



The Effect of Price on the Decision to Purchase 3kg LPG Gas in Bandar Jaya Village

Shinta Andriyani^{1*}, M. Arif Musthofa², Sri Kadarsih³

^{1,2,3} Institut Islam Al-Mujaddid Sabak, Tanjung Jabung Timur, Indonesia *Author correspondent e-mail: <u>Shintatwins224@gmail.com</u>

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ABSTRACT

Article history: Accepted,12/12/2024 Revision,10/01/2025 Published,01/02/2025 Vol. (3), No. (1), (February), (2025) EISSN 2987- 6036 PISSN 2988-0319 DOI; https://doi.org/10.61233/zijec.v3i1.1	This study aims to test the effect of price on the decision to purchase 3kg LPG gas and to determine how much price influences the decision to purchase 3kg LPG gas in Bandar Jaya Village. This type of research uses simple linear regression quantitative, with a sampling technique, namely Purposive Sampling with a sample size of 85 respondents. The results of this study state that the price variable has a significant effect on the purchasing decision variable. Meanwhile, the coefficient of determination value which is the result of R Square is 57.3%, which explains that the influence of price on the decision to purchase 3kg LPG gas in Bandar Jaya Village is 57.3% and the remaining 42.7% is influenced by other variables not examined in this study.		
<u>Keywords:</u> Price, Buying Decision, 3Kg LPG.			
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INTRODUCTION

Indonesia's economic growth, which has continued to increase in recent years, is inevitable that the government will continue to strive to improve the Indonesian economy to meet the needs of the people, one of which is by switching from kerosene to LPG gas. The plan to convert kerosene to LPG is based on the Letter of the Minister of Energy and Mineral Resources No. 3249/26/MEM/2006 dated August 31, 2006 and the letter of the Vice President of the Republic of Indonesia No.20/WP/9/2006 dated September 1, 2006. (Endang Suarna, 2010).

Hasan Syukur (2011) stated that LPG is a gas produced by oil refineries or natural gas refineries. Its main components are liquid propane gas (C3H8) and butane (C4H10). LPG gas was launched by Pertamina in 1968. The presence of three types of LPG on the market, namely 3kg (subsidized), 12kg, and 5.5kg (non-subsidized) LPG, has a significant impact on the increase in LPG gas demand, especially 3kg LPG. This happened apparently because of a large price difference so that 3kg LPG was injected into 12kg LPG. The length of the distribution chain makes it easier for accidents to occur. This happens mainly at the level of consumer sub-agents. Supervision in this chain is almost non-existent because supervision only occurs at the institutional level. In this case, monopolistic behavior and unfair business competition can easily occur at the distribution level starting from the agent level to the consumer when supply is limited.

Nikmah and Suhairi (2022), also stated that one of the tasks that the government can do is to supervise the provision and distribution of 3kg LPG to the community. This is a misappropriation of kerosene subsidies, according to the Ministry of Energy and Mineral Resources. The center involves various related institutions such as local governments, independent institutions, and commercial entities appointed to do so. The purpose of this supervision is to ensure that the distribution of 3kg LPG is on target and beneficial to the community, especially the lower layers of society. Supervision that reaches the underprivileged and poor is important to improve the quality of life of marginalized communities. Because it is an integral part of natural resource management, this regulation must also be in line with the principle of distribution (Nikmah and Suhairi, 2022).

Bandar Jaya Village is one of the villages located in Rantau Rasau District, East Tanjung Jabung Regency. Most of the people in this village make a living as farmers and traders. The basic needs of the community that are traded in Bandar Jaya Village are 3kg LPG. One of the traders who sells LPG is at Mr. Sutiyono's 3kg LPG base, currently many people are interested in selling 3kg LPG because small communities really need it. Diyan Budiarto and Slamet (2021), stated that the scarcity of 3kg LPG makes this product much sought after by the public, so many traders set different prices, exceeding the Maximum Retail Price (HET), so that 3kg LPG products are difficult to obtain in some regions (Diyan Budiarto and Slamet, 2021).

