

CHAPTER V

CONCLUSION

5.1 Conclusion

This research is conducted to see the impact of product innovation, price, and service quality toward consumer decision with the case study of student in Andalas University Economic Faculty Maxim customer. The research is quantitative and use primary data in nature with data collection method is through questionnaire distribution. Data is then processed using Ms. Excel to provide the descriptive analysis of each item and SmartPLS 4 to measure the outer model through the validity and reliability test, the inner model through R-square and F-square and hypothesis test through bootstrapping to see the path coefficient. Hypothesis can be concluded as such:

1. Product Innovation has a positive and significant impact toward consumer decision of student in Andalas University Economic Faculty as Maxim customer
2. Price has a positive and significant impact toward consumer decision of student in Andalas University Economic Faculty as Maxim customer
3. Service quality has a positive and significant impact toward consumer decision of student in Andalas University Economic Faculty as Maxim customer

5.2 Implication

Based on the findings of this research, there are several implications that can be drawn. Firstly, the positive and significant impact of price on consumer decision implies that Maxim should continue to focus on providing competitive pricing relative to similar services in the market. This will help to attract and retain customers, particularly among students in Andalas University Economic Faculty who are cost-sensitive. Secondly, the positive impact of service quality on consumer decision suggests that Maxim should prioritize the provision of high-quality service and support to customers, as this is likely to contribute to increased customer loyalty and positive word-of-mouth.

The implications of the conducted research offer valuable insights for various aspects. Firstly, within the online transportation service industry, companies like Maxim are advised to place a strong emphasis on striking a balance between competitive pricing and the delivery of high-quality services. This strategic approach is particularly crucial in attracting and retaining customers, particularly among the student population within the Andalas University Economic Faculty. Achieving this entails consistent and transparent communication of pricing details, along with the provision of reliable and timely services. Additionally, companies can enhance their appeal by implementing enticing discounts and promotional offers to enhance affordability.

Secondly, the significance of aligning product innovation with customer preferences is highlighted. While students from Andalas University Economic Faculty may not prioritize product innovation as their primary concern when using Maxim's services, it remains imperative to synchronize innovation efforts with their specific needs and preferences. Companies can realize this by conducting thorough market research to identify areas where improvements or novel

features are sought by customers. Through such insights, investments in product innovation can be strategically directed, ensuring continued competitiveness within the industry.

Lastly, a crucial lesson derived from the research pertains to the importance of comprehending the unique needs and preferences of distinct customer segments, notably the student demographic within Andalas University Economic Faculty. This understanding holds the key to tailoring marketing strategies, pricing models, and service offerings that genuinely resonate with these customers. By customizing these elements to align with the identified preferences, companies can effectively capture a larger share of the market and establish stronger connections with their target audience.

5.3 Research Limitation

Here are some limitation of this research, in this study, the sample size is a primary concern. The research was conducted by limiting the sample to students from the Andalas University Economic Faculty. However, it's important to note that this sample might not be representative of the larger population, potentially constraining the ability to generalize the findings. Implementing a larger and more diverse sample size in future studies could offer advantages.

Moreover, the data utilized in this research is self-reported, which could introduce response bias. Participants might have given answers they perceived as expected or socially desirable, thereby influencing result accuracy. Subsequent studies might contemplate incorporating observational or experimental methodologies alongside self-reported data.

Finally, several other factors were not accounted for in this study, such as brand reputation and marketing endeavors, which can significantly sway consumer decisions. These factors should be considered in forthcoming research due to their potential impact on consumer behavior.

Furthermore, the study did not explore potential interactions among the examined variables, such as how service quality's influence on consumer decisions might be moderated by price.

5.4 Suggestion and Recommendation for Future Research

To address the limitations of this study, future research could expand the sample size to include a more diverse group of participants, and include other factors that may influence consumer decision. Additionally, future studies could explore the moderating effects of demographic variables, such as age, gender, and income, on the relationship between product innovation, price, service quality, and consumer decision.

Based on the findings and limitations of this study, several recommendations can be made. Firstly, Maxim should continue to prioritize competitive pricing and high-quality service to attract and retain customers, particularly among students in Andalas University Economic Faculty. Secondly, Maxim could explore ways to enhance its product innovation efforts, although it should be noted that the impact of product innovation on consumer decision was found to be positive but not significant in this study. Finally, Maxim should consider expanding its marketing efforts to increase brand awareness and reputation

Here are the list of the suggestion and recommendation for future research To enhance the scope of future research, several avenues for exploration can be considered. Firstly, an expansion of the sample size would be beneficial. Encompassing a wider array of participants, including individuals beyond the student demographic and from diverse socio-economic backgrounds, could enrich the study's applicability to a broader population.

Moreover, the incorporation of additional influencing factors presents an opportunity for deeper insight. Future studies should contemplate integrating variables like brand reputation, convenience, and social influence into their analyses. Such a comprehensive approach would yield a more holistic understanding of the intricate determinants of consumer decisions.

Furthermore, an exploration of moderating effects would provide nuanced insights. By investigating how demographic characteristics such as age, gender, and income moderate the connections between product innovation, price dynamics, service quality, and consumer choices, future research could unveil valuable contextual information. This consideration of moderating variables has the potential to unravel the intricate interplay of factors that contribute to consumer decision-making process

Drawing from the study's outcomes, Maxim can derive actionable strategies for its business approach. Firstly, emphasizing competitive pricing and delivering superior service remains pivotal, particularly among the student body of Andalas University's Economic Faculty. By adhering to this approach, Maxim can effectively attract and retain customers.

Additionally, while the study indicated a positive yet statistically insignificant correlation between product innovation and consumer decision, there's still potential for Maxim to bolster its product innovation endeavors. This strategic move could serve to differentiate the brand from its competitors and subsequently elevate customer satisfaction.

Furthermore, an expansion of Maxim's marketing initiatives holds promise. By broadening its marketing endeavors, the company can cultivate increased brand recognition and reputation. These factors, in turn, possess the capacity to exert a positive influence on consumer decision-

making. Tactics such as leveraging social media advertising, engaging with influencers, and forging partnerships with other brands could all contribute to this expanded marketing effort.