

The effect of product diversification on purchasing decisions at Mandau Bakery Kota Duri Store

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Abstract

Purpose: This research aims to analyze the effect of product diversification on purchasing decisions at the Mandau Bakery Shop, Duri City, which based on survey results shows that with product diversification more consumers buy. However, with increasing competition, the Mandau Bakery cake shop experienced ups and downs in the number of consumers.

Research Methodology: The method used is descriptive and quantitative, with a simple linear regression test and hypothesis testing using SPSS 21. Data was collected through a questionnaire from 95 respondents who came from consumers who had purchased at the Mandau Bakery shop and were selected using a purposive sampling technique.

Results: The research results show that product diversification has a significant effect on consumer purchasing decisions.

Conclusions: The study concludes that well-implemented product diversification enhances consumer satisfaction and purchase decisions at Mandau Bakery. Therefore, continuous product innovation and differentiation are vital strategies for sustaining competitiveness in the bakery industry.

Limitations: However, this study has limitations, such as limited sample size and research locations only in one place, so the results may not be generalizable.

Contribution: This research provides a practical contribution to the management of the Mandau Bakery Store in understanding the importance of product diversification to improve consumer purchasing decisions and enriches academic literature on retail marketing and consumer behavior in the bakery industry.

Keywords: *Diversification Strategic, Product, Purchasing Decisions*

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1. Introduction

An entrepreneur is defined as someone who can identify and organize existing opportunities. The entrepreneurial process is a series of functions, activities, and actions carried out to achieve and implement these opportunities. It consists of the following stages: Innovation, Trigger event, implementation, and growth. This is influenced by four attributes: environmental, organizational, sociological, and personal. This illustrates a good opportunity that an entrepreneur needs to take advantage of (Nuryanti, Hanifah, & Cahyadi, 2023).

This is along with the development and modernization of all aspects of society. This has an impact on various complex problems. Entrepreneurs can experience the success and failure of a company. In the business world, there is competition, opportunities, challenges, enthusiasm, and even laziness,

which can result in the ups and downs of a business. The high level of competition in the wider business world makes business people look for the right strategy to develop their businesses. Competition is necessary for a company's survival. Competition occurs not only between existing competitors but also due to external factors from other companies or organizations, such as the entry of new entrants, product threats, buyer bargaining, and supplier bargaining power (Hamsal, 2021). Success in competition can be said to be successful if the company can innovate its products so that they can attract and attract consumers.

There is competition from other companies and a demand for customer satisfaction. Therefore, an entrepreneur should be able to see existing opportunities, take advantage of them, and develop them. The business world, which is full of challenges, will not end in success for a business if it is not good at seeing the opportunities that exist within it. Therefore, companies must develop products according to consumer requests and needs. To ensure consumer loyalty, companies must innovate to satisfy their customers. By improving the quality of its products, which can be proven by providing shapes, sizes, flavors, and color variants of its products, which continue to be developed. This allows consumers to have a variety of product choices before deciding to buy the product offered.

Forms of development to attract consumers include product diversification. According to Tjiptono, product diversification is an effort to find and develop new products or markets, or both, in an effort to pursue growth, increase sales, profitability, and flexibility. For companies, product diversification provides incentives for more diverse production, including products with high economic value. With product diversification, the company will not only depend on one type of product, but the company can also rely on other types of products as a result of diversification. Therefore, if one of the products experiences a decline in sales, it can be overcome with other products (Halim, Setio, Pranoto, & Gunawan, 2019).

Product diversification in the current era of globalization requires the right strategy for consumer acceptance. A diversification strategy is developed to increase market growth if existing products have reached maturity. The potential of a company must be recognized so that products from diversification can be accepted by consumers. For consumers to accept diversified products, companies must have tactics to make the market switch to diversified products. The elements of product diversification vary according to the product characteristics needed to attract consumers (Afandi & Parjono, 2015).

Products have an important influence on consumer purchasing decisions. According to Sigar, Massie, and Pandowo (2021), purchasing decisions are part of consumer behavior, namely the study of how individuals, groups and organizations choose, buy, use and how goods, services, ideas or experiences satisfy their needs and desires. Purchasing decisions are a decision-making process carried out by consumers before post-purchase behaviors. This process can be influenced by several factors, namely, quality, price, promotion, and service of the product.