The author made observations at Mr. Sutiyono's 3kg LPG base in Bandar Jaya Village, Rantau Rasau District. At Mr. Sutiyono's 3kg LPG base, a policy has been implemented that every buyer who wants to buy 3kg LPG gas must show an ID card and family card. The government's goal is to require consumers to use ID cards and KK when buying 3kg LPG, none other than to achieve the target of subsidized gas distribution. As we know, the 3kg LPG subsidy only applies to underprivileged communities, such as poor families, small and medium enterprises, fishermen, and farmers.

In addition, the government also set a maximum retail price of 3kg LPG per base, which is Rp. 19,000, but at the 3kg LPG base, Sutiyono sells 3kg LPG to the public at a price of Rp. 20,000. Many traders and retailers then resell 3 kg LPG to the surrounding community at a price higher than the base price of around Rp 30,000. However, if there is a shortage of 3kg LPG stock, the selling price can reach Rp 35,000 or more, and sometimes retailers hoard LPG gas for sale.

There is a growing public claim that there are parties who deliberately hoard these commodities, especially 3kg LPG, causing scarcity and high market prices, and this is done by entrepreneurs or retailers to prioritize themselves. So, before the price of LPG goes up, they deliberately buy more to save. If the price of LPG rises, their supply of LPG gas is already large, so the hoarding is not only carried out by traders or agents. But consumers who are able to participate in buying excess LPG gas to then resell. Muhammad Chaudry (2012), also stated that in the Islamic economic system it prohibits the acquisition of wealth through haram means, and prohibits hoarding (Muhammad Chaudry, 2012).

After the author observed, starting from the price in the event of a scarcity of 3kg LPG gas carried out by retailers in Bandar Jaya Village, Rantau Rasau District, the author was interested in conducting this research, due to the various pricing of 3kg LPG gas which makes people prefer to buy 3kg LPG gas at a low price compared to the expensive price of LPG gas. Especially if there is a traffic jam during the distribution of 3kg LPG gas because the road access to Bandar Jaya village, Rantau Rasau District, which is still very bad until now, which causes many retailers to sell the price of 3kg LPG gas above the base price, which makes

people inevitably continue to buy the gas because they really need it. This has made many people in Bandar Jaya Village complain and have difficulties due to these problems, especially the lower economic community.

The purpose of this study is to test the influence of price on the decision to purchase 3kg LPG gas in Bandar Jaya Village and to find out how much the influence of price on the decision to purchase 3kg LPG gas in Bandar Jaya Village. Based on the explanation of the background above, therefore the author is interested in studying this problem in a study entitled "The Effect of Price on the Decision to Purchase 3Kg LPG Gas in Bandar Jaya Village".



Source: Processed by researchers, 2024 Figure 1. Conceptual Framework

Based on the conceptual framework image above, the hypotheses proposed in this study are as follows:

H_a : There is an influence of Price (X) on the purchase decision (Y) of 3kg LPG gas in Bandar Jaya Village

H₀ : There is no influence of Price (X) on the decision to Purchase (Y) 3kg LPG gas in Bandar Jaya Village

METHOD

The method used in this study is a quantitative method, the population in this study is gas consumers at the Sutiyono 3kg LPG Base in Bandar Jaya Village, with a sample of 85 consumers. Sampling uses *purposive sampling*. The analysis technique in this study uses a simple linear regression analysis.

RESULTS AND DISCUSSION

Validity Test

Table 1. Price Validity Test Results (X)					
Statement Items	RHitung	RTabel	Information		
1	0,564	0,213	Valid		
2	0,655	0,213	Valid		
3	0,696	0,213	Valid		
4	0,734	0,213	Valid		
5	0,778	0,213	Valid		
6	0,676	0,213	Valid		
7	0,589	0,213	Valid		
8	0,652	0,213	Valid		
9	0,497	0,213	Valid		
10	0,588	0,213	Valid		
11	0,736	0,213	Valid		
12	0,764	0,213	Valid		
Compared Decision Decision 2024					

Source: Data Processing Results, 2024

From the results of the validity test in the table above, it can be seen that the calculation > the table has 12 items of questionnaire statements from the price variable that are declared valid, because the calculation value is greater than the table which is 0.2133.

