JBENSM, Volume 02 No. 01 Juli 2026, 22 – 39

Journal of Business Economics : Needs, Services, and Money
Journal homepage: *https://jurnal-ibei.com/index.php/JEBI*
E-ISSN : 3124-341X

The Effect Of Price And Location On Purchasing Decisions In Mobile Coffee Businesses In Pontianak City

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I N F O A R T I K E L

Article History:
Received : 16-06-2026
Revised: 11- 07-2026
Accepted: 19-07-2026

Keywords:

Price;
Location;
Purchasing Decision;
Mobile Coffee;
Consumer Behavior.

A B S T R A C T

This study examines the effects of price and location on purchasing decisions in mobile coffee businesses in Pontianak City. The rapid growth of mobile coffee vendors has created a more competitive market, making competitive pricing and strategic locations increasingly important in attracting consumers. A quantitative explanatory approach was employed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Data were collected from 100 consumers selected through purposive sampling based on predefined criteria and gathered using an online questionnaire. The results indicate that both price ($\beta = 0.526$, $p < 0.05$) and location ($\beta = 0.377$, $p < 0.05$) have positive and significant effects on purchasing decisions. Together, these variables explain 71% of the variance in purchasing decisions ($R^2 = 0.710$), indicating strong explanatory power. Price emerged as the strongest predictor of purchasing decisions, followed by location. These findings suggest that maintaining competitive prices while selecting accessible and strategic operating locations can enhance consumer purchasing decisions. This study contributes to the marketing literature by extending evidence on consumer purchasing behavior within the growing context of mobile coffee businesses and provides practical implications for mobile retail entrepreneurs.

INTRODUCTION

The Indonesian culinary industry has experienced steady expansion, particularly in urban areas where food and beverage consumption has become closely connected with social interaction, lifestyle preferences, and economic activities. This is reflected in coffee consumption culture, where coffee products function not only as beverages but also as part of consumers' daily routines and social experiences. This transformation has encouraged the emergence of diverse coffee business models,

ranging from premium coffee shops to more flexible and affordable business formats such as mobile coffee vendors (Dwinanda *et al*., 2026). The transformation of consumer lifestyles and the increasing demand for convenience have encouraged businesses to develop more flexible retail formats that emphasize accessibility, customer experience and value creation (Han *et al.,*2021).

The increasing popularity of mobile coffee businesses reflects a broader shift in consumer preference toward convenience, accessibility and value-oriented purchasing experiences. Unlike conventional coffee shops that operate in permanent locations, mobile coffee businesses utilize flexible operational strategies by moving between different consumer activity centers, such as university areas, public spaces and high-traffic locations. This characteristic positions mobile coffee businesses as a form of mobile retailing, where consumer decisions are influenced not only by product attributes but also by accessibility and perceived value. In mobile retail environments, accessibility and convenience become important factors because consumers increasingly prefer purchasing experiences that minimize effort and provide immediate product availability (El-Adly & Eid, 2016).

The price sensitivity of younger consumer cohorts is well documented in behavioral economics and marketing literature: financial limitations intensify the role of price as a decision making shortcut, especially for low involvement, routine purchases such as everyday coffee consumption (Faisal *et al.*, 2023). Competitive pricing constitutes a primary attraction mechanism capable of driving substantial sales volume. Mobile coffee businesses in Pontianak are generally positioned at significantly lower price points than conventional coffee, as prior empirical studies indicate that pricing plays a strong positive role in shaping consumers purchasing decisions, as consumers consistently prioritize value for money when selecting functional daily products.

From a consumer behavior perspective, purchasing decisions are influenced by consumers' evaluation processes when selecting products among available alternatives. Consumer decision-making theory explains that individuals evaluate products by considering perceived benefits, costs and personal needs before making purchasing choices (Solomon, 2020). According to marketing theory, consumers generally consider various factors, including price, convenience and accessibility, before making purchase decisions. Within the marketing mix frameworks, price represents the monetary sacrifice perceived by consumers, while location reflects the accessibility and availability of the products (El-Adly & Eid, 2016). These marketing elements influence consumers' perceived value, as consumers evaluate whether the benefits obtained from a product are appropriate with the cost sacrificed before deciding to purchase (Zeithaml, 1988). These factors become increasingly relevant in low-involvement purchasing situations, such as daily coffee consumption, where consumers often rely on simple evaluation criteria to make quick decisions.

