

The Effect of Store Atmosphere towards Student Purchase Decision

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ABSTRACT: This study aims to determine the relationship between store atmosphere (cleanliness, aroma, temperature, lighting, and layout) with purchasing decisions in the learning lab of the Politeknik Negeri Sriwijaya Department of Business Administration. The research design is descriptive and quantitative. 126 respondents used through questionnaires. The sample of this study consisted of all customers who made transactions in the Business Teaching Factory of the Department of Business Administration, Politeknik Negeri Sriwijaya Palembang. We used multiple linear regression analysis using SPSS software and showed that the variables of scent, temperature, cleanliness and layout have significant influence on purchasing decisions, while the lighting variable has a less significant effect on purchasing decisions. The research can be concluded that store atmosphere has a significant effect on purchase decision at Business Teaching Factory, which is scent has the strongest effect while lighting has the least effect.

Keywords: *Purchase Decision, Store Atmosphere, Teaching Factory*

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INTRODUCTION

Politeknik Negeri Sriwijaya is one of the State Vocational Colleges in Palembang. In carrying out the learning process, the Politeknik Negeri Sriwijaya provides a business teaching factory which is intended as a learning practice medium for students to run and instill an entrepreneurial spirit from the beginning. The Business Teaching Factory, which is located in the Business Administration Department of Politeknik Negeri Sriwijaya, provides a variety of products initiated by Business Administration students to meet the general daily needs of students. The products provided at this teaching factory focus on office stationery and food-beverage products.

A way to win a competition is to create different things offered by other parties or competitors. Store atmosphere can be a differentiator to win a competition, especially in the field of retail outlets, an attractive and unique atmosphere will provoke and shape the intention of visits from customers to make purchase (Diawan, Kusumawati, & Mawardi, 2016). Consumer

behavior does not focus only on product functions or attributes to choose a shopping place, but customers have thought about additional elements that can provide more value for the purchases they will make (Hussain & Ali, 2015). A pleasant store atmosphere is one of retail store success factor that cannot be ignored (Turley & Milliman, 2000). Kotler (1974) describes the atmosphere as a description of a retail outlet that can have a certain emotional impact on customers that increases their likelihood of making a purchase. An atmosphere that provides a pleasant experience by giving an attractive impression can directly influence customer purchase intentions in the decision-making process they experience (Srinivasan & Srivastava, 2010).

The high buying interest at the Business Teaching Factory demands better management in providing services to each of its customers. Improving better conditions in the atmosphere in store outlets can be the way to manage the Business Teaching Factory. After making observations, we found that several conditions became concern to the author, such as the space for movement was quite narrow due to the layout of the product that had not been maximized. Based on this situation, there is an impact caused by the store atmosphere which consists of cleanliness, room temperature, scent, lighting and product layout on purchasing decisions and post-purchase product behavior by consumers. This study is expected to provide an overview of the atmospheric conditions of the store outlets in the Business Teaching Factory so that it can be a consideration for managers to improve their services to the Politeknik Negeri Sriwijaya academic community.

THEORITICAL REVIEW

1. Store Atmosphere

Store atmosphere is one of the most important aspect in retail marketing to create a comfort feel in shopping. Levy & Weitz (2012) states that store atmosphere is a store environment that stimulates the five senses of consumers and affect consumer emotions and perceptions of the store. Store atmosphere is one of the important aspect of the store's image and can be defined as the most dominant sensory effect (Cox & Brittain, 2004). A store must be built with a planned atmosphere in accordance with its target market in order to attract consumer convenience and encourage purchases at the store. According to Kotler, Armstrong, & Opresnik (2018), customers are attracted by a good store atmosphere and affect confidence in the products and services offered by retail stores. Wakefield & Baker (1998) proved that due to atmospheric stimuli, the likelihood of customers staying longer in the store increases. Therefore, it is important to consider store atmosphere when managing business goals and consumer expectations (Ghifari & Saefulloh, 2017). According to Levy & Weitz (2001) store atmosphere refers to the design of the environment through visual communication, lighting, colors, music, and aromas to stimulate the perceptual and emotional responses of customers and ultimately influence their buying behavior. This study prioritizes the dimensions of cleanliness, scent, temperature, lighting and layout.

