The Effect of Product Display and Promotion on Consumer Purchasing Decisions of Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency

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A R T I C L E I N F O

ABSTRACT

This study aims to determine whether there is an effect of product display and promotion on purchasing decisions of Indomaret consumers in Ngulak Village, Sanga Village, Musi Banyuasin Regency. This research is quantitative descriptive. The population and sample in this study were 96 people from Indomaret consumers, Ngulak Village, Sanga District, Musi Banyuasin Regency. The sampling technique uses the Accidental Sampling technique. The analysis technique used is multiple linear regression analysis, the data is processed using the help of the Statistical Product and Service Solution (SPSS) computer program version 26. The results of this study indicate that there is a positive and significant influence both partially and simultaneously between Product Display and Promotion on Decision Consumer Purchases at Indomaret, Ngulak Village, Sanga District, Village, Musi Banyuasin Regency.

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1. INTRODUCTION

The retail business is all business ventures that directly sell goods and services to end consumers for personal use and not business users (Sundari, 2021). The development of the retail business in Indonesia has grown very rapidly, this can be seen since the beginning of the year in January 2022 which reached 15,161 retail sales in Indonesia (ceicdata.com 2022). Many retail businesses have sprung up in Indonesia, both traditional and modern retail businesses. One example of a modern retail business that we often encounter is Indomaret. Indomaret is a modern retail business engaged in minimarkets that provide basic needs and daily necessities. The first Indomaret store opened in Ancol, North Jakarta, in 1988, which is managed by PT Indomarco Prismatama. Until now, Indomaret outlets have spread across various islands in Indonesia, namely, Sumatra, Java, Madura, Bali, Lombok, Kalimantan and Sulawesi. Not only in big cities, Indomaret has also opened outlets in various remote villages. Until now, Indomaret outlets have totalled 18,000 units, of which around 38% of all units are franchised and the rest are owned by PT Indomarco Prismatama. Indomaret has a total of 17 distribution centres that distribute 4,800 commercial products and even more products to all Indomaret offices in Indonesia.

The development of modern retail businesses has created a significant force in Indonesian retail. Supermarkets generate the largest turnover, followed by minimarkets and Supermarkets. The diversity of retail brings its own effects. The growth of retail in Indonesia has led to increased competition between retail businesses, both competition between modern retail businesses and

traditional retail businesses. This competition forces companies to improve business quality and not to forget about the marketing mix so that products can be delivered and accepted by consumers, competition among retail businesses, both in terms of improving products, promotions, services, prices, marketing and others.

One way that Indomaret can compete in the retail market is by paying attention to the marketing mix. In marketing activities there are 4 (four) mixes that must be carried out by each company, namely: product, price, place, and promotion (Wangarry et. al. 2018). As in Indomaret in Ngulak Village, Sanga Village District, Musi Banyuasin Regency, which is the object of this research, also carries out a marketing mix so that its business can continue to run and succeed, they pay attention to aspects of the marketing mix such as paying attention to product display and promotion.

Products are goods available for sale in stores. To attract customers to make purchases, products in the store need to be arranged to make the product display more attractive. Each retail establishment has a unique product arrangement, just as a clothing store will be different from a retail company. So that customers know the types of products sold through product displays, the store display will reflect the store's image (Syawalludin, 2021). Customers will be more likely to make a purchase if the product display is attractive.

Promotion is one of the important marketing mixes carried out by companies in the process of marketing their products, arousing interest and influencing consumer behaviour. Promotion can also be understood as an activity to communicate product advantages and persuade target consumers to buy these products (Prassetyo dan Hanny, 2021).

Several studies that have been conducted previously, including by Suyanto, et. al. (2021) found that the promotion mix variable influences consumers in making purchasing decisions positively and significantly. The product display variable influences consumer purchasing decisions positively and significantly in making purchasing decisions. The test results simultaneously prove that the promotional mix variables, and product displays influence consumers in making purchasing decisions positively and significantly.

Astari (2019) and Prassetyo dan Hanny (2021) state that there is a positive and significant influence between promotions on consumer purchasing decisions, and the results of the second test, namely product display and promotion together have a positive and significant effect on consumer purchasing decisions. Meanwhile, Solihin (2020) resulted in promotions having a positive and significant effect on purchasing decisions. Meanwhile, Ramadoni (2020) states that promotion has no effect on purchasing decisions and has no significant effect on purchasing decisions.

