritize reliability, accuracy and responsiveness of sellers, because fish is a product that is easily damaged and requires quick handling. If consumers feel good service, they are more likely to make repeat purchases or recommend to others [10].

Second, price is also an important factor that influences purchasing decisions. Consumers assess price affordability and price suitability with product quality as the main considerations. These findings support the research found that price and service quality are the main determinants in decisions to purchase fishery products [11], [12]. Thus, a competitive pricing strategy while reflecting product quality is the key to attracting consumer interest.

Third, location is not proven to significantly influence purchasing decisions. This is interesting, because in many business sectors, location is a dominant factor. However, in the fisheries sector, fish is seen as a basic necessity so consumers are willing to travel further

distances to get quality and priced products. This result is different from the findings of Estri [13] in the restaurant context, where location is the main determining factor. Thus, it can be concluded that the influence of location is very dependent on product characteristics and consumer behavior.

Overall, this research emphasizes the importance of fisheries business actors to focus more on strategies on improving service quality and implementing competitive prices, rather than relying solely on location factors. The practical implication of these findings is that fish sellers need to improve service standards, improve sales facilities, and set prices in accordance with consumer purchasing power in order to strengthen purchasing decisions and competitiveness in the market.

4. Conclusion

This research concludes that in the fisheries sector, service quality and price have a significant effect on consumer purchasing decisions, while location has no significant effect. Service quality is the most dominant factor that encourages consumers to make purchases, followed by prices that are competitive and in accordance with product quality.

These findings indicate that consumers in the fisheries sector place more emphasis on the service they receive and price affordability, and pay less attention to location factors. Thus, fisheries business actors need to focus on improving service standards, providing quality products at appropriate prices, as well as marketing strategies that can strengthen consumer satisfaction and loyalty.

For further research, it is recommended to add other variables such as consumer trust, product quality and promotion to provide a more comprehensive picture of the factors that influence purchasing decisions in the fisheries sector.

5. Acknowledgement

Authors express their gratitude to Universitas Patria Artha, research business stakeholders, and respondents who participated in this study.

6. Reference

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