1.1 Cleanliness

The dimension of cleanliness is one of the main factors in retail appearance that can increase the atmosphere to influence customer feelings towards retail. Yun & Good (2007) states that convenience and luxury can be created in the minds of customers through store cleanliness so that customers stay longer in retail outlets and make more purchases. Furthermore, Hussain & Ali (2015) stated that store atmosphere can be improved by cleanliness and create a positive

impression among consumers so that they stay longer in the store. It can be concluded that cleanliness is very important to prioritize retail selection in the minds of customers (Wanninayake & Randiwela, 2007).

1.2 Scent

Scent in retail outlets have impact on consumer purchasing decisions. Banat & Wandebori (2012) states that scent is a fragrance that can affect customer's emotion and mood so that it has the effect of making customers stay longer and excited. When consumers evaluate merchandise, scent has a large influence (Spangenberg, Sprott, Grohmann, & Tracy, 2006). Shoppers who are exposed to many fragrances will tend to spend less money compared to outlets that have one scent (Haberland, 2010). In selecting the scent, the store management can consider the target consumers in order to create a pleasant atmosphere, so that consumers will spend time and money at the store to buy goods (Spangenberg et al., 2006).

1.3 Temperature

The temperature inside an outlet is one of the variables that have an influence on consumers to spend more time shopping. Temperatures that are too low or too high cause unpleasant feelings in customers, it causes dissatisfaction and consequently can make customers spend less time and result in negative information being spread by word of mouth (Lam, 2001).

1.4 Lighting

Good lighting can create excitement and have a positive impact on consumer buying behavior (Hussain & Ali, 2015). According to Wanninayake & Randiwela (2007), product selection made by consumers at outlets is quite influenced by lighting in a store. The brighter lighting in outlets is used to draw customer attention so that they can buy with the comfort they feel (Hussain & Ali, 2015). Furthermore, Erlinda & Anggraeni (2020) stated that the brand image of a store that pays attention to lighting can increase positive emotions and enhance the identity of the store.

1.5 Display/Layout

Product layout in an outlet can be interpreted as a sales area and space used for product arrangement in an outlet (Banat & Wandebori, 2012). According to Nordf (2011) by varying the design and components that are combined in a special display, it will be easier to catch the attention of consumers. So that the arrangement of products in a retail outlet must be arranged in such a way that it can attract the attention of consumers. This is supported by the statement by Abratt & Goodey (1990) that one of stimulus to attract customers' attention to make a purchase is product display.

2. *Purchase Decision*

Purchase decisions are defined as product purchase intentions from consumers and loyalty as post-purchase behavior by consumers (Prasad, Garg, & Prasad, 2018). According to Kotler & Keller (2012) in a buying decision process made by consumers there are five stages consisting of the first is the introduction of needs or problem recognition, the second is to search

for information about a product, the third is to compare alternative products available in the market. market, the fourth is making a purchase and the fifth is a post-purchase behavior by consumers.

Rachmawati, Shukri, Azam, & Khatibi (2019) explains that purchasing decisions are actions or behaviors taken by consumers to purchase a product or not. Post-purchase actions taken are also as important as the five stages previously described. Comegys, Hannula, & Vaisanen (2006) mentioning that the purchase action taken by consumers is a process that moves forward and continues even after the purchase action. Consumers will compare the products they buy with their expectations before the purchase action occurs. If the product meets expectations, it will create the consumer's satisfaction (Mustafa & Al-Abdallah, 2020). Post-purchase actions based on the satisfaction obtained for consumers can be in the form of revisiting, repurchasing and disseminating information about the purchased product to others (Kotler & Keller, 2012).

The research framework is shown in Figure 1.

