
**FACTORS AFFECTING CONSUMER DEMAND ON ORANGE FRUIT IN
PANTAI BUAYA, LANGKAT, INDONESIA**

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Abstract

This article aims to analyze the effect of prices, income and tastes on consumer demand for orange fruits in Pantai Buaya, Besitang District, Langkat Regency, Indonesia. A total of 80 respondents were taken by simple random sampling and then analyzed using multiple linear regression analysis techniques. The results show that partially the price influences the demand for orange fruits, while income and tastes partially do not affect the consumer demand for orange fruits in Pantai Buaya. Price, income and taste together affect the demand for orange fruits by 8.7%, the rest is influenced by other variables not included in this study. Orange traders are advised to evaluate the pricing so it is expected that with the right pricing strategy, consumers are more interested in buying. Further researchers are advised to include other variables such as promotion, distribution, product/service quality, increase the number of samples and expand the area of research so research results can be generalized.

Keywords: Price, Income, Taste, Consumer Demand

1. Introduction

Demand is the amount of goods or services that consumers buy in a certain period by taking into account certain conditions such as the price of goods, the price of other goods, consumer income and others. Consumer purchasing decisions are mainly due to low prices and will reduce purchases if prices are high, in research (Harahap, 2015; Harahap, Amanah, & Agustini, 2018; Amanah et al., 2017; Amanah & Harahap, 2018; Amanah, Hurriyati, Vanessa Gaffar, Layla, & Harahap, 2017), price influences purchasing decisions. Price is the amount of value given by the buyer for the benefits of owning and using goods or services offered by the seller through bargaining or the seller sets a specific price for all buyers. From the legal side of demand, there is a negative relationship between price and the amount of demand for goods. If prices rise, demand decreases, on the contrary demand will increase if prices decline.

Besides price, income is one of the factors that influence the demand for goods. Individual income is the amount of money an individual receives as a result of his activities. The income of each individual will determine the amount of demand for goods or services. High income will result in higher demand for goods or services, conversely if income is low then the ability to buy also decreases. Tastes have a considerable influence on the desire of consumers to buy goods or services. Demand for certain goods or services is influenced by consumer tastes, if consumer tastes for certain goods or services increase, the number of requests will increase, conversely the