

THE EFFECT OF PRODUCT QUALITY, PRICE, PRICE INNOVATION ON THE PURCHASE INTENTION OF LOWFAT MILK PUDDING

Michael Sinaya¹, Liliana Dewi^{2*}

¹ Management Department, Ciputra University Surabaya, Indonesia
Email: Michaelsinaya77@gmail.com

² Management Department, Ciputra University Surabaya, Indonesia *
Email: Ldewi@ciputra.ac.id

*Corresponding Author

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ABSTRACT

The purpose of this study was to determine the effect of product quality, price, and product innovation on the purchase interest of low-fat milk pudding in East Surabaya. The sample was selected using purposive sampling technique. Validity and reliability tests were carried out as instrument tests. Data analysis was carried out using multiple linear regression to assess the effect of these variables on purchase interest. Product quality, price, and product innovation were found to have a positive effect on purchase interest of low-fat milk pudding, both individually and simultaneously.

Keywords: price; product innovation; product quality; purchase intention.

1. INTRODUCTION

Obesity has become a growing global health problem, including in Indonesia. The Ministry of Health of the Republic of Indonesia has released data showing that the prevalence of obesity in Indonesia is increasing every year, and the rate of obesity in the productive age group is very worrying.

According to WHO forecasts, 2.5 billion people will be overweight and 890 million people over the age of 18 will be obese by 2022. According to estimates, 160 million of the 390 million children and adolescents between the ages of 5 and 19 who are overweight or obese in 2022 will be obese (World Health Organization, 2024). According to the World Health Organization (WHO), Indonesia has the highest adult obesity prevalence in Southeast Asia, with 30% of its population being obese.

Based on data from the Health Office, as of June 2023, the number of Surabaya residents who are obese reached 153,476 people. Meanwhile, in 2022, there are 259,436 people at risk of obesity. Not only parents have the potential to experience obesity, children are also at risk. Obese people between the ages of 15 and 59 (Assidiq Yusuf, 2023). Attached from Republika, Nanik Sukristina, Head of the Surabaya City Health Office, said that a person's poor lifestyle choices can contribute to the occurrence of obesity. Nanik stated that the age group over eighteen years old is more vulnerable exposure to obesity risk factors (Surabaya City Government, 2023).

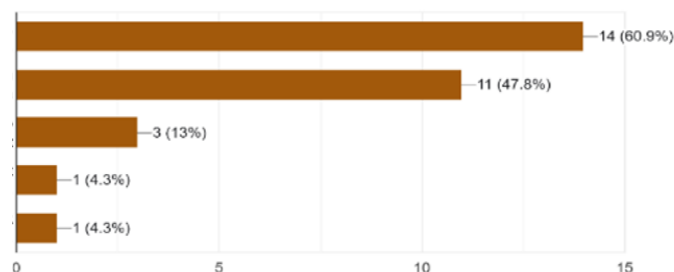


Figure 1. Factors Causing Obesity Cases
Source: Researcher (2024)

This survey was conducted by 23 respondents, all of whom were part of the initial group of respondents in Surabaya (East). When asked about the main factors that lead to the increase in obesity cases, respondents gave varied answers. Significantly, an unhealthy diet (submitted by 14 respondents, or about 60.9%) was identified as the main cause. They identified the primary contributing factors as the consumption of foods heavy in fat, sugar, and calories.

. In addition, a less active lifestyle and less exercise were also considered significant, with 11 respondents (or about 47.6%) emphasizing this. Not only that, some respondents (around 13% or 3 respondents) stated that lack of access to healthy food is a major problem in cases of obesity.

Approaches that can be used to overcome obesity problems are through dietary arrangements and the selection of healthy food products. Milkbase, a business engaged in the healthy food industry with a specialization in the production of pudding made from lowfat milk. Milkbase, was previously active but has been out of operation for the past year. Despite this, the company still leaves its mark in the market, although the level of awareness of their products is still limited among consumers. Thus, the goal of this study is to ascertain if consumers are still ready to purchase inactive Milkbase goods and whether Milkbase products can be a contributing factor to the reduction of obesity in Surabaya.