Table 2. Results of the Purchase Decision Validity Test (Y)					
Item Pernyataan	RHitung	RTabel	Keterangan		
1	0,481	0,213	Valid		
2	0,723	0,213	Valid		
3	0,703	0,213	Valid		
4	0,753	0,213	Valid		
5	0,855	0,213	Valid		
6	0,856	0,213	Valid		
7	0,769	0,213	Valid		
8	0,831	0,213	Valid		
9	0,855	0,213	Valid		
10	0,856	0,213	Valid		
11	0,769	0,213	Valid		
12	0,831	0,213	Valid		
C	aumaa, Data Dr		4- 2024		

Source: Data Processing Results, 2024

From the results of the validity test in the table above, it can be seen that the calculation > the rtable has 12 items of questionnaire statements from the purchase decision variables that are declared valid, because the calculation value is greater than the rtable, which is 0.2133.

Reliability Test

Table 3. Price Reli	ability Test Re	esults		
(X) Reliability Statistics				
Cronbach's	N of			
Alpha	Items			
.87	4 12			

Source: 2024 Data Processing Results

The results of the questionnaire reliability test were *Cronbach's Alpha* of 0.874 > 0.06. It can be stated that all items of the statement of Price (X) are said to be reliable with the highest criteria

Table 4. Purchase Decision Reliability Test Results

(Y) Reliability Statistics				
Cronbach's N of Alpha Items				
.0	934 12			

Source: Data Processing Results, 2024

The results of the questionnaire reliability test were *Cronbach's Alpha* of 0.934 > 0.06. It can be stated that all items of the statement from the Purchase Decision (Y) are said to be ZIJEc: Zabags International Journal of Economy 29 | P a g e

reliable with the highest criteria.

Normality Test

Table 5. Normality Test Results				
One-Sample	e Kolmogorov-Simir	nov Test		
		Unstandardiz		
		ed Residual		
N		85		
Normal Parameters ^a	mean	.0000000		
	Std Deviation	4.01900041		
Most Extreme Differences	absolute	.086		
	Positive	.054		
	Negative	086		
Kolmogorov-Smirnov Z		.796		
Asymp Sig (2-failed)		.550		

1. Test distribution is Normal.

Source: Data Processing Results, 2024

Based on the table above with N = 85 data, it can be known that the *Kolmogrov-Smirnov* value is 0.796. And the significance value of *Kolomogrov-Smirnov* shows a value of 0.550 which means greater than 0.05, so it can be concluded that the above data has been distributed normally.

Simple Linear Regression Test

Table 6. Results of the Sesimples Linear Regression Test

	Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig	
	В	Std. Error	Beta			
(Constant)	2.857	4.503		.634	.528	
Harga	.907	.086	.757	10.544	.000	
			•			

a. Dependent Variable: Purchase Decision

Source: Data Processing Results, 2024

Y = a+bX

Y = 2.857 + 0,907 X

- a = constant number of *unstandardized coefficients*. In this case, the value is 2,857, this number is a *constant* number which means that if there is no price (X) then the consistent value of the purchase decision (Y) is 2,857.
- b = the regression coefficient number is 0.907. Every price increase of 1 rupiah, the purchase decision will increase by 0.907.

The conclusion of the value of the regression coefficient is significant, so it can be said that the price (X) has a significant effect on the purchase decision (Y). This means that if the price variable increases, then the purchase decision variable also increases. So the regression

equation is Y = 2.857 + 0.907 X.

