The Influence of The Store Atmosphere on Purchasing Decisions on Consumers of Mini Markets in The City of Kendari

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Abstract:*This study aims to find out and analyze the influence of store atmosphere on the purchase decision of mini market consumers in Kendari City. The population in this study were all mini-market consumers in Kendari City, with a sample of 96 respondents obtained by convenience sampling method. The data collected were then analyzed by the structural equation modeling method with the partial least square (PLS) approach. The results showed that store atmosphere had a significant effect on the purchase decision of mini market consumers in Kendari City.*
Keywords:*Store Atmosphere, Purchase Decision, Retail*

I. Introduction

Kendari City's population growth rate in the period of 2015 to 2017 averaged 8.78 percent per year, with an average economic growth of 7.70 percent (BadanPusatStatistikKendari City, 2018). These conditions provide opportunities in the trade sector, including retail businesses. The increasing number of mini-market businesses in Kendari City shows the rapid competition in this type of business. To attract consumers to make purchases, mini-market entrepreneurs do various strategies. Purchasing decisions are decisions where consumers really decide to buy and enjoy goods or services among various alternative choices (Kotler& Keller, 2012: 192). One strategy that can influence consumers in deciding purchases is structuring store atmosphere. Store atmosphere is a combination of store characteristics (architecture, layout, signs and displays, colors, lighting, temperature, sound and smell), which together create images in the customer's mind (Levy &Weitz, 2012: 613). Similarly Gilbert in Foster (2008: 61) defines store atmosphere as a combination of physically planned messages. Store atmosphere describes changes in purchasing environment planning that produce special emotional effects that can cause consumers to take action to buy. The arrangement of the atmosphere is carried out since the environment, in fact, when music and music are being promoted consumptively to make it happen. Besides being able to make sure that there is no purchase, store atmosphere can make a difference in products that are found. Storophosphate is also recommended for the store to be independent. Stormed phosphorus is good for adults with a loss of time to stay in the retail business.

Retail is all business ventures that directly direct the ability of marketers to satisfy end consumers based on the organization of sales of goods and services as the core of distribution (Sunyoto, 2015). The results of the study Nofiawaty&Yuliandi (2014) show that store atmosphere has a significant effect on purchasing decisions. The results of these studies are supported by the results of research from; Adyarinanda&Yuliati (2017), Katarika&Syahputra (2017), Aisah&Wahyono (2018), Pratomo&Supriono (2017), Sa'idah et al (2019), and Oktaviani&Oktini (2019). However, the results of research from Pan et al. (2008) differs from the results of previous studies, where store atmosphere has a significant effect on the purchase decision. Similarly, the results of the research from Kurniati (2013), and Putri et al (2014), which show that store atmosphere has a significant effect on the purchasing decision.

There is still a gap in the results of research on the influence of store atmosphere on purchase decision to be a motivation in conducting research on the influence of store atmosphere on consumer purchases of mini markets in Kendari City.

II. Literature Review, Conceptual Framework and Hypothesis

Purchase decision. Kotler& Keller (2012: 192) explains that purchasing decisions are decisions where consumers really decide to buy and enjoy goods or services among various alternative choices. The decision to buy or not buy is the choice of consumers, as explained by Schiffman&Kanuk (2000: 164), namely the selection of options from two or alternative choices, and Tjiptono (2008: 19) also suggests that consumer purchasing decisions is choosing items from each other. Swastha&Handoko (2008) also suggested that purchasing decisions are a real purchasing process, whether buying or not. Furthermore, Sagata et al in Rizal et al (2017: 346) explained that the consumer purchase decision was made before making a purchase when they had a desire to buy.

Kotler& Keller (2012: 227) explains that purchasing decisions are carried out through five stages, namely: problem recognition, information seeking, evaluation of alternatives, purchasing decisions, and post-purchase behavior. In purchasing decisions, Simamora (2001: 15) states that there are five roles that occur in buying decisions, namely: initiator, influencer, decider, buyer, and user.

The indicator used to measure purchasing decisions, according to Harmani (2008: 41) consists of; decisions about quality products, decisions on prices given, and decisions on services provided. While the indicators of purchasing decisions used by Hsu & Chang (2008), and used also in this study are: the desire to use the product, the desire to buy products, prioritizing the purchase of a product, and willingness to sacrifice (time, cost and effort) get a product.

Store atmosphere. Levy &Weitz (2012: 490) explains that store atmosphere is an environmental design such as visual communication, lighting, color, music, and aroma to simulate customer perceptual and emotional responses and ultimately affect their buying behavior. Furthermore, Foster (2008: 61) who sent Gilbert, said that store atmosphere is a combination of physical messages that have been planned.

Berman & Evan (2007: 545) states that store atmosphere elements are divided into four elements, namely: 1) general interior, which will be elements that can influence consumer perceptions when in a store. Bright lights with vibrant colors can contribute to a different atmosphere than lighting with dim lights. Sound and aroma can affect consumers. 2) interior display, consisting of: assortment displays, theme-setting displays, ensemble displays, rack displays, and cut cases. 3) store exterior, consisting of entrances, storefronts, terraces, shop signs and other material construction. 4) store layout, including placement of product classification space, traffic in the store, and setting the width of space needed, mapping the store space, and compiling products offered individually.

Relationship between store atmosphere and purchase decision. Good store atmosphere arrangement in the mini market, can increase consumer purchasing decisions. This is in accordance with the results of research from; Nofiawaty&Yuliandi (2014), Katarika&Syahputra (2017), Pratomo&Supriono (2017), Adyarinanda&Yuliati (2017), Aisah&Wahyono (2018), Oktaviani&Oktini (2019), and Sa'idah et al (2019) Relationships between store atmosphere and the purchase decision are listed in the following conceptual framework;
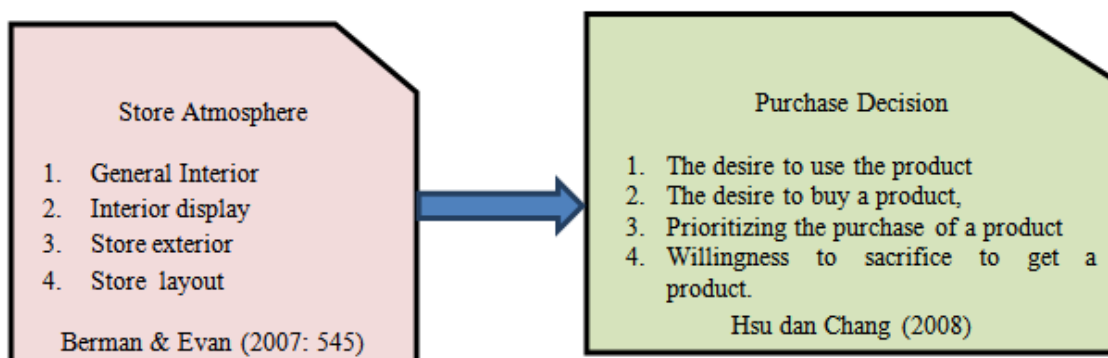

Figure1. Conceptual Model

Based on the results of the study of theory and the results of research on the effect of store atmosphere on the purchase decision, as well as observations on store atmosphere and consumer buying behavior of mini markets in Kendari City, the following hypothesis was formulated:
Hypothesis: Store atmosphere has a significant effect on the purchase decision.

III. Research Methods

This research is explanatory research, because it explains the causal relationship between variables through testing hypotheses to obtain conclusions about the relationships between variables. The population in this study were all consumers of mini markets in Kendari City. The total population is infinite, therefore the determination of the sample uses a formula for the infinite population, so that the number of samples in this study is 96 respondents, obtained by convenience sampling method. Data was collected using surveys through questionnaire instruments, using a Likert scale. The test results of instrument validity using the person correlation method and the reliability of the instrument using Cronbach's alpha, which was performed on 30 people, showed that all items on the instrument had a correlation coefficient ≥ 0.30, and Cronbach's alpha coefficient Alpha coefficient ≥ 0.60. Thus it is concluded that all statements of items used are valid and reliable. The data collected is then analyzed using the structural equation modeling method with the partial least square (PLS) approach. Data analysis was carried out through version 2.0 SmartPLS software.

IV. Data Analysis and Results

Characteristics of respondents based on sex were dominated by female sex which was 39.58 percent. Age of respondents was dominated by respondents aged between 26 and 45 years, with education levels dominated by senior high school graduates, amounting to 54.17 percent. The respondent's profession is dominated by labor, namely 31.25 percent, and income of two million rupiah, which is 56.25 percent. Furthermore, it is stated in the table in Table 1.

Table 1 Characteristics of respondents

Sample Demographic		Frequency	Percentage
Gender	Male	38	39.58
	Female	58	60.42
Age	≤ 25 (year)	34	35.42
	26 - 45 (Year)	43	44.79
	≥ 46 (Year)	19	19.79
Education	Senior High schools	52	54.17
	First degree	35	36.46
	Magister	9	9.37
Profession	Students	22	22.92
	Civil cervantes	16	16.67
	Employee	30	31.25
	Entrepreneurship	23	23.96
	Others	5	5.20
Revenue (Rp.)	≤ 2 (million)	54	56.25
	$> 2 - 5$ (million)	38	39.58
	> 5 (million)	4	4.17

Notes: n=96

Model evaluation was conducted to determine the feasibility of the model in this study. Based on the results of the analysis it is known that the value of loading factors is above 0.6, thus there is a good link between the indicators with each construct. The cronbachs alpha coefficient value above 0.7 indicates the reliability of a high measuring instrument, and the measurement of each construct is highly correlated. Furthermore, the AVE value for each variable above 0.5 indicates good presence of discriminant validity. Based on these assessments, the model in this study fulfills good convergent validity. From the results of cross loadings, it is known that all indicators are highly correlated with each construct. These results indicate that the latent construct predicts its own indicator better than other latent indicators.

The composite reliability value above 0.7 indicates that the reliability of the gauge is high. This means that the measurement of each construct is highly correlated. Then the R-square value is known as 0.664731. These results indicate that store atmosphere affects the purchase decision by 66.47 percent, while 33.53 percent shows that the purchase decision is influenced by other variables not examined in this study. Based on the evaluation results of the model, it can be concluded that the model is feasible and has good predictive value to test the hypothesis.

The contribution of variable store atmosphere and purchase decision indicators and the average score of each variable indicator are shown in Table 2.

**Table 2.** Loading factors and average indicator scores

Variable	Indicators	Loading factor	Rata-rata skor
Store atmosphere	General Interior (X1)	0.832	4.05
	Interior display (X2)	0.763	3.53
	Store exterior (X3)	0.773	3.70
	Store layout (X4)	0.853	4.15
Purchase decision	The desire to use the product	0.939	3.94
	The desire to buy a product,	0.842	3.58
	Prioritizing the purchase of a product	0.819	3.80
	Willingness to sacrifice to get a product.	0.838	3.41

Source: Primary data

Store atmosphere variables are formed from four variable indicators. Of the four indicators, the highest value of loading factor (0.853) is an indicator of store layout. This indicator also has an average score (4.15) higher than the other three indicators. This means that respondents perceive the most important store layout in store atmosphere, and respondents also perceive that the mini market store layout in Kendari City is better than the perception of general interior, interior display, and store exterior.

The purchase decision variable is formed from four variable indicators. Of the four indicators, the highest loading factor value (0.939) is an indicator of the desire to use the product. This indicator also has an average score (3.94) higher than the other three indicators. This means that respondents perceive the desire to use the product that is most important in the purchase decision, and respondents also perceive that the desire to use the product is the main determinant in the purchase decision.

The results of the analysis show that the value of the store atmosphere coefficient with the purchase decision is positive at 0.815. This means that the respondents 'perception of the store atmosphere mini market increases, so the respondents' decision to make purchases increases. The path coefficient values are shown in Figure 2.
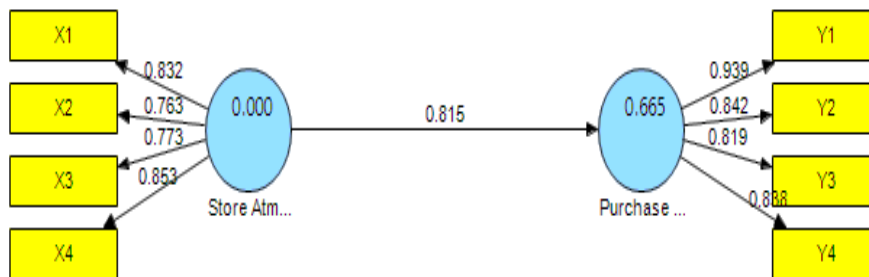
Figure 2. The path coefficient of the relationship between store atmosphere and purchase decision
Source: Primary data

The t-statistic path coefficient of store atmosphere influence on the purchase decision is 20.162, greater than the t-table at the 95% confidence level of 1.96 (see Figure 3). Thus the hypothesis which states that store atmosphere has a significant effect on the purchase decision, is accepted. This means that the respondents' perception of the store atmosphere increases, the purchase decision will also increase, with a significant increase.
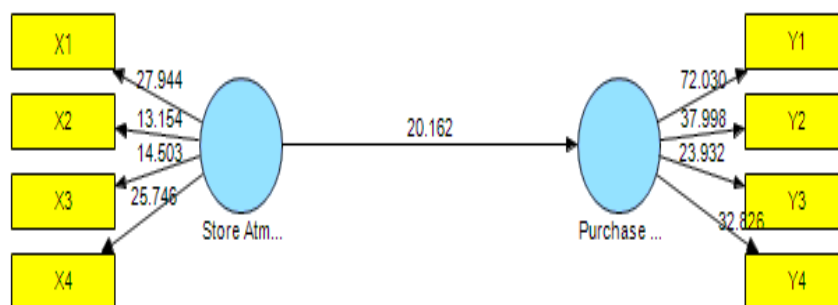
Figure 3. T-statistic value of store atmosphere influence on purchase decision
Source: Primary data

V. Discussion

The results of the analysis show that store atmosphere has a significant positive effect on the purchase decision. It means increasing store atmosphere mini market in Kendari City, through increasing interior interior, interior display, store exterior, and store layout, it will increase purchasing decisions by consumers on mini markets in Kendari City, with a significant increase. The results of this study support the results of research conducted by Nofiawaty&Yuliandi (2014), which shows that store atmosphere has a significant effect on the purchase decision. The results of this study also support the results of research by Katarika&Syahputra (2017), Pratomo&Supriono (2017), Adyarinanda&Yuliati (2017), Aisah&Wahyono (2018), Oktaviani&Oktini (2019), and Sa'idah et al (2019) , which shows that store atmosphere has a significant effect on the purchase decision. The form of the purchase decision can be known from; the desire to use the product, the desire to buy a product, prioritizing the purchase of a product, willingness to sacrifice to get a product.

The results of Goman's research (2005) show that the appropriate store atmosphere arrangement can make consumers feel more comfortable in enjoying the food and the atmosphere offered. The study also shows that not only the instore aspects affect purchase decisions, but also the outstore influences consumer purchasing decisions. Irawan's research (2010) examines the effects of store atmosphere indicators simultaneously and partially. The results of the analysis partially show that exterior, general interior, store layout, and interior display variables have a significant effect on purchasing decisions. Arranging store atmosphere appropriately can encourage consumers to immediately decide on a purchase. Furthermore, store atmosphere can provide a response and create comfort for consumers while enjoying the atmosphere in the store, and in its continuation can influence consumer purchasing decisions (Peter & Olson, 2000).

However, the results of this study do not support the results of a study from Pan et al. (2008), which shows that store atmosphere has a significant effect on the purchase decision. Similarly, the results of research from Kurniati (2013) also stated that the store atmosphere had a significant effect on the purchasing decision. Because there are still gaps regarding the relationship between store atmosphere variables and purchase decisions, there is still a chance for future research.

VI. Limitations and Future Research

Purchasing decisions by consumers are influenced by store atmosphere, as shown by the results of this study. However, in conducting research, it is known that purchasing decisions can also be determined by individual characteristics, which are not examined in this study. Individual characteristics can also be thought to play a role in mediating the effect of store atmosphere on purchasing decisions. Thus, for further research it can examine the role of individual characteristics in mediating the effect of store atmosphere on the purchase decision.

VII. Conclusion

The analysis results show that store atmosphere has a significant effect on the purchase decision. Besides that, it is also known that the store atmosphere effect coefficient on the purchase decision is positive or has a direct relationship. This means that the respondents' perception of the store atmosphere increases, the purchase decision will also increase, with a significant increase.

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