Pricing is a key factor influencing purchasing decisions, especially among younger consumers, who tend to place greater emphasis on affordability and perceived value. In the context of mobile coffee businesses, competitive pricing becomes a strategic advantage because these businesses usually operate with lower costs compared to conventional coffee shops. Previous studies have shown that consumers tend to evaluate whether the benefits obtained from a product are consistent with the price paid, making perceived value an important mechanism in purchase decision formation (Faisal *et al.,* 2023 ; Rochmah & Setiyarini, 2025) This relationship becomes stronger in routine and low-involvement consumption contexts, where price can function as an evaluation shortcut when consumers select among similar alternatives (Zeithaml, 1988). Therefore, affordable pricing strategies may increase consumers' willingness to purchase, especially among students and young professionals who have limited consumption budgets.

In the food and beverage industry, purchasing behavior is shaped not only by price but also by location, which continues to serve as a key determinant. Besides price, location remains an important determinant of purchasing behavior, particularly in food and beverage businesses. However, the concept of location differs significantly between conventional and mobile businesses. In permanent retail businesses, location is viewed as a fixed strategic asset, whereas in mobile businesses, location becomes a dynamic operational capability that must continuously adapt to consumer movement patterns. The ability of mobile coffee vendors to position themselves near potential consumers provides advantages in accessibility and visibility (Jufri, 2023). Previous research confirms that strategic location can reduce consumer effort, increase product accessibility, and encourage purchase intention (Muqarrabin *et al*., 2022). In contemporary retail environments, location is not only considered a physical place but also related to accessibility, convenience, and consumers ability to obtain products efficiently (Grewal *et al*.,2020).

However, the mobile nature of coffee businesses also creates a theoretical tension. While mobility provides greater market reach, it may simultaneously create uncertainty regarding vendor availability and location consistency. Consumers may experience difficulties in finding the same seller repeatedly, which can influence repeat purchasing behavior. Therefore, unlike conventional coffee shops where location stability becomes a strength mobile coffee businesses require a balance between flexibility and predictability. This condition suggests that traditional marketing variables, notably cost and physical placement may operate differently in mobile business contexts.

Although previous studies have extensively examined the influence of price and location on purchasing decisions in conventional food and beverage businesses (Brata *et al.,* 2017). Limited studies have explored how these factors function within mobile coffee businesses that possess unique operational characteristics. This gap is also

evident in the international mobile vending literature, where research on food trucks and street food has largely emphasized customer segmentation based on selection attributes or behavioral-intention models such as the Theory of Planned Behavior and the Theory of Consumption Values, rather than directly testing how classic marketing mix variables of price and location jointly explain purchasing decisions in a mobile-vendor setting (Choi et al., 2020; Koay et al., 2023). Most previous research treats location as a fixed business attribute, while this study conceptualizes location as a dynamic accessibility strategy within a mobile retail environment. Therefore, this study does not merely replicate previous marketing mix research but extends understanding of how traditional marketing variables operate within a business model characterized by mobility, flexibility, and changing consumer access points. This research addresses the gap by examining whether price and location remain significant determinants of purchasing decisions when applied to a mobile coffee business context (Rara,2023).

By applying marketing mix theory within the context of a mobile coffee vendor, this research adds a new dimension to the current body of marketing knowledge. Specifically, it provides empirical evidence from Pontianak City, where mobile coffee businesses have become an emerging business phenomenon among urban consumers. Unlike previous insight into consumer purchasing behavior in a mobile coffee context where accessibility and location flexibility represent unique business characteristics. By investigating the relationship between price, location and purchasing decisions, this study offers both theoretical and practical insights regarding how micro-scale mobile coffee entrepreneurs can develop effective marketing strategies, improve competitiveness and respond to changing consumer preferences in an increasingly competitive marketplace (Puspa *et al.*, 2017).

