



The Influence of Retail Mix (Price, Product, Location) on Purchasing Decisions (Case Study of MR.DIY Supermarket at Ramayana Department Store Pematang Siantar)

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ABSTRACT

The evolution of contemporary retail is accelerating. The growing number of shoppers who demand an easy and comfortable shopping experience has an impact on the growth of modern retail. The purpose of this research is to ascertain how the retail mix affects consumers who shop at the MR.DIY supermarket in the Ramayana Pematang Siantar department store. In this research, the retail mix is divided into three categories: price, product, and location. This research uses quantitative methods. A Likert scale was utilized for measuring, and a snowball sample method with 100 participants was used for sampling. Simple linear regression tests and multiple regression tests are used in data analysis with the SPSS 21 program. Based on the calculations, it can be deduced that 3,424, 3,800, and 3,375, respectively, of the 3,424 purchasing decisions are partially influenced by the price variable, the product variable, and the 3,800, 3,800, and 3,375, respectively, by the location variable. In the meantime, 29.513's purchasing decisions are simultaneously impacted by the retail mix variables of price, product, and location. This means that the higher purchasing decisions that result from a better retail mix will raise customer loyalty levels. In the meantime, 29.513's purchasing decisions are simultaneously impacted by the retail mix variables of price, product, and location. This means that the higher purchasing decisions that result from a better retail mix will raise customer loyalty levels.

INTRODUCTION

In the current era of globalization, there is very rapid development in the business world, one of which is the retail trade sector, resulting in human needs being met properly which has an impact on consumer convenience, safety and comfort when shopping. According to Tjiptono (in Mauldy & Asep 2020), trade is divided into two types, namely wholesale trade and retail trade. The existence of modern retail is currently growing in line with the diverse demands of individuals. This diversity is then answered by modern retail businesses through increasingly innovative and varied breakthroughs which now focus retail companies not only on distributing consumer goods, but also providing changes in the form of sales services, payments and various other transactions that make various companies retail is increasingly competitive and consumers can freely choose which retail outlet to go to to determine purchasing decisions.

Observations were carried out in August by conducting an initial survey at other supermarkets. The observation results obtained were that 90% of consumers had visited the MR.DIY supermarket and 10% had never visited the MR.DIY supermarket. This happens because many consumers still prefer other supermarkets when deciding to buy something because the prices offered, the products available and the location of MR.DIY supermarkets are still less good and less satisfying than other supermarkets, also because the retail business or market is starting to grow and develop supermarkets such as Harmoni, Suzuya and Siantar Plaza so that the attractiveness of MR.DIY supermarkets decreases and causes consumer switching.

To minimize this problem, a new innovation is needed, namely a retail mix that supermarkets can use to increase the number of visitors or potential consumers. (Utami, 2020: 86), believes that the retail mix is a marketing strategy that refers to several variables, where retailers can combine these variables into alternative ways in an effort to attract consumers. In this research, retail mix variables were taken, namely price, product and location.

Based on the description outlined, research was conducted entitled "The Influence of Retail Mix (Price, Product, Location) on Purchasing Decisions (Case Study of the MR.DIY Supermarket at the Ramayana Department Store Pematang Siantar)".

THEORETICAL REVIEW

According to Utami (2020), "Retailing is a set of business activities that add value to products and sales services to consumers for individual or family use or consumption." Utami (in Dwi, 2019), states that "Retail marketing is all activities involved in selling products or services directly to end consumers for personal use and not business use".

According to Utami (2020:86), retailing mix is a marketing strategy that refers to several variables, where retailers can combine these variables into alternative ways in an effort to attract consumers. Tjiptono (2019:289), suggests that:

Pricing is one of the most important marketing decisions. Price is the only component of the marketing mix that generates revenue or income for the company, whereas the other components, such as product, distribution, and promotion, generate expenses (costs). Aside from that, price is a flexible component of the marketing mix, which means it can be changed quickly.

A product is a producer's subjective interpretation of 'something that can be offered as an effort to achieve organizational goals by fulfilling consumer needs and desires in accordance with the organization's competence and capacity as well as market purchasing power' (Tjiptono, 2019: 231).

Location is a major factor in consumer store selection. This is a competitive advantage that is not easily imitated. In addition, different locations make it easier to estimate the frequency of deliveries, so that the goods are ensured in good condition.

Purchasing decisions are an act of selecting various alternatives owned by potential consumers, According to Kotler and Keller (in Ahmadi, 2019), purchasing decisions are a series of problem solving processes consisting of needs, information search, purchasing decisions, and behavior after purchasing.

METHODS

This research was carried out at the MR.DIY supermarket on the 1st floor of the Ramayana department store which is located at Jalan Pattimura No.54-14, Tomuan, Kec. Siantar Timur, Pematang Siantar City. This research uses a quantitative approach with a survey method. The population of this research is MR.DIY Pematang Siantar consumers. The sampling technique in this research is snowball sampling, so the number of samples that will be used by researchers is 100 people.

The data collected in this research is the result of distributing a questionnaire via Google Form and then to determine whether the instrument statement items are suitable to be given, instrument validation is first carried out. The test was tested for validity using the SPSS 21 program, reliability using the Cronbach Alpha formula. The test results that have been tested are then given to the sample. The data analysis techniques used to test the research hypothesis are the t test and f test. Before the t test is carried out, prerequisite tests are carried out, namely the normality test, multicollinearity test and heteroscedasticity test.

