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# Influence of Digital Marketing, Location, Product Quality, and Product Price on Purchase Decisions in Food and Beverage Companies: A Systematic Literature Review

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#### **Abstract**

In the increasingly fierce business competition, companies need to understand the factors that influence purchasing decisions. These factors can be digital marketing, location, product quality, and product price. Therefore, this study aims to determine the effect of digital marketing, location, product quality and product prices on food and beverage companies based on literature review. In this study, the data used are articles published on Google Schoolar from 2013-2023. This study uses a systematic literature review method in obtaining results based on research objectives. From the research results obtained that digital marketing at this time has a very important role in influencing purchasing decisions. Furthermore, location also has an important role in influencing purchasing decisions. Strategic locations are easier for customers to reach so that buyer interest will be greater. In addition, high product quality also influences purchasing decisions. If the product quality is high, consumers will buy more of these products because they meet the needs and expectations of the buyers. Prices that match the value of the product will be purchased more by consumers. Based on these results, it is hoped that it can provide an overview to food and beverage companies in determining company purchasing decisions.

Keywords: Digital marketing, Location, Product quality, Product price, and Purchase decisions

#### 1. Introduction

In the era of digital transformation, the service and retail industries have shown significant changes in the way they interact with consumers. In the increasingly fierce business competition, food and beverages companies need to understand the factors that influence consumer purchasing decisions. These factors can be categorized into two, namely internal factors and external factors. Internal factors come from the company itself, such as product quality and product price. External factors come from the company's external environment, such as digital marketing and location.

In recent decades, the development of information technology and digitalization has fundamentally changed the business paradigm in various sectors, including the service and retail industries. This transformation has driven the importance of digital marketing as a key strategy to reach potential consumers. The adoption of digital marketing has proven to be the key to effectiveness in reaching a wider target market. Along with this change, marketing strategies in the service industry have undergone a fundamental transformation, especially through the application of digital marketing. As highlighted in Rafli and Tjahjaningsih's research (2022) found that product quality has a positive and significant effect on purchasing decisions, price perceptions have a positive and significant effect on purchasing decisions, location has a positive and significant effect on purchasing decisions.

# 2. Literature Review

Research that discusses the influence of digital marketing, location, product quality, and product prices on purchasing decisions has been carried out by many previous researchers. For example, Brata et al. (2017), location is an important part of marketing strategy besides product quality. Strategic location can greatly influence customer purchasing decisions. If the location is easily accessible and close to the city center, the business may be more attractive. Location is an important component that influences customer purchasing decisions, which marketing management should pay attention to. In addition, the role of digital marketing is also increasingly important in today's digital era. Digital marketing allows businesses to connect with consumers effectively through various online platforms. An effective

digital marketing strategy can influence consumer purchasing decisions by increasing the accessibility and affordability of products or services.

Brata et al. (2017) also emphasized the importance of digital marketing, product quality, and location in the restaurant industry. Their research shows that an effective digital marketing strategy can increase customer satisfaction by expanding the reach of potential customers and increasing brand visibility. In addition, strategic locations are also important in attracting consumers, making restaurants more accessible, and offering convenience to consumers. Thus, the use of marketing strategies that integrate effective digital marketing, the right merchandise mix, and strategic location can affect customer satisfaction through improved service quality, Brata et al. (2017). Based on some of the explanations above, the researcher concludes that a combination of these three factors can increase consumer engagement, build stronger relationships between brands and consumers, and ultimately increase consumer loyalty.

According to Wang (2020), one important aspect of digital marketing is its ability to create direct interaction between businesses and consumers. Businesses can communicate directly with their customers and understand their needs and preferences by using social media, email, websites, and mobile applications, allowing businesses to build closer relationships with consumers and improve their experience with the brand. In addition, digital marketing also allows businesses to target specific audiences. Through sophisticated analytics tools and techniques, businesses can identify and reach potential consumers based on preferences, online behavior, and specific demographics. Therefore, companies can optimize their marketing efforts by delivering relevant and engaging messages to their target audience, which has an impact on customer purchasing decisions.

