

## Effect of Store Atmosphere and Location on Buying Interest

Eltie Christi Sandag<sup>1</sup>, Ashur Harmadi<sup>2</sup>, I Wayan Gede Antok Setiawan Jodi<sup>3</sup>,  
Pandu Adi Cakranegara<sup>4</sup>, Teguh Setiawan Wibowo<sup>5</sup>

<sup>1</sup>Universitas Nusantara Manado, Indonesia

<sup>2</sup>Universitas Gunadarma, Indonesia

<sup>3</sup>Universitas Mahasaraswati Denpasar, Indonesia

<sup>4</sup>Universitas Presiden, Indonesia

<sup>5</sup>STIE Mahardhika, Indonesia

[eltie.sandag@gmail.com](mailto:eltie.sandag@gmail.com), [ashur@staff.gunadarma.ac.id](mailto:ashur@staff.gunadarma.ac.id), [Gedejodi@unmas.ac.id](mailto:Gedejodi@unmas.ac.id),  
[cakranegara@president.ac.id](mailto:cakranegara@president.ac.id), [teguh10setiawan@gmail.com](mailto:teguh10setiawan@gmail.com)

### Abstract

*The purpose of this study is to analyze effect of store atmosphere and location on buying interest. This research uses descriptive and quantitative research methods. The population taken in this study are all visitors who are interested in buying products and services offered at the Medan Unique Market Store. The number of customers who shop at the Medan Unique Market Store cannot be known and confirmed, so this is one of the reasons for using this method due to time constraints and this method is more efficient. The sample in the study is set at 100 respondents. The analytical tool in this study is multiple linear regression. The results show that store atmosphere has a positive and insignificant effect on buying interest. Location has a positive and insignificant effect on buying interest.*

### Keywords

store atmosphere; location;  
buying interest



## I. Introduction

The increasing level of consumption and people's shopping desire has made the shop or retail business increasingly ogled and in demand by business people. Owning and building your own business is one of the dreams for some people in the business world. However, the high level of competition is also one of the factors for this type of business person to implement the right strategy. The current competition and competition among retail business owners is not only based on price, but other aspects and variables such as store location, store atmosphere, and service. Therefore, to establish and run a successful and desirable store business, in addition to maintaining and developing the quality and quantity of products and services in their stores, retail entrepreneurs must also maximize the convenience of buyers by taking into account other variables. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). The success of leadership is partly determined by the ability of leaders to develop their organizational culture. (Arif, 2019).

The challenges that arise due to competition in the retail sector also require retail entrepreneurs to indirectly develop a retail mix consisting of merchandise pricing, location, atmosphere, advertising and promotion, and personal selling (Levy and Weitz, 2001:22). This is done as a marketing effort that is able to create differences or innovative uniqueness that is able to attract buying interest and consumers' convenience to shop. According to Durianto and Liana (2004:44), buying interest is something related to consumer plans to buy products within a certain period. In an effort to increase consumer buying interest, not a few retail owners are also maximizing and considering all variables

to support the success of their business, such as providing a comfortable and pleasant store atmosphere and store locations that are easily accessed by consumers. According to Utami (2006), to create comfort and a good image in the minds of consumers, parts of the store atmosphere such as the combination of architecture, layout, temperature, lighting, color, displays, aroma and music are the most influential things overall in creating an image shop atmosphere. Convenience of consumers when in the store is one way that consumers are interested in making purchases (Levy and Weitz, 2001).

Medan Unique Market is one of the retail stores that met in Medan City. The Medan Unique Market Store is a retail store that was just pioneered by Mrs. Wenny in March 2021. Based on the results of a short interview, Mrs. Wenny said, "I started this shop with a modern and all-in-one concept with comfortable decorations to be used as a place to hang out selling goods and service, this store also provides wifi, air conditioning, instant food and drinks, and tables and chairs similar to cafes. So, buyers who come can sit back and play games or do assignments and work." As the name implies, which contains the word unique which means unique, this shop of course sells unique items such as drinking bottles which also have a fan blade for making juice, light emitting diode lamps that can play music, and many other unique items. Unique items, the Medan Unique Market Store also sells original collectibles such as gundams, tamiyas, and anime figures. Not only that, the Medan Unique Market Store also provides smartphone and computer service and sells second hand smartphones, cellphone accessories, credit, electricity tokens, and more.

The purpose of this study is to analyze effect of store atmosphere and location on buying interest.

## II. Review of Literature

### 2.1 Store Atmosphere

According to Levy and Weitz (2001), store atmosphere is a design or environmental design through visual communication, lighting, color, music, and smell to stimulate customer impressions and emotions to influence their behavior when shopping.

The purposes of the store atmosphere are:

1. Assist in determining the image, impression or perception of the store in the minds of customers.
2. Assist in creating customer convenience and provide convenience for customers in carrying out traffic when shopping in the store.

There are factors that influence in creating a store atmosphere, namely:

1. Types of employees and general characteristics of employees, for example in a shop there are rules that every employee must look neat, smell good, friendly, broad-minded, and willing to serve customers wholeheartedly.
2. The type of merchandise and the level of density of goods, the arrangement of the layout and the concept of displaying the goods sold in the store are things that can determine what kind of atmosphere the retailer wants to create.
3. Types of fixed equipment and their density, arrangement of equipment such as iron racks, wooden shelves, hangers, statues or other equipment that is fixed for a long period of time. These fixed fixtures must be consistent with the general atmosphere to be created.
4. The type of sound, the voices contained in the store can be pleasant or can sound annoying to a customer. Music played in the store can create an atmosphere that can make customers stay longer in the store.

5. Aroma, the aroma that can be smelled in the store or around the store will greatly affect the mood of the customer. The customer's mood will be better when there is a scent that can be approved and liked. On the other hand, the customer's mood will be chaotic if he smells an unpleasant or unpleasant aroma in the store. This of course will make customers unfocused and uncomfortable to shop.
6. Visual factors, the selection and determination of the right color can also affect the mood of the customer. Certain colors have their own meaning and role in setting the mood and mood of customers when they enter the store. In addition, lighting also has an important influence on the atmosphere of the store. Usually some customers will feel afraid and insecure to shop at night in a store area that lacks good lighting.

## **2.2 Location**

Location is an important thing to think about and consider in building a shop or company. Because location selection is an important competitive factor in an effort to attract customers or consumers.

There are factors that influence the location, including the following (Tjiptono, 1996):

### **1. Access**

Includes the location or path that is passed to the store. Can also be categorized as the level of ease or difficulty to reach the store using public transportation or private transportation.

### **2. Visibility**

It is a matter that includes whether or not the location of the store is clear when viewed from the side of the road.

### **3. Traffic**

There are 2 things that need to be considered in traffic, namely:

- a. The level of traffic activity, for example, traffic that is often passed by many people can usually provide opportunities for impulse buying.
- b. Traffic congestion and congestion can also become obstacles, for example there are police, fire, or ambulance services in the area.

### **4. Spacious and Safe Parking Space**

The availability of a large and safe parking area is also able to increase the buying interest of customers who tend to always bring their own vehicles to shop.

### **5. Expansion**

Includes things to think about such as the availability of a large space for business expansion in the future.

### **6. Environment**

Surrounding areas that support the supply of available goods or services. For example, a stationery shops adjacent to a school or office.

### **7. Competition**

Consider whether the location around the store has many competitors offering the same goods or services.

## **2.3 Buying Interest**

According to Putra (2011), interest is an act of behavior that is oriented towards a particular object, activity or experience. He also explained that the intensity of the tendency that each person has is different. Meanwhile, according to Engel et al. (1995), buying interest is a driving force or a person's motive to pay attention spontaneously, naturally, without coercion, and selectively on a product which is then used as the basis for

making buying decisions. The opinion according to Kotler and Keller (2007), where it is said that consumer buying interest is a consumer behavior that shows a desire to choose, use, and consume a product offered. Based on several theoretical foundations described by several previous experts, it can be seen that buying interest is a condition where consumers have an interest or desire for a product or service offered, and want to buy it to fulfill their satisfaction.

The four factors that influence buying behavior are (Kotler, 2006):

- 1.Culture, consisting of culture, sub culture and economy class.
- 2.Social, consisting of reference groups, family and roles and status.
- 3.Personal, consisting of age, stages of the life cycle, occupation, economic conditions, lifestyle, as well as personality and self-concept.
- 4.Psychological, consisting of motivation, perception, learning, belief, and attitude.

There are ten main factors that influence buying interest in retail businesses including (Lucas, 2013):

- 1.Strategic location, the most important thing is to find a strategic location and in accordance with the target market.
- 2.Adaptation, is the ability to adapt to existing market conditions. Retail business owners must be able to understand the types of needs of their customers in order to adapt well.
- 3.Media marketing, are various ways that retail business owners do to find the most appropriate marketing media. Retail business owners can also take advantage of online marketing media to market goods or services offered in a wider scope.
- 4.multi-talent managers, entrepreneurs especially in the retail sector should consider having a manager who is not only able to work to provide work motivation to his subordinates, but is able to have the ability to relate to parties outside the company and establish cooperative relationships.
- 5.Products, retail business owners need to adjust the products they have and are provided with what customers expect. There are several products that can be innovated according to the concept of the store.
- 6.Concepts, retail businesses must also have precise and clear concepts. It's good if retail business owners are able to create concepts that other retail businesses don't have. The concept created in a retail store can affect the customer's feelings about the atmosphere while in the store.
- 7.Management, the operation of a retail business is strongly influenced by good and appropriate management. Retail business owners must have good management which of course can reach all of their business operational processes.
- 8.Sales system, retail business owners must be able to create brands and make good and attractive marketing promotions in order to be able to attract many customers. This is very important to maintain the level of sales which of course can build the image of a brand in the community.
- 9.Competitiveness is something that needs to be considered in determining competitive product prices in order to be able to compete with similar retail businesses that already exist somewhere.
- 10.Opportunity, there is a principle of opportunity which states that opportunity does not come twice, this must be used as a guide to always pay attention to the opportunities that exist.