In light of this background, the present research seeks to examine how price and location influence purchasing decisions among mobile coffee businesses in Pontianak City. It is anticipated that these results will enrich the field of consumer behavior research while offering practical guidance for mobile coffee operators in formulating competitive pricing and location strategies.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

This study is grounded in consumer decision-making theory (Solomon, 2020) and perceived value theory (Zeithaml, 1988), which jointly explain how consumers evaluate the monetary and non-monetary sacrifices associated with a purchase against the benefits they expect to receive. Within this framework, price represents the primary monetary sacrifice, while location represents a non-monetary, effort-based sacrifice related to accessibility and convenience. These theories provide the conceptual basis for understanding why, in a low-involvement and mobility-driven retail context such as mobile coffee vending, consumers rely on price and location as primary heuristic cues when forming purchasing decisions.

Purchasing decisions can be understood as a multi-stage process in which consumers move from recognizing a need, to comparing alternatives, to finally settling on a product or service that offers the greatest perceived value relative to their preferences. Consumer decision-making theory explains that consumers consider several aspects before making a purchase, including the perceived benefits, costs, and convenience associated with a product or service (Solomon, 2020). Therefore, purchasing decisions are shaped not solely by the intrinsic attributes of a product, but also by external factors that shape consumers' evaluation processes. In the context of mobile businesses, price and location represent important external factors because consumers evaluate affordability and accessibility before deciding to purchase. This aligns with a global consumer decision-making framework for street food, which similarly emphasizes affordability and accessibility, alongside product and situational cues, as core drivers of the purchase decision in informal food-vending contexts (Chakravorti, 2024).

In marketing literature, consumer behavior is often explained through the marketing mix framework, where businesses utilize strategic elements such as price and place to influence consumer responses. Price reflects the financial sacrifice that consumers provide to obtain a product, while place or location represents accessibility and availability of products to consumers (El-Adly & Eid, 2016). These factors become particularly important in food and beverage businesses because consumers often make purchasing decisions based on affordability, convenience, and ease of access.

In the context of mobile coffee businesses, consumer decision-making may involve different considerations compared with conventional coffee shops. Mobile coffee vendors operate through flexible business locations and approach consumers in various activity centers. Therefore, price and location may function as important determinants because consumers evaluate both the economic value and accessibility of the product before purchasing.

Price is one of the fundamental elements in marketing strategy that influences consumer evaluation and purchasing behavior (Zeithaml, 1988). explains that consumers perceive price not only as the amount of money paid but also as an indicator of the value obtained from a product. Consumers tend to compare the benefits received with the costs incurred, which subsequently influences their willingness to purchase. This evaluation process indicates that consumers do not consider price solely as a financial sacrifice, but also as an assessment of whether the product provides sufficient value compared with other available alternatives. Therefore price can influence consumer preferences and final purchasing decisions.

In mobile coffee businesses, price becomes an important factor because consumers generally seek affordable and practical consumption options. Compared to conventional coffee shops, mobile coffee vendors usually operate with simpler

business structures and lower operational costs, allowing them to offer competitive prices. The condition makes price an important advantage in attracting consumers, particularly among students and young professionals who are more sensitive toward affordability. This condition is particularly relevant in mobile coffee consumption, where purchases are often categorized as routine and low involvement decisions. In such situation, consumers tend to use price as one of the main evaluation criteria when selecting among similar product alternatives.

Previous studies support the relationship between price and purchasing decisions. (Faisal *et al.,* 2023) found that price significantly influences consumer purchasing decisions because consumers consider affordability and perceived benefits when selecting products. Similarly, (Rochmah & Setiyarini, 2025) demonstrated that price has an important role in determining purchasing decisions in food and beverage businesses.

Furthermore, perceived value theory suggests that consumers are more likely to purchase when they perceive that the benefits obtained are appropriate with the price paid (Zeithaml, 1988). In the mobile coffee business context, affordable pricing combined with perceived value may encourage consumers to choose and purchase products based on their expectations of benefits and costs. This indicates that consumers tend to proceed with a purchase when they perceive that the price offered provides sufficient value compared with other available alternatives. Based on these arguments, the following hypothesis is proposed:

H1: Price has a positive and significant effect on purchasing decisions in mobile coffee businesses.

Location is an important marketing factor because it determines the accessibility, visibility and convenience experienced by consumers. In conventional businesses, location is commonly understood as a fixed physical place where consumers visit to obtain products. However, in mobile businesses, location has a different meaning because business operators can adjust their selling points according to consumer movement patterns and market opportunities. The flexibility makes location not only a physical factor but also a strategic approach to increasing consumer accessibility and reducing purchasing effort. When consumers can easily find and reach a product, the possibility of purchase may increase.