RESULTS & DISCUSSION

Before testing the hypothesis, prerequisite tests are carried out, namely the normality test, multicollinearity test and heteroscedasticity test. Based on the normality test, it is presented in the following table:

Table 1. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.42263773
Most Extreme Differences	Absolute	.125
	Positive	.125
	Negative	-.089
Kolmogorov-Smirnov Z		1.253
Asymp. Sig. (2-tailed)		.086

a. Test distribution is Normal.

b. Calculated from data.

From table 1, the normality test results obtained an Asytotic Significance result of 0.086 with a sample of 100 people. It can be concluded that the data is normally distributed because the significance results obtained are > 0.05 .

Table 2. Multicollinearity Test Results

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	Harga	.721	1.386
	Produk	.763	1.311
	Lokasi	.808	1.238

a. Dependent Variable: KeputusanPembelian

Based on table 2 that Tolerance > 0.10 and Variance Inflation Factor (VIF) < 10 , it can be concluded that there are no symptoms of multicollinearity in the data, and each independent variable is free from correlation between the independent variables.

Table 3. T Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.623	4.998		1.125	.263
	Harga	.515	.150	.297	3.424	.001
	Produk	.338	.089	.320	3.800	.000
	Lokasi	.514	.152	.276	3.375	.001

a. Dependent Variable: KeputusanPembelian

Based on table 4.11, the tcount value of the price variable is 3.424, which is greater than ttable, namely 1.9850, the tcount value of the product variable is 3.800, which is greater than ttable, namely 1.9850, and the tcount value of the location variable is 3.375, which is greater than ttable, namely 1,9850

Table 4. F Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1069,580	3	356,527	29,513	,000 ^b
	Residual	1159,730	96	12,081		
	Total	2229,310	99			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), Location, Product, Price

Based on table 4.12, it is found that the Fcount of 29.513 is greater than the Ftable value of 2.70. Thus, price, product and location simultaneously influence the purchasing decision variables of visitors to the MR.DIY Pematang Siantar supermarket with a significant level of influence.

Discussion

The results of the classical assumption test, the normality test, are the main requirements to be able to proceed to the multiple regression analysis test with the data having a normal distribution and a significance level of > 0.05 . The retail mix variables (price, product, location) and purchasing decisions have a normal distribution between variables with a significant level of $0.086 > 0.05$, and based on Figure 4.1 the normal p-plot curve can be seen that the distribution of data is around the diagonal line and follows diagonal direction, then the values are standardized and meet the normality assumption.

The results of the multicollinearity test show that tolerance is > 0.10 and Variance Inflation Factor (VIF) < 10 . Based on table 4.10, it is known that the Variance Inflation Factor (VIF) for price is 1.386, for product 1.311, for location 1.238 and the three variables are < 10 and the tolerance value for price 0.721, for product 0.763, and for location 0.808 and for these three variables > 0.10 , it can be concluded that the data does not have symptoms of multicollinearity, and each independent variable is free from correlation between independent variables.

The results of the heteroscedasticity test based on Figure 4.2 show that the points are spread above and below the number 0 on the Y axis. Thus it can be concluded that heteroscedasticity does not occur.

In table 4.12 it is known that the constant value (a) is 5.623, while the value of the price variable (b1) is 0.297, the value of the product variable (b2) is 0.320, and the value of the location variable (b3) is 0.276, so the regression equation is:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$
$$Y = 5,623 + 0,297 X_1 + 0,320 X_2 + 0,276 X_3 + 1159.730$$

A constant of 5.623 means that the constant value of the purchasing decision variable is 5.623. The regression coefficient X1 is 0.297, X2 is 0.320, and X3 is 0.276. The regression coefficient is positive, so it can be said that the direction of influence of variables X1, X2, and X3 on Y is positive.

The results of the T test are based on table 4.13. The calculated t value of the price variable X1 (3.424) is greater than t table (1.9850) so that the results obtained reject H0 and accept Ha for the price variable. Thus, the price variable partially influences purchasing decisions at the MR.DIY Ramayana Pematang Siantar department store. The calculated t value of the product variable Thus, the product variable partially influences purchasing decisions at the MR.DIY Ramayana Pematang Siantar department store. And the tcount value of the location variable X3 (3.375) is greater than ttable (1.9850) so that the results obtained are rejecting H0 and accepting Ha. Thus, the location variable partially influences purchasing decisions at the MR.DIY Ramayana Pematang Siantar department store.

Partially, product variables have a more dominant influence than price and location variables. This can be seen from table 4.13 where the product variable value has the highest value, namely 3,800. This means that product variables have more influence on purchasing decisions at the MR.DIY Ramayana Pematang Siantar department store.

The F test results based on table 4.14 show that Fcount (29.513) is greater than the Ftable value (2.70). This indicates that the research results reject H0 and accept Ha. Thus, the retail mix (price, product, location) simultaneously influences purchasing decisions at the MR.DIY Ramayana Pematang Siantar department store.

The coefficient of determination R square value in table 4.15 is known to be 0.480, which means that 48% of retail mix variables (price, product, location) have an influence on purchasing decision variables at MR.DIY Ramayana Pematang Siantar department store and the remaining 52% is the influence of other variables. not examined in this research.

CONCLUSIONS AND RECOMMENDATIONS

Conclusion

It can be concluded that there is an influence of the retail mix (price, product, location) on purchasing decisions at the MR.DIY supermarket Ramayana Pematang Siantar department store.

Recommendations

The company hopes that this research can be used as input or as consideration to maintain product quality and maintain aspects of the retail mix because it has a very close influence on visitor/consumer satisfaction.

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