Analysis of Store Location and Atmosphere the Effect on Consumer Purchase Interest at Centro Department Store

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Abstract

This study aims to determine the analysis of the location and atmosphere of the store and its influence on consumer buying interest at the Centro Department Store. The sample in this study amounted to 100 respondents are all consumers who shop at the Centro Department Store. Data was collected through questionnaires, and data processing in this study used SPSS version 23.0. The sampling technique used is probability sampling with random sampling method. The research model used is a descriptive research model which describes systematically and accurately about the factors studied. The results of data processing obtained a multiple linear equation Y = 10.104 + 0.426 X1 + 0.363 X2, meaning that for every 1 point increase or decrease in location, consumer buying interest at the Centro Department Store will increase or decrease by 0.426 and each increase or decrease If the store atmosphere decreases by 1 point, then consumer buying interest at the Centro Department Store will increase or decrease by 0.363. In addition to calculating the relationship between the independent variable and the dependent variable, this study also calculated the relationship between variables. The correlation between location and consumer buying interest is 0.426, the correlation between store atmosphere and consumer buying interest is 0.363, it can be said that the relationship between the three variables is quite strong and positive. From the results of the F test, model 1 obtained a value of 249.862 and model 2 obtained a value of 143.897, where the value is greater than the F table of 3.09, then H0 is rejected and Ha is accepted. From the results of the t test, it was found that the location count was 3.456, and the store atmosphere t was 3.377, where the value was greater than the t table 1.66055, then H0 was rejected and Ha was accepted, meaning that there was a significant relationship between the location and the shop atmosphere on consumer buying interest.

I. INTRODUCTION

In conditions of increasingly fierce global competition in all economic sectors, Indonesia was able to demonstrate a relatively good national macroeconomic performance. Indonesia's economy in the second quarter of 2016 increased more than expected as it was driven by consumer spending and state spending. The Central Statistics Agency (BPS) noted that the second quarter of 2016 grew by 5.18% compared to 2015. This result is above the prediction of 5% and the growth in the first quarter of 2016 was 4.92%. State spending on infrastructure development also boosted economic growth. In addition, citing Reuters, improving global commodity prices also helped improve Indonesia's economy in 2016. In 2015, Indonesia's economic growth slowed for the fifth time, only reaching 4.8%. lowest after the global financial crisis. According to AFP news agency, Gareth Lether from Capital Economics said the Indonesian economy which continued to improve in the second quarter of 2016 could be a turning point for Indonesia's economic recovery.

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Capital Economics predicts that the Indonesian economy will continue to grow by around 5% this year. As the country with the fourth largest population in the world, Indonesia is a special attraction for entrepreneurs and investors in the retail industry. A.T. Kearney's 2014 Global Ritail Development Index (GRDI) ranks Indonesia as the 15th developing country for retail investment purposes. Asian countries that are included in the top 30 GRDI besides Indonesia are China, Malaysia, Sri Lanka, India, the Philippines, and Vietnam. The Indonesian retail market is still very attractive to international retailers. This is evidenced by the continued entry of world-class retailers, this is evidenced by the entry of Aeon Mall, a Japanese retail giant who decided to open 20 shopping centers by cooperating with PT. Sinar Mas Land. Soichi Okazaki, Chief Executive Officer (CEO) of Aeon Mall said, there are at least three reasons why Aeon Mall is looking at business opportunities in Indonesia. The following are the reasons why Aeon Mall established a business in Indonesia:

- 1. Stable economic growth in Indonesia in recent years, which is above the average of 6%. Jakarta's gross domestic growth continues to be stable. Infrastructure development that can spur business growth.
- 2. The growing number of middle class people in Jakarta, recorded as much as 35% in 2010 and will be 51% in 2020.
- 3. The growth of the population of young families in Jakarta is also increasing. Jakarta residents aged 20-30 years accounted for 31%, where young families are one of the targets of the modern retail market.

Retail business has an important role in a series of marketing activities. Retail business is all activities involved in selling or buying goods, services or both of a personal nature, and not a business to end consumers for personal, family, or household consumption purposes. Until now, the development and investment of the retail business is still very dominant in big cities throughout Indonesia. The higher level of competition results in consumers having a higher bargaining position on quality, product choice, store location, more convenient stores and more valuable services, but by paying cheaper, faster time, with lower effort and risk. . At this time retail business competition is not only on price but involves other variables related to the value of the customer's shopping experience. In terms of competition, the retail sector is currently faced with quite formidable challenges such as changes in forecasts from economic, demographic, and socio-cultural factors. These challenges indirectly require companies to develop a retailing mix, which according to Levy and Weitz in their book, Retailing Management, Mc. Graw Hill, New York (2001: 22) consists of merchandise assortment, pricing, location, atmosphere, advertising, promotion, and personal selling. This is done as an innovative marketing effort that is able to attract and satisfy consumer needs. One of the retail outlets in the city of Tangerang is the Centro Department Store. Centro Department Store is a store that sells products from various manufacturers ranging from apparel, accessories, cosmetics, household appliances, and children's toys of various ages and genders and then sells directly to as many consumers as possible. In other words, the company must attract consumer buying interest so that these consumers become loyal customers who shop at the Department Store. Therefore, it is important for Centro Department Store to know and know its customers. Therefore, it is very important for Centro Department Store to know and understand the right strategy to be able to continue to grow in the midst of intense global competition. The thing that needs to be considered in attracting consumer buying interest is that sales must be able to sell a good impression and a convenient location before selling the goods, an impression that can form an image of the store. The location factor is the main factor that must be chosen in starting or developing a retail business. Determining the location where the retailer starts to open his business is very important considering that consumers want to go to a place that is versatile and has easy transportation access, besides that the right store atmosphere can encourage customers to come and linger in the store and This can be done by installing music, comfortable room arrangements, air conditioning, attractive artistic design of the store, all of which indicate a classy store atmosphere. Therefore, the location and atmosphere of the store (store atmosphere) will be a means of good communication, profitable, and can increase opportunities to influence consumer purchasing decisions.

II. RELATED WORKS/LITERATURE REVIEW (OPTIONAL)

Understanding Location

Location is a major consideration in customer choice. Location decisions are of strategic importance because they can be used to develop a sustainable competitive advantage. Retailers can change prices, services, and assortments in a relatively short period of time but location decisions are more difficult to change, as retailers must make additional investments to buy or develop real estate, or enter into long-term lease agreements with developers. According to Christina Whidya Utami in her book entitled Retail Management states that: "Location is the main factor in consumer store selection." According to Buchari Alma in his book entitled Introduction to Business states that: "Choosing the right business location for business activities is very important in determining the success and failure of the business for the future". According to Heizer in his book entitled Retail Management states that: "The purpose of location

strategy is to maximize the advantage of location for the company". Location decisions often depend on the type of business. In the location analysis in the industrial sector, the strategy carried out is focused on minimizing costs, while in the service sector, the focus is aimed at maximizing revenue.

Store atmosphere

is the activity of designing an attractive store environment and giving an impression to consumers. An attractive store atmosphere can encourage customers to come and linger in the store. According to Purnama in his book entitled Retail Management states that: "Store atmosphere is a very important physical characteristic for any retail business, it acts as a creation of a comfortable atmosphere in accordance with the wishes of consumers to make purchases". According to Indriyo Gitosudarmo in his book entitled Marketing Management states that: Store atmosphere is an environment created to increase the desire of buyers or consume a product. According to Levy and Weitz (in Christina Whidya Utami) in their book entitled Retail Management states that: "The influence of the state of the store is a combination of the physical characteristics of the store, such as architecture, layout, markers, displays, color, lighting, temperature, music, and aroma which will create an image in the minds of consumers as a whole".

Buying interest

can create a motivation that continues to be recorded in the minds of consumers and becomes a desire that in the end when a consumer has to fulfill his needs, consumers will evaluate information on a product or service that he will choose before determining the product and service. According to Ashari in his book entitled Theory of Consumer Behavior states that: Buying interest is a sense of interest experienced by consumers towards a product (goods or service) which is influenced by attitudes outside the consumer and within the consumer itself. According to Hidayat, Elita, and Setiaman in their book entitled Consumer Behavior and Its Application in Marketing states that: Buying interest is something that arises after receiving a stimulus from the product he sees, from there arises the desire to buy in order to have it. According to Meldarianda K. Lisan in his book entitled Consumer Behavior states that: Buying interest is something related to consumer plans to buy certain products and how many units of product are needed in a certain period.

III. METHODS

Population

According to Sugiyono in his book entitled Quantitative, Qualitative, and R & D Research Methods (2012: 80) states that "Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions". The population in this study are consumers who shop at the Centro Department Store Summarcoon Mall Serpong.

Samples

According to Sugiyono in his book entitled Quantitative, Qualitative, and R & D Research Methods (2012: 81) states that "The sample is part of the number and characteristics possessed by the population". The samples in this study were 100 (one hundred) people who shopped at the Centro Department Store Summarcon Mall Serpong.

Research Model

The research model used to analyze research on the influence of store location and atmosphere on consumer buying interest uses a descriptive research model, which explains how data will be collected, processed, and analyzed for proof and testing in achieving a goal. Descriptive research model is to make a systematic and accurate description or description of the properties associated with the phenomenon to be studied. In conducting research on the issues to be discussed, the method chosen is the survey research method, where in this method information or data from each respondent is collected through a questionnaire.

Data collection technique

- a. Observation (Observation): The author collects data by making direct observations to consumers. This was done with the aim of cross-comparing the survey results with the existing facts in order to strengthen the results of the questionnaire.
- b. Interview (Interview): The author conducted direct questions and answers with consumers at the Centro Department Store who made purchases of the Department Store products.
- c. Questionnaire (Questionnaire): Questionnaire is a collection of data by providing or submitting a list of questions or statements to respondents in the hope of responding to the list of questions or statements. The list of questions or statements can be open if the answers are not predetermined, while closed if alternative answers have been prepared. The instrument in the form of a list of questions or statements was in the form of a questionnaire (questionnaire), checklist, or scale. In this case, the authors distribute questionnaires to respondents who buy products at the Centro Department Store. The author distributes a questionnaire of 100 (one hundred) sheets.

IV. RESULTS

Table 1. Coefficients^a

		Unstandardized Coefficients		Standardize d Coefficients		
	Model	В	Std. Error	Beta	T	Sig.
1	(Constant)	9.202	2.079		4.426	.000
	Lokasi	.809	.051	.848	15.807	.000
2	(Constant)	10.104	1.995		5.065	.000
	Lokasi	.426	.123	.447	3.456	.001
	suasana toko	.363	.108	.436	3.377	.001

a. Dependent Variable: Y.Total

Source: SPSS Processed Data 23.0

From the table above it can be seen that:

1. To compose the regression equation, the numbers in column B can be used, namely the Understandardized Coefficients column with a constant value of 10.104, the coefficient value of the X1 variable of 0.426 and the X2 variable of 0.363. From the coefficient values above, the regression equation is obtained as follows:

Y = a + b1 X1 + b2 X2

Y = 10.104 + 0.426 X1 + 0.363 X2

Description:

Y = Consumer Buying Interest

a = Constant

b = Coefficient

X1 = Location

X2 = Store Ambience

- 2. The X1 coefficient value (location) or regression coefficient of 0.426 states that for every 1 point increase or decrease in location, consumer buying interest will increase or decrease by 0.426, while the X2 coefficient value (store atmosphere) or regression coefficient of 0.363 states that for every 1 point increase or decrease in store atmosphere, consumer buying interest will increase or decrease by 0.363.
- 3. In column t, t-test is used to test the truth of the existing hypothesis, by comparing t-count with t-table. The test criteria are as follows: If t count > t table then Ho is rejected. Ha is accepted. If t count < t table then Ho is accepted, Ha is rejected. In column t it is known that the t count for X1 (location) is 3,456. By using the normal distribution table t at the test confidence level $(1-\alpha)$ of 95% and the error rate (α) n 2 = 100 2 = 98, the distribution value of the t table is 1.984. Therefore, the location t count is greater than t table or 3.456 > 1.984, then Ho is rejected and Ha is accepted. While the t-count for X2 (store atmosphere) is 3.377. By using the normal distribution table t at the test confidence level $(1-\alpha)$ of 95% and the error rate (α) n 2 = 100 2 = 98, the distribution value of the t table is 1.984. Therefore, the store atmosphere t count is greater than t table or 3.377 > 1.984, then Ho is rejected and Ha is accepted.
- 4. For multiple linear regression, the correlation number X1 (location) of 0.447 and the correlation number of X2 (store atmosphere) of 0.436 are the results obtained in the Standardizerd Coefficients (Beta) column.
- 5. In the column Sig. used probability testing. The test criteria are as follows: If probability < 0.05, then Ho is rejected and Ha is accepted. If the probability > 0.05, then Ho is accepted and Ha is rejected. In the column Sig. it is known that the probability value for the location is 0.001 and the store atmosphere is 0.001 meaning the probability is far below 0.005, thus Ho is accepted and Ha is accepted.

Table 2. ANOVAª

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1159.151	1	1159.151	249.862	.000b

	Residual	454.639	98	4.639		
	Total	1613.790	99			
2	Regression	1206.980	2	603.490	143.897	.000°
	Residual	406.810	97	4.194		
	Total	1613.790	99			

a. Dependent Variable: Y.Total

b. Predictors: (Constant), X1.Total

c. Predictors: (Constant), X1.Total, X2.Total

Source: SPSS Processed Data 23.0

From the table above it can be seen that:

- 1. From the ANOVA test, the calculated F for model 1 is 249.862 with a significant level of 0.000 where the number is 0.000 < 0.05 and also F arithmetic > F table or 249.862 > 3.09, thus Ho is rejected and Ha is accepted, meaning that there is a linear relationship between location variable with consumer buying interest, then the regression model is feasible and appropriate.
- 2. From the ANOVA test, the calculated F for model 2 is 143.897 with a significant level of 0.000 where the number is 0.000 < 0.005 and also F arithmetic > F table or 143.897 > 3.09, thus Ho is rejected and Ha is accepted, meaning that there is a linear relationship between the location variables and store atmosphere on consumer buying interest, then the regression model is feasible and appropriate.

V. CONCLUSIONS

Based on the results of research and discussion that have been described in previous chapters, the authors draw some conclusions and try to provide suggestions as a contribution of thought that might be useful regarding "Analysis of Store Location and Atmosphere Influence on Consumer Buying Interest at Centro Department Store Summarecon Mall Serpong".

- a. From the results of the study the effect of location (X1) and store atmosphere (X2) on consumer buying interest (Y) at the Centro Department Store Summarecon Mall Serpong by using correlation coefficient analysis obtained 0.426 for the location, and 0.363 for the shop atmosphere which means it has a positive influence.
- b. R Square (R2) shows the coefficient of determination which means the percentage contribution of the influence of the independent variable on the dependent variable. The R2 value of the location variable on consumer buying interest is 71.8%, while the remaining 28.2% is influenced by other factors. The R2 value of the store atmosphere variable is 74.8%, while the remaining 25.2% is influenced by other factors.
- c. Based on the hypothesis test for the location variable, the results of the t count are 3.456, the hypothesis test for the store atmosphere variable is that the t count is 3.377, while the t table is 1.984, so it can be concluded that the t count is greater than t table which means Ho is rejected and Ha received. This shows that there is an influence of the location and atmosphere of the store on consumer buying interest. d. Based on the answers to the questionnaire, raw data was obtained and then processed using the SPSS 23.0 application, so that it became data that could be useful in this study. The results of the regression equation show Y = 10.104 + 0.426 X1 + 0.363 X2, meaning that for every 1 point increase or decrease in location, consumer buying interest at the Centro Department Store Summarecon Mall Serpong will increase or decrease by 0.426, while the increase or decrease in the atmosphere store by 1 point, then consumer buying interest at the Centro Department Store Summarecon Mall Serpong will increase or decrease or decrease in the location and atmosphere of the store can increase or decrease consumer buying interest at the Centro Department Store Summarecon Mall Serpong.

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