Modern retail studies indicate that accessibility and convenience have become important factors influencing consumer behavior. Consumers tend to prefer purchasing options that reduce effort and provide easier access to products (Grewal *et al*., 2020) . this condition is highly relevant for mobile coffee businesses because their competitive advantage depends on the ability to position themselves near potential consumers. Therefore, accessibility becomes an important value offered by mobile coffee businesses because consumers may prefer purchasing options that provide

convenience without requiring additional time and effort.

Previous research shows that strategic location contributes to purchasing decisions. (Muqarrabin *et al*., 2022) found that location influences consumer interest because accessibility reduces barriers during the purchasing process. (Jufri, 2023) also emphasized that location affects consumer behavior through visibility and convenience factors.

Unlike conventional coffee shops, mobile coffee businesses transform location from a fixed business attribute into a dynamic accessibility strategy. Although previous studies have demonstrated that location influences purchasing decisions, most research has focused on conventional businesses with permanent locations. Limited studies explain how location functions in mobile business models where sellers continuously adjust their position based on consumer activity patterns. Vendors can move to areas with higher consumer activity, such as university environments, public spaces and crowded locations. Therefore, location becomes an important factor in determining consumer purchasing decisions. Based on these arguments, the following hypothesis is proposed:

H2 : location has a positive and significant effect on purchasing decisions in mobile coffee businesses.

Purchasing decisions are generally shaped by a combination of factors rather than a single determinant. in Food and beverage consumption, consumers evaluate products based on both economic considerations and purchasing convenience. Price provides information regarding affordability and value, while location influences accessibility and the effort required to obtain products. These two factors represent different dimensions of consumer evaluation, where price reflects the economic consideration of purchasing decisions, while location represents the convenience and accessibility aspects. In mobile coffee businesses, both factors may interact because consumers may consider not only whether the product is affordable but also whether it is easily accessible when making purchase decisions.

Previous research has examined the relationship between price, location and purchasing decisions in various food and beverage contexts (Brata et al., 2017) found that marketing factors, including price and location, influence consumer purchasing behavior. (Rara, 2023) also demonstrated that price and location significantly affect purchasing decisions in coffee shop businesses.

However, most previous studies have focused on businesses operating from permanent locations. This study extends the existing literature by examining these relationships in the context of mobile coffee businesses, where location functions as a flexible and dynamic business capability. This setting underscores the importance of investigating marketing mix factors in a mobile retail environment, where business

mobility and consumer accessibility may influence purchasing decisions differently from conventional retail businesses. Accordingly, this study contributes to the literature by assessing whether traditional marketing factors, particularly price and location, remain relevant in the context of mobile coffee businesses.

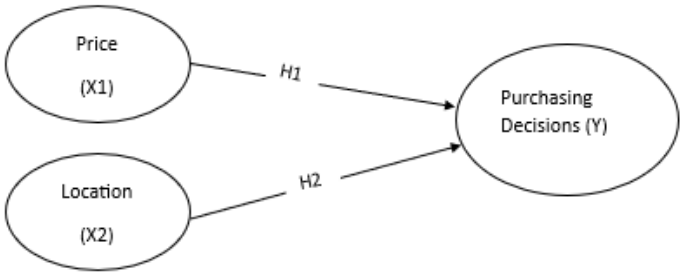


Figure 1. Conceptual Research Framework

Source: Developed by the researcher (2026)

RESEARCH METHODS

This study employed a quantitative explanatory research design to examine the effects of price and location on purchasing decisions among mobile coffee consumers in Pontianak City. A structured questionnaire was used to test the hypothesized relationships between the variables. Quantitative methods are appropriate for examining causal relationships through statistical analysis of numerical data (Sugiyono, 2020; Rachman et al., 2024).

The target population consisted of mobile coffee consumers in Pontianak City. Because the population size was unknown, an infinite population approach was adopted. Respondents were selected using purposive sampling based on three criteria: (1) purchasing mobile coffee at least once a week, (2) residing in Pontianak City, and (3) being at least 17 years old. A total of 100 valid responses were collected, satisfying the minimum sample size requirements for PLS-SEM (Hair et al., 2018, 2022). A post-hoc power analysis further confirmed that the sample provided statistical power exceeding 0.99 ($\alpha = 0.05$), indicating sufficient power for hypothesis testing.

Primary data were collected through offline surveys and online questionnaires using Google Forms, while secondary data were obtained from relevant books and scholarly publications. To reduce common method bias (CMB), the questionnaire items were adapted from established scales and respondents received standardized instructions. CMB was assessed using the full collinearity test (Kock, 2015). The inner VIF values for price and location were both 2.173, below the recommended threshold of 3.3, indicating that common method bias was not a concern.

The Price construct was measured using four indicators: affordability, price–quality congruence, competitiveness, and perceived value. The Location construct

included accessibility, reachability, strategic position, and visibility. Purchasing Decision was measured through purchase confidence, need congruence, purchase frequency, and repurchase intention. Each construct was measured using a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). The measurement items were adapted from established literature to ensure content validity (Zeithaml, 1988; El-Adly & Eid, 2016).

Data were analyzed using SmartPLS 4.0. Descriptive statistics were used to summarize respondent characteristics, while inferential analysis employed Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the proposed relationships. Following Hair et al. (2022), the measurement model was evaluated using outer loadings (≥0.70), Average Variance Extracted (AVE ≥0.50), Composite Reliability (CR ≥0.70), Cronbach's alpha (≥0.70), and the Heterotrait–Monotrait (HTMT) ratio for discriminant validity. The structural model was assessed using path coefficients, coefficient of determination (R^2), predictive relevance (Q^2), and bootstrapping with 5,000 resamples. Statistical significance was determined at $p \leq 0.05$.

ANALYSIS AND DISCUSSION

ANNALYSIS

Respondent Profile

This survey was completed by 100 respondents who had previously purchased mobile coffee in Pontianak City, with the questionnaire distributed through Google Forms. The respondents' characteristics are presented in table 1

Table 1 Respondent Profile

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	36	36%
	Female	64	64%
Age	<18 Years	9	9%
	18–25 Years	88	88%
	26–35 Years	2	2%
	>35 Years	1	1%
Occupation	Student	79	79%
	Employee	8	8%
	Entrepreneur	2	2%
	Other	11	11%

As shown in Table 1, respondents were predominantly female (64%) and aged

18–25 years (88%), with the majority consisting of students (79%). This demographic profile is consistent with the characteristics of mobile coffee consumers in Pontianak, who tend to be young, price-sensitive, and highly mobile. The diversity in occupation categories, although smaller in proportion, indicates that mobile coffee businesses also serve a consumer base beyond the student segment.

However, the dominance of student respondents should be considered when interpreting the findings. Since students represent the largest proportion of the sample, the results may reflect the purchasing preferences of younger consumers who are generally more sensitive toward price and convenience. Therefore, the generalization of the findings to other consumer groups should be interpreted with caution. Future studies may consider involving a more diverse respondent profile to obtain broader insights into mobile coffee purchasing behavior.

Descriptive Statistics

Descriptive statistics were computed to provide an overview of the research variables. Table 2 displays the descriptive statistical findings derived from the analysis.

Table 2 Descriptive Statistics

Variable	Indicator	*Mean*	*Std. Dev.*	Category
Price (X1)	4	4.041	0.983	High
Location (X2)	4	4.081	0.974	High
Purchasing Decision (Y)	4	3.921	1.006	High

Table 3 indicates that all three variables are categorized as “High” based on mean scores. The Location variable recorded the highest mean (M = 4.081), suggesting that respondents perceive mobile coffee selling points as highly accessible and easy to find. The Price variable (M = 4.041) also received a high rating, indicating that consumers perceive mobile coffee pricing as affordable and commensurate with product benefits. The Purchasing Decision variable (M = 3.921), while slightly lower, still reflects a strong consumer inclination toward purchasing mobile coffee. These results confirm that both price and location are salient considerations in consumer purchasing behavior in this context.

Measurement Model Evaluation

Prior to hypothesis testing, the measurement model (outer model) was evaluated to confirm the validity and reliability of all constructs.

