THE EFFECT OF STORE ATMOSPHERE, PRICE, AND LOCATION TOWARDS PURCHASE DECISION (STUDY ON ROKETTO COFFEE & CO MALANG)

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Abstract - This research aims to discover the impact of Roketto Coffee & Co Store Atmosphere, Price and Location towards Purchase Decision with the study among Roketto Coffee & Co consumers in Malang. This explanatory research explains the relationship and the influence between one variable and another through hypothesis testing. This research collected sample of 140 respondents via online survey. The sample of this research consists of the respondents who are familiar and recognized Roketto Coffee & Co Malang's existence. The data analysis used in this research was the Multiple Linear Regression Analysis. From the results of testing three hypotheses, it can be concluded that the variable of Store Atmosphere, Price, and Location have a significant influence on the Purchase Decision. This research implied that proper maintenance of the Store Atmosphere, Price, and Location of Roketto Coffee & Co Malang would increase their consumers' purchase decision.

Keywords: Store Atmosphere, Price, Location, Purchase Decision

Abstrak - Penelitian ini bertujuan untuk mengetahui pengaruh dari Roketto Coffee & Co Store Atmosphere, Harga dan Lokasi terhadap Keputusan Pembelian dengan studi pada konsumen Roketto Coffee & Co di Malang. Penelitian eksplanatori ini menjelaskan hubungan dan pengaruh antara satu variabel dengan variabel lainnya melalui pengujian hipotesis. Penelitian ini mengumpulkan sampel sebanyak 140 responden melalui survei online. Sampel penelitian ini terdiri dari responden yang mengetahui dan mengenal keberadaan Roketto Coffee & Co Malang. Analisis data yang digunakan dalam penelitian ini adalah Analisis Regresi Linier Berganda. Dari hasil pengujian tiga hipotesis, dapat disimpulkan bahwa variabel Store Atmosphere, Price, dan Location berpengaruh signifikan terhadap Keputusan Pembelian. Hasil penelitian ini mengimplikasikan bahwa pemeliharaan Store Atmosphere, Harga, dan Lokasi Roketto Coffee & Co Malang yang tepat akan meningkatkan keputusan pembelian konsumen.

Kata kunci : Suasana Toko, Harga, Lokasi, Keputusan Pembelian

INTRODUCTION

In the current era of globalization, culture, mobility, and lifestyle, Indonesian society changed due to outside cultural influences. Many Indonesian tend to spend their free time socializing, visiting shopping centers, visiting entertainment venues, or relaxing at their favorite cafe. Along with the increased mobility and lifestyle in big cities in Indonesia, coffee shops are also growing rapidly. In this time drinking coffee now no longer only eliminate sleepiness, but it is part of a lifestyle where coffee shops become a very popular gathering place (Kasali, 2011).

The mushrooming of the thematic coffee shop in Malang also gives opportunities to this field of business. Data from BPS(accessed in 2021) stated that the amount of coffee shop in Malang reach 144 and still growing. With this fact, will create competitive business competition whether by its store uniqueness, price and location.

Roketto Coffee & Co is one of the examples of a coffee shop business that was firstly built in Malang in 2019. In order to face the tight competition among the café and restaurant, Roketto Coffee & Co came up with the idea of a restaurant and café at once. Roketto Coffee & Co combines the concept of elegant layout and spacious place, which can be a consideration of the people to choose a place to eat or simply hang out.

One of the aspects provide comfortable places is a good store atmosphere aspect. The Roketto Coffee & Co came up with the idea of coffee shop in Japan. Providing a good store atmosphere and the way they differentiate the coffee shop business are essential for consumers to be attracted and choose where they will visit and buy.

Other than that, Price have an essential role for the consumer to evaluate products. Price is the amount of money charged for a product or a service. In other words, price is the sum of all the values that customers gives up to gain the benefits of having or using a product or service (Kotler & Armstrong 2010).

Moreover, one of the competitive advantage of Roketto Coffee & Co is its strategic locations. Location is one of the situational factors that affect the purchase decision. In the marketing

concept, there is a term known as a marketing mix or a marketing mix consisting of product, price, promotion and place or business location. In this marketing mix, the business location can also be called the company's distribution channel because location is also directly related to the buyer or the consumer. In other words, a location is also a place for producers to channel their products to consumers. Location is strategically located from the reach of consumers, including the availability of transportation and location of product sales (Rares & Jorie, 2015).