### III. Research Method

This research uses descriptive and quantitative research methods. Descriptive is a method in examining the status of a group of people, a condition, an object, an event in today's society or a system of thought that aims to create a systematic, factual, and accurate picture of the properties, facts, and relationships between phenomena. studied (Octiva et al., 2018; Pandiangan, 2018). While quantitative includes data that has been collected and analyzed and then interpreted to get the right conclusions (Asyraini et al., 2022; Octiva, 2018; Pandiangan, 2015).

The population is the entire research subject (Jibril et al., 2022; Pandiangan et al., 2018; Pandiangan, 2022). The population taken in this study are all visitors who are interested in buying products and services offered at the Medan Unique Market Store. The sample is part of the number owned by the existing population (Octiva et al., 2021; Pandiangan et al., 2021; Pandia et al., 2018). The number of customers who shop at the Medan Unique Market Store cannot be known and confirmed, so this is one of the reasons for using this method due to time constraints and this method is more efficient. The sample in the study is set at 100 respondents.

The analytical tool in this study is multiple linear regression. Multiple linear regression analysis is used when the research intends to predict how the condition (up and down) of the dependent variable (criteria) will be if two or more independent variables as predictor factors are manipulated (Pandiangan et al., 2022; Tobing et al., 2018).

### IV. Result and Discussion

#### 4.1 Company Profile

The Medan Unique Market Store is a retail store founded by Wenny Zhang on March 17, 2021 and having its address at Jalan Medan South Area, Number 429, Medan City, North Sumatra Province. The Medan Unique Market Store is a retail store engaged in selling goods and services directly to end consumers for personal use. The products and services provided by this store are very diverse, ranging from unique household goods, masks, skincare, instant food and drinks, snacks, second smartphones, smartphone and computer services, pulses and electricity tokens, collectibles. originals such as gundam, anime, tamiya, and various other accessories.

The Medan Unique Market Store which has a store area of 5x7 meters consists of 2 parts, namely the shop section and the toilet section. For the target market, this store chooses young people, both men and women who like shopping but have a hang-out spirit because the Medan Unique Market Store provides a place to shop as well as a place to relax equipped with air conditioning, wifi, and cafe-style tables and chairs. The name Medan Unique Market itself has an element of the word Unique which means unique. The owner uses the name indeed to be a hallmark that the shop is indeed unique and of course offers unique products.

The Medan Unique Market Store is led directly by its founder who doubles as manager, marketing, finance, stocking, service, and shop keeper. So, all store organizing activities are only carried out by the shop owner himself without the help of employees.

Job description organizational structure:

##### 1.Owner

- a.The owner or owner of the company is the person who is responsible for the running of a company. The owner has full power to manage and organize the company to achieve the goals that have been targeted.

- b.The owner also has the authority to direct his staff or employees to work according to the system outlined by the company.
  - c.The owner has the duty to always control the company's activities to find out the company's strengths and weaknesses.
  - d.Owner determines strategy to increase company productivity.
  - e.The owner determines the company's financial policies in full to control the health of the company's finances.
- 2.Marketing
- a.Marketing determines and sets the right marketing strategy for the company that aims to increase sales.
  - b.Marketing supervises and is responsible for the sales department.
  - c.Marketing coordinates with owners and managers to make new innovations in marketing their products.
- 3.Accounting
- a.Accounting analyzes the company's expenses and income in order to still get a profitable margin for the company.
  - b.Accounting provides weekly or monthly sales reports.
- 4.Stockers
- a.Stockers need to check the existing inventory.
  - b.Stockers receive and select operational needs items sent by suppliers according to type and quantity.
  - c.Stocker makes a report if there is an item that arrives damaged.
- 5.Service
- a.Packing Products.
  - b.Promote merchandise.
  - c.Serving buyers or shop guests who come wisely, quickly, and responsively.
  - d.Answering buyer's questions patiently and friendly.
  - e.Help direct buyers to the location of the item being sought.
  - f.Welcoming and inviting buyers to shop.
  - g.Monitor buyers during shopping.
- 6.Shopkeeper
- a.Maintain the safety and cleanliness of the store area.
  - b.Organize and record the display of products sold in stores.

## 4.2 Multiple Linear Regression

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.989	2.616		3.436	.001
Store Atmosphere	.096	.060	.304	1.606	.117
Location	.356	.180	.374	1.973	.056

a. Dependent Variable: Buying Interest

The results show that store atmosphere has a positive and insignificant effect on buying interest. Location has a positive and insignificant effect on buying interest.



## V. Conclusion

The results show that store atmosphere has a positive and insignificant effect on buying interest. Location has a positive and insignificant effect on buying interest.

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