# THE INFLUENCE OF SALES PROMOTION AND STORE LAYOUT ON CONSUMER IMPULSIVE BUYING BEHAVIOR. CASE STUDY: COOL SUPERMARKET TOMOHON

PENGARUH PROMOSI PENJUALAN DAN TATA LETAK TOKO PADA PERILAKU PEMBELIAN IMPULSIF. STUDI KASUS: COOL PASAR SWALAYAN TOMOHON.

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Abstract: Indonesia's retail is undergoing profound change. High consumer confidence, an expanding middle class and rising personal incomes have made private consumption the most important component of Indonesia's economy and attracted numerous global retailers. Impulsive buying means making an unplanned purchase and marketers try to tap this behavior of customers to boost sales. There is a great likelihood that customers end up making a purchase of products after entering the hypermarket without any actual intent of doing so. The Influence of Sales Promotion and Store Layout on Consumer Impulsive Buying Behavior at Cool Supermarket Tomohon. This research used quantitative methodology with 120 consumers as the sample. The data analysis used multiple linear regression techniques with sales promotion and store layout as independent variables, while impulsive buying act as sole dependent variable within the research. Based on the result and analysis, the conclusion in this research are both independent variables have positive and significant influence toward impulsive buying behavior. The evaluation regarding these important factors can be emphasized in order to increase the number of potential consumers in the future.

Keywords: Sales Promotion, Store Layout, Impulsive Buying Behavior.

Abstrak: Ritel Indonesia mengalami perubahan besar. Kepercayaan konsumen yang tinggi, kelas menengah yang berkembang dan meningkatnya pendapatan pribadi telah menjadikan konsumsi swasta sebagai komponen terpenting ekonomi Indonesia dan menarik banyak pengecer global. Pembelian impulsif berarti melakukan pembelian yang tidak direncanakan dan pemasar mencoba mengetuk perilaku pelanggan ini untuk meningkatkan penjualan. Ada kemungkinan besar bahwa pelanggan akhirnya melakukan pembelian produk setelah memasuki pasar swalayan tanpa maksud untuk melakukannya. Pengaruh promosi penjualan dan tata letak toko pada perilaku pembelian impulsif pada konsumen di Cool Supermarket Tomohon. Penelitian ini menggunakan metodologi kuantitatif dengan 120 konsumen sebagai sampel. Analisis data menggunakan beberapa teknik regresi linier dengan promosi penjualan dan tata letak toko sebagai variabel independen, sementara pembelian impulsif bertindak sebagai variabel dalam penelitian. Berdasarkan hasil dan analisis, kesimpulan dalam penelitian ini adalah variabel independen memiliki pengaruh positif dan signifikan terhadap perilaku pembelian impulsif. Evaluasi mengenai faktor-faktor penting tersebut dapat ditekankan dalam rangka meningkatkan jumlah konsumen potensial di masa depan.

Kata kunci: Promosi Penjualan, Tata Letak Toko, Perilaku Pembelian Impulsif.

### INTRODUCTION

### **Research Background**

In the globalization era, many people choose to do business to make money. The main purpose of all businesses is to gain profit by producing the goods and services needed by the people. The business serves to make something that is initially less valuable to something high value and can meet the needs of people after processing. Business itself has various sectors, one of the sectors is the retail industry. Retail is one or more activities that add value to products and services to consumers whether for family or personal needs. Retail world is very interesting because it requires thoroughness, there is even a slogan that says "Retail is detail ". This Slogan indicates that people who want to work in the retail world should be hard worker, creative, and detail in every activity.

Indonesia's retail is undergoing profound change. High consumer confidence, an expanding middle class and rising personal incomes have made private consumption the most important component of Indonesia's economy and attracted numerous global retailers. The retail sector in Indonesia remains one of the most promising markets among Asian countries, on the back of its large population and growing middle class with higher household purchasing power and increasingly modern spending habits.

Impulsive buying is the tendency of a customer to buy goods and services without planning in advance. When a customer takes such buying decisions at the spur of the moment, it is usually triggered by emotions and feelings. In the current marketing practices, the role of sales promotion has increased tremendously. Companies spare and spend millions of rupees to arrest consumer attention toward products and to arouse purchase interest. One of the biggest concerns for every store retailer is the store layout. Store layout is an important factor affecting consumer behaviour and a critical determinant towards the creation of store image. Marketers try to tap this behavior of customers to boost sales.

# **Research Objectives**

To identify the influence of:

- 1. Sales Promotion and Store Layout on Consumer Impulsive Buying Behavior at Cool Supermarket Tomohon
- 2. Sales Promotion on Consumer Impulsive Buying Behavior at Cool Supermarket Tomohon.
- 3. Store Layout on Consumer Impulsive Buying Behavior at Cool Supermarket Tomohon

### THEORETICAL REVIEW

# Marketing

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Another definition of marketing is a combination of an activities that ae interconnected to be able to know what is needed by consumers so that the company can develop products, prices, services and conduct promotions so that the needs of consumers can be fulfilled as well as the company profiting. Marketing is a social and managerial process by which a person or group to obtain what they need and want through creating and exchanging products and value. (Kotler, 1996).

# **Consumer Behavior**

Consumer behaviour is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions. Schiffman & Kanuk (2007) define consumer behaviour as: "The behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products, services, and ideas." A final definition of consumer behaviour, by Engel, Blackwell & Miniard (1995:G4), states that: "those actions directly involved in obtaining, consuming, and disposing of products and services, including the decision processes that precede and follow these actions".

