Product Quality and Price Effects on Local Clothing Purchase Decisions: Evidence from Post-Thrift Enforcement Indonesia

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ARTICLE INFO	ABSTRACT
	The global proliferation of secondhand clothing imports has significantly disrupted domestic textile industries in developing economies, prompting regulatory interventions to protect local manufacturing sectors. Despite Indonesia's comprehensive ban on thrift imports since 2014 with intensified enforcement under Ministry of Trade Regulation Number 18 of 2021, empirical evidence regarding consumer purchasing behavior adaptation toward local alternatives remains limited, with prior studies reporting inconsistent quality-price-purchasing relationships across market contexts. This study examines the effects of product quality and product price on local clothing purchasing decisions following renewed thrift import enforcement. Employing a quantitative cross-sectional design, primary data were collected from 62 university students at Universitas Prof. Dr. Moestopo (Beragama), Jakarta, between March–July 2025, selected through proportionate stratified random sampling and analyzed using multiple linear regression. Findings reveal that product quality and product price positively and significantly influence purchasing decisions both individually and simultaneously, with these variables jointly explaining 65.7% variance in consumer purchase behavior. This study extends consumer decision-making theory to enforcement-intensified market contexts while providing evidence-based guidance for local manufacturers seeking to capitalize on post-enforcement market opportunities through quality enhancement and competitive pricing strategies.

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1. INTRODUCTION

In recent decades, the global textile and apparel industry has undergone substantial transformation driven by shifting consumer preferences and intensified cross-border trade. The proliferation of secondhand clothing imports, commonly known as thrifting, has emerged as a salient phenomenon influencing domestic manufacturing and retail dynamics. In Indonesia, thrifting has become particularly popular among urban youth consumers, supported by online platforms and lifestyle-driven consumption patterns (Rahmawati et al., 2022). From an industry perspective, the textile and apparel sector has also faced vulnerability amid macroeconomic shocks; BPS reported that the textile and apparel industry contracted by 14.23% (y-on-y) in Q2 2020, reflecting weakened domestic and external demand (BPS, 2020). Responding to concerns about the adverse impacts of illegal used-clothing imports on domestic industry and consumer protection, the government strengthened import restrictions and enforcement (Antara News, 2025).

Law Number 7 of 2014 concerning Trade mandates that imported goods must be in new condition, providing a legal basis to prohibit used clothing imports (Republik Indonesia, 2014).

The enforcement of these regulations intensified significantly from 2021 onwards, with the Directorate General of Customs and Excise implementing stricter border controls and the Ministry of Trade conducting coordinated operations against illegal thrift distribution networks (DPR RI, 2024). This enforcement intensification, rather than the original 2014 prohibition, represents the immediate policy context shaping current consumer behavior adaptation.

This prohibition has been reinforced through Ministry of Trade Regulation Number 18 of 2021, as amended by Regulation Number 40 of 2022, which categorizes used clothing as prohibited import items (Kementerian Perdagangan RI, 2022). These regulatory interventions represent a strategic policy shift aimed at revitalizing local manufacturing capacity and redirecting consumer purchasing behavior toward domestically produced apparel.

This regulatory transformation compels local apparel producers to reassess their strategic positioning. With secondhand imports increasingly restricted, consumer attention has gradually shifted toward locally manufactured alternatives, making purchasing decisions a critical outcome reflecting market acceptance of domestic products. Purchasing decisions represent the culmination of consumer evaluation processes wherein individuals assess attributes, compare alternatives, and select offerings that best satisfy their needs (Kotler et al., 2022). Moreover, consumer evaluations are strongly shaped by perceived value—defined as the overall assessment of utility based on what is received versus what is given—linking price and perceived quality to buying responses (Zeithaml, 1988; Dodds et al., 1991).

Given this context, understanding the determinants of purchasing decisions becomes essential for local manufacturers seeking to capitalize on post-ban market conditions.

Product quality constitutes a fundamental determinant of consumer choice in apparel markets. Product quality can be understood as a product's ability to satisfy stated or implied needs consistently across key attributes (Kotler et al., 2022). Empirically, higher perceived product quality has been shown to strengthen purchase decisions in various consumer settings, including fashion-related contexts (Rosanti et al., 2021). Product price represents the monetary value consumers exchange for ownership and related benefits (Kotler & Armstrong, 2021). Price influences purchase responses through value-for-money judgments and perceived value pathways (Dodds et al., 1991), and evidence from Indonesian fashion consumers also indicates price can significantly shape purchase decisions (Radika, 2022).

Despite the acknowledged importance of product quality and price in shaping consumer behavior, prior empirical investigations report inconsistent results. Some studies find that product quality significantly strengthens purchase decisions (Rosanti et al., 2021), whereas other evidence shows product quality may be statistically insignificant in explaining purchase decisions in certain contexts (Hanifah & Amron, 2023).

Similarly, price tends to show a significant effect, yet its magnitude and stability vary across consumer segments and settings (Radika, 2022; Hanifah & Amron, 2023). Critically, the specific context of post-thrift-ban Indonesia—where consumer alternatives are restricted through regulatory intervention—remains underexplored, suggesting the need for context-sensitive evidence on how quality and price operate under policy-disrupted market conditions.