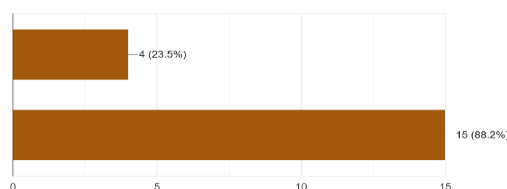


Figure 2. Key Factors in Influencing Purchase Intention
Source: Researcher (2024)

This survey is designed to measure consumer interest in buying Milkbase products by including questions about the variables that affect consumers' decisions in choosing healthy foods. This study intends to better understand the factors that affect purchasing decisions in order to assess the market potential of Milkbase products in East Surabaya. It was obtained that most respondents (88.2%) considered product quality as the main factor that influenced their

purchase interest. Recognition of good product quality can be a key driver for consumers to choose Milkbase as a solution for their nutritional and health needs.

The success of lowfat milk pudding products is not determined by the quality of the product itself. Factors such as product innovation and price also play an important role in determining consumer buying interest. Product quality covers various aspects, from taste, texture, packaging, to product cleanliness and safety. The process of developing new products or enhancing current ones to satisfy shifting consumer needs is known as product innovation. In the meanwhile, price is a major factor in drawing customers and affecting how much they think the product is worth.

Product quality, price, and innovation affect purchasing interest as factors in this study because it affects consumer behavior in product selection. Product quality can increase consumer buying interest because it provides better benefits and meets the needs and desires of consumers. Price is an important factor that affects consumers to the products or services sold and facilitates purchase transactions. Product innovation, is a process or result of developing or using skills and experience to create or improve a product, which can update, modify or create a process or product and a way to do things more efficiently.

In the context of business, product innovation includes the adoption of new ideas, service improvements, and making other products more dynamic. The results of the first prior study carried out by Jungang (2023) titled "The Effect of Product Innovation and Product Variations on Consumer Buying Interest" demonstrate that both product innovation and variations influence consumers' propensity to buy. According to the study "Relationship Product Quality and Price with Consumer Buying Interest in Ole-Ole Futsal Tomo Surabaya" (Sahudi et al., 2019), there is a substantial correlation between the price and consumer interest in purchasing Ole-Ole Futsal Tomo Surabaya items and their quality.

"The Influence of Product Innovation and Product Quality on Consumer Purchase Interest in PT. Alfasindo Metal in Jakarta" (Eka, 2019) is another study that demonstrates how product innovation influences consumers' propensity to buy. Meanwhile, product quality affects customer desire in making purchases. Innovation and product quality are two elements that influence consumer purchasing decisions.

Through this research, we will be able to deeply understand consumer preferences and assess the potential of dairy-based products to return to the market as a healthy product choice. Regarding the above background, the author is interested in conducting research using product quality, price, and product innovation as dependent variables and buying interest as independent variables by choosing Milkbase as a case study.

Product Quality

One of the main factors that affect competition between companies that offer products to customers is product quality. Ensuring product quality is an important goal for any company that wants to maintain a competitive edge in the market. The ability of a product to meet or beyond consumer expectations is referred to as product quality (Sobari & Gunawan, 2021). In addition to other desired attributes, consumers want their products to be dependable, long-lasting, and simple to use. In order to develop products of suitable quality, quality standards are necessary.

Price

Consumer interest is influenced by the price of a product. Providing products or services at economical prices can attract customers. Price serves as a key factor in fulfilling consumer needs and desires while also facilitating the buying and selling of goods and services. Price is a sum of money charged by a business for goods or services in exchange for the benefits that consumers receive from their use or purchase (Kotler & Armstrong, 2018).

Price is a crucial marketing factor because it has a considerable influence on consumer purchasing decisions (Tulanggow et al., 2019). Because basically consumers always attach importance to the price when buying a product. Pricing should also be directed towards achieving goals. The role of pricing is also very important, especially in the context of increasingly competitive price competition, the determination of risk pricing also pays special attention to the factors that affect it. These variables include production costs, marketing, raw materials.

Product Innovation

Product innovation plays a crucial role in sustaining a product's limited life cycle. It involves enhancing, modifying, or developing more efficient products and processes. In a business context, product innovation refers to the implementation of new ideas, service improvements, and the continuous evolution of products to remain competitive. Product innovation according to (Bambang Prasetyo, 2020), is an interesting and expandable source of inspiration. Intentionally, Innovation is used to develop strategic goals and strong growth. To stay competitive, businesses need to continue to develop and implement innovative ideas.