By the three main supporting competitive advantage of Roketto Coffee & Co, associated with the situation, marketing strategy should be a top priority of every company to achieve its goals. Basically, the company's purpose adheres to marketing is to give satisfaction to the consumers in meeting their wants and needs. For that, we need an effective marketing strategy that is key to consumer-oriented.

The purchase decision is the outcome of a series of stages that results in selecting one product over competing option, people calmly and carefully integrate as much information as possible with what they already know about a product, painstakingly weigh the pluses and minuses of each alternative, and arrive at a good decision (Solomon, Bamossy, Askegaard, & Hogg, 2016).

Purchase decision is a stage in the buyer's decision making process in which the consumer buys the product from experience heard, the selection, use, and even from the disposal of the product (Kotler & Keller, 2012).

Furthermore, with the theory that stated the existence of the relationship between store atmosphere, price and locations towards purchase decision, the author decided to conduct a research under the title **"The Effect of Store Atmosphere, Price and Locations Towards Purchase Decision (A Case Study in Roketto Coffee & Co Malang)."**

LITERATURE REVIEW

Store Atmosphere

Atmosphere of the surrounding environment of the store has a different position or layout to overcome. Every store has different

appearance, whether it is clean, tidy, messy, luxurious, etc. Every store has to build a planned appropriate environment for its consumer target (Kotler & Keller, 2012). Store Atmosphere refers to the design of an environment via visual communication, lighting, colors, music, and scent to stimulate customer, perceptual and emotional responses and ultimately to affect their purchase behavior (Levy, Weitz, & Grewal, 2019).

Price

Price is one of the company's critical successes because it determines how much profit will be obtained by the company from selling its products in the form of goods or services and also stated in the theory of modern marketing mix 4Ps. Marketing mix is a marketing tool that is used on an ongoing basis by companies to achieve marketing objectives (Kotler & Keller, 2012).

Marketing strategy applies the target market and the marketing mix or better known as 4P (product, place, promotion and price) for goods and plus 3P (people, process, physical evidence) for services. Product, process and people are the most important thing and cannot be ignored by the company. Application the right marketing strategy can influence potential customers to take a purchase decision (Kotler & Armstrong, 2010).

Location

Location is one of the determining factors for a business since it affects the cost of business (Umble, Haft, & Umble, 2003) and also stated in the theory of marketing mix 4Ps. Places include company activities that make products available to customers (Kotler & Keller, 2012). Location is seen as a place of business that greatly affects consumers' desire to come and shop (Suwarman, 2004).

Location is one of the determining factors for a business since it affects the cost of business (Umble, Haft, & Umble, 2003). The business location should be considered as good as possible. If the company makes a mistake in choosing a location, the company will bear the damages or fail in reaching its goals. The positive relationships existed between all the independent variables (location, rental rates, employment, inflation, interest rates and green buildings) and the

dependent variable (business performance) except for the relationship between electricity tariffs and business performance (Barnard & Kritzinger, 2011).

Purchase Decision

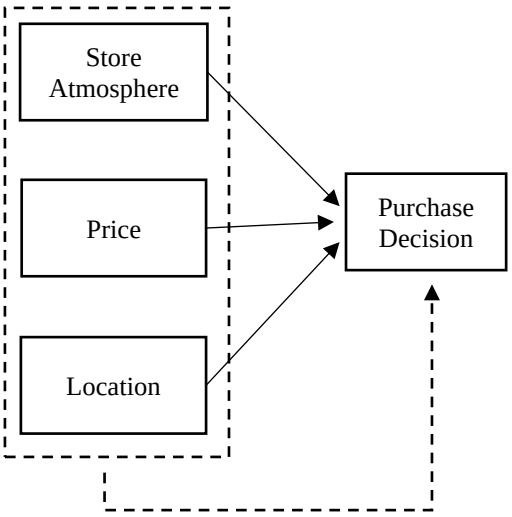
Purchasing decision refers to the buying activitity that has the most pleasure, but there are two factors between intention namely will and purchasing decisions. The decision-making process is made from the five phases, namely, introduction to needs, information search, evaluating alternatives, the decision of the will, and on post-will. Purchasing decisions can be seen from willingness frequency, overall customer satisfaction, and attracting buying interest (Kotler & Armstrong, 2010).

HYPOTHESES

H1: Store Atmosphere (X1) has a positive significant effect on the Purchase Decision.

H2: Price (X2) has a positive significant effect on the Purchase Decisions.

H3: Location (X3) has a positive significant effect on the Purchase Decision.



