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The Effect of Digital Marketing, Price, and Location on Purchasing Decisions at the Hamidum Broiler-Chicken Micro-Enterprise, Central Lampung

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Abstract

This study examines the effect of digital marketing, price, and location on purchasing decisions at the Hamidum broiler-chicken micro-enterprise in Depokrejo Village, Central Lampung. A quantitative approach was applied, with a sample of 100 consumers selected through accidental sampling, and the data were analysed using multiple linear regression in SPSS, preceded by classical assumption tests of normality, linearity, and homogeneity. The results show that digital marketing, price, and location each have a positive and significant partial effect on purchasing decisions, and that the three variables jointly exert a significant simultaneous effect, explaining 21.0 percent of the variance in purchasing decisions. Price recorded the largest standardised effect, indicating that competitive and value-congruent pricing is the most influential determinant, followed by location and digital marketing. These findings indicate that purchasing decisions are shaped by a combination of effective digital promotion, appropriate pricing, and a strategically accessible location. The low coefficient of determination indicates that other factors also influence purchasing decisions. The study contributes to marketing-mix research in agribusiness micro-enterprises and recommends that the enterprise strengthen digital marketing, align pricing with product value, and maintain an accessible and comfortable business location.

Keywords: *Digital marketing; Price; Location; Purchasing decision; Micro-enterprise*

1. Introduction

Micro, small, and medium enterprises (MSMEs) play an important role in the Indonesian economy, both in employment and in the number of businesses. With the development of technology, marketing through social-media platforms has become a primary strategy for MSMEs, as the rapid growth of the internet enables interactive, two-way communication that reaches audiences more effectively and elicits consumer responses (Dwivedi et al., 2021; Kim & Ko, 2012).

In Depokrejo Village, Central Lampung, the Hamidum broiler-chicken micro-enterprise provides fresh broiler chicken to meet community food needs. Beginning on a small scale with limited capital, the enterprise has grown with rising demand and now serves both local and surrounding areas. To strengthen its competitiveness, it seeks to understand the factors that influence purchasing decisions, including digital marketing, pricing strategy, and the choice of a strategic location.

Purchasing decisions are part of consumer behaviour, representing the process by which consumers analyse various inputs before deciding to buy (Kotler & Keller, 2016). Digital marketing extends marketing reach and attracts consumers through social media (Chaffey, 2022); competitive pricing with maintained quality is a key attraction (Zeithaml, 1988); and an easily accessible location facilitates purchase (Teller & Reutterer, 2008). Suboptimal digital marketing, prices perceived as too high relative to quality, and a poorly located business can reduce purchasing decisions and weaken competitiveness.

Prior studies report that digital marketing, price, and location individually affect purchasing decisions, but evidence on their joint effect in agribusiness micro-enterprises in rural settings remains limited (Rahayu & Day, 2015; Tajvidi & Karami, 2021). This study addresses that gap by examining the three factors together as determinants of purchasing decisions at a broiler-chicken enterprise.

Accordingly, this study examines the effect of digital marketing, price, and location on purchasing decisions at the Hamidum broiler-chicken micro-enterprise. The study contributes to marketing-mix research in agribusiness micro-enterprises and provides practical guidance for improving sales. The objectives are to analyse the partial and simultaneous effects of the three variables on purchasing decisions.

2. Literature Review and Theoretical Framework

2.1 Theoretical Foundation

Digital marketing is a set of marketing activities that use digital media, such as the internet, mobile devices, and online platforms, to promote products, services, or brands, with indicators including accessibility, interactivity, entertainment, credibility, and informativeness (Chaffey, 2022; Dwivedi et al., 2021). Social-media marketing is among the most effective channels for reaching audiences and building engagement (Kim & Ko, 2012). Price is the monetary and non-monetary value exchanged to obtain a product and strongly influences purchasing, with indicators of affordability, correspondence of price with product and benefits, and price competitiveness (Dodds et al., 1991; Zeithaml, 1988).

Location is the place where business activity is conducted, and a strategic, accessible location supports the achievement of business objectives and facilitates purchase, with indicators of access, proximity to commercial centres, adequate infrastructure, and public facilities (Reimers & Clulow, 2009; Teller & Reutterer, 2008). Purchasing decisions, finally, are the process of selecting among alternatives, shaped by the analysis of various inputs (Kotler & Keller, 2016; Oliver, 1980).

2.2 Hypothesis Development

Drawing on the literature and prior evidence, effective digital marketing is expected to raise purchasing decisions through wider reach and engagement (Dwivedi et al., 2021), competitive pricing is expected to raise purchasing decisions through perceived value (Zeithaml, 1988), and a strategic location is expected to raise purchasing decisions through accessibility (Teller & Reutterer, 2008). The hypotheses are therefore:

H1: Digital marketing has a positive and significant effect on purchasing decisions.

H2: Price has a positive and significant effect on purchasing decisions.

H3: Location has a positive and significant effect on purchasing decisions.

H4: Digital marketing, price, and location jointly have a significant effect on purchasing decisions.