Table 3 Measurement Model Evaluation (Outer Model)

Variable	*Indicator*	*Outer Loading*	*AVE*	*CR*	Cronbach's α
Price (X1)	X1.1	0.813	0.686	0.946	0.934
	X1.2	0.858			
	X1.3	0.833			
	X1.4	0.844			
	X1.5	0.751			
	X1.6	0.799			
	X1.7	0.841			
	X1.8	0.881			
Location (X2)	X2.1	0.818	0.684	0.945	0.934
	X2.2	0.843			
	X2.3	0.783			
	X2.4	0.848			
	X2.5	0.841			
	X2.6	0.860			
	X2.7	0.826			
	X2.8	0.796			
Purchasing Decision (Y)	Y1.1	0.815	0.641	0.934	0.920
	Y1.2	0.828			
	Y1.3	0.831			
	Y1.4	0.728			
	Y1.5	0. 692			
	Y1.6	0.839			
	Y1.7	0.828			
	Y1.8	0.834			

Note: Indicator Y1.5 with outer loading of 0.692 was retained as it exceeds the 0.40 threshold and the construct's AVE, CR, and α values all meet the required criteria (Hair et al., 2019).

**And all indicators were measured using two questionnaire items.*

Table 3, confirms that the preponderance of indicators demonstrate loading values exceeding 0.70, indicating sufficient reliability at the indicator level. The single exception is Y1.5 (outer loading = 0.692), which was retained because it exceeds the acceptable lower bound of 0.40 and because the construct's AVE, CR, and Cronbach's Alpha values all satisfy their respective thresholds (Hair *et al.*, 2018). All constructs exhibit AVE values exceeding the recommended threshold of 0.50, demonstrating satisfactory convergent validity. CR and Cronbach's Alpha values uniformly surpass the 0.70 confirm adequate internal consistency and construct reliability across all constructs. All research instruments are therefore declared valid and reliable for hypothesis testing.

Discriminant validity was further assessed using the Heterotrait-Monotrait (HTMT) ratio of correlations, as recommended by (Henseler *et al.*, 2015). As shown in Table 4, all HTMT ratios remain under the recommended value of 0.85, suggesting that the constructs demonstrate sufficient differentiation. Overall, these findings support the presence of discriminant validity in the measurement model.

Table 4 Discriminant Validity Assessment (HTMT Ratio)

Construct	Price (X1)	Location (X2)	Purchasing Decisions (Y)
Price (X1)	-		
Location (X2)	0.7346	-	
Purchasing Decisions (Y)	0.8029	0.7633	-

Note: All HTMT values are below the threshold of 0.85, confirming adequate discriminant validity for all constructs (Henseler et al., 2015).

Structural Model and Hypothesis Testing

Hypothesis testing was performed using the bootstrapping approach based on 5,000 resampling iterations through SmartPLS 4.0 to examine the path coefficient (β), T-statistics, and P-values.

Table 5 ***Structural Model Results***

Hypothesis	Relationship		*Path Coefficient* (β)	*T-Statistics*	*P-Values*	Decision
H1	Price Purchasing Decision	→	0.526	4.670	0.000	Supported
H2	Location Purchasing Decision	→	0.377	2.789	0.005	Supported

H1 (Price → Purchasing Decision) is supported (β = 0.526, T = 4.670, p = 0.000 < 0.05), indicating that price exerts a positive and significant direct effect on purchasing decisions. Consumers who perceive mobile coffee prices as affordable and congruent with product quality are more likely to make a purchase. H2 (Location → Purchasing Decision) is also supported (β = 0.377, T = 2.789, p = 0.005 < 0.05), demonstrating that accessible and strategically positioned selling points significantly increase purchase likelihood. Comparing path coefficients, price (β = 0.526) exerts a more dominant influence than location (β = 0.377) on purchasing decisions.

Model Predictive Power

The model's explanatory and predictive capabilities were evaluated based on R^2 and Q^2 values. R^2 indicates how much variation in the dependent variable can be accounted for by the independent variables, while Q^2 measure the predictive relevance of the model.

Table 6 ***Model Predictive Power***

Endogenous Variable	R^2	Q^2	Interpretation
Purchasing Decisions (Y)	0.710	0.432	Strong

An R^2 value of 0.710 shows that price and location collectively account for 71.0% of the variation in purchasing decisions, demonstrating a strong level of model explanatory capability. The remaining 29.0% can be explained by other variables that are not included in this research. The Q^2 value of 0.432 (> 0) confirms the model's satisfactory predictive relevance, meaning it can effectively predict consumer purchasing behavior in mobile coffee businesses in Pontianak City.

