

ABSTRACT

The majority of the population of Pati Regency are farmers and fishermen who have erratic incomes. Gold is one type of alternative investment that is popular for those who have erratic income. This is because gold in addition to having a high intrinsic value is also liquid, easily converted into cash if needed immediately. Therefore, an understanding of the factors that influence gold purchasing decisions is important to study.

This study aims to examine the effect of product quality, price, and product variation on gold purchasing decisions in Pati Regency. This research was conducted on 100 respondents of gold consumers in Pati Regency. This study uses the Structural Equation Modelling – Partial Least Square (SEM – PLS) approach.

The results showed that product quality variables had a negative and insignificant effect on gold purchasing decisions. However, price variables and product variation variables have a positive and significant effect on gold purchasing decisions in Pati Regency.

Keywords: product quality, price, product variety, purchasing decision

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