Purchase Intention

Purchase Intention refers to the tendency of consumers to show interest in a product, service, or brand and then proceed to make a purchase through various phases and levels of likelihood until they are able to do so. (Kotler et al., 2021) stated that buying interest is one of the methods to provide extra value for consumers. This design is more conceptual and will explain how a product will look unique. Design affects the functionality of the product in addition to its appearance. Buying interest is a subjective thing that is influenced by attitudes, according to (Rahayu & Alfianm 2019). People who are interested in an object will have the motivation or strength to go through certain stages of behavior in-order to approach or acquire it.

The Effect Product Quality to Purchase Intention

According to research conducted by (Shabrina & Budiarmo, 2020), product quality greatly affects buying interest, with a strong correlation to repurchase interest. The findings of the study show that the quality of the product (Hidayat & Wulandari, 2022) affect consumer purchasing tendencies. This means that if it provides good product quality, it can encourage buying interest to increase.

A statement from (Schiffman & Kanuk in Purwantoro, 2018) which states that the quality of a product can be judged by consumers based on the intersic variables contained in the product. These variables take the shape of the product's color, flavor, size, and aroma, making them factors that influence consumers' desire to purchase.

The Connection between Purchase Intention and Price

Lestariningsih et al. (2022) assert that pricing significantly influences consumers' inclination to purchase. Lower prices can reduce the likelihood that customers will comment on trying a new product or may also make a new product seem more valuable than an old product.

(Nasution & Yasin, 2014). Furthermore, research (Nasution & Yasin, 2014) shows that price has a significant influence on buying interest, proving that price has an influence on buying interest.

The Relationship between Product Innovation and Purchase Intention

Product innovation has an undeniable role in shaping consumer buying interest. From creating excitement to strengthening brand reputation, product innovation is the foundation for sustainable business success. Therefore, companies need to continue to drive a strong culture of innovation to meet consumer expectations and remain relevant in an ever-changing market. Product innovation significantly and favorably affects consumers' desire to purchase, according to (Mulyana et al., 2021). This implies that the quality of product innovation will directly correlate with a rise in consumer buying interest. (Maulana & Alisha, 2020) highlighted that consumer purchasing patterns are significantly impacted by product innovation.

2. RESEARCH METHOD

The Quantitative Method, which is founded on objective measurements and statistical analysis of data samples, will be employed in this scientific research design. According to (Sugiyono, 2019), quantitative research is a positivist-based research methodology. This approach necessitates gathering data using research instruments in order to examine a certain population or sample. Verifying a hypothesis is the goal of data analysis, whether it be statistical or qualitative. In other words, the primary focus of quantitative research is on numerical values that can be measured objectively.

In this study, what is meant by "population" is all data that is researched in a certain area and period of time. The data available for this research fund is closely related. This population includes various levels of society, both from various economic and educational backgrounds. They are individuals who have the potential to become the target market for Milkbase and other healthy food products.

Purposive sampling is a non-probability sampling technique used in this investigation. Non-probability sampling is a technique where each member of the population has a different chance of being chosen as a sample, according to (Wicaksono et al., 2021).

The infinite population formula must be used to determine the number of samples since it is impossible to determine with certainty whether the study population will be utilized as a sample to be included in the infinite population or infinite population group. Formula for an infinite population:

$$n = \frac{z_{\alpha/2}^2 \times p(1-p)}{e^2}$$
$$n = \frac{1,962 \times 0,5 (1-0,5)}{0,12}$$
$$n = \frac{3,8 \times 0,25}{0,01}$$
$$n = 95$$

It is clear from the figures above that 95 samples were used in this investigation. The Likert scale will be used in the questionnaire to measure primary data. Respondents' responses are measured in this study using a 5-point Likert scale.

According to (Kotler & Armstrong, 2018), product quality can be assessed through five main indicators. First, product performance, which is how well the product performs its basic functions according to consumer expectations. Second, additional advantages, which include other features or benefits that differentiate the product from competitors. Third, product skills, including durability, reliability, and ease of use in fulfilling its functions. Fourth, specification suitability, which is the degree to which the product matches consumer expectations based on the promised specifications. Finally, the beauty of packaging, which influences consumer perceptions of quality through an attractive product appearance. These indicators help measure product quality comprehensively from the consumer's perspective.