Research conducted by Syihabudin (2021) found that partial product diversification significantly affects consumer decisions when purchasing Domas Makmur MSME food products, and product diversification and halal labeling significantly affect consumer decisions when purchasing Domas Makmur MSME food products. This study shows that product diversification influences consumer purchasing decisions, which has the same variables as this study. Several factors influence product diversification, and Product Diversification Indicators in this case the influencing factors are the desire to advance the business to achieve stability, the desire to continue the business, the effort to achieve optimal input from sources of satisfaction, and non-economic motives. The indicators are various product sizes, types, designs, and qualities.

Purchasing decisions are the stage where consumers determine choices by solving problems with concrete actions. In this case, product diversification influences purchasing decisions in various aspects of product choice so that consumers are satisfied. Customer satisfaction can bring several benefits, including closer company-customer relationships and the creation of customer loyalty. Currently, the business sector is growing rapidly, and one of the competitive businesses is the food sector. One of the

businesses that is the object of research is the Mandau Bakery Shop, which is located in Duri City, Mandau District, Bengkalis Regency.

Mandau Bakery was founded by Mrs. Weni in 2016, and this business has been running for six years. In the city of Duri itself, there are several bakery entrepreneurs, and this is added to by competition from well-known bakeries such as Vanhollano, Aroma, and Rotte. This means that Mandau Bakery must compete with other bakeries. This is a challenge for the Mandau Bakery.

Mandau Bakery Store implements a business strategy through product diversification to meet consumer desires, survive competition, and increase sales. Looking at the market and competition, Mandau Bakery has diversified its products to differentiate several of its products from other products competitors in terms of type and taste. This is done to differentiate some of its products from competitors' products in a characteristic that makes the Mandau Bakery store a special product desired by consumers. The Mandau Bakery's strategy includes concentric diversification, which involves developing products related to existing ones. As for the types and flavors being developed, namely more diverse types and more flavors, one of the products currently being developed by the Mandau Bakery shop is durian bread with melted durian filling. The advantage of this Mandau Bakery shop product is that it has a soft and tender structure with a variety of flavors, packaging, and prices. This fulfills consumer desires and attracts consumer buying interest.

Based on the survey results on Sunday, January 8, 2023, at 09:30 WIB, product diversification was carried out to gain existing strengths to help the progress of the Mandau Bakery business so that it can survive and compete. The high level of competition has made the Mandau Bakery cake shop strive to improve its management to stay at the forefront among its competitors. The diversification of product sales at the Mandau Bakery cake shop helps somewhat. However, as the shop is quite old and is losing out on contemporary cake innovations, sales are fluctuating. This can be seen from the cake sales at Mandau Bakery over the last six months.

Table 1. List of Mandau Bakery Store Sales Per July-December 2023

No	Month	Number of products sold
1.	July	236
2.	August	375
3.	September	250
4.	October	318
5.	November	354
6.	Desember	547

Source: 2023 sales data

The table above shows that the number of sales fluctuated. It can be seen that in July as many as 230 products were sold, in August as many as 285 products were sold, in September as many as 256 products were sold, in October as many as 318 products were sold, in November as many as 354 products were sold, in December as many as 527 products sold. Certain factors also influence consumer purchasing decisions. Survey researchers on Sunday, January 8, 2023, at 09:30 WIB, obtained the results that with product diversification, consumers buy more. However, with increasing competition, the Mandau Bakery cake shop experienced ups and downs in the number of consumers. From the problems above, the Mandau Bakery shop must be able to increase consumer purchasing decisions with a product diversification strategy to attract consumers. Therefore, the author is interested in determining whether the product diversification strategy affects purchasing decisions at the Mandau Bakery store and how significant the influence of product differences in the types and flavors offered is, and whether this strategy affects purchasing decisions.

2. Literature review

2.1 Purchase Decision

A decision is an act of selecting from two or more alternative options. According to Bachtiar (2015),

consumer purchasing decisions are a decision-making process carried out by individuals or organizations to determine the need for goods and services that need to be purchased, as well as identifying, evaluating, and selecting alternatives between brands and suppliers. Meanwhile, according to Hardianto, Zulkifli, and Hidayat (2021), decision making is a choice based on certain criteria over possible alternatives. Decision-making requires accuracy and confidence in deciding whether to buy from various existing alternative products. According to Harahap, Amanah, and Agustini (2018), the core of consumer purchasing decisions is an integration process that combines knowledge to evaluate two or more alternative products and choose one. Before making a decision, you must pay attention to the steps involved in making a decision. According to Rakhmawati (2015), the steps in decision-making are as follows: recognizing and formulating problems that require action, determining possible alternative solutions, collecting and analyzing facts related to the problem, and deciding on a solution.