Based on the background described above, researchers are interested in knowing how far the influence of product displays and promotions on consumer purchasing decisions of Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency. Because before the existence of Indomaret, the people there only shopped at stalls to meet the daily needs they needed, and usually before they shopped at the stall, they already had a goal of buying goods to be purchased at the stall where they shopped, without paying attention to product displays and getting less promotion when shopping, with the existence of Indomaret there who pay attention to product displays and also carry out promotions as is less done by the surrounding stalls, researchers are interested in conducting a study entitled "The Effect of Product Display and Price on Consumer Purchasing Decisions of Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency".

2.   RESEARCH METHOD

This research method is descriptive quantitative. Quantitative research which is a type of scientific research related to collecting and analysing data in numerical form (Sugiyono, 2018).

Population is a collection of research data that concentrates on data sources. Because the object of this research is consumers at Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency, the population taken is consumers of Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency, but the population is not clearly known how many there are.

This study uses the Accidental Sampling Technique. According to Sugiyono (2017) Accidental Sampling is a sampling technique based on chance, that is, any consumer who happens to meet the

researcher can be used as a sample, if it is deemed that the person who happened to be met is suitable as a data source. The sampling technique in this study uses the Cochran formula as follows:

$$n = \frac{Z^2\ pq}{e^2}$$

Description:

n   : Number of samples required
Z   : 5% deviation in the normal curve 1.96
p   : 50% chance of being correct
q   : 50% chance of being wrong
Moe   : Margin of Error

The confidence level used is 95% where the Z value is 1.96 and the maximum error rate is 10%. The total sample size in this study is as follows:

$$n = \frac{(1,96)^2\ (0,5)\ (0,5)}{(0,1)^2}$$
$$n = 96,04$$

Based on these calculations, the minimum sample size that must be used in the study is 97 respondents.

The type of research used is quantitative research. This quantitative research uses a questionnaire distributed to consumers of Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency as respondents and fill out a questionnaire. Then the results of the data collected will be processed using SPSS V26.

3. RESULTS AND DISCUSSIONS

3.1 Validity Test

In this study, the validity test was carried out using SPSS V26. The results of all statements can be said to be valid by comparing rcount with rtable, all statements with results above (0.200).

3.2 Reliability Test

In this study, the reliability test was carried out using the Cronbach's Alpha formula. The results of the product display variable reliability test were 0.835, the promotion variable was 0.843, and the purchasing decision variable was 0.795. The results of the reliability test on this research instrument were declared reliable all because the alpha value of each variable was above 0.60.

3.3 Classical Assumption Test

Normality test to see if in the regression model, the dependent and independent variables have a normal distribution or not. Based on the results of the Kolmogorov Smirnov value obtained, the Asymp. Sig (2-tailed) of 0.066> 0.05. So that the data used is normally distributed.

3.4 Multiple Linear Regression Analysis

Table 1. Multiple Linear Regression Test Results

Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
(Constant)	7,975	2,172	3,671	,000
Display Produk	,378	,148	2,551	,012
Promotion	,509	,082	6,230	,000

Based on the regression measurement results shown in table 1, the regression equation is as follows: Y = 7,975 + 0,378X1 + 0,509X2. Dengan nilai e = 2,172

a. Coefficient of Determination (R^2)

Based on the results of the calculation of the SPSS V26 programme, the coefficient of determination (R^2) is 0.537 or 53.7%. Thus it can be concluded that the product display and promotion variables have a magnitude of 0.537 (53.7%) on purchasing decisions while the remaining 46.3% is influenced by other variables not examined in this study.

b. T test

From the results of the t test calculation with the SPSS V26 program, the tcount value of the product display variable (X1) is 7.015> t table 1.985, and the tcount value of the promotion variable (X2) is 9.783> t table 1.985. So it can be concluded that partially the product display variable and the promotion variable partially affect purchasing decisions.

c.   **F test**

From the results of the f test calculation with the SPSS V26 programme, the f_{count} value is 53.911> f_{table} value 3.09. So it can be concluded that simultaneously the product display variable and the promotion variable have an effect on purchasing decisions.

4.   CONCLUSION

Based on the results of data testing, it can be concluded: Product Display has a positive and significant effect on Purchasing Decisions at Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency, indicated by the t_{count}> t_{table} value of 7.015> 1.985 and a sig value of 0.000 < α (0.05). Promotion has a positive and significant effect on purchasing decisions at Indomaret Ngulak Village, Sanga Village Subdistrict, Musi Banyuasin Regency, indicated by the t_{count}> t_{table} value of 9.783> 1.985 and a sig value of 0.000 < α (0.05). In this study, it was found that the results of the F test simultaneously had a positive and significant influence between the influence of product display and promotion on purchasing decisions at Indomaret Ngulak Village, Sanga Village District, Musi Banyuasin Regency, seen from the results of F_{count}> F_{table} of 53.911> 3.09 and a sig value of F of 0.000 < α (0.05).

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