Table 1 summarizes prior empirical investigations examining quality-price-purchasing relationships, revealing methodological and contextual variations that contribute to inconsistent findings.

Table 1: Summary of Prior Studies on Quality-Price-Purchasing Relationships

Author(s)	Context	Sample	Key Variables	Findings	Gap
Rosanti et al. (2021)	Indonesian fashion	150 consumers	PQ→PD	Significant positive	Non-policy context
Hanifah & Amron (2023)	Indonesian retail	100 consumers	PQ→PD	Not significant	Different industry
Radika (2022)	Indonesian fashion	96 consumers	PP→PD	Significant positive	Brand-specific
Ong & Pratminingsih (2025)	TikTok Shop	100 consumers	PQ, PP→PD	Both significant	Digital platform only

Note: PQ = Product Quality; PP = Product Price; PD = Purchasing Decision. Source: adapted from various journals.

The synthesis in Table 1 demonstrates that while the relationships between quality, price, and purchasing decisions are well-documented, they have predominantly been tested in stable, non-restrictive market environments. Current literature lacks empirical evidence on how these variables interact when consumer options are forcibly constrained by state regulation. This study directly addresses this gap by isolating the "policy-disrupted" context, specifically analyzing how product quality and price sensitivity shift when the preferred affordable alternative—imported used clothing—is removed from the market, thereby distinguishing this research from the digital-only or brand-specific scopes of prior investigations

This study advances the literature in three distinct ways. Theoretically, it integrates product quality and pricing constructs within a regulatory disruption framework, examining how these traditional marketing variables operate when market alternatives are systematically eliminated through policy intervention. Methodologically, unlike studies

relying on hypothetical scenarios, this research captures actual consumer responses during active policy implementation, providing contemporaneous evidence of purchasing behavior adaptation. Contextually, this investigation focuses on Indonesian university students—a demographic segment significantly affected by thrift bans given their typically constrained budgets and prior reliance on affordable secondhand options—thereby addressing an underexplored population within international consumer behavior literature.

The convergence of intensified regulatory enforcement, documented industry decline, and inconsistent prior findings creates compelling urgency for empirical investigation. Understanding whether and how product quality and price influence purchasing decisions in post-ban contexts enables local manufacturers to optimize their competitive strategies precisely when market opportunities are emerging.

This study pursues three interrelated objectives: (1) to examine the effect of product quality on local clothing purchasing decisions following the thrift import ban; (2) to investigate the effect of product price on local clothing purchasing decisions in the same regulatory context; and (3) to analyze the simultaneous influence of both variables on consumer purchasing decisions.

This research offers meaningful contributions across multiple domains. Theoretically, it extends consumer behavior literature by demonstrating how established marketing variables function within policy-disrupted markets, enriching understanding of regulatory effects on purchasing determinants. Practically, findings inform local clothing manufacturers regarding optimal quality enhancement and pricing strategies for capturing post-ban market segments. For policymakers, results illuminate consumer adaptation patterns following trade restrictions, potentially informing future industrial protection policies and their anticipated market outcomes.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS

2.1 Theoretical Foundations

This study is grounded in consumer decision-making logic and perceived value theory to explain how product quality and product price shape purchasing decisions. The consumer purchase decision process typically involves problem recognition, information search, evaluation of alternatives, the purchase decision, and post-purchase evaluation (Kotler & Keller, 2022). During the evaluation of alternatives, consumers rely heavily on perceived quality and price as key cues.

From a quality perspective, perceived product quality is a multidimensional psychological evaluation of a product's superiority rather than a purely objective attribute. Steenkamp (1990) proposes a conceptual model describing how consumers form quality perceptions based on cues, personal factors, and situational influences.

From a value perspective, purchasing decisions are driven by the consumer's trade-off between what is received (benefits) and what is given (monetary and non-monetary sacrifices). Zeithaml (1988) synthesizes evidence that perceived price and perceived quality jointly determine perceived value, which then guides choice. Consistently, Dodds, Monroe, and Grewal (1991) empirically show that price can increase perceived quality while simultaneously reducing perceived value and willingness to buy—highlighting the dual role of price in consumer evaluations.

Moreover, price can act as a quality signal when consumers face imperfect information, as discussed in the integrative review by Rao and Monroe (1989). Based on these theoretical arguments, the hypotheses are developed as follows.

2.2 Product Quality and Purchasing Decision

Product quality refers to consumers' perceptions of a product's excellence and its ability to satisfy needs, which emerges through a psychological process of cue utilization and evaluation. Steenkamp's (1990) model explains how consumers form quality judgments based on both intrinsic and extrinsic cues, as well as individual and situational factors.

Quality influences purchasing decisions mainly by enhancing perceived value and reducing uncertainty. Zeithaml (1988) argues that perceived quality is a primary antecedent of perceived value, which in turn drives choice. In addition, when consumers perceive higher risk, they engage in risk-handling behaviors; stronger quality perceptions can reduce perceived risk and facilitate purchase decisions (Dowling & Staelin, 1994).