The significant path coefficients of both price and location (H1 and H2), combined with the model's strong explanatory power ($R^2 = 0.710$), jointly confirm H3, indicating that price and location simultaneously exert a significant effect on purchasing decisions in mobile coffee businesses. Unlike conventional multiple regression, PLS-SEM does not test simultaneous effects through a separate F-test ; instead, the combined significance of individual path coefficients together with the model's R^2 value serves as evidence for the joint influence of both predictors.

Discussion

The finding that price significantly influences purchasing decisions aligns with the theoretical framework of consumer behavior, wherein price serves as a heuristic cue for value assessment. When consumers face time pressure or limited information conditions that typically characterize the mobile coffee purchase encounter they rely heavily on price as a proxy for overall product value (Faisal *et al.*, 2023). The dominance of price ($\beta = 0.526$) over location ($\beta = 0.377$) is consistent with the predominantly student demographic (79%), who tend to be highly price-sensitive and budget-constrained. For students, who represent 79% of respondents, coffee consumption is a frequent but low budget expenditure, making price the decisive filter in vendor selection. This finding corroborates (Rochmah & Setiyarini, 2025), who identified price as a primary driver of purchasing decisions in a similar culinary context in Surabaya, and aligns with (Brata *et al.*, 2017), who found price to be the most influential marketing mix variable in food purchase decisions in Jakarta. It also extends the work of (Rara, 2023) from fixed-location establishments to the mobile coffee format, confirming that price sensitivity is not context dependent but represents a consistent behavioral pattern among Indonesian urban food consumers. The strong path coefficient for price ($\beta = 0.526$) further suggests that even marginal price increases could meaningfully erode purchase likelihood among this demographic, making pricing discipline a critical operational concern for mobile coffee entrepreneurs. Beyond the demographic explanation, the dominance of price over

location can also be understood through a cognitive-processing lens: in low-involvement, high-frequency purchase situations such as daily coffee consumption, consumers tend to rely on price as a simplifying heuristic rather than engaging in extensive evaluation of multiple attributes (Zeithaml, 1988). This heuristic reliance is amplified when purchase decisions occur under time pressure or with limited product differentiation, both of which are characteristic of mobile coffee vending encounters.

The significant effect of location ($\beta = 0.377$) supports the strategic importance of positioning for mobile vendors. Easy access, high visibility, and proximity to consumer activity centers such as university campuses and public spaces—meaningfully increase purchase likelihood. This reinforces (Jufri, 2023)'s assertion that location accessibility and visibility are key purchase facilitators, and is consistent with (Muqarrabin *et al*., 2022), who demonstrated that location is a significant predictor of purchase decisions across multiple product categories. The findings of (Hastuti & Silitonga, 2025) also corroborate this result, showing that perceived location effectiveness is not only about physical proximity but also about the regularity and predictability of the vendor's presence factors that build consumer trust and reduce the search costs associated with finding the vendor. Vendors who establish consistent routines at identifiable locations are better positioned to benefit from habitual purchase behavior, wherein consumers return automatically without active decision making. However, the comparatively smaller coefficient for location relative to price suggests that while location matters, the ability to offer affordable prices is a more decisive competitive advantage in the mobile coffee market.

Taken together, these findings have practical implications for micro-entrepreneurs in the mobile coffee sector. The obtained R^2 value of 0.710 indicates that price and location collectively account for a substantial portion of consumer purchasing behavior variance, leaving 29% attributable to factors outside the scope of this study such as product quality, service quality and digital promotion. Business operators should prioritize maintaining competitive yet sustainable pricing strategies ensuring that price reductions do not compromise product quality to the point where consumer satisfaction is undermined. Simultaneously, vendors should carefully select and maintain consistency in their selling locations, prioritizing high traffic areas that align with their target consumers' daily movement patterns. The combination of an affordable price point and a strategic, predictable location constitutes a powerful value proposition that can drive sustained purchasing behavior, particularly among young consumers. Because mobility itself can introduce uncertainty about where and when a vendor will appear, operators should also consider communicating their location and schedule proactively, for instance through social media updates or messaging groups, so that route flexibility does not come at the expense of the accessibility and

predictability that underpin the location effect identified in this study. This distinguishes the practical implications of this study from generic small-business pricing and site-selection advice, as it addresses a trade-off specific to mobile, non-fixed vending formats. From a theoretical perspective, these results add to existing discussions regarding the marketing mix within the informal food and beverage economy, demonstrating that classic marketing variables retain strong explanatory power even within the highly informal and dynamic mobile vendor context.