Anggita and Ali (2017) state that the most significant factor influencing consumer purchasing decisions is product quality. Product quality includes various aspects, such as reliability, design, performance, and features. High quality products can increase customer perceptions of product value and foster their brand trust, so consumers tend to make better purchasing decisions in relation to other things. In addition to product quality, product innovation is an important factor in consumers' decision to purchase products. It is important to understand that product innovation can create significant differences in a competitive market. Innovative products are able to attract consumer attention, create buzz in the market, and increase brand appeal. However, innovative product introduction strategies must be carried out by understanding consumer needs and preferences and ensuring clear added value of the product.

Dam and Dam (2021) state that in fierce market competition, products with good quality tend to increase customer loyalty, build a strong brand image, and win customer trust for the long term. It is important for companies to ensure that product quality is maintained and continuously improved to win customer trust and satisfaction. Good product quality management can help businesses reduce the risk of defective products, improve production efficiency, and ensure that the products made meet quality standards.

In the context of fierce market competition, price also plays an important role in differentiation strategies. Competitive pricing can help companies to differentiate themselves from competitors, attract consumer attention, and establish a strong position in the market. Pricing correctly can influence how consumers perceive product quality. By setting prices that reflect the value provided by the product and reflect the quality of the product provided, companies can build a strong brand image and win consumer trust. This is because pricing that is too low can create the impression that the product is of low quality.

According to Dwivedi et al (2021) in the digital and online era, placement also includes aspects of online presence, where the presence of businesses on social media and other online platforms can significantly expand market reach. By using digital platforms, businesses can reach potential consumers in various geographic locations, expand their market reach, and increase the accessibility of their products globally (Dwivedi, 2021). Based on the explanation above, the researcher concludes that a good understanding of location and placement strategies is a key factor in developing an effective marketing strategy. By choosing the right location, both physically and online, businesses can maximize market potential, expand consumer reach, and increase overall consumer satisfaction. Thus, considering location as an integral part of marketing strategy is an important step in improving business performance and expanding market share.

In the digital and online age, positioning also includes the aspect of online presence, where a business' presence on social media and other online platforms can significantly expand market reach. By using digital platforms, businesses can reach potential consumers in various geographic locations, expand their market reach, and increase the accessibility of their products globally Killian and McManus (2015). Based on the explanation above, the researcher concludes that a good understanding of location and placement strategy is a key factor in developing an effective marketing strategy. By choosing the right location, both physically and online, businesses can maximize market potential, expand consumer reach, and increase overall consumer satisfaction. Thus, considering location as an integral part of marketing strategy is an important step in improving business performance and expanding market share.

Asti et al (2022) state that in addition to product quality, competitive prices are an important part of purchasing decisions. It is considered that the price of a product that is competitive and in accordance with its value greatly influences purchasing decisions. Consumers often make comparisons between the price of the product and the value they think they will get from the product. Consumers' view of product value can be affected by prices that are too expensive or too low, and this can affect whether they decide to buy the product or not.

# 3. Materials and Methods

#### 3.1. Scientific Article Data

This research selects and identifies the literature used as a database. The data used focuses on factors that influence purchasing decisions, namely digital marketing, location, product price and product quality. The data used comes from 10 database periods 2013-2023, consisting of articles indexed by Google Scholar. The literature sources considered include journals, scientific articles and proceedings published in English. The article database search focused on articles that discuss the influence of digital marketing, location, product price, and product quality on purchasing decisions. The search was conducted through the Publish or Perish platform with the keywords "digital marketing", "location", "price product", "quality product", and "buying decision", with a maximum result limit of 1000 and a range of years 2013-2023 on Google Scholar data sources.

#### 3.2. Article Database Selection

The literature data obtained through the Publish or Perish software underwent a selection process, in which books and topics deemed irrelevant to the research were excluded from the article database. Selection is carried out with the aim of obtaining literature that focuses on the influence of digital marketing, location, product price, and product quality on purchasing decisions. Manual checking was carried out one by one on the data obtained to compile a suitable database, consisting of journals, proceedings, and scientific articles published in English. The amount of literature data initially reached 50, but after checking and sorting by topic, 24 articles were selected for use in the review analysis. The literature review was conducted by mapping article data covering the development of research on the influence of digital marketing, location, product price, and product quality on purchasing decisions from 2013-2023. The process and strategy of finding relevant and quality articles can be seen in the flowchart in Figure 1 below.

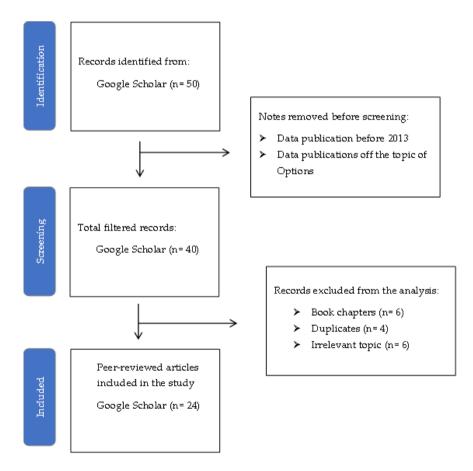


Figure 1: Prism systematics literature review

#### 3.3. Method and Systematic Data Analysis

This study uses the systematic literature review method in data analysis. Systematic literature review (SLR) method is a research method used to analyze and evaluate previously conducted research systematically and comprehensively. The aim is to provide a comprehensive overview of the topic under study, including theories, findings, and conclusions from previous studies. Systematic reviews have significant advantages in the context of research and literature synthesis. They are based on a structured and transparent approach, allowing researchers to clearly frame the research question, thoroughly identify relevant literature, and evaluate the methodological quality of included studies. Another advantage is its ability to bring together findings from multiple studies in a systematic way, minimizing selection bias and increasing the validity of the results. By conducting comprehensive analysis and statistical methods where necessary, systematic reviews provide more robust and reliable evidence, helping policymakers, healthcare practitioners, and researchers to make informed and high-quality decisions.

# 4. Results and Discussion

All This segment describes the visualization of article data using VOSviewer software. The aim is to identify relationships or interrelationships between article data. The cluster dimensions in Figure 2 reflect the frequency with which articles discuss the research topic keywords. Large clusters indicate the prevalence of keywords in the article database, while small clusters reflect limited discussion. The line connecting the two clusters indicates the linkage through citations. It can be seen that there is a distance between the clusters, which reflects the degree of relatedness between them. Clusters with high relatedness have smaller distances, while large distances indicate weaker relatedness (Van Eck and Waltzman, 2017; Meng et al., 2020).

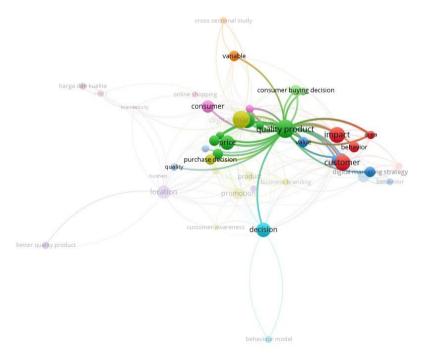


Figure 2: Visualization of Article Data for Quality Product Keywords

Based on Figure 2, the keyword quality product has a relationship with other keywords such as behavior, quality, customer buying decision, price. For example, for the keyword quality product with customer buying decision, where quality product affects customer buying decision. customer buying decision. Customers will be more likely to buy products that have good quality, because they believe that these products will meet their needs and expectations. In addition, the quality keyword also affects the price, the higher the quality of the product, the higher the price set. High quality products require higher production costs so that the selling value is also higher. The quality product keyword also affects behavior (customer behavior). Customers who are satisfied with the quality of the product will be more likely to buy and use the product regularly.

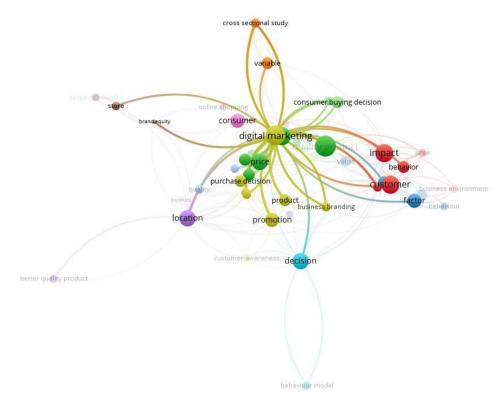


Figure 3: Article Data Visualization for Digital Marketing Keywords

Based on Figure 3, the keyword Digital Marketing has a relationship with other keywords such as promotion, business branding, purchase decision, brand equity. For example, digital marketing keywords affect promotion. By using digital marketing, companies can promote their products and reach a wide target audience efficiently and effectively. Digital marketing keywords also affect business branding by reaching a wider audience to increase awareness of their brand and help businesses to increase interaction with customers to build brand image and engagement. In addition, digital marketing keywords also influence purchase decisions by providing accurate and useful information about the company's products and services to build customer trust.

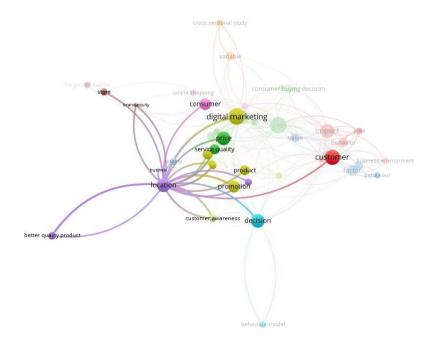


Figure 4: Visualization of Article Data for Location Keywords

Based on Figure 4, the location keyword has a relationship with other keywords such as customer awareness and store. For example, location and customer awareness keywords, where a strategic location can increase the visibility of products and services so that they are easier for customers to find. So that with a location that is easy to find, more customers will come. In addition, location keywords also affect the store, by placing the store in a strategic location can help increase competitiveness. For example, a store located in an urban area will be visited more than a store located in the suburbs.

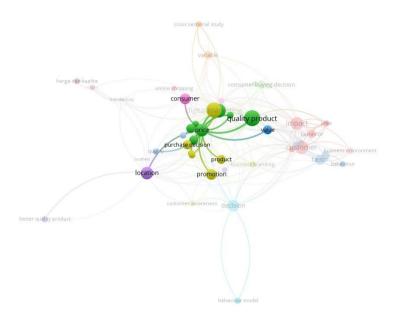


Figure 5: Visualization of Article Data for the Keyword Price

Based on Figure 5, the keyword price has a relationship with other keywords such as purchase decision, product quality, and value. For example, the keywords price and purchase decision where the product price affects the purchase decision and product quality. Consumers will consider the price of the product before buying it. The higher the price of the product, the consumer will assume that the product has better quality so that it will make consumers more careful in making purchasing decisions. In addition, the price of the product also affects the value of a product by giving the impression of a product that matches the price, the higher the price of the product, the consumer assumes that the product is of high quality. Conversely, low product prices tend to make consumers assume that the quality of the product is low or standard.

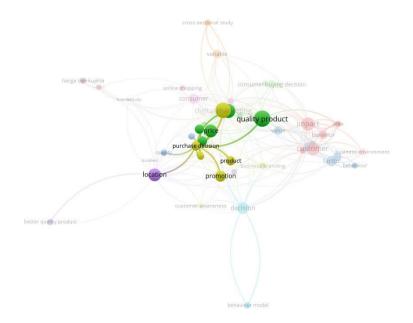


Figure 6: Visualization of Article Data for Purchase Decision Keywords

Based on Figure 6, the keyword price has a relationship with other keywords such as price, product quality, and promotion. For example, the keyword purchase decision is influenced by price, where the price of a product affects consumer considerations to decide whether to buy a product or not. If the price of a product is too high, consumers will look for and buy alternative products that are cheaper. In addition, purchasing decisions are also influenced by product quality, where consumers will compare the price and quality of the product whether it suits their needs. If the price and quality of the product are considered appropriate, then consumers will be more likely to buy the product. Purchasing decisions are also influenced by promotions where attractive promotions can increase consumer interest in a product or service.

# 5. Conclussion

Based on the results of the study, it can be concluded that digital marketing, location, product quality, and product price have a significant influence on consumer purchasing decisions. Digital marketing can help companies to reach a wider range of consumers, provide more complete information about products, and increase consumer awareness of products. Location also has an important role in influencing purchasing decisions. A strategic location is easier for customers to reach so that buyer interest will be greater. In addition, high product quality also influences purchasing decisions. If the product quality is high, consumers will buy more of these products because they meet the needs and expectations of the buyers. Prices that match the value of the product will be purchased more by consumers.

Therefore, Digital Marketing, Location, Product Quality, and Price generally have a positive and significant effect on consumer purchasing decisions. the combination of these four factors can influence each other and collaborate in shaping consumer purchasing decisions. A balanced and integrated strategy between effective digital marketing, strategic location, good product quality, and prices that match product value can increase opportunities to attract consumer interest, increase purchasing decisions and increase company sales.

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