Source: Primary Data Processed, 2021

Figure 1. Hypotheses Model

RESEARCH METHOD

According to Sugiyono (2014), quantitative research method can be define as a research method that is based on the philosophy of positivism sample and is used to examine the population or a particular sample using the research data, an instrument of research, quantitative data analysis or statistics with the aim to test the hypothesis that has been set. Furthermore,

This research used the quantitative method and research design that the researcher used is explanatory research. The explanatory research is used to understand and became clear to define each variable that investigated

dependent variables and the independent variable. The independent variables used for this research are Store Atmosphere, Price, and Location, while the dependent variable of this research is Purchase Decision.

According to Sugiyono (2014), population is a generalization area consisting of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions. In this research, the population was consumers who visit Roketto Coffee & Co Malang.

Sample is part of population that have relatively similar characteristics can be considered representative population (Singarimbun, Masri, & Effendi, 2008) the technique used in sampling this research is purposive sampling. This research use samples to study, because when using populations the numbers are too large for the researchers ability, but the samples taken must be representative.

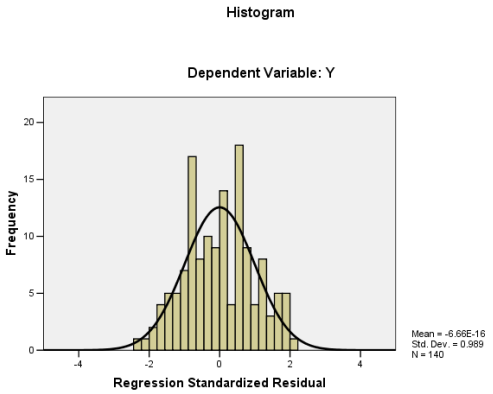
Data analysis methods use in this research are descriptive statistical tests, classic assumption tests, goodness of fit tests, coefficient of determination (R^2), multiple linear regression, and hypothesis testing with t test. Data analysis and hypothesis testing tools use Statistical Product and Service Solutions (SPSS) software.

FINDING AND DISCUSSION

Classic Assumption

Test The classic assumption tests used in this research are the normality test, the multicollinearity test, and the heteroscedasticity test.

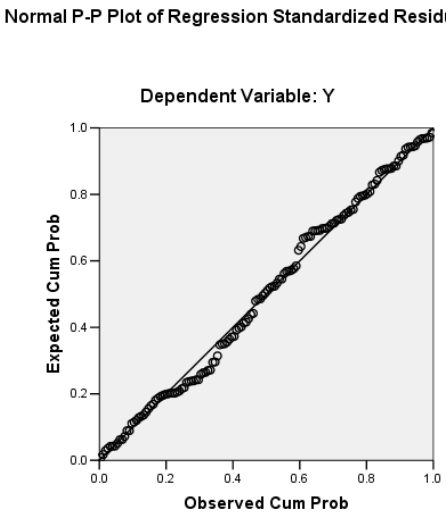
Normality Test



Source: Primary Data Processed, 2021

Figure 2. Histogram Graph Result

Based on Figure 2, it can be seen that the residual frequency was mostly collected at the value of 0, or the data distribution value was in accordance with the normal curve, it can be said that the residual had spread normally.



Source: Primary Data Processed, 2021

Figure 3. P-P Plot Diagram Result

Based on Figure 3, it can be seen that the points of the data spread around the diagonal line as well as following the direction of the diagonal line. It can be concluded that the data in this study were normally distributed.

Table 1
One-Sample Kolmogrov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		140
Normal Parameters [a,b]	Mean	.0000000
	Std. Deviation	1.44121640
Most Extreme Differences	Absolute	.066
	Positive	.066
	Negative	-.062
Kolmogorov-Smirnov Z		.786
Asymp. Sig. (2-tailed)		.567

a. Test distribution is Normal.
b. Calculated from data.

Source: Primary Data Processed, 2021

From the calculation results based on Table 1, the significance value was 0.140 where the value was greater than 0.05; then the provision of H0 was accepted which means that the data on this study were normally distributed.

Multicollinearity Test

This multicollinearity test was conducted with SPSS the result can be seen in Table 3.

Table 2
Multicolinearity test result

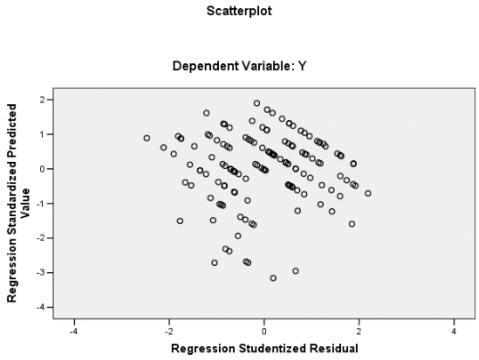
Variable Independent	Collinearity Statistics	
	Tolerance	VIF
Store Atmosphere	1.907	0.524
Price	0.524	0.545
Location	1.836	0.577

Source: Primary Data Processed, 2021

Based on the results in Table 3 it is known that in this study, the independent variables which are Store Atmosphere, Price, and Location produce VIF value ≤10 and produce a tolerance value ≥ 0.1. Thus, the independent variable in the regression model in this study stated no multicollinear symptoms occur. It means that the assumption of multicollinearity is fulfilled.

Heteroscedasticity Test

The Heteroscedasticity test was conducted with SPSS. The results of heteroscedasticity test can be seen in Figure 4.



Source: Primary Data Processed, 2021

Figure 4. Scatterplot Test Result

Testing the assumption of heteroscedasticity regarding the effect of Atmosphere, Price, and Location on Purchase Decision shows a randomly distributed residual observation condition. The test results show that the residuals are declared to have homogeneous variations. Thus, the assumption of heteroscedasticity is fulfilled.

Result of F Test (Goodness of Fit)

According to Table 4.15, F test is 61.567. While F Table (α = 0.05 ; df Regression = 3 : df residual = .136) is 2.671. Because F test > F Table, which is 61.567> 2.671 or sig. F (0.000) < α = 0.05, then regression model analysis is significant. It means H_0 is rejected and H_1 accepted. Thus, the dependent variable (Purchase Decision) is significantly influenced by the independent variable (Store Atmosphere, Price, and Location). Then, the results of the regression model analysis is fit.

Table 3
F Test

	Sum of Squares	df	Mean Square	F	Sig.
Regression	392.104	3	130.701	61567	0.000
Residual	288.718	136	2.123		
Total	680.821	139			

Source: Primary Data Processed, 2021

Multiple Linear Regression Analysis

Multiple linear regression analysis is a tool for forecasting the influence of two or more independent variables on one dependent variable.

Table 4
Result of Multiple Linear Regression Analysis

Independent Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Notes
	B	Std. Error	Beta			
(Constant)	0.462	0.864		0.535	0.593	
Store Atmosphere (X1)	0.311	0.067	0.357	4.627	0.000	Significant
Price (X2)	0.237	0.065	0.275	3.634	0.000	Significant
Location (X3)	0.253	0.074	0.252	3.426	0.001	Significant

Source: Primary Data Processed, 2021

Regarding the interpretation above, Store Atmosphere (X1), Price (X2),

and Location (X3) have a positive influence on Purchase Decision (Y). In other words, if there is an increase in Store Atmosphere (X1), Price (X2), and Location (X3), then it will be followed with the escalation of Purchase Decision (Y).

Result of Determination Coefficient (R^2)

Table 5
Coefficient of correlation and determination

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.759[a]	.576	.567	1.45703

a. Predictors: (Constant), Store Atmosphere, Price, Location
b. Dependent Variable: Purchase Decision

Source: Primary Data Processed, 2021

The coefficient of determination is used to calculate the influence or contribution of the independent variable toward the dependent variable. From the analysis of Table 4.14, the results of adjusted R2 (Coefficient Determination) is 0.567. It means that 56.7% of Purchase Decision variable will be influenced by another independent variable which is: Store Atmosphere (X1), Price (X2), and Location (X3). Whereas the other 43.3% of the Purchase Decision variable will be influenced by other variables undescribed in this study.

Besides coefficient of determination, the coefficient of correlation is also obtained. It shows the relation of each independent variables (Store Atmosphere (X1), Price (X2), and Location (X3)) with Purchase Decision (Y) variable, and the R value is 0.759. Correlation value indicating the relation of independent with the dependent variable is considered in high category because it exists in the range of 0.60-0.799.

Test Hypothesis

Result of t Test

Table 6
t test Partial

Variable	t test	Sig.	t Table
X1	4.627	0.000	1.978
X2	3.634	0.000	1.978
X3	3.426	0.001	1.978

Source: Primary Data Processed, 2021

According to Table 6, the following result obtain:

1. t test between X1 (Store Atmosphere) and Y (Purchase decision) indicates t test = 4.627. While t Table ($\alpha = 0.05$; df residual = 136) is 1.978. Because t test > t Table that is 4.627 > 1.978 or sig t (0.000) < α = 0.05 then the influence of X1 (Store Atmosphere) toward Purchase Decision is significant. It means it

rejects H0, and accepts H1. In short, Purchase Decision can be significantly influenced by Store Atmosphere or by increasing Store Atmosphere, Purchase Decision will significantly increase.

2. t test between X2 (Price) and Y (Purchase Decision) indicates t test = 3.634. While t Table (α = 0.05; df residual = 136) is 1.978. Because t test > t Table is 3.634 > 1.978 or sig t (0.000) < α = 0.05 then the influence of X2 (Price) toward Purchase Decision is significant. It means it rejects H0 and accepts H1. In short, Purchase Decision can be significantly influenced by Price or by increasing Price, Purchase Decision will significantly increase.
3. t test between X3 (Location) and Y (Purchase Decision) indicates t test = 3.426. While t Table (α = 0.05; df residual = 136) is 1.978. Because t test > t Table that is 3.426 > 1.978 or sig t (0.001) < α = 0.05, then the influence of X3 (Location) toward Purchase Decision is significant. It means it rejects H0 and accepts H1. In short, Purchase Decision can be significantly influenced by Location, or by increasing Location, Purchase Decision will significantly increase.

DISCUSSION RESEARCH

The Effect of Store Atmosphere Towards Purchase Decision

It can be concluded that Store Atmosphere positively and significantly influenced consumer Purchase Decision in Roketto. Therefore, H0 was rejected, and H1 was accepted.

In this study, it was proven that the Store atmosphere at Roketto would improve the positivity of Purchase decision. When exterior, general interior design, the layout pool, and the point of interest display is improved the purchase decision also will be improved. the store atmosphere aims to attract consumers to visit, enable them to find the required items Roketto has designed their architecture and interior design as well as possible.

The Effect of Price Toward Purchase Decision

The results of hypothesis testing indicated that the Price had a

significant positive influence on Purchase Decision in Roketto.

the Price at Roketto would improve the positivity of Purchase decision. When consumer feel that price is affordable, match with their product quality, have a benefit and match or can be cheaper than the other competitor. The Price of Roketto product have purpose to increase the purchase and satisfied their consumers. They provide the price according to their value and they make it more affordable. The Price that conducted by the Roketto is match with their competitor with the similar product.

The Effect of Location Toward Purchase Decision

the results of hypothesis testing indicated that the Location had a significant positive influence on Purchase Decision in Roketto.

Location at Roketto would improve the positivity of Purchase decision. When Roketto have Comfortable area, Spacious parking lot and Pleasant decorations the purchase decision also will be improved. Strategic and easily accessible areas make it easier for consumers to come to Roketto, it will certainly increase the purchase decision. Moreover, a large parking area that makes it easy for customers is also important to avoid a trouble.

Research Implication

After conducting research related to Store Atmosphere, Price, and Location towards Purchase Decision Dimension, the results of descriptive statistics and theories contained in this study hopefully can be used as references and additional information for Roketto Coffee & Co Malang management. In this study, several implications could be considered in order to attract consumer purchase decision. Based on the research, the Store Atmosphere, Price, Location, and Purchase Decision of Roketto Coffee & Co Malang are positive and have been accepted by their consumers.

CONCLUSION AND SUGGESTION

Conclusion

This study was conducted to find out which variables influence Internal audit effectiveness. The independent variables used in this study are Store Atmosphere, Price, and Location, whereas the dependent variable is Purchase Decision.

Regarding the analysis of the research, the following conclusions were drawn:

1. The store atmosphere of Roketto Coffee & Co positively influenced the consumer purchase decision. It means, if the Store atmosphere increase purchase decision also increase vice versa.
2. The price of Roketto Coffee & Co product positively influenced the consumer purchase decision. It means, if the price increases purchase decision also increases vice versa.
3. The location of Roketto Coffee & Co positively influenced the consumer purchase decision. It means, if the location increases the purchase decision also increases vice versa.

Recommendation

Build upon the conclusions above, the suggestion which can be pointed for the benefit of the company or even for other parties are as follows:

1. Roketto Coffee & Co should maintain and also increase the Store Atmosphere, Price, and Location, to the dependent variable, Purchase Decision. It is to keep their consumer in making purchases.
2. Given as the independent variables in this study, it is essential to influence Purchase Decision. The results of this study can be used as a reference for further researchers and company management to develop this study by considering other variables.

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