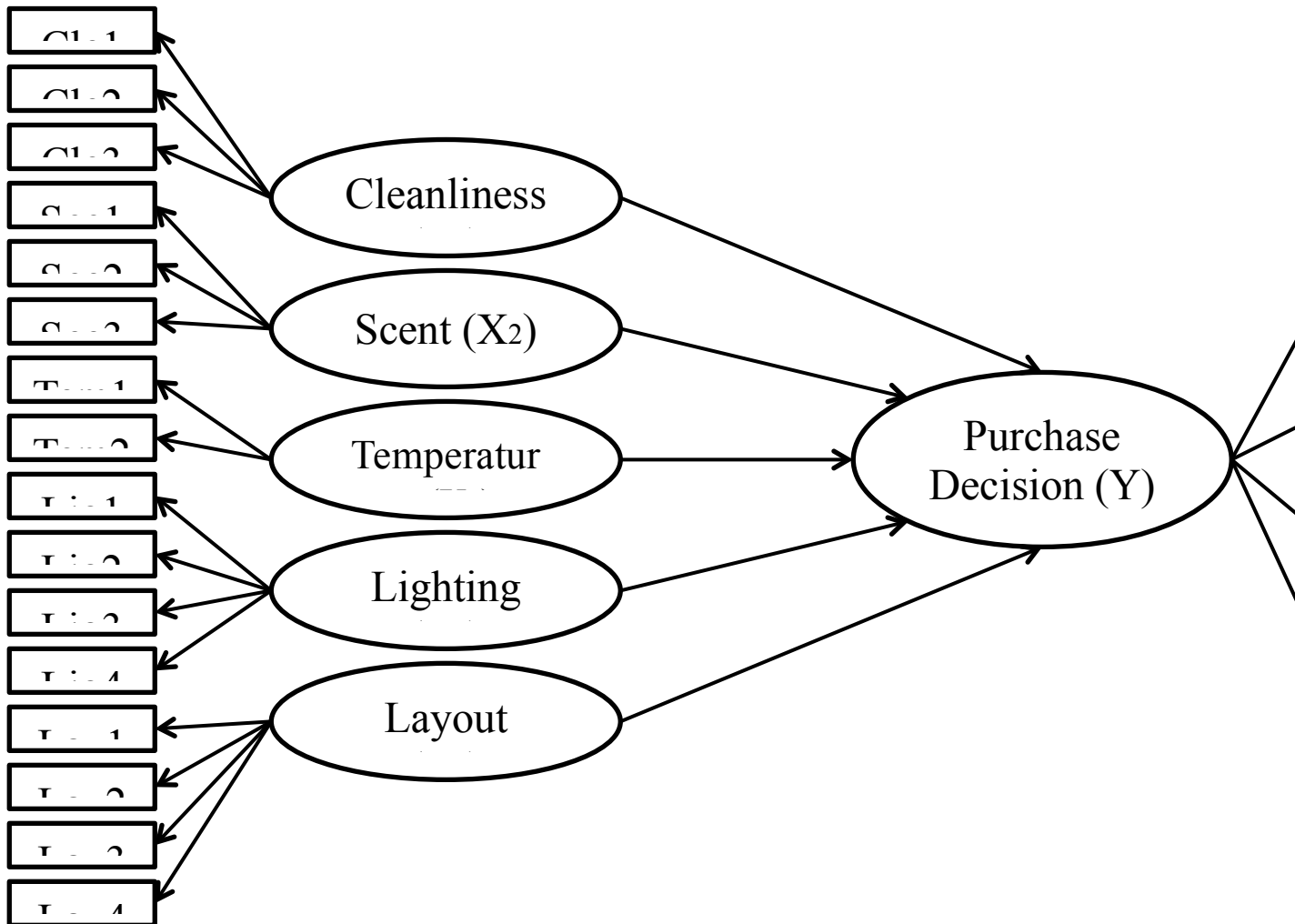


Figure 1. Research Framework

Hypothesis

Based on the explanation in the literature review, it can be concluded that hypothesis in this study includes:

H0: There is no significant effect of store atmosphere on purchase decision at Business Administration Teaching Factory of Politeknik Negeri Sriwijaya.

H1: There is a significant effect of store atmosphere on purchase decision at Business Administration Teaching Factory of Politeknik Negeri Sriwijaya.

METHOD

This study aims to understand a causal relationship among variables that are studied. We analyzed the effect of store atmosphere towards student purchase decision at Business Administration Teaching Factory of Politeknik Negeri Sriwijaya.