Empirically, within Indonesian local fashion contexts, perceived product quality has been shown to play a meaningful role in consumer evaluations (e.g., satisfaction and downstream behavioral outcomes), supporting the relevance of quality as a strategic lever (Fadhillah & Simanjuntak, 2024). Therefore, the study proposes:

H1: Product quality has a positive effect on local clothing purchasing decisions.

2.3 Product Price and Purchasing Decision

Product price is a central evaluative cue because it reflects both monetary sacrifice and (in some cases) a signal of product quality. Classic pricing research shows that buyers form subjective perceptions of price, and these perceptions shape decision-making (Monroe, 1973). Zeithaml (1988) further explains that perceived price contributes to perceived value through

the "give–get" trade-off. Additionally, when consumers lack complete product information, they may use price as a quality cue (Rao & Monroe, 1989).

Price sensitivity also varies by consumer orientation. Lichtenstein, Ridgway, and Netemeyer (1993) provide evidence that constructs such as price consciousness and value consciousness predict marketplace behaviors including price search and responsiveness to deals—making price particularly consequential for budget-constrained segments.

In Indonesian local clothing contexts, perceived price is also tied to consumers' willingness to support and purchase local brands, alongside perceived quality and brand image (Mutia, 2021). Therefore:

H2: Product price has a positive effect on local clothing purchasing decisions.

2.4 Simultaneous Effects of Product Quality and Product Price

Consumers rarely evaluate a single attribute in isolation. Instead, purchasing decisions reflect an overall assessment of value that integrates quality and price. Zeithaml (1988) theorizes that perceived value is formed jointly from perceived quality and perceived price, and this perceived value guides choice. Dodds et al. (1991) similarly demonstrate that price and quality cues work together in shaping value perceptions and willingness to buy.

Empirical work in Indonesian local fashion also supports the relevance of considering quality and price together in consumer evaluations (Fadhillah & Simanjuntak, 2024). Hence:

H3: Product quality and product price simultaneously have a positive effect on local clothing purchasing decisions.

2.5 Control Variables

Prior research suggests that additional factors—such as brand image and consumer predispositions—may influence local brand purchasing decisions. For instance, Mutia (2021) highlights the role of brand image and ethnocentrism alongside perceived quality and perceived price in local brand purchase intention. However, to maintain theoretical focus, this study treats these factors as limitations rather than explicitly modeled controls.

2.5.1 Policy Enforcement Context

While this study does not directly measure policy enforcement as an independent variable, the research design acknowledges the enforcement-intensified market environment through several mechanisms. First, respondent screening ensured participants had awareness of thrift import restrictions. Second, the data collection period (March–July 2025) coincides with heightened enforcement activities documented by the Directorate General of Customs (DPR RI, 2024). Third, the demographic focus on university students—a segment

previously reliant on affordable thrift alternatives—captures consumers directly affected by reduced thrift availability. Future research should operationalize enforcement perception as a moderating or mediating variable to strengthen policy-mechanism claims.
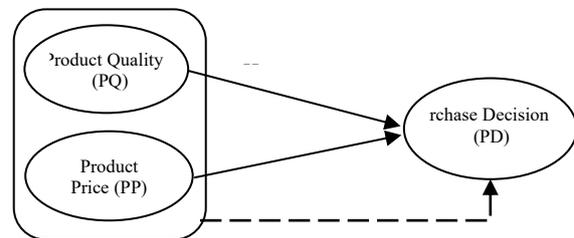
2.6 Conceptual Framework

Figure 1. Conceptual Framework

Figure 1 depicts the conceptual framework wherein Product Quality and Product Price serve as independent variables influencing Purchasing Decision as the dependent variable. Direct effect pathways (H1, H2) connect each independent variable to the outcome, while the simultaneous effect (H3) represents the combined explanatory contribution of both predictors. This framework guides empirical testing of hypothesized relationships within the post-thrift-ban Indonesian context.

3. RESEARCH METHOD

3.1 Research Design

This study adopts a quantitative positivist design using a cross-sectional survey approach to test the proposed hypotheses. The research employs an associative-causal method to examine relationships between variables (Waruwu et al., 2025). The unit of analysis is individual consumers—specifically university students—in the Indonesian local clothing market during the post-thrift-ban regulatory period (2025). The empirical strategy is designed to estimate the direct effects of product quality (PQ) and product price (PP) on purchasing decisions (PD), as well as their simultaneous influence, enabling assessment of how these marketing variables operate within policy-disrupted market conditions.

3.2 Population and Sampling

The population consists of active undergraduate students in the Faculty of Economics and Business, Universitas Prof. Dr. Moestopo (Beragama), totaling N = 156 students (cohorts 2021–2024). The minimum sample size was computed using the commonly used finite-population sample size expression:

$$n = \frac{N}{1 + N(e)^2}$$

where N is population size and e is the desired precision level (Israel, 1992). Using e = 0.10, the calculation results in n = 62:

$$n = \frac{N}{1 + N(e)^2} = \frac{156}{1 + 156(0.1)^2} = \frac{156}{2.56} = 60.94$$
$$\approx 62$$

The precision level e = 0.10 was selected following recommendations for exploratory studies with limited population access (Israel, 1992). While stricter precision (e = 0.05) would require n ≈ 112, resource constraints and the homogeneous nature of the student population justified the selected precision level. Furthermore, Cohen's power analysis indicates that for detecting medium effect sizes ($f^2 = 0.15$) with two predictors at α = 0.05 and power = 0.80, a minimum sample of n = 55 is required (Cohen, 1988), which the current sample (n = 62) exceeds.