According to (Kotler & Armstrong, 2018) price suitability can be measured through four main indicators. First, affordability, which measures the extent to which consumers feel the price of the product is easy to reach. Second, price suitability with product quality, which is the consumer's perception of whether the price paid reflects the quality of the product. Third, price suitability with benefits, which assesses whether the benefits of the product are felt to be commensurate with the price paid. Lastly, pricing according to ability or competitiveness, which is the consumer's evaluation of whether the product's price is competitive with similar products on the market or in line with their purchasing power. This metric provides insight into how buyers weigh a product's cost against the value it offers.

Bambang Prasetyo (2020), product innovation can be measured through three main indicators. First, product features, which reflect the product's ability to offer unique functions that differentiate it from competing products. Second, product design, which is how attractive and valuable the appearance and concept of the product are to consumers. Third, product quality, which includes the reliability, durability, and accuracy of the product's function in meeting consumer needs. These indicators help evaluate the level of product innovation in providing added value and superior experience for users.

Kotler & Keller (2007), consumer buying interest can be measured through four main indicators. First, transactional interest, which is the consumer's desire to purchase a product. Second, referential interest, which reflects the consumer's belief that the brand is the right choice. Third, preferential interest, which is the consumer's tendency to choose a particular product as the main choice compared to other brands. Finally, explorative interest, which measures the consumer's desire to try new products or variants of the brand. These indicators provide an overview of the intensity and quality of consumer buying interest in a product.

Multiple linear regression analysis is used in this study to examine the relationship between the dependent variable (purchase intention) and the independent factors (price, innovation, and product quality). This approach was selected because it successfully investigates the individual and combined effects of several independent variables on a single dependent variable. Software from Statistical Product and Service Solutions (SPSS) was used to process the data. To guarantee the authenticity and trustworthiness of the data, a number of preparatory tests were carried out before to the regression analysis. First, a validity test was performed using Pearson's Product Moment to determine the relevance of the questionnaire items, with a significance level below 0.05 (Hafni Sahir, 2021); second, a reliability test was conducted using Cronbach's Alpha, where a value above 0.6 indicated internal consistency; and third, a classical assumption test was conducted, which included three main components: the normality test, multicollinearity test, and heteroscedasticity test. The normality test, which used the Kolmogorov-Smirnov method, verified that the data had a normal distribution when the significance value was greater than 0.05 (Ghozali, 2021). The Variance Inflation Factor (VIF

< 10) and tolerance values (> 0.1) were used to evaluate multicollinearity (Ghozali, 2021). Last but not least, heteroscedasticity was found using the Glejser test; a significance value higher than 0.05 suggested that it was not present (Ghozali, 2021).

The analysis also includes three important statistical tests. The simultaneous influence of all independent variables on the dependent variable was investigated using the F-test. Each independent variable's individual influence was assessed using the t-test. In the meantime, the percentage of the dependent variable's variance that could be accounted for by the independent variables was measured using the coefficient of determination (R^2).

Analysis Model

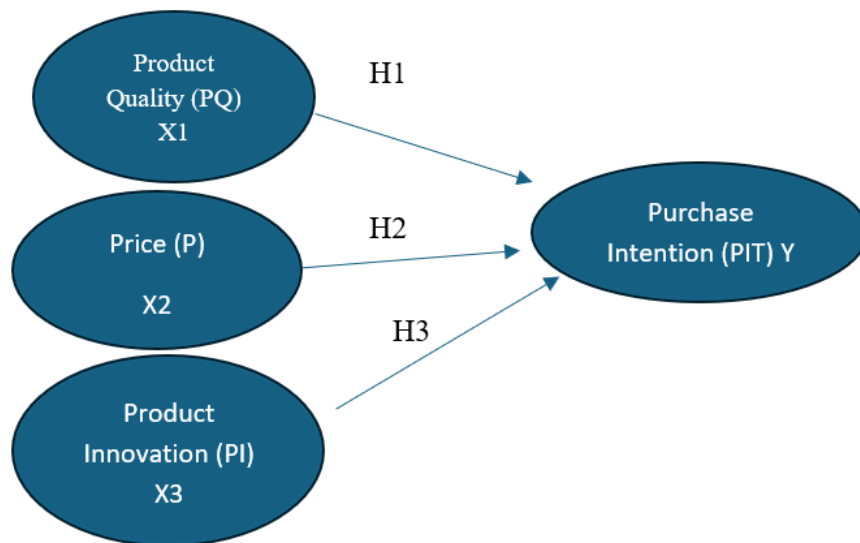


Figure 3. Analysis Model
 Source: Researcher (2024)

3. RESULTS AND DISCUSSIONS

Variable Descriptive Analysis

Table 1. Findings from the Research Variables Descriptive Analysis Test
 Source: Researcher (2024)

	N	Minimum	Maximum	Mean	Std. Deviation
PQ1	95	3	5	4.38	.702
PQ2	95	2	5	4.29	.682
PQ3	95	3	5	4.27	.675
PQ4	95	1	5	4.20	.780
PQ5	95	2	5	4.31	.730
P1	95	1	5	4.34	.780
P2	95	3	5	4.34	.694
P3	95	3	5	4.32	.704
P4	95	2	5	4.28	.739
PI1	95	3	5	4.36	.651
PI2	95	2	5	4.20	.678
PI3	95	3	5	4.29	.682
PIT1	95	1	5	4.36	.728
PIT2	95	3	5	4.33	.591
PIT3	95	3	5	4.29	.666
PIT4	95	3	5	4.33	.691

The Product Quality Indicator (PQ1) recorded the highest average value among all indicators, at 4.38. Respondents identified product performance as the most influential factor impacting their satisfaction, emphasizing that superior product quality plays a crucial role in meeting consumer expectations.

The Price Indicators (P1 and P2) also exhibited high average values, with an average of 4.34. Respondents highlighted that affordability and the alignment of price with product quality are key determinants in their purchasing decisions. This finding indicates that competitive pricing aligned with product quality is highly valued by consumers.

The Product Innovation Indicator (PI1) stood out with the highest average value within its category, at 4.36. Respondents acknowledged that Milkbase’s product features are highly distinctive and differentiate the brand from competitors. This underscores that the innovations introduced by Milkbase not only capture attention but also significantly fulfill and surpass consumer expectations.

The Purchase Intention Indicator (PIK1) achieved the highest average score within its category, also at 4.36. Respondents expressed a strong interest in purchasing the product, reflecting a high level of transactional intent among consumers. This finding demonstrates the product's strong appeal and its significant potential for generating sales.

Validity Test

If the Pearson Product Moment validity test yields a significance value of less than 0.05, the data is regarded as valid and respondents are thought to have a clear comprehension of the researcher's position. The indicators for product quality, price, product innovation, and purchase intention variables all produce significance values below 0.05, as can be seen from the validity test results shown in Table 1. Consequently, it may be said that the claims made in the research questionnaire are true.

Table 2. Validity Test Results
 Source: Researcher (2024)

Variable	Grain	r	P	Note
		calculate	value	
X1	X1.1	0.738	0,000	Valid
	X1.2	0.666	0,000	Valid
	X1.3	0.703	0,000	Valid
	X1.4	0.738	0,000	Valid
	X1.5	0.705	0,000	Valid
X2	X2.1	0.777	0,000	Valid
	X2.2	0.842	0,000	Valid
	X2.3	0.789	0,000	Valid
	X2.4	0.847	0,000	Valid
X3	X3.1	0.805	0,000	Valid
	X3.2	0.790	0,000	Valid
	X3.3	0.798	0,000	Valid
Y	Y1	0.770	0,000	Valid
	Y2	0.709	0,000	Valid
	Y3	0.785	0,000	Valid
	Y4	0.790	0,000	Valid

Reliability Test

The reliability of the Product Quality variable (X1) is indicated by a Cronbach's Alpha value of > 0.6 or 0.754 > 0.6 in table 4.2 above. This clarifies the reliability test results. The Price

variable (X2)'s reliability can also be explained by the fact that its Cronbach's Alpha value ($0.828 > 0.6$) is greater than 0.6. Table 2 below makes it evident that if the Cronbach's Alpha value is greater than 0.6, which is $0.714 > 0.6$, the Product Innovation variable (X3) is considered dependable. Additionally, the dependability of the Buying Interest (Y) variable is shown by a Cronbach's Alpha value larger than 0.6, specifically $0.758 > 0.6$.