### **Impulsive Buying Behavior**

Abratt and Goodey (1990) found that the examination of impulsive buying in supermarket could be of much interest to the manufacturers as well as retailers worldwide. Piron (1991) attempted to define the impulse buying by reviewing the past research works and found that the earlier studies revealed impulse buying to be very similar to unplanned purchasing and forwarded his findings with managerial interests in mind.

### **Sales Promotion**

According to Kotler & Keller (2009:220), sales promotions are a core ingredient in marketing campaigns, comprising a collection of incentive tools, mostly short-term, designed to stimulate faster or larger purchases over Specific products or services by the consumer or trade. In addition, Levi & Weitz in Foster (2011) also explains the definition of sales promotion is to provide more value and incentives to customers to visit stores or make purchases within a certain period of time.

### **Store Layout**

According to Lewison (1994) the store layout influences both shopping atmosphere and shopping behaviour of consumers visiting the store. Store layout is a critical factor driving consumer elaboration and response in retailing. While considerable attention has focused on store layout in relation to brick and mortar retailing, store layout has been virtually ignored in the study of retailing. The layout of a retail store has been found to significantly impact a retailer's overall performance through its influence on information processing, purchase intentions and attitude towards the retail establishment.

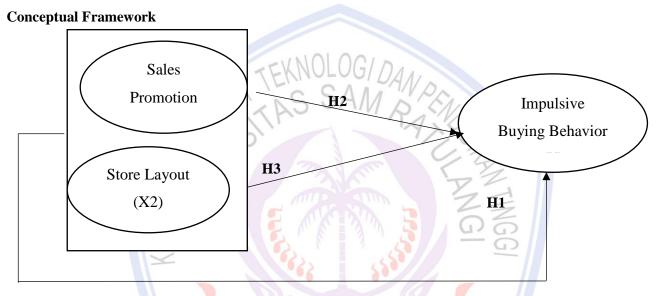


Figure 1. Conceptual Framework

Source: Research Method for Business (2007)

# **Research Hypothesis**

- H1: There is an influence of Sales Promotion and Store Layout on Consumer Impulsive Buying Behavior
- H2: There is an influence of Sales Promotion on Consumer Impulsive Buying Behavior
- H3: There is an influence of Store Layout on Consumer Impulsive Buying Behavior

# RESEARCH METHOD

# Research Approach

The purpose of this research to identify the influence of sales promotion and store layout on consumer impulsive buying behavior at Cool Supermarket Tomohon. Researcher would like to investigate if sales promotion and store layout simultaneously influence consumer impulsive buying behavior.

# Population, Sample, and Sampling Technique

The population of this research are the customers of Cool Supermarket Tomohon. The sample method used in this research is purposive sampling method. The questionnaire was distributed to 120 customers of Cool Supermarket Tomohon.

# Operational Definition of Research Variables

Table 1. Operational Definitions and Indicators

Variables Name	Operational Definitions	Indicators
Sales Promotion	Collection of tools incentives, which are	1. Discount
	largely short-term, are designed to	2. Coupon/Vocher
	stimulate the purchase of certain products	3. Price Pack
	or services faster and larger by consumers	4. Reward Program
	or traders. (Kotler 2005: 298)	5. Buy 1 get 1 free
Store Layout	a design element that is placed in a field	<ol> <li>Spacious room</li> </ol>
	using a media that was previously in	2. Placement of the goods
	concept first. Layout is the styling of	3. Grouping of goods
	design elements in relation to fields to	4. Store facilities
	form artistic structuring.	
Impulsive Buying Behavior	The emotional drive is associated with a	<ol> <li>Unplanned Purchase</li> </ol>
	profound feeling that is demonstrated by	2. Using Feeling
	making a purchase because of the urge to	3. Purchase Immediately
	buy a product immediately, ignoring	
	negative consequences, feeling	
	gratification and experiencing conflicts in	
	thought. (Verplanken, 2001)	
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Source: Author's Note, 2020

Table 3 shows the general explanation about variables and indicators that used in this research. The variables are, sales promotion, store layout, consumer impulsive buying behavior

### RESULT AND DISCUSSION

# **Data Analysis Method**

The validity test is the test of items of the question or test of the research instrument. In this study is the validity test of the item, which is the validity testing of the items of measurement, by correlating the score of each item with the total score which is the sum of each item score, (Sugiyono 2013:179). Validity indicates the extent to which a measuring instrument can measure what will be measured (Husein 2002:103). To know the validity rate of an item then the value of R is greater than 0.3.

# **Multiple Linear Regression**

Analysis Multiple linear regression analysis is a technique to observed value more than one X to estimate or predict corresponding Y value. The formula of linear regression (multiple linear regressions) in general as follows:

 $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2$ 

Description:

Y = Impulsive Buying

 $\beta_0$ =Constant

 $\beta_1$  and  $\beta_2$ = The regression coefficient of each variable

 $X_1$ = Sales Promotion

X<sub>2</sub>=Store Layout

### RESULT AND DISCUSSION

Result of Validity and Reliability Test Table 2. Validity Test Result

Variable	Question	Pearson Correlation	r table	Sig	α	Status
Sales Promotion	X1.1	0,290	0,1793	0,001	0,05	Valid
	X1.2	0,779	0,1793	0,000	0,05	Valid
	X1.3	0,809	0,1793	0,000	0,05	Valid
	X1.4	0,825	0,1793	0,000	0,05	Valid
	X1.5	0,802	0,1793	0,000	0,05	Valid
Store Layout	X2.1	0,860	0,1793	0,000	0,05	Valid
	X2.2	0,919	0,1793	0,000	0,05	Valid
	X2.3	0,933	0,1793	0,000	0,05	Valid
	X2.4	0,869	0,1793	0,000	0,05	Valid
Impulsive Buying Behavