# The Influence of Product Stock, Location and Store Attempt on Purchase Decisions at Indomaret SM Raja Deblod Sundoro Street Tebing Tinggi City

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### ABSTRACT

This study aims to determine the effect of product stock, location and store atmosphere on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street, Tebing Tinggi City. The effect that we want to know is the direct or indirect effect. This type of research is a replication and development of similar previous studies but with different objects, variables and periods. This study used a sample of 96 respondents. Sampling using the Cochran formula technique. The analytical tool used is multiple linear analysis using the SPSS 25 program. From the results of this test it can be concluded that there is a significant effect between Product Stock (X1) on Purchase Decision (Y), there is no significant effect between Location (X2) on Purchasing Decision (Y).

Keywords: Product Stock, Location, Store Atmosphere, Purchase Decision

## **INTRODUCTION**

The first retail business in Indonesia was Indomaret. Indomaret is a retail company that provides basic needs and daily necessities. Indomaret company name is PT. Indomarco Prismatama which has a vision of "to become a superior retail network" and has the motto "easy and economical". Indomaret companies already exist in various cities in Indonesia. Indomaret was founded in 1988 until now. In the beginning, Indomaret was just an outlet selling the basic daily needs of employees. In line with the development of store operations, the company is interested in exploring and understanding the various needs and behavior of consumers in shopping. In order to accommodate this goal, several employees were assigned to observe and research people's behavior.

Purchasing decision is a final decision that a consumer has to buy an item or service with a variety of certain considerations. Purchase decisions made by consumers describe how far marketers are in trying to market a product to consumers. According to Kotler and Armstrong (2016) defines that purchasing decisions are part of consumer behavior, namely the study of how individuals, groups and organizations choose, buy, use and how goods, services, ideas or experiences satisfy their needs and wants. Product stock or product inventory are goods stored by the company for later sale in the future. These inventories are not only for finished goods, but also for semi-finished goods and raw materials that become raw materials. Location is a place to serve consumers, can also be interpreted as a place to display merchandise. The definition of location is where the company operates or where the company carries out activities to produce goods and services that are concerned with the economic aspect. Store atmosphere is one of the influential parts for a store to make customers feel comfortable in choosing the product to buy.

### Literature Reviews

According to Schiffman and Kanuk (2012), defining a purchasing decision is a selection of two or more alternative choices, in other words alternative choices must be available to someone when making a decision. Conversely, if the consumer has no alternative to choose from and is really forced to make certain and not certain purchases, then this situation is not a decision. According to Armstrong, Gary & Philip, Kotler (2012) the notion of purchasing decisions is a decision process made by a consumer regarding what brand to buy. According to Fahmi (2016) purchasing decisions are consumer actions in deciding on a product that is considered to be a solution to the needs and desires of these consumers.

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The definition of product stock according to Lesmana (2017), argues that consumers tend to choose places that offer varied and complete products regarding the depth, breadth and quality of the variety of goods offered by sellers. According to Theresia Esti Mardhikasari, (2014) a product is something that can be offered to the market to be noticed, owned, used or consumed so that it can satisfy a want or need. According to Utami (2012) stated the definition of product completeness is product diversity which concerns the depth, breadth, and quality of the products offered as well as the availability of these products at any time in the store.

The definition of location according to Tjiptono (2015) location refers to various marketing activities that seek to expedite and facilitate the delivery or distribution of goods and services from producers to consumers. Meanwhile, according to Kotler and Armstrong (2014) *"place includes company activities that make the product available to target consumers"*. Then according to Utami (2012) location is the physical structure of a business which is the main component seen in forming the impression of a business carried out by the company in placing its business and activities in providing the service channels needed by consumers.

Adibah (2016) says that a store's atmosphere is a design and an environmental design through visual communication, lighting, color, music and smell to stimulate customer perceptions and emotions and finally to influence their shopping behavior. According to Theresia Esti Mardhikasari (2014) store atmosphere is related to how managers can manipulate building design, interior space, layout of aisles, carpet and wall textures, scents, colors, shapes, and sounds experienced by customers, all of which aim to influence consumers and their purchasing decisions. According to M. Ma'Ruf Amin (2014) store atmosphere is the atmosphere in the store that creates a certain feeling in the customer that arises from the use of interior design elements such as lighting arrangements, sound systems, air conditioning systems, and service.

## METHOD

The data used in this study is primary data obtained directly from the respondents. According to (Sugiyono, 2016) defining primary data is a data source that directly provides data to data collectors. Primary data collection in this study was by distributing questionnaires and conducting direct interviews with parties related to the research being conducted.

### Data Analysis Method

According to (Ghozali, 2016), validity test is a test used to ensure the ability of a scale to measure the intended concept. In other words, the validity test is used to measure the validity or validity of a questionnaire. Reliability Test is a tool used to measure questionnaires which are indicators of variables or constructs. The normality test aims to test whether in the regression model, the dependent variable and independent variable have a normal distribution or not. Multicollinearity test aims to test whether the regression model found a correlation between independent variables. The heteroscedasticity test aims to test whether in the regression model there is an inequality *of variance* from the residuals of one observation to another.

The analytical method used is a multiple linear regression model to determine the direction of the relationship between the independent and dependent variables whether each variable is positively and negatively related, the equation of which can be written as follows:

# $Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e_1$

Information:	
Y	: Purchasing Decision
А	: Constant
<b>B</b> <sub>1</sub> , <b>B</b> <sub>2</sub> , <b>B</b> <sub>3</sub>	: Multiple regression coefficient
X1	: Stock product
X2	: Location
X3	: Store atmosphere
e	: error rate (error)

Hypothesis testing uses the t test and F test. The t test is used to test the significance of service quality and complaint handling on community satisfaction. The F value statistical test was conducted to assess *the Goodness of Fit* or feasibility of a research model. This test was conducted to measure the determination of the sample regression function in interpreting the actual value statistically.

The coefficient of determination is used to see how much the independent variable contributes to the dependent variable. In other words, the value of the determinant coefficient is used to measure the magnitude of the contribution of the studied

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variables X and Y as the dependent variable. The greater the value of the coefficient of determination, the better the ability of variable X to explain variable Y.

### **RESEARCH RESULTS AND DISCUSSION**

Content Results and Discussion

Purchasing Decision V	ariable (Y)		
Statement	r count	r table	validity
1	0.668	0.3673	Valid
2	0.756	0.3673	Valid
3	0.760	0.3673	Valid
4	0.532	0.3673	Valid
5	0.599	0.3673	Valid
6	0.477	0.3673	Valid
<b>Product Stock Variabl</b>	e (X1)		
Statement	r count	r table	validity
1	0.649	0.3673	Valid
2	0.607	0.3673	Valid
Location Variable (X2	)		
Statement	r count	<b>r</b> table	validity
1	0.644	0.3673	Valid
2	0.381	0.3673	Valid
3	0.815	0.3673	Valid
Store Atmosphere Var	iable (X3)		
Statement	r count	<b>r</b> table	validity
1	0.758	0.3673	Valid
2	0.782	0.3673	Valid
3	0.735	0.3673	Valid
4	0.792	0.3673	Valid

Table 1 shows that all statement points, both the Purchasing Decision Variable (Y), Product Stock Variable (X1) and Location Variable (X2) have a calculated r value that is greater than the r table value, so that it can be concluded if all statements for each variable are stated valid.

### Table 2. Reliability Test Results

Variable	Cronbach Alpha	Constant	Reliability
Purchasing Decision Variable (Y)	0.753	0.6	Reliable
Product Stock Variable (X1)	0.650	0.6	Reliable
Location Variable (X2)	0.711	0.6	Reliable
Store Atmosphere Variable (X2)	0.804	0.6	Reliable

Based on the reliability test using *Cronbach Alpha*, all research variables are reliable/reliable because *Cronbach Alpha* is greater than 0.6, so the results of this study indicate that the measurement tools in this study have fulfilled the reliability test (*reliable* and can be used as a measuring tool).

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			Unstandardized Residuals
Ν			96
Normal Parameters <sup>a,b</sup>	Means		.0000000
	std. Deviation		1.81574053
Most Extreme Differences	absolute		.069
	Positive		.069
	Negative		060
Test Statistics			.069
asymp. Sig. (2-tailed)			.200 <sup>c,d</sup>
Monte Carlo Sig. (2-tailed)	Sig.		.750 <sup>e.g</sup>
	99% Confidence Intervals	LowerBound	.636
		Upperbound	.864

Table 3. One-Sample Kolmogorov-Smirnov Test

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

e. Based on 96 sampled tables with a starting seed of 2000000.

From *the output* in table 3 it can be seen that the significance value (*Monte Carlo Sig.*) of all variables is 0.750. If the significance is more than 0.05, then the residual value is normal, so it can be concluded that all variables are normally distributed.

# **Table 4 Multicollinearity Test Results**

Coefficients <sup>a</sup>					
	Collinearity Statistic				
Model	tolerance	VIF			
1 (Constant)					
PRODUCT STOCK	.921	1,086			
LOCATION	.820	1,219			
STORE AMBIENCE	.860	1.162			

a. Dependent Variable: PURCHASE DECISION

Based on table 4 it can be seen that the *tolerance* value of the Product Stock Variable (X1) is 0.921, the Location Variable (X2) is 0.820, the Store Atmosphere Variable (X3) is 0.860 where all are greater than 0.10 while the VIF value of the Product Stock Variable (X1) is 1.086, Location Variable (X2) is 1.219, Store Atmosphere Variable (X3) is 1.162 where all are less than 10. Based on the calculation results above it can be seen that the tolerance value of all independent variables is greater than 0.10 and the VIF values of all independent variables are also less than 10 so that there are no correlation symptoms in the independent variables. So it can be concluded that there are no symptoms of multicollinearity between independent variables in the regression model.

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## Table 5 Glejser Test Results

Coefficients <sup>a</sup>							
	Unstandar	dized Coefficients	Standardized Coefficients				
Model	В	std. Error	Betas	t	Sig.		
1 (Constant)	.466	1,517		.307	.759		
PRODUCT STOCK	.125	.120	.112	1,039	.302		
LOCATION	.033	.113	.033	.289	.773		
STORE AMBIENCE	029	.064	050	446	.656		

a. Dependent Variable: ABS\_RES

The results of the Glejser test showed a significance value of the Product Stock variable (X1) of 0.302, the location variable (X2) of 0.773 and the Store Ambience variable (X3) of 0.656, so it can be concluded that there were no symptoms of heteroscedasticity in this research model.

### Table 6 Multiple Linear Regression Results

Coefficients <sup>a</sup>						
	Unstandardize	d Coefficients	Standardized Coefficients			
Model	B std. Error		Betas			
1 (Constant)	15.352(a)	2,440				
PRODUCT STOCK	.389(b1)	.193	.198			
LOCATION	.058(b2)	.182	.033			
STORE AMBIENCE	.335(b3)	.103	.329			

a. Dependent Variable: PURCHASE DECISION

15.352 + 0.389 X 1 + 0.058 X 2 + 0.335 X 3

### Table 7 Coefficient of Determination

### Summary Model<sup>b</sup>

						Change St	tatisti	cs	
Model	R	R Square	Adjusted R Square	std. Error of the Estimate	R Square Change	FChange	df1	df2	Sig. FChange
1	.427 a	.182	.156	1.84511	.182	6,833	3	92	.000

a. Predictors: (Constant), STORE ATTEMPT, PRODUCT STOCK, LOCATION b. Dependent Variable: PURCHASE DECISION

Based on table 7 it can be seen that the value of the *adjusted R square* is 0.156 or 15.6%. This shows that the Product Stock Variable (X1), Location Variable (X2) and Store Atmosphere Variable (X2) can explain the Purchasing Decision Variable (Y) of 15.6%, the remaining 84.4% (100% - 15.6%) ) is explained by other variables outside this research model, such as promotion, service quality and others.

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# Table 8 Partial Test (t)

Coefficients <sup>a</sup>						
	Unstandardi	zed Coefficients	Standardized Coefficients	-		
Model	В	std. Error	Betas	t	Sig.	
1 (Constant)	15,352	2,440		6,292	.000	
PRODUCT STOCK	.389	.193	.198	2015	047	
LOCATION	058	.182	.033	.317	.752	
STORE AMBIENCE	.335	.103	.329	3,241	002	

a. Dependent Variable: PURCHASE DECISION

- a. Hypothesis Test Effect of Product Stock Variable (X1) on Purchasing Decision Variable (Y)
  - From the table it can be seen that t <sub>count</sub> (2.015) > t <sub>table</sub> (1.985), as well as with a significance value of 0.047 < 0.05, it can be concluded that the first hypothesis is accepted, meaning that the Product Stock Variable (X1) has an effect on the Purchasing Decision Variable (Y).
- b. Hypothesis Test Effect of Location Variable (X2) on Purchasing Decision Variable (Y)
  - From the table it can be seen that t <sub>count</sub> (0.317) < t <sub>table</sub> (1.985), and a significance value of 0.752 > 0.05, it can be concluded that the second hypothesis is rejected, meaning that the Location Variable (X2) has no effect on the Purchase Decision Variable (Y).
- c. Hypothesis Test Effect of Store Atmosphere Variable (X3) on Purchasing Decision Variable (Y)
- From the table it can be seen that t <sub>count</sub> (3.241) > t <sub>table</sub> (1.985), and the significance value is 0.002 < 0.05 so it can be concluded that the third hypothesis is accepted, meaning that the Store Atmosphere Variable (X3) influences the Purchase Decision Variable (Y).

Table 9 Simultaneous	s Test Results (F)
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ANOVA	

Model	Sum of Squares	Df	MeanSquare	F	Sig.
1 Regression	69,783	3	23,261	6,833	.000 <sup>b</sup>
residual	313,207	92	3,404		
Total	382,990	95			

a. Dependent Variable: PURCHASE DECISION

b. Predictors: (Constant), STORE ATTEMPT, PRODUCT STOCK, LOCATION

From table 9, the <sub>calculated F value</sub> is 6.833. With  $\alpha = 5\%$ , dk quantifier: k=3, dk denominator: nk-1 = 92 (5%; 3; 92) the F <sub>table value</sub> is 2.70. From this description it can be it is known that F <sub>count</sub> (24,099) > F <sub>table</sub> (2.70), and a significance value of 0.000 < 0.05, it can be concluded that the third hypothesis is accepted, meaning that Product Stock Variable (X1), Location Variable (X2) and Atmosphere Variable Stores (X3) have a simultaneous effect on the Purchasing Decision Variable (Y).

### Contents of Discussion Results

- Effect of Product Stock on Purchasing Decisions
   Product stock has a positive and significant effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro
   Street City of Tebing Tinggi.
- 2. Effect of Location on Purchasing Decisions Location has no effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi.
- The Influence of Store Atmosphere on Purchasing Decisions
   Store atmosphere has a positive and significant effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro
- Store atmosphere has a positive and significant effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi.
- The Influence of Product Stock, Store Location and Atmosphere on Purchasing Decisions Product Stock, Location and Store Atmosphere influence simultaneously (simultaneously) on Purchasing Decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi.

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# CONCLUSION

Product stock has a positive and significant effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi. Location has no effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi. Store atmosphere has a positive and significant effect on purchasing decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi. Product Stock, Location and Store Atmosphere influence simultaneously (simultaneously) on Purchasing Decisions at Indomaret SM Raja Deblod Sundoro Street City of Tebing Tinggi.

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