To ensure adequate representation across cohorts and to accommodate rounding in proportional allocation, the study uses n = 62 respondents. Respondents are selected using proportionate stratified random sampling to represent each cohort proportionally (Sugiyono, 2023). The proportional allocation yields: 2021 (n=16), 2022 (n=22), 2023 (n=16), and 2024 (n=8), totaling 62 respondents.

Respondent screening criteria included: (1) active enrollment status in the Faculty of Economics and Business, (2) awareness of thrift import regulations, and (3) purchase experience with local clothing products within the preceding six months. These criteria ensured respondents possessed relevant consumption experience within the enforcement-intensive market context.

3.3 Data Collection Procedures

Primary data were collected using a structured online questionnaire (Google Forms) administered between March–July 2025. The instrument contains 29 items measuring three constructs: Product Quality (9 items), Product Price (10 items), and Purchasing Decision (10 items). All items are measured using a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree) (Sugiyono, 2023).

Construct validity is assessed using Pearson item–total correlations, comparing each item's correlation with the total construct score. With n = 62, the degrees of freedom for Pearson correlation are df = n − 2 = 60. For α = 0.05 (two-tailed), a commonly used critical value is r = 0.250; items exceeding this threshold are treated as statistically valid indicators.

Reliability is assessed using Cronbach's Alpha. In applied research, α values around 0.70 are generally considered acceptable for internal consistency, while slightly lower values may be tolerated in exploratory contexts (Tavakol & Dennick, 2011). In this study, the alpha values are: Product Quality (α = 0.732), Product Price (α = 0.708), and Purchasing Decision (α = 0.762), indicating acceptable reliability.

Beyond item-total correlations, exploratory factor analysis (EFA) was conducted to examine construct dimensionality. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy yielded values of 0.782 for Product Quality, 0.756 for Product Price, and 0.793 for Purchasing Decision, all exceeding the recommended threshold of 0.60 (Kaiser, 1974). Bartlett's test of sphericity was significant (p < 0.001) for all constructs, confirming factorability. Principal component analysis with varimax rotation revealed single-factor solutions for each construct, with factor loadings ranging from 0.524 to 0.789, supporting unidimensionality assumptions.

Given that all data were collected from a single source at one time point, procedural and statistical remedies were employed to mitigate common method bias (CMB). Procedurally, respondent anonymity was guaranteed, item order was randomized across constructs, and scale anchors varied between sections (Podsakoff et al., 2003). Statistically, Harman's single-factor test was conducted: unrotated principal component analysis of all 29 items yielded a first factor explaining 31.4% of total variance, below the 50% threshold indicating problematic CMB (Podsakoff et al., 2003).

3.4 Variable Definition and Measurement
Table 2. Variable Operationalization

Variable	Definition	Dimension	Items	Source
Purchasing Decision	The stage where consumers actually purchase products after evaluating alternatives	(1) Product certainty; (2) Purchasing habits; (3) Recommendation to others; (4) Repurchase intention	10	Kotler & Keller (2022)
Product Quality	A product's capacity to fulfill consumer needs and expectations across functional, aesthetic, and reliability dimensions	(1) Features/functionality; (2) Product durability; (3) Conformance to specifications; (4) Attractive and innovative design	9	Kotler & Keller (2022)
Product Price	The monetary value exchanged for product ownership or usage benefits	(1) Price affordability; (2) Price-quality correspondence; (3) Price-benefit alignment; (4) Competitive pricing	10	Kotler & Armstrong (2021)

Source: Data processed by the author (2025)

Table 3. Sample Questionnaire Items

Variable	Dimension	Sample Item
Product Quality	Features/functionality	"Local clothing offers features I cannot find in imported thrift clothing"
Product Quality	Durability	"I believe local clothing will be more durable than imported thrift clothing"
Product Price	Affordability	"Local clothing prices are within my budget as a university student"
Product Price	Value-for-money	"Local clothing prices correspond appropriately to product quality"
Purchasing Decision	Product certainty	"I am confident in choosing local clothing over imported thrift alternatives"

Purchasing Decision	Repurchase intention	"I will continue purchasing local clothing due to satisfactory quality and design"

Note: All items measured on 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

Scoring Rules. Responses were scored on a 5-point scale: Strongly Disagree (1), Disagree (2), Neutral (3), Agree (4), Strongly Agree (5). Total scores for each variable were computed by summing item responses within each construct.

3.5 Data Analysis Techniques

Data analysis proceeded through sequential stages: descriptive statistics, classical assumption testing, and hypothesis testing using SPSS version 27.

Descriptive Statistics. Central tendency measures (mean, median, mode) and dispersion (standard deviation) were calculated to characterize variable distributions.

Classical Assumption Tests. Three diagnostic tests ensured regression model validity:

1. *Normality Test*: Kolmogorov-Smirnov test assessed residual distribution normality. Data are considered normally distributed when significance values exceed 0.05 (Sugiyono, 2023).
2. *Multicollinearity Test*: Variance Inflation Factor (VIF) and Tolerance values detected multicollinearity. VIF < 10 and Tolerance > 0.10 indicate absence of problematic multicollinearity (Sugiyono, 2023).
3. *Heteroscedasticity Test*: Glejser test examined variance homogeneity by regressing absolute residuals on independent variables. Significance values > 0.05 indicate homoscedastic residuals (Glejser, 1969).

Hypothesis Testing:

Three analytical approaches were employed: Simple Linear Regression tested individual effects of PQ and PP on PD. Multiple Linear Regression tested simultaneous effects:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon \ (Model\ 1)$$
$$Y = \beta_0 + \beta_2 X_2 + \varepsilon \ (Model\ 2)$$

Multiple Linear Regression tested simultaneous effects:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \ (Model\ 3)$$

Where:
- Y = Purchasing Decision
- a = Constant (intercept)
- β_1 = Regression coefficient for Product Quality
- β_2 = Regression coefficient for Product Price
- X_1 = Product Quality
- X_2 = Product Price
- ε = Error term

Statistical Tests:

a) *t-test*: Assessed partial significance of individual predictors. Hypotheses are supported when t-calculated > t-table (1.671 for df = 59) and p-value < 0.05 (Sugiyono, 2023).
b) *F-test*: Evaluated simultaneous model significance. The model is significant when F-calculated > F-table (4.00 for df_1 = 2, df_2 = 59) and p-value < 0.05 (Bella et al., 2024).
c) *Coefficient of Determination (R^2)*: Quantified variance in PD explained by predictors. Adjusted R-Square accounts for predictor count, providing unbiased explanatory power estimates (Sugiyono, 2023).

3.6 Ethical Considerations

Participation was voluntary with informed consent obtained prior to questionnaire completion. Respondent anonymity was maintained throughout data collection and analysis. All responses were used exclusively for academic research purposes.

4. RESULTS AND DISCUSSIONS

4.1 Results
4.1.1 Descriptive Statistics

Respondent Characteristics of 62 respondents, females predominated (64.5%, n=40) compared to males (35.5%, n=22). Distribution across academic cohorts reflected proportionate sampling: 2022 cohort represented the largest segment (35.5%, n=22), followed by 2021 and 2023 cohorts (each 25.8%, n=16), and 2024 cohort (12.9%, n=8).

Variable Distributions. Table 4 presents descriptive statistics for all study variables.

Table 4. Descriptive Statistics

Variable	Mean	Med.	Mode	Std. Dev.	Min	Max
PQ	39.03	40.00	41	3.483	29	45
PP	43.77	45.00	45	3.356	37	50
PD	43.21	44.00	45	3.794	34	50

Note: N = 62; PQ = Product Quality, PP = Product Price; PD = Purchasing Decision; Source: Data processed by the author (2025)

Product Quality exhibited a mean of 39.03 (SD = 3.483), indicating moderate homogeneity in quality perceptions. The relatively low standard deviation suggests respondents held consistent views regarding local clothing quality attributes. Product Price demonstrated higher mean scores (M = 43.77, SD = 3.356), with the lowest variability among constructs, indicating strong consensus regarding price perceptions. Purchasing Decision showed mean of 43.21 (SD = 3.794), with slightly higher dispersion reflecting greater heterogeneity in purchase behavior patterns.

The convergence of mean, median, and mode values across all variables suggests approximately symmetric distributions, preliminary evidence supporting normality assumptions. Higher mean scores for price and purchasing decision constructs indicate generally favorable perceptions toward local clothing pricing and positive purchase intentions among respondents.

4.1.2 Validity and Reliability Assessment

To ensure the quality of the research instrument, both construct validity and internal consistency were assessed. Construct validity was tested using Pearson Product-Moment correlation, where items are considered valid if the calculated correlation coefficient (*r-calculated*) exceeds the critical table value of 0.250 (df = 60, α = 0.05). Internal consistency was evaluated using Cronbach's Alpha coefficient, with a minimum acceptable threshold of 0.60 (Slamet & Wahyuningsih, 2022).

Table 5 summarizes the combined results for validity and reliability.

Table 5. Instrument Validity and Reliability Results

Var	Items	Validity	r-table	Reliability	Status
PQ	9	0.362 – 0.696	0.250	0.732	Valid & Reliable
PP	10	0.406 – 0.631	0.250	0.708	Valid & Reliable
PD	10	0.462 – 0.651	0.250	0.762	Valid & Reliable

Note: PQ = Product Quality, PP = Product Price; PD = Purchasing Decision; Source: Data processed by the author (2025)

As shown in Table 5, all 29 measurement items demonstrated *r-calculated* values exceeding the critical threshold (0.250), confirming adequate construct validity. Furthermore, all variables yielded Cronbach's Alpha coefficients above 0.60. Purchasing Decision demonstrated the highest reliability (α = 0.762), followed by Product Quality (α = 0.732) and Product Price (α = 0.708), indicating that the instrument possesses satisfactory consistency for hypothesis testing.