Purchasing is a process of obtaining something by buying it. Purchasing is closely related to consumer needs and desires. Thus, the purchasing decision is one stage of the decision-making process before post-purchase behavior occurs. According to Ramli, Mus, Damis, and Mahmud (2021), purchasing decisions are part of consumer behavior, namely the study of how individuals, groups and organizations choose, buy, use and how goods, services, ideas or experiences satisfy their needs and desires. According to Santosa (2021), several factors greatly influence purchasing decisions, including cultural, social, personal, and psychological factors.

A purchasing decision is a consumer's action after taking several steps until the final step of purchasing a good or service from a company. The purchasing decision-making process is a five-stage process that consumers go through, starting from problem recognition, information search, evaluation of alternative solutions, decision-making, and post-purchase behavior. This process ultimately leads to the selection of the best solution. The decision-making process starts with consumers recognizing the problem, looking for information about the product or brand, evaluating various alternatives to solve the problem, and ultimately making a decision without considering all alternatives (Zairina, Wibisono, Ngaliman, Indrayani, & Satriawan, 2023). The purpose of the decision-making process is to combine knowledge to evaluate two or more alternative actions and choose one of them. Based on the experts' explanations, it can be concluded that the purchasing decision-making process is a problem-solving process that ultimately leads to selecting the best alternative solution (Rizal & Yani, 2022).

According to Karnreungsiri and Praditsuwan (2017), consumers go through five stages in making and determining purchasing decisions: Problem Recognition, Information Search, Alternative Assessment, Purchase Decision and Post-Purchase Behavior. Indeed, the purchasing decisions made by each consumer tend to be different. Several experts are attempting to create models that can accommodate various consumer decisions. According to Ekowati, Finthariasari, and Aslim (2020), there are four types of consumer models who have different perspectives in making decisions, namely Economic Man, Passive Man, Cognitive Man, Emotional Man. In this research, there are purchasing decision indicators put forward by Najmudin, Syihabudin, Saleh, Ma'zumi, and Salsabila (2024), namely stability of a product, habits in buying products, giving recommendations to others, making repeat purchases. Perceived quality refers to customers' appreciation of the features of a product, representing consumers' general judgment of the dominance of a product.

2.2 Product Diversification

Product diversification is a strategy that companies can use to diversify their products to create new products in type and form so that there are many choices available for consumers. According to Tarunay and Pratama (2024), diversification is an effort to improve and develop a new product or market, or both, to increase growth, sales, profitability, and flexibility. According to Fatmawati and Hariyana (2024), product diversification is defined as the expansion of the selection of goods and services sold by a company by adding products or services or improving the type, color, size model, and type of existing products to obtain maximum profit. Companies can diversify their products if they can obtain new innovations, skills, and knowledge in product development.

Companies generally diversify their products to increase sales by releasing new products. Product diversification can also reduce consumer dependence on a single product. However, product diversification also has risks, namely the possibility of losses caused by the release of new products or the possibility of greater profits from the sales of new products. Companies must consider several factors before diversifying their products. Adding new products increases production costs, brings profits or losses, and increases or decreases sales (Hermawan, 2015).

The basic aim of diversifying food products is to minimize the risk or possibility that will occur in a company. If products with new innovations can be produced, consumers will be interested in consuming them. The aim of product diversification, as stated by Siregar and Alamsyah (2024), is that, in general, product diversification is developed with several objectives, including increasing growth if the existing market or product has reached the maturity stage in the Product Life Cycle (PRC), maintaining stability, by run the risk of profit fluctuations and increase credibility in the capital market.

According to Afandi and Parjono (2015), the objectives of product diversification include making more effective use of sales and sales facilities, increasing sales of existing goods in response to customer demand, taking advantage of existing profits from the company's reputation, and finding distribution channel needs. Furthermore, product diversification requires serious research and study regarding the products to be produced to ensure confidence and obtain the expected profits. According to Hermawan (2015), there are three types of diversification strategies that companies can carry out for a product, namely, concentric diversification, which is a new product that is introduced in terms of marketing or technology with existing products, horizontal diversification, which is the addition of new products that not related to pre-existing products. Conglomerate diversification is a new product that has no relationship with pre-existing products.