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

This research examined the effect of price and location on consumer purchasing decisions in mobile coffee businesses in Pontianak City using a quantitative SEM-PLS approach with 100 respondents. The findings indicate that both price (H1: $\beta = 0.526$, $p < 0.05$) and location (H2: $\beta = 0.377$, $p < 0.05$) have positive and significant relationships with purchasing decisions. The model demonstrated strong explanatory power ($R^2 = 0.710$) and adequate predictive relevance ($Q^2 = 0.432$), indicating that the two independent variables together constitute a robust predictor framework for consumer purchasing behavior in this business context. Price was identified as the most influential factor, indicating the sensitivity of consumers toward pricing among the predominantly young, student consumer base in Pontianak, whose budget constraints make affordability the primary evaluative criterion in vendor selection. Location, while secondary, also exerts a meaningful and statistically significant influence, confirming that strategic positioning enhances product accessibility and purchase likelihood. Discriminant validity was confirmed through HTMT analysis, with all values well below the 0.85 threshold, ensuring the conceptual integrity of the measurement model. These findings extend prior research from fixed-location coffee shops (Rara, 2023) to the dynamic mobile coffee business model, confirming that classic marketing mix variables of price and location retain strong explanatory power even within the informal, highly mobile micro enterprise context. The study contributes empirical evidence from Pontianak City, a culturally distinctive coffee market, to the broader literature on consumer behavior in the Indonesian street food and beverage economy.

Several limitations of this study warrant acknowledgment. First, the cross-sectional approach reflects consumer behavior based on data collected during a specific period, which limits the ability to infer changes in behavior over time. Second, the sample is confined to consumers in Pontianak City, restricting generalizability to other regions or mobile food business types. Third, self-reported questionnaire data introduce the potential for response bias. Fourth, the study focuses exclusively on price and location, excluding potentially influential variables such as product quality, service quality, digital promotion, and brand image. Fifth, although this study conceptually frames location as a dynamic, mobility-dependent construct, the

measurement indicators for Location (accessibility, reachability, strategic positioning, and business visibility) were adapted from instruments originally developed for fixed-location retail settings. Distinct constructs capturing mobility-specific characteristics, such as vendor route predictability or the consistency of vendor presence over time, were not separately measured in this study. Consequently, the empirical model tests the explanatory power of price and location in a mobile context but does not yet isolate the effect of mobility itself as an independent construct. Future research should develop and validate measurement instruments that explicitly capture these mobility-specific dimensions.

Based on the findings, several practical and theoretical recommendations are offered. For practitioners, mobile coffee business operators are advised to maintain competitive and fair pricing relative to product quality, ensuring that the perceived value for money remains high for budget-conscious consumers. Price promotions, loyalty pricing for repeat consumers, and bundle offers are potential strategies that could reinforce price based competitive without compromising margin sustainability. Simultaneously, vendors should strategically position their selling points in high-traffic areas frequented by their target consumers, particularly around university campuses, public parks, morning markets and commuter thoroughfares. Regular assessment of location effectiveness is strongly encouraged given the dynamic nature of mobile operations. Vendors should track which locations generate the highest transaction volumes and adjust their routes accordingly. Building location consistency and predictability is equally important, as consumers are more likely to develop habitual purchase routines when they can reliably anticipate where a vendor will be at a given time. Digital tools such as social media location updates or messaging app notifications may be leveraged to communicate daily location information and maintain consumer engagement (Dwinanda et al., 2026).

For future research, a longitudinal design would allow for the examination of behavioral changes over time. Researchers are encouraged to expand the variable set to include product quality, service quality, digital promotion, and consumer satisfaction. Furthermore, extending the study to other cities or regions with different consumer characteristics would enhance the generalizability of findings. Multi-group analysis comparing demographic segments (e.g., students vs. workers) could also yield more nuanced insights into purchasing behavior in the mobile food and beverage sector.

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