Table 3. Results of Reliability Tests
 Source: Researcher (2024)

Variable	Cronbach's Alpha	≥ 0.6	Conclusion
X1	0.754	$\geq 0,7$	Reliable
X2	0.828	$\geq 0,7$	Reliable
X3	0.714	$\geq 0,7$	Reliable
Y	0.758	$\geq 0,7$	Reliable

Normality Test

According to the Kolmogorov-Smirnov formula, if the significance level is greater than 0.05, the data are considered regularly distributed; if it is less than 0.05, the data are not. The findings of the normality test in Table 3 indicate that the significance level is > 0.05 , or $0.200 > 0.05$, indicating that the data is normally distributed. The value of Sig. (2-tailed) is 0.200.

Table 4. Normality Test Results
 Source: Researcher (2024)

Type	Unstandardized Residual
N	95
Asymp. Sig (2 – tailed)	0.200

Multicollinearity Test

Multicollinearity symptoms are indicated by values like $VIF < 10$ and $Tolerance > 0.10$ (Ghozali, 2021). The variables Product Quality (X1), Price (X2), and Product Innovation (X3) have VIF values of $2,147 < 10$ (Product Quality), $2,078 < 10$ (Price), and $1,751 < 10$ (Product Innovation), according to table 4. Additionally, if the tolerance value is $0.466 > 0.1$, multicollinearity (product quality) is not present in the data; if the tolerance value is $0.481 > 0.1$, price is not present in the data; and if $0.571 > 0.1$, product innovation is not present in the data.

Table 5. Results of the Multicollinearity Test
 Source: Researcher (2024)

Independent Variables	Tolerance	VIF
Product Quality (X1)	.466	2.147
Price (X2)	.481	2.078
Product Innovation (X3)	.571	1.751

Heteroscedasticity Test

The glacier test's decision-making process is based on: If the significance value is greater than 0.05, there is no heteroscedasticity in the data. The data is heteroscedastic if the significance value is less than 0.05. Table 5 shows that the significance value is more than 0.05, which explains why the data is not heteroscedastic.

Table 6. Heterokedasticity Test Results
 Source: Researcher (2024)

Independent Variables	Sig. (2 – tailed)
Product Quality (X1)	.494
Price (X2)	.599
Product Innovation (X3)	.662

Multiple Linear Regression Analysis Test

The following elaboration formula was used in this study to investigate the relationship between the dependent variable, Purchase Intention (Y), and the independent variables, Product Quality (X1), Price (X2), and Product Innovation (X3):

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

$$Y = 2,197 + 0,180 (X_1) + 0,279 (X_2) + 0,502 (X_3)$$

According to the findings, the constant value of 2.197 indicates that the variables of product quality (X1), price (X2), and innovation (X3) do not have an impact on the variable of buying interest. If the independent variable is absent, the buying interest variable will remain unchanged. With a regression coefficient X1 (b_1) = 0.180, buying interest rises by 0.180 for every unit increase in the product quality variable. This demonstrates how factors related to product quality have a favorable impact on consumers' desire to purchase. Price has a positive impact on buying interest, as evidenced by the b_2 (regression coefficient X2) of 0.279, which rises by 0.279 for every unit of price. Product innovation has a positive impact on buying interest, as indicated by the regression coefficient X3 (b_3) of 0.502, which rises by 0.502 for every unit increase in product innovation.

Table 7. Multiple Linear Regression Test Results
 Source: Researcher (2024)

Model	B	Std. Err	t	Sig.
(Constant)	2.197	1.150	1.911	.059
Product Quality (X1)	.180	.071	2.519	.014
Price (x2)	.278	.075	3.696	.000
Product Innovation (X3)	.502	.102	4.924	.000

Test F

The F test is used to evaluate how independent factors affect the dependent variable overall. The dependent variable is impacted by the independent factors collectively if the significance

value of F is less than 0.05. Given that the test results indicate a significance value (Sig) below the predetermined significance level ($0.000 < 0.05$), the results of this study demonstrate that Product Quality, Price, and Product Innovation all significantly influence Buying Interest at the same time.

Table 8. Test Result F
 Source: Researcher (2024)

Model	F	Sig.
Regression	60.624	.000b

Test t

$t_{\text{tabel}} = t(a/2:n-k-1)$
 $a = 5\% = t(0,05/2:95-4-1)$
 $= 1.987$

The examination of the relationship between purchase intention (Y) and product quality (X1) is shown in Table 4.7. The statistical findings show a t-value of 2.519, above the critical value of 1.987, and a significance value of 0.014, below the 0.05 cutoff. As a result, the alternative hypothesis (Ha1) is supported and the null hypothesis (Ho1) is rejected. Similarly, a computed t-value of 3.696, which exceeds the table value of 1.987, and a significance level of 0.000, which stays below 0.05, demonstrate that price (X2) has a considerable impact on purchase intention (Y) according to the partial t-test results.