Test T

	Table 7. T Test Results						
			Coefficier	nta			
	Model	Unstand Coe	ardized Standardized ficients Coefficients		t	Sig	
	_	В	Std. Error	Beta	-		
	(Constant)	2.857	4.503		.634	.528	
	Harga	.907	.086	.757	10.544	.000	
.	Donondont V	Iariahla, E	Jurchaco Doci	sion			

a. Dependent Variable: Purchase Decision

Source: Data Processing Results, 2024

 $t_{tabel} = (\alpha : 2 : n - k-1)$ $t_{tabel} = (0,05 : 2 : 85-1-1)$ $t_{tabel} = (0,025 : 83)$ $t_{tabel} = 1.989$

From the results of the t-test in the table above, it can be seen that the t-test for the price variable is obtained with a t-calculation result of 10,544 with a Sig value of 0.000, which is less than 0.05, by using a significant (α) of 0.025, then a t-table value of 1.989 is obtained. Thus, tcounting 10,544 > 1,989 tables, it can be concluded that H0 was rejected and Ha was accepted, or there was a significant influence between the influence of price on the decision to purchase 3kg lpg gas in Bandar Jaya village.

Coefficient of Determination (R Square)

Table 8. Determination Coefficient Test Results (Rsquare)

Model Summary^b

Model	R	R Square		Adjusted R Square	Std. Error of the Estimate
1		.757ª	.573	.567	4.043

a. Predictors: (Constant), Price

b. Dependent Variable: Purchase Decision

Source: Data Processing Results, 2024

Based on table 4.13 the value of the determination coefficient which is the result of R Square is $0.573 \times 100\% = 57.3\%$, so the result of the determination coefficient is 57.3% which explains that the influence of price (X) on the purchase decision (Y) of 3kg lpg gas in Bandar Jaya Village is 57.3% and the remaining 42.7% which is influenced by other variables that are not studied in this study such as scarcity variables, etc.

Discussion

This study aims to determine the influence of price on the decision to purchase 3kg LPG gas in Bandar Jaya Village. Therefore, the discussion in this study is: based on the results of

the simple linear regression coefficient of significant value, it can be concluded that b = the regression coefficient number of the value is 0.907. Every price increase of 1 rupiah, the purchase decision will increase by 0.907. Thus, it can be said that the price (X) has a significant effect on the purchase decision (Y).

From the results of the t-test in the table above, it can be seen that the t-test for the price variable is obtained with a t-calculation result of 10,544 with a Sig value of 0.000, which is less than 0.05, by using a significant (α) of 0.025, then a t-table value of 1.989 is obtained. Thus, tcounting 10,544 > ttable 1,989, it can be concluded that H0 was rejected and Ha was accepted, or there was a significant influence between the influence of price on the decision to purchase 3kg lpg gas in Bandar Jaya Village. While the value of the determination coefficient which is the result of R Square is 0.573 X 100% = 57.3%, so the result of the determination coefficient is 57.3% which explains that the influence of price (X) on the purchase decision (Y) of 3kg lpg gas in Bandar Jaya Village is 57.3% and the remaining 42.7% which is influenced by other variables that are not studied in this study, such as scarcity variables, etc.

From the results of the answers of 85 respondents that have been carried out about the price, it can be seen from the indicators contained in the price (X), which is as many as 12 statement items, it can be seen that all of the respondents' answers are in the good category. Meanwhile, the results of the respondent's answer to the purchase decision (Y), which is as many as 12 statement items, can be seen that all respondents' answers are in the good category.

CONCLUSION

Based on the results of this research and discussion regarding the title "The Effect of Price on the Decision to Purchase 3Kg LPG Gas in Bandar Jaya Village". Then it can be concluded as follows:

- 1. From the results of simple linear regression, the regression coefficient is 0.907. Thus, it can be said that the price (X) has a significant effect on the purchase decision (Y). This means that if the price variable increases, then the purchase decision variable also increases. Based on the results of the t-test, it can be seen that the sig value is 0.000 < 0.05, and the tcount value is 10,544 > ttable 1,989, then it can be concluded that H0 is rejected and Ha is accepted, or there is a significant influence between the influence of price on the decision to purchase 3kg lpg gas in Bandar Jaya Village.
- 2. Based on the results of table 1.8, the magnitude of a coefficient of determination value which is the result of R square is 57.3% and the remaining 42.7%, which is influenced by other variables that are not examined in this study.

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