3. Research Methodology

3.1 Research Design

This study employed a quantitative associative design to test the effects of digital marketing, price, and location on purchasing decisions at the Hamidum broiler-chicken micro-enterprise in Depokrejo Village, Central Lampung.

3.2 Data Collection

A non-probability accidental sampling technique was used, and the sample size was determined using the rule of thumb of five to ten times the number of indicators, yielding 100 respondents who were consumers of the enterprise. Data were collected through observation, a questionnaire, and documentation, and the instrument was tested for validity and reliability.

3.3 Data Analysis

Data were analysed using multiple linear regression in SPSS, preceded by normality, linearity, and homogeneity tests. Hypothesis testing was conducted through the partial t-test, the simultaneous F-test, and the coefficient of determination.

4. Results and Discussion

4.1 Results

The classical assumption tests, summarised in Table 1, confirmed that the model met the required conditions: the residuals were normally distributed, each predictor had a significant linear relationship with the dependent variable, and the variances were homogeneous.

Table 1. Classical assumption test results

Test	Significance	Conclusion
Normality (X1; X2; X3, K-S)	0.130; 0.225; 0.380	Normal
Linearity (linear component, X1)	0.000	Significant linear relationship
Linearity (linear component, X2)	0.000	Significant linear relationship
Linearity (linear component, X3)	0.000	Significant linear relationship
Homogeneity (X1; X2; X3)	0.157; 0.274; 0.156	Homogeneous

Source: Primary data processed with SPSS, 2026

The multiple linear regression results are presented in Table 2. The estimated equation is $Y = 21.637 + 0.248X1 + 0.505X2 + 0.312X3$. All three predictors recorded significance values below 0.05, so H1, H2, and H3 are supported, with price exhibiting the largest standardised coefficient.

Table 2. Multiple linear regression coefficients

Model	B	Std. Error	Beta	t / Sig.
(Constant)	21.637	16.458	-	1.315 / 0.192
Digital marketing (X1)	0.248	0.103	0.227	2.245 / 0.027
Price (X2)	0.505	0.204	0.349	2.477 / 0.015
Location (X3)	0.312	0.134	0.229	2.333 / 0.022

Source: Primary data processed with SPSS, 2026. Dependent variable: purchasing decision.

The simultaneous F-test, summarised in Table 3, produced a value of 8.501 with a significance of 0.000, exceeding the critical F-value of 2.70, confirming that the three variables jointly affect purchasing decisions, so H4 is supported. The coefficient of determination is 0.210, indicating that the three variables explain 21.0 percent of the variance in purchasing decisions, while the remaining 79.0 percent is attributable to other factors.

Table 3. Simultaneous test and coefficient of determination

Statistic	Value	Conclusion
F-value (Sig.)	8.501 (0.000)	Significant
R	0.458	-
R-squared	0.210	21.0% explained
Adjusted R-squared	0.185	-

Source: Primary data processed with SPSS, 2026

4.2 Discussion

The significant effect of digital marketing on purchasing decisions supports H1 and indicates that effective digital promotion, particularly through accessible online platforms, raises purchasing. This finding is consistent with research on the role of digital and social-media marketing in shaping consumer decisions for MSMEs (Dwivedi et al., 2021; Kim & Ko, 2012; Tajvidi & Karami, 2021). For a small agribusiness, accessible online information widens reach and attracts consumers who might otherwise be unaware of the enterprise.

The significant effect of price supports H2 and, with the largest standardised coefficient, identifies price as the most dominant determinant, with the correspondence of price and product as the key consideration. This aligns with the price-value perspective, in which competitive and value-congruent pricing drives purchasing (Dodds et al., 1991; Zeithaml, 1988). The significant effect of location supports H3 and indicates that accessibility raises purchasing, consistent with retail evidence that convenient, well-located outlets attract customers (Reimers & Clulow, 2009; Teller & Reutterer, 2008).

Jointly, the three variables significantly affect purchasing decisions, although the low coefficient of determination (21.0 percent) indicates that other factors, such as product quality, service, and trust, also play substantial roles. Theoretically, the study confirms the relevance of an integrated marketing mix that combines digital, pricing, and location elements in agribusiness micro-enterprises, while practically it implies that the enterprise should strengthen digital marketing, align pricing with product value, and maintain an accessible and comfortable location.

5. Conclusion

This study examined the effect of digital marketing, price, and location on purchasing decisions at the Hamidum broiler-chicken micro-enterprise in Depokrejo Village, Central Lampung. Digital marketing, price, and location each have a positive and significant partial effect on purchasing decisions, and the three variables jointly have a significant effect, explaining 21.0 percent of the variance, with price as the most dominant determinant. These results indicate that purchasing decisions arise from the combination of effective digital promotion, appropriate pricing, and a strategic location.

The study recommends that the enterprise enhance digital marketing to widen reach and product appeal, align pricing with product value so that consumers perceive fairness, and maintain an accessible, clean, and comfortable location. Because the three factors operate jointly, an integrated approach is required. As the model explains a modest share of the variance, future research should incorporate additional variables such as product quality, service, and trust, and adopt larger and more diverse samples to improve generalisability.

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