The population in this study were all students, lecturers and academic staffs of Politeknik Negeri Sriwijaya who had purchased products from Business Teaching Factory, therefore it is difficult to figure out the exact number of population. Purposive sampling technique is used and it needs samples of five to ten times the number of indicators. There are 20 indicators used in this study, so the minimum samples will be 100. Based on that guidance, a total sample of 126 respondents have been collected, consisting of 73 students, 44 lecturers and 9 academic staffs. Store Atmosphere scale is composed of five core dimensions: cleanliness, scent, temperature, lighting and product display. The items for indicators measured by using Likert scaling method starting from 1 (strongly disagree) to 5 (strongly agree).

The research used descriptive study to analyze respondent characteristics by using frequency table and quantitative analysis by using Statistical Product and Service Solutions (SPSS) program. After distributing questionnaires, a total of 126 respondents are used for data analysis. 79.4% of respondents (n = 100) are female, 20.6% of respondents are male (n = 26). Next on expenses, there are 63.5% of respondents (n = 80) have an expenses of < Rp. 25.000/day. 31.7% of respondents (n = 40) have an expenses of Rp. 25.000 - Rp. 50.000/day and 3.2% of respondents (n = 4) have income > Rp. 50.000/day. Based on the study program, 50.8% of respondents (n = 64) study in Business Administration program, 31.7% in Business Management program (n = 40), while 17.5% of respondents (n = 22) in Travel Business Program.

RESULTS AND DISCUSSION

First, we tested our research instrument validity and reliability for each variable and indicator. The test results by using the whole sample (126 respondents) can be seen in the tables below:

Table 1. The Result of Validity Construct

Var.	Ind.	CITC	Exp.	Var.	Ind.	CITC	Exp.
Cleanliness	X11	0.782	Valid	Display	X43	0.782	Valid
	X12	0.782	Valid		X44	0.759	Valid
	X13	0.797	Valid		X51	0.309	Valid
Scent	X21	0.724	Valid	X52	0.652	Valid	
	X22	0.773	Valid	X53	0.662	Valid	

	X23	0.701	Valid		X54	0.620	Valid
Temperature	X31	0.634	Valid	Purchase Decision	Y1	0.831	Valid
	X32	0.634	Valid		Y2	0.847	Valid
Lighting	X41	0.708	Valid		Y3	0.871	Valid
	X42	0.802	Valid		Y4	0.748	Valid

Source: Primary data (2022)

Table 2. The Result of Reliability Construct

Var.	Cronbach's Alpha	Exp.
Cleanliness	0.890	Raliable
Scent	0.858	Raliable
Temperature	0.776	Raliable
Lighting	0.891	Raliable
Display	0.751	Raliable
Purchase Decision	0.924	Raliable

Source: Primary data (2022)

Because we use significance level of 0.05, the r table value is 0.1460. Table 1 shows that all statements are valid because the values are greater than r table. Table 2 shows that each variable has more than 0.6, which are 0.890; 0.858; 0.776; 0.891; 0.751 and 0.924. It means that this research instrument has each variable that is high consistency and reliable.

Table 3. Hypotheses Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Conclusion
	B	Std. Error	Beta			
1 (Constant)	7.255	1.371		5.292	.000	Accepted
X1	.642	.104	.486	6.192	.000	
2 (Constant)	8.876	1.062		8.358	.000	Accepted
X2	.586	.090	.505	6.513	.000	
3 (Constant)	8.796	1.415		6.219	.000	Accepted
X3	.798	.163	.403	4.897	.000	
4 (Constant)	11.119	1.163		9.560	.000	Accepted
X4	.295	.074	.335	3.963	.000	
5 (Constant)	7.525	1.528		4.925	.000	Accepted
X5	.493	.092	.434	5.363	.000	

Source: Primary data (2022)

Table 3 shows there is a significant effect between Cleanliness (X1), Scent (X2), Temperature (X3), Lighting (X4) and Display (X5) on Purchase Decision (Y). It is proven by the

value of each coefficient Sig. < 0.05.

To determine the effect of independent variables on dependent, this study used Beta in the Standardized Coefficients column as a variable regression coefficient. The first equation includes Cleanliness (X1) and Purchase Decision (Y) stated as $Y = 7.255 + 0,486X1$. The second equation includes Scent (X2) and Purchase Decision (Y) is stated as $Y = 8.876 + 0,505X2$. The equation of Temperature (X3) and Purchase Decision (Y) expressed as $Y = 8.796 + 0,403X3$. Next, the Lighting (X4) and Purchase Decision (Y)'s equation is $Y = 11.119 + 0,335X4$. The last, the equation of Display (X5) and Purchase Decision is stated as $Y = 7.525 + 0,434X5$.

The coefficient of determination test is used to determine to what degree the independent variables explain the variance of dependent variables. It is shown at the value of R Square column of the table.

Table 4. R Square Results

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.486a	.236	.230	2.806
1	.505a	.255	.249	2.771
1	.403a	.162	.155	2.939
1	.335a	.112	.105	3.025
1	.434a	.188	.182	2.893

Source: Primary data (2022)

Table 4 shows the R Square for X1 is 0.236. It means that cleanliness has the influence as much as 23,6% on purchase decision. The R Square value for X2 is 0.255 or 25,5%, which means that scent affects purchase decision in Business Teaching Factory by 25,5%. For temperature value, its shows that affect about 16,2% towards purchase decision. The lighting variable have the less influence and it's only 11,2%. Last, for X5, the R Square is 0.188 or 18.8%. It means that the display variable has the influence as much as 18.8% on purchase decision and the remaining is influenced by other variables that are not studied in this research.

This statistical test result shows that there is a significant effect of store atmosphere on purchase decision. Store atmosphere is the main component of the store's image and can be defined as the most dominant sensory effect (Cox & Brittain, 2004) then a store must be built with a planned atmosphere in accordance with its target market in order to attract consumer convenience and encourage purchases at the store. This result is relevant with research conducted by Kotler et al. (2018) which stated a good store atmosphere can attract consumers to buy and affect confidence in the products and services offered by retail stores.

Store atmosphere is measured based on five dimensions. Based on data analysis, the most dominant dimension is the scent, in which most respondents felt motivated to purchase more at teaching factory, then they are interested to revisit and stay longer at teaching factory. This finding is relevant with research conducted by Wakefield & Baker (1998) which stated that due to atmospheric stimuli, the likelihood of customers staying longer in the store increases. This is also linier with research conducted by Hussain & Ali (2015) which shows that consumers' purchase intention is positively influenced by scent. Banat & Wandebori (2012) stated that scent is a fragrance that can affect customers' mood and emotions so that it has the effect of making customers stay longer and excited.

However, shoppers who are exposed to many fragrances will tend to spend less money

compared to outlets that have one scent according to Haberland (2010), so this research is contradictory. Scent emitted by the products at teaching factory does not make respondents to purchase less. This might be due to the difference between fragrance and scent according to the author. The teaching factory does not have any fragrance and it is dominated by scent from any kind of product sold at this store.

Furthermore, variable which has least effect on purchase decision at teaching factory is the lighting. Current condition at teaching factory shows that there is not much lighting as supposed to be. Furthermore, if the rainy season occurs, it makes the lighting even dimmer. However, the respondents still make purchases. Yoo, Park, & Mac Innis (1998) stated that stores with good scent, color, lighting, display, and music will motivate the customers to revisit the store. The brighter lighting in retail outlets is used to grab the customers' attention so that they will purchase because they feel comfortable (Hussain & Ali, 2015). Respondents still tend to stay longer at teaching factory and evaluate product quality. This might also because there is only one teaching factory at Business Administration Department where respondents can easily access.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of this study, it can be concluded that store atmosphere has a significant effect on purchase decision at Business Teaching Factory Politeknik Negeri Sriwijaya, with the most dominant dimension is the scent while the lighting has the least effect. Some suggestions might be used, including: (1) Even though having a significant effect on purchase decision, it is better if lighting dimension could be improved, so it has a bigger effect on purchase decision. (2) It is recommended for the next research to add additional questions for the questionnaire. For example, questions could be added about another variable which support the effect of store atmosphere on purchase decision such as price, social media marketing, or unplanned buying behavior.

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