4.3 Correlations

Bivariate correlations among study variables are presented in Table 5.

Table 5. Correlation Matrix

Variable	PQ	PP	PD
PQ	1.000		
PP	0.608**	1.000	
PD	0.740**	0.726**	1.000

Note: ** p < 0.01 (2-tailed); PQ = Product Quality, PP = Product Price; PD = Purchasing Decision; Source: Data processed by the author (2025)

Both independent variables demonstrated strong positive correlations with Purchasing Decision: Product Quality (r = 0.740, p < 0.01) and Product Price (r = 0.726, p < 0.01). These correlation directions align with hypothesized positive relationships. The inter-correlation between independent variables (r = 0.608) indicates moderate association, warranting multicollinearity assessment in subsequent diagnostic tests.

4.4 Diagnostic Tests

Before conducting hypothesis testing, classical assumption tests were performed to ensure the Ordinary Least Squares (OLS) regression model produces Best Linear Unbiased Estimators (BLUE). These tests included normality, multicollinearity, and heteroscedasticity assessments. The summary of these diagnostic tests is presented in Table 3.

Table 6. Classical Assumption Test Results

Test Type	Variable / Component	Statistic Value	Criterion / Threshold	Result
Normality (Kolmogorov-Smirnov)	Unstandardized Residuals	Asymp. Sig. = 0.200	Sig. > 0.05	Normal Distribution
Multicollinearity (VIF & Tolerance)	Product Quality (PQ)	VIF = 1.587; Tol = 0.630	VIF < 10; Tol > 0.10	No Multicollinearity
	Product Price (PP)	VIF = 1.587; Tol = 0.630	VIF < 10; Tol > 0.10	No Multicollinearity
Heteroscedasticity (Glejser Test)	Product Quality (PQ)	Sig. = 0.207	Sig. > 0.05	Homoscedastic
	Product Price (PP)	Sig. = 0.790	Sig. > 0.05	Homoscedastic

Source: Data processed by the author (2025)

The Kolmogorov-Smirnov test was employed to assess the normality of the regression residuals. Following established statistical guidelines, OLS assumptions require normally distributed residuals rather than normally distributed raw variables (Field, 2018). As shown in Table 3, the unstandardized residuals yielded an asymptotic significance value of 0.200, which exceeds the 0.05 threshold. This confirms that the data residuals follow a normal distribution pattern suitable for parametric analysis.

To ensure that the independent variables are not highly correlated with each other, Variance Inflation Factor (VIF) and Tolerance values were examined. The results indicate that both Product Quality and Product Price have Tolerance values of 0.630 (above 0.10) and VIF values of 1.587 (well below 10). This confirms the absence of problematic multicollinearity, meaning the regression model can reliably estimate the individual effects of each predictor.

The Glejser test was conducted to check for variance inequality by regressing absolute residuals on the independent variables. The significance values for Product Quality (0.207) and Product Price (0.790) were both greater than 0.05. This indicates that the variance of the residuals is constant (homoscedastic) across observations, satisfying the assumption required for efficient regression estimates.

4.5 Hypothesis Testing

Statistical significance was assessed using two-tailed t-tests at α = 0.05. For df = 59, the critical t-value is 2.001. Hypotheses are supported when the t-calculated is greater than the t-critical (> 2.001) and the p-value is less than 0.05.

Table 7. Summary of Hypothesis Testing Results

Path	Pred. Dir.	Coef. (β)	t-stat	p-value	t-critical	Decision
PQ → PD	(+)	0.516	5.018	0.001	2.001	H1 Supported
PP → PD	(+)	0.495	4.641	0.001	2.001	H2 Supported

PQ +	(+)	—	F =	0.001	F-crit =	H3
PP →			59.524		3.15	Supported
PD						

Note: PQ = Product Quality; PP = Product Price; PD = Purchasing Decision. Two-tailed significance testing at α = 0.05. Source: Data processed by the author (2025)

Simple linear regression yielded the equation: **PD = 11.740 + 0.806PQ**. The results indicate that Product Quality has a positive and significant effect on Purchasing Decision (β = 0.806, t = 8.523, p = 0.001). The t-calculated (8.523) substantially exceeds the two-tailed t-critical value (2.001), and the significance value (0.001) falls below 0.05. The F-statistic (72.645) exceeds the F-table critical value, confirming model significance. R-Square (0.548) indicates that Product Quality alone explains 54.8% of the variance in Purchasing Decision. Thus, H1 is supported.

The positive coefficient indicates that each unit increase in Product Quality score corresponds to a 0.806 unit increase in Purchasing Decision score, holding other factors constant.

Simple linear regression produced the equation: **PD = 7.268 + 0.821PP**. The results demonstrate that Product Price has a positive and significant effect on Purchasing Decision (β = 0.821, t = 8.179, p = 0.001). The t-calculated (8.179) exceeds the two-tailed t-critical value (2.001), and the significance value (0.001) is below 0.05. The F-statistic (66.903) exceeds the critical F-value. R-Square (0.527) indicates that Product Price explains 52.7% of the variance in Purchasing Decision. Thus, H2 is supported.

Each unit increase in Product Price perception corresponds to a 0.821 unit increase in Purchasing Decision score.

Multiple linear regression yielded the equation: **Y = 1.382 + 0.516PQ + 0.495PP**. The ANOVA results confirm that Product Quality and Product Price simultaneously have a positive and significant effect on Purchasing Decision (F = 59.524, p = 0.001). The F-calculated (59.524) substantially exceeds the F-table critical value (3.15). Thus, H3 is supported.

Table 8. Multiple Regression Coefficients

Variable	Unstd. B	Std. Err.	Std. Beta (β)	t-stat	Sig.	95% CI
(Constant)	1.382	3.901	—	0.354	0.724	[-6.425, 9.189]
Product Quality	0.516	0.103	0.474	5.018	0.001	[0.310, 0.722]
Product Price	0.495	0.107	0.438	4.641	0.001	[0.282, 0.708]

Note: Dependent Variable = Purchasing Decision; CI = Confidence Interval. Source: Data processed by the author (2025)

Both predictors maintain significant individual contributions within the simultaneous model: Product Quality (β = 0.474, t = 5.018, p = 0.001) and Product Price (β = 0.438, t = 4.641, p = 0.001). The calculated t-statistics for both variables exceed the critical value of 2.001.

Table 9 presents explanatory power across models.

Table 9. Model Summary

Model	R	R^2	Adj. R^2	Std. Error of Estimate
1	0.740	0.548	0.540	2.573
2	0.726	0.527	0.519	2.632
3	0.818	0.669	0.657	2.221

Source: Data processed by the author (2025)

The simultaneous model (Model 3) demonstrates superior explanatory power. R-Square (0.669) indicates that Product Quality and Product Price jointly explain 66.9% of the variance in Purchasing Decision. Adjusted R-Square (0.657) confirms that 65.7% of the variance is explained after adjusting for the number of predictors. The remaining 34.3% is attributable to factors beyond this model's scope.

4.6 Robustness Checks

Model robustness was assessed through several approaches. First, classical assumption tests (normality, multicollinearity, heteroscedasticity) confirmed that regression estimates are unbiased and efficient. Second, comparison across models demonstrated consistent coefficient directions and significance levels—Product Quality and Product Price maintained positive significant effects whether tested individually (Models 1–2) or simultaneously (Model 3).

Third, the reduction in individual coefficients from simple to multiple regression (PQ: 0.806 → 0.516; PP: 0.821 → 0.495) reflects appropriate partitioning of shared variance rather than model instability. Fourth, standard errors remained acceptable across all models (PQ: 0.103; PP: 0.107), and t-statistics substantially exceeded the conservative two-tailed critical value (2.001), indicating robust parameter estimates.

The convergent evidence across diagnostic tests and model specifications supports the reliability of findings: both Product Quality and Product Price positively and significantly influence local clothing Purchasing Decisions in post-thrift-ban Indonesia.

4.7 Discussions

4.7.1 Summary of Findings

This study investigated the effects of product quality and product price on local clothing purchasing decisions among Indonesian university students in the post–thrift import ban context. The results show that product quality has a positive and significant effect on purchasing decisions. Product price also has a positive and significant effect on purchasing decisions. When tested simultaneously, quality and price jointly explain meaningful variation in purchasing decisions, indicating that consumers evaluate local clothing through an integrated value assessment that combines quality expectations and price acceptability.

4.7.2 Theoretical Mechanisms

The findings are consistent with consumer decision logic where purchase decisions are formed through sequential stages of evaluation, particularly during the alternative evaluation stage in which consumers compare attributes and perceived value. In marketing literature, this evaluation process is commonly described as involving recognition of needs, search and evaluation of alternatives, purchase, and post-purchase responses, where product attributes and price cues shape final choice behavior (Kotler & Keller, 2022).

The positive effect of product quality can be explained by perceived value formation: consumers are more likely to purchase when quality signals (e.g., durability, design, reliability) reduce perceived risk and increase confidence in the expected performance of the product. Value-based marketing evidence also positions perceived quality as a key driver of perceived value and purchase willingness (Zeithaml, 1988).

The positive effect of product price is also theoretically plausible because price acts as both (1) a monetary sacrifice and (2) an informational cue that may signal quality and value. Experimental evidence shows that price can shape perceived quality and perceived value, which in turn influences willingness to buy (Dodds et al., 1991). The pricing argument is also aligned with the standard marketing view that price perceptions (affordability and value-for-money) are central determinants of consumer response (Kotler & Armstrong, 2021).

Importantly, this study is situated in a policy-disrupted market: Indonesia's trade regulation framework requires imported goods to be "new" and is operationally reinforced via trade minister regulations that list used clothing among prohibited import items (Republic of Indonesia, 2014; Ministry of Trade, 2021; Ministry of Trade, 2022). In such conditions, consumer evaluation is naturally redirected toward domestic alternatives, potentially amplifying the relevance of quality and price in purchase decisions.