Furthermore, with a significance value of 0.000 and a t-value of 4.924, the study demonstrates that product innovation (X3) significantly influences purchase intention (Y), surpassing the reference level of 1.987. This demonstrates that the alternative hypothesis (Ha1) is accepted and the null hypothesis (Ho1) is rejected.

The following conclusions can be made in light of these findings:

1. Purchase intention is significantly impacted by product quality.
2. One of the most important factors determining purchasing intention is price.
3. One element influencing purchasing intention is product innovation.

Table 9. Test Results t
 Source: Researcher (2024)

Model	t	Sig.
(Constant)	1.911	.059
Product Quality (X1)	2.519	.014
Price (x2)	3.696	.000
Product Innovation (X3)	4.924	.000

Correlation Coefficient Test

From Table 9, the correlation coefficient between product quality and buying interest is 0.685, indicating a strong relationship according to the interpretation standard that puts it in the range of "0.600-0.799". The maximum product moment (R) correlation coefficient is 1.

Table 10. Product Quality Correlation Coefficient Test Results
 Source: Researcher (2024)

Correlations			
		Product Quality	Purchase Intention
Product Quality	<i>Pearson Correlation</i>	1	.685**
	<i>Sig. (2-tailed)</i>		.000
	N	95	95
Purchase Intention	<i>Pearson Correlation</i>	.685**	1
	<i>Sig. (2-tailed)</i>	.000	
	N	95	95

The price correlation coefficient, as shown in Table 10 above, is 0.709 according to the value interpretation guideline, which falls between "0.600-0.799" and indicates that there is a good correlation between price and buying interest.

Table 11. Price Correlation Coefficient Test Results
 Source: Researcher (2024)

Correlations			
		Product Quality	Purchase Intention
Product Quality	<i>Pearson Correlation</i>	1	.709**
	<i>Sig. (2-tailed)</i>		.000
	N	95	95
Purchase Intention	<i>Pearson Correlation</i>	.709**	1
	<i>Sig. (2-tailed)</i>	.000	
	N	95	95

From Table 11, with a correlation coefficient of product innovation of 0.722, indicating a strong degree of relationship between product innovation and buying interest, in accordance with the correlation interpretation guidelines which state values in the range of "0.600-0.799".

Table 12. Results of Price Innovation Correlation Coefficient Test
 Source: Researcher (2024)

Correlations			
		Product Quality	Purchase Intention
Product Quality	<i>Pearson Correlation</i>	1	.722**
	<i>Sig. (2-tailed)</i>		.000
	N	95	95
Purchase Intention	<i>Pearson Correlation</i>	.722**	1
	<i>Sig. (2-tailed)</i>	.000	
	N	95	95

Coefficient of Determination Test

The table's R square (R²) of 0.667, or 66.7%, indicates how much of an impact product quality, price, and innovation have on consumers' desire to purchase.

Table 13. Coefficient Test Results
Source: Researcher (2024)

Model	Correlation Coefficient (R)	Coefficient of Determination (R ²)
1	0.816	0.667

Product Quality Affects Purchase Intention

The average value of the Product Quality indicator, as determined by descriptive statistics, is 4.38, suggesting that respondents place a high importance on Milkbase goods' performance. Positive research findings indicate that customers are more likely to purchase a product if it performs better, offers benefits, is durable and easy to use, complies with specifications, and is packaged appropriately. Because the t-test results indicated that the Sig. value was less than 0.05, indicating that product quality had a significant impact on buying interest, the first hypothesis in this study was accepted.

Additionally, the study's results showed a unidirectional influence with a positive correlation between the independent and dependent variables. According to respondents, the primary element affecting their level of satisfaction was the product's performance; this indicates that achieving customer expectations requires high-quality products. The study's findings are consistent with a study (Sahudi et al., 2019) that sought to determine the relationship between Ole-Ole Futsal Tomo Surabaya product quality and pricing and consumer interest in purchasing them. The study's findings indicate a strong correlation between Ole-Ole Futsal Tomo Surabaya product quality and customer interest in purchasing as well as cost.

Price affects Purchase Intention

Price has an average indication value of 4.34, meaning that affordability and price-product quality fit are significant factors when making a purchase. The respondents concur that offering competitive prices that align with the benefits of the product can boost consumer interest in making a purchase. There is a high degree of agreement among respondents, as seen by the minimal variance in judgments on this metric. Accordingly, competitive pricing that meets market expectations can greatly boost consumer interest in making a purchase. This study highlights how crucial it is to have a proper price strategy in order to draw in more customers and boost product sales. Since the t-test results indicate that the price has a substantial impact on buying interest and the Sig. value is less than 0.05, the second hypothesis in this study is accepted.

Due to their positive values, the study's findings also demonstrated a unidirectional relationship between the independent and dependent variables. The findings of this study are in line with those of a study conducted in 2022 by Titissari Ailmi and Lativa Hartiningtyas, which looked at how pricing, quality, and product promotion affected consumers' interest in buying Pia Ethes Cake, a product from Trenggalek MSMEs. Their research showed that pricing, quality, and product promotion all have a big impact on what people decide to buy.

Product Innovation Affects Purchase Intention

The Product Innovation Indicator had a mean value of 4.36, indicating that Milkbase's innovative features are highly valued by consumers. Features like unique flavors, new technology, and attractive designs set Milkbase apart from competitors. Consumers feel that this innovation not only fulfills expectations but also provides significant added value. The low standard deviation indicates consistency in respondents' perceptions. Product innovation, which includes factors such as new features, quality improvements, attractive designs, and the

use of advanced technology, can buy, attract consumers' attention and increase their interest in buying. Because the t-test results indicated that the Sig. value was less than 0.05, indicating that product innovation had a substantial impact on buying interest, the third hypothesis in this study was accepted. Due to their positive values, the study's findings also demonstrated a unidirectional relationship between the independent and dependent variables. The study's findings are consistent with the first earlier research by Jungang (2023), which used risk as an initial variable to determine how product innovation and variety impact consumers' desire in making a purchase. The study's conclusions demonstrate that product diversity and innovation affect consumers' propensity to buy.

This shows that the company's efforts in innovating its products can stimulate consumer interest in making purchases. Purchase Intention will increase when a business releases a new product or upgrades an old product with better features, more interesting features, or features that are more in line with customer needs.

Managerial Implications

The study's findings give Milkbase valuable strategic information, particularly in light of its intention to rejoin the market following a year-long hiatus. According to this study, Milkbase products have a strong chance of making a comeback to the market and can help solve public health concerns like the rising obesity rates in East Surabaya.

Based on the data analysis, respondents considered product quality, price, and innovation as key factors influencing purchase intention. These findings provide a clear direction for Milkbase management in designing future strategies. Here are some managerial implications that can be applied.

Product quality is considered very important by consumers. Therefore, Milkbase needs to ensure that all products released meet or even exceed consumer expectations. Efforts to improve quality can include the use of better raw materials, improved production processes, and tighter quality control. Consumers appreciate Milkbase products because they offer affordable prices and are commensurate with the quality they receive. A competitive pricing strategy while maintaining profit margins needs to be implemented. In addition, price promotions or product bundling can be used to increase the appeal of products in the eyes of consumers. Innovation is a key element in attracting consumers. Milkbase can focus on developing new products that are in line with health trends, such as low-sugar or high-protein foods. In addition, innovation in environmentally friendly packaging design can increase the appeal of the product, especially for consumers who care about sustainability issues.

4. CONCLUSIONS AND SUGGESTIONS

This research was recommended for Milkbase to ensure its products consistently meet high quality standards. This can involve the use of premium raw materials, clean production procedures, and strict quality assurance. High-quality products will increase customer satisfaction and trust. It is recommended that Milkbase set competitive prices while continuing to offer increased value to customers. To further satisfy consumer needs, Milkbase should keep innovating by developing new goods or enhancing current ones. In addition, Milkbase is advised to establish successful marketing techniques to increase customer interest in making purchases.

For the next study, it is recommended to explore additional variables that may affect consumer purchasing preferences should be explored. These variables may include consumer perception of marketing strategies. Additionally, expanding the research sample to include more respondents from different geographic regions and demographics will help achieve more representative results and stronger generalizations.

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