3. Research methodology

This study used a quantitative research method with a correlational approach. A correlational research design is a research design designed to examine possible relationships between variables by paying attention to the correlation coefficient (Devi, Lepcha, & Basnet, 2022). A correlational research design aims to understand the relationship between variables. The emphasis here is on determining the extent to which product variations influence purchasing decisions rather than comparing the cause and effect of the problem. Through this method, we hope to determine the phenomena that occur based on the information obtained. In this study, the population is a large number of consumers who have purchased products at Mandau Bakery in Duri City. The technique used to determine the sample was non-probability, that is, it did not provide the same opportunities or opportunities for each member of the population as a member of the sample. Meanwhile, the sampling method uses purposive sampling, namely sampling based on the researcher's considerations regarding which samples are considered most appropriate, useful, and representative of a population, at least consumers who have shopped once at the Mandau Bakery store. This is because the exact population in this study is not known. Therefore, to calculate the number of samples, the formula proposed by Hair et al. was used. The Hair formula is used because the population size is not yet known for certain and suggests that the minimum sample size be five times the indicator variable. Therefore, the number of indicators is 19 times 5 ($19 \times 5 = 95$). Therefore, through calculations based on this formula, the sample size obtained from this research was 95 people who had purchased at the Mandau Bakery shop.

This research adopts a quantitative approach using SPSS 21 (Statistical Package for Social Science) software to analyze data. This approach allows researchers to systematically measure relevant variables in research, such as the relationship between products and purchasing decisions at the Mandau Bakery. The initial step in data analysis was to describe the data, which included descriptive statistics such as the mean, standard deviation, and frequency, to provide a general description of the collected sample. Next, a correlation test was used to evaluate the relationship between the variables, whereas regression analysis allowed a deeper understanding of the causality between these variables. Other analysis techniques, such as ANOVA, were also used to compare the means of relevant groups. The results of the analysis will be interpreted carefully to draw conclusions that are valid and relevant to the research

objectives of this study.

This study also implements data analysis methods that consider the specific needs of the research context. Logistic regression analysis and principal component analysis (PCA) may be applied if necessary to address the special characteristics of the data collected. The interpretation of the analysis results will help prepare a comprehensive research report that includes not only the findings obtained but also conclusions and recommendations relevant to Mandau Bakery in Duri City. Using this approach, it is hoped that this study can provide an in-depth understanding of the influence of diversification on purchasing decisions and provide valuable insights for the development of marketing strategies and decision-making at Mandau Bakery.

4. Results and discussions

4.1 Respondent Identification

Before testing the hypothesis and discussing the results of the analysis, we first describe the respondents in this study.

Table 2. Characteristics of Respondents

Demographics	Category	Frequency	(%)
Gender	Male	45	45%
	Female	55	55%
Usia	< 19 years	19	19%
	20-25 years	57	57%
	> 25 years	24	24%

Source: Primary Data Processed 2023

Based on the data, the analysis of respondents' gender data shows that the majority of respondents who participated in this research were women, with a total of 55 respondents, or around 55% of the total sample. This indicates that, in general, most Mandau Bakery consumers in Duri City are women. Furthermore, the respondents' age data were analyzed and grouped into three categories: less than 19 years, 20–25 years, and more than 25 years. Based on the results of the analysis, it appears that the number of respondents aged 20-25 years reached 57 people, or around 57% of the total sample, followed by respondents aged less than 19 years (19 people, or around 19%), and respondents aged more than 25 years. As many as 24 people (approximately 24%) were involved. Thus, it can be concluded that the majority of respondents in this study were in the 20–25 year age range.

4.2 Descriptive Analysis of Variables Analysis of Respondent Responses

Table 3. Respondents' Responses Based on Variables

Variable	Statement	Total Score	Highest Score	Lowest Score
Purchase decision	11	4.122	393	349
Product diversification	11	2.936	397	331

Source: Primary Data Processed 2023

Based on the results of the analysis, the interval classes of product diversification (X) and purchasing decisions (Y) were determined based on the highest and lowest scores obtained from the respondents. For the product diversification variable (X), the overall score is in the range 2602 to 3402, which indicates a Fairly High interval class. This indicates that consumer responses to product diversification at Mandau Bakery are considered quite high, showing a positive response to the variety of products offered. Meanwhile, for the purchasing decision variable (Y), the overall score is in the range 3403–4202, which indicates the high interval class. This illustrates that, in general, consumers are satisfied with the products offered by Mandau Bakery, showing a high level of satisfaction with the products provided. Thus, the results of the analysis show that the product diversification efforts carried out by Mandau Bakery have succeeded in obtaining a positive response from consumers, which reflects an adequate level of satisfaction with the variety of products offered by the shop.

4.3 Simple Linear Regression Test

Simple linear regression is a linear relationship between an independent variable (X) and dependent variable (Y). This analysis was used to determine the direction of the relationship between the independent and dependent variables, whether positive or negative, and to predict the value of the dependent variable if the value of the independent variable increased or decreased. The data used are usually on an interval or ratio scale. The results of the simple linear regression are as follows:

Table 4. Simple Linear Regression Test Results

Model	Coefficients			T	Sig
	Unstandardized coefficients	Standardized coefficients			
	B	Std Errors			
1	(Constant)	15.907	3.241	4.908	.000
	X	.860	.110	7.831	.000

Source: SPSS 21 processed data

Based on the results of the simple linear regression analysis, the following regression equation was obtained:

$$Y = a + bX$$

$$Y = 15.907 + 0.860X$$

Based on the table above, it is known that the constant is 15.907, in this case when the variable. Meanwhile, the regression coefficient for the product diversification variable (X) is 0.860, indicating that if the product diversification variable experiences a one-unit increase, then the purchasing decision variable (Y) will increase by 86%. The coefficient is positive between product diversification and the purchasing decisions. The better the product diversification, the better the purchasing decisions.

4.4 Hypothesis testing T Test (Partial)

This test is carried out to find out whether the independent variable (X) has a significant effect on the dependent variable (Y), if it is significant it means that the effect that occurs can apply to the population

Table 5. T Test Results (Partial)

Model	Coefficients ^a			T	Sig
	Unstandardised coefficients	Standardized coefficients			
	B	Std Errors	Beta		
1	(Constant)	15.907	3.241	4.908	.000
	Diversification Products	.860	.110	7.831	.000

Source: SPSS 21 processed data

Based on the SPSS "coefficients" output table above, the calculated t value for the product diversification variable is 7.831 and the significant value is 0.000. Therefore, it can be said that t count > t table and the sig value is 0.05. Thus, it can be concluded that product diversification significantly affects purchasing decisions.

4.5 Coefficient of Determination (R²)

This coefficient of determination is used to find out how much the independent variable is able to explain the dependent variable, the value of the coefficient of determination can be found by squaring the correlation coefficient value, namely $0.620^2 = 0.385$, as shown in the following table:

Table 6. Coefficient of Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of The Estimate
1	0.620 ²	385	379	4.414
a. Predictors: (Constant), Produk Diversification				

Source: SPSS 21 processed data

Based on the SPSS "model summary" output table above, it is known that the coefficient of determination or R Square value is 0.385. The coefficient of determination is 0.385 or 38.5%, which indicates that the product diversification variable simultaneously influences the purchasing decision variable by 38.5%, while the remainder (100% - 38.5% = 61.5%) is influenced by other variables outside this regression equation or variables that are not studied.

4.6 Discussion

The findings regarding the diversity of product size choices in the strongly agree category were 29 people, with a percentage of 29%. There were 44 people who agreed (44 %), 22 who disagreed (22 %), 5 who strongly disagreed (5 %), and no one who answered in the strongly disagree category. From these results, it can be concluded that respondents agree that the diversity of product size choices makes it easier to choose. Meanwhile, in the size variations that could be adjusted according to needs and desires, there were 15 people in the strongly agree category with a percentage of 15%, 36 respondents who answered in the agree category with a percentage of 36%, respondents who answered in the disagree category were 23 people with a percentage of 23 %, respondents who answered in the disagree category were 17 people with a percentage of 17%, and in the strongly disagree category there were 9 respondents with a percentage of 9% who answered. From these results it can be concluded that respondents accept and agree that there are variations in size that can be adjusted according to needs and desires. Purchase intent serves as a valuable tool for evaluating the applicability of new distribution channels, assisting managers in determining whether the concept requires further development, and making decisions regarding which geographic markets and consumer segments to target through these channels. Its significance stems from the fact that intentions are widely considered to be the main predictor of actual behavior (Peña-García, Gil-Saura, Rodríguez-Orejuela, & Siqueira-Junior, 2020).

There were 26 respondents (26 %) who answered in the strongly agree category, 35 respondents (35 %) who answered in the agree category, 20 respondents (20 %) who answered in the disagree category, 11 respondents (11 %) who answered in the strongly disagree category, and 8 respondents (8 %) who answered in the strongly disagree category. These results indicate that respondents agree that various types of products can help them choose the product they want. The number of flavor variants in choosing the flavor that I like in the strongly agree category was 23 people (23 %), respondents who answered in the agree category were 43 people (43 %), respondents who answered in the disagree category were 22 people (22 %), there were 8 respondents who answered in the disagree category (8 %), and in the strongly disagree category there were 4 respondents (4 %). From these results, it can be concluded that respondents agree that the large variety of flavors helps them choose their preferred flavor. The color of the product can be an attraction for buying. There were 22 respondents (22 %) in the strongly agree category, 40 respondents (40 %) in the agree category, 24 respondents (24 %) in the disagree category, 11 respondents (11 %) in the strongly disagree category, and 3 respondents (3 %) who did not answer. These results indicate that respondents agree that product color can be an attraction in purchasing.

The uniqueness of product packaging can influence purchasing. The strongly agree category was 22 people (22 %), the respondents who answered in the agree category were 37 people (37 %), the respondents who answered in the disagree category were 26 people (26 %), and the respondents who answered in the strongly agree category were 26 people (26 %). There were 11 people responding in the disagree category with a percentage of 11%, and in the strongly disagree category there were 4 respondents with a percentage of 4% who answered. These results indicate that respondents agree that the uniqueness of product packaging can influence purchasing.

Product durability is a factor in purchasing. The strongly agree category was 31 people with a percentage of 31%, the respondents who answered in the agree category were 36 people with a percentage of 36%, the respondents who answered in the disagree category were 20 people with a percentage of 20%, the respondents who answered in the strongly agree category were 20 people with a percentage of 20%. There were 12 (12 %) and 1 (1 %) respondents in the disagree and strongly disagree categories, respectively. From these results, it can be concluded that respondents agree that product durability is a factor in purchasing. Meanwhile, the texture of the product determines the assessment of the product in the strongly agree category, numbering 25 people (25 %), respondents who answered in the agree category were 37 people (37 %), respondents who answered in the disagree category were 19 people (19 %), respondents who answered in the disagree category were 13 people (13 %), and in the strongly disagree category, there were 6 respondents (6 %). These results indicate that respondents agree that the texture of the product determines the assessment of the product.

The findings on purchasing decisions included several factors, including buying a product because of a need, with 30 people in the strongly agree category (30 %), 40 respondents in the agree category (40 %), 18 respondents in the disagree category (18 %), 7 respondents in the disagree category (7 %), and 5 respondents in the strongly disagree category (5 %). These results suggest that consumers buy products because they need them. Meanwhile, buying products because of necessity and feeling lacking, with the strongly agree category totaling 23 people (23 %), respondents who answered in the agree category were 34 people (34 %), respondents who answered in the disagree category were 27 people (27 %), respondents Those who answered in the disagree category were 9 people (9 %), and in the strongly disagree category there were 7 respondents (7 %) who answered. From these results, it can be concluded that consumers buy products because they feel that they lack needs.

As for buying products at Mandau Bakery because of recommendations from other people, there were 26 people in the strongly agree category (26 %), 33 people in the agree category (33 %), 28 people in the disagree category (28 %), 12 respondents in the disagree category (12 %), and only 1 respondent in the strongly disagree category (1 %). These results indicate that consumers buy products from Mandau Bakery because of recommendations from other people. Meanwhile, in deciding to buy products at Mandau Bakery because of information from other people, there were 16 respondents (16 %) who answered in the strongly agree category, 40 respondents (40 %) who answered in the agree category, 27 respondents (27 %) who answered in the disagree category, 11 respondents (11 %) who answered in the strongly disagree category, and 6 respondents (6 %) who did not answer. These results suggest that consumers decide to buy products from Mandau Bakery based on information from other people.

The decision to buy products from Mandau Bakery is based on my experience. There were 24 respondents (24 %) in the strongly agree category, 41 respondents (41 %) in the agree category, 24 respondents (24%) in the disagree category, 7 respondents (7%) in the strongly disagree category, and 4 respondents (4%) in the strongly disagree category. These results suggest that consumers decide to buy products at Mandau Bakery based on their previous purchasing experience. Meanwhile, 34 respondents (34 %) strongly agreed that they buy products from Mandau Bakery because of the price and product quality, 29 respondents (29 %) agreed, 22 respondents (22%) disagreed, 12 respondents (12%) strongly disagreed, and 3 respondents (3%) did not respond. From these results, it can be concluded that consumers buy products at Mandau Bakery because the price and product quality are good.

The level of satisfaction with Mandau Bakery products in the strongly agree category was 31 people (31 %), respondents who answered in the agree category were 40 people (40 %), respondents who answered in the disagree category were 19 people (19 %), respondents who answered in the disagree category there were 4 people (4 %), and in the strongly disagree category there were 6 respondents (6 %). These results indicate that consumers are very satisfied with Mandau Bakery products and will purchase Mandau Bakery products repeatedly and recommend others to buy from Mandau Bakery.

The Effect of Product Diversification on Purchasing Decisions at the Mandau Bakery Shop, Duri City", the influence of the product diversification variable (X) on purchasing decisions (Y) was analyzed through simple correlation coefficient analysis, referring to a causal relationship where one variable influences another. The research results were discussed based on simple regression coefficient testing and testing using a simple correlation coefficient model. The analysis results show that product diversification significantly and positively influences purchasing decisions to market products similar to existing ones. The t test shows that the calculated t is 7.831, a value that is greater than the t table, with a significance level of 0.000, which is smaller than 0.05 or 5%. From the results of simple linear regression, a positive result of 38.5% was obtained, indicating that product diversification helps consumers choose and search for information about products before purchasing them.

The results of this study are also consistent with those of previous studies, such as those conducted by Candra and Hidayatinnisa (2023) and Forezca and Arini (2021). Both studies show that product diversification positively and significantly affects purchasing decisions. Thus, the results of this study strengthen the conclusion that product diversification has a positive impact on purchasing decisions, providing an important contribution to the development of marketing strategies at Mandau Bakery as well as broader insight in the context of consumer purchasing decisions.

5. Conclusion

5.1 Conclusion

Based on the results of the analysis and testing, several conclusions can be drawn. First, product diversification positively and significantly influences purchasing decisions. The t-test shows that the calculated t-value for the product diversification variable is 7.831, exceeding the t-table value, with a significance level of 0.000, lower than 0.05. This indicates that the higher the level of product diversification at Mandau Bakery, the higher the consumer purchasing decision. Second, based on R square calculations, product diversification contributed 38.5% to purchasing decisions at the Mandau Bakery Shop. This shows that there is a good and positive relationship between these two variables, which indicates that the better the product diversification at Mandau Bakery, the higher the level of consumer purchasing decisions.

Based on the results of this study, several suggestions can be made. First, Mandau Bakery needs to continue improving product innovation and evaluation due to dynamic market conditions and intense competition. The questionnaire results indicate that the uniqueness of product packaging does not influence consumer purchasing decisions. In addition, repeat product purchases remain low. Therefore, Mandau Bakery must continue to diversify its products in various ways to improve consumer purchasing decisions. Second, for future researchers interested in researching similar topics, it is recommended to add or replace research variables because there are still other factors that can influence purchasing decisions at Mandau Bakery.

5.2 Suggestions

Based on these findings, several suggestions can be made. First, Mandau Bakery should continue to strengthen its product innovation, particularly in packaging and repeat purchase incentives, as these aspects have a weaker influence on purchasing decisions. Offering loyalty programs, seasonal product innovations, and attractive packaging can enhance consumer engagement and satisfaction. Second, management must optimize marketing strategies by utilizing digital platforms and expanding distribution channels to reach wider consumer segments and stabilize fluctuating sales. Third, given that product diversification only explains 38.5% of purchasing decisions, future studies should investigate other influential factors, such as promotion, service quality, and brand image, to provide a more comprehensive understanding. Finally, expanding the scope of research to include different bakery outlets or industries with larger samples will improve generalizability and allow comparisons across contexts, thereby strengthening the practical relevance of the findings.

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