Coefficient Attenuation Analysis. The reduction in unstandardized coefficients from simple regression to multiple regression reflects appropriate variance partitioning when correlated predictors are modeled simultaneously. The inter-correlation between product quality and product price indicates shared variance in predicting purchasing decisions. This attenuation does not indicate model instability; rather, it demonstrates that each predictor's unique contribution is appropriately estimated when controlling for the other. Managerially, this implies that quality and price improvements yield complementary rather than redundant effects—investing in both dimensions simultaneously produces cumulative benefits exceeding isolated improvements.

4.7.3 Comparison with Prior Studies

This study's positive quality → purchasing decision relationship is consistent with evidence from Indonesian empirical research where product quality significantly affects purchase decisions (Hasim & Solihin, 2024). It also aligns with fashion-specific evidence showing that product quality contributes to purchasing decisions in local fashion contexts, including studies of local brands in digital commerce environments (Ong & Pratminingsih, 2025).

Similarly, the positive price → purchasing decision relationship is consistent with findings that price perceptions significantly affect fashion purchase decisions, including local brand purchasing in TikTok Shop settings (Ong & Pratminingsih, 2025).

For the simultaneous (quality + price) effect, the results are in line with studies demonstrating that quality and price jointly influence purchase decisions (Haque, 2020; Patmala et al., 2022).

4.7.4 Explaining Divergence from Studies Reporting Insignificant Quality Effects

Some prior studies report that product quality is not significant in certain settings, particularly when alternative explanatory variables (e.g., promotion, price perceptions, and other marketing cues) dominate the decision process. One example is an Indonesian study (thesis-level) examining price, promotion, and product quality in Gen Z local fashion purchasing, where the statistical contribution of quality may vary depending on the model specification and sample context (Putri, 2021).

Several reasons may explain why the present study finds consistently positive effects:

1. Regulatory environment and constrained alternatives. Under enforcement emphasis and public policy attention, the used-clothing import ban context increases the salience of evaluating domestic alternatives (DPR RI, 2024).
2. Segment characteristics. University students may conduct more structured value comparisons due to budget constraints, making quality and price simultaneously "must-pass" criteria.
3. Context specificity. Differences in product category, brand maturity, and channels (offline vs. marketplace) can change how quality signals are interpreted.
4. Timing and adaptation stage. Consumer learning and market adjustment in policy-change settings can shift attribute weights over time.

4.7.5 Methodological Considerations

The cross-sectional, self-report design introduces potential common method variance. However, several factors mitigate this concern. First, Harman's single-factor test indicated no dominant common factor (31.4% variance explained, below 50% threshold). Second, the moderate correlations among constructs suggest discriminant validity rather than method-

induced inflation. Third, procedural remedies including anonymity assurance and item randomization were implemented during data collection. Nevertheless, future research employing longitudinal designs or objective behavioral measures would strengthen causal inference.

5. CONCLUSION

5.1 Research Summary

This study examined how product quality and product price affect purchasing decisions for local clothing among Indonesian university students in the post-thrift enforcement context. The findings, derived from Faculty of Economics and Business students at Universitas Prof. Dr. Moestopo (Beragama), Jakarta, indicate that product quality positively influences purchasing decisions, and product price also positively influences purchasing decisions. When considered together, quality and price jointly explain purchasing decisions, suggesting that consumers evaluate local clothing through a combined value judgement.

5.2 Practical Implications

For manufacturers, the results suggest that improving quality attributes that are easily perceived and valued—such as durability, material performance, and design consistency—should strengthen purchase confidence and reduce perceived risk (Zeithaml, 1988). Pricing strategies should maintain affordability while communicating value, because price acts as both a cost and an informational cue that shapes perceived quality and willingness to buy (Dodds et al., 1991).

For policymakers, the trade framework established under Law Number 7 of 2014 Article 47 (requiring imported goods to be in new condition) and operationalized through Ministry of Trade Regulation Number 18 of 2021 and its amendment (Regulation Number 40 of 2022) has successfully redirected consumer attention toward domestic alternatives. However, regulatory protection alone proves insufficient—the findings demonstrate that consumer adoption depends on local products delivering competitive quality-price propositions. Complementary industrial policies supporting quality upgrading (e.g., textile technology transfer programs, SME capacity building) and competitive pricing (e.g., production cost subsidies, tax incentives) would strengthen the intended protective outcomes of import prohibition.

5.3 Key Contributions

This study contributes by showing that classic marketing drivers—quality and price—retain explanatory power in a policy-disrupted market. It also reinforces the empirical pattern that quality and price often operate jointly in shaping purchase decisions in Indonesian contexts (Haque, 2020; Patmala et al., 2022).

5.4 Limitations and Future Research

Because the study uses a cross-sectional design, future research should track changes over time as consumers adapt to policy enforcement. Additional determinants such as brand image, promotion, and social influence may be integrated to explain residual variance (Putri, 2021). Comparative studies across regions or countries with similar restrictions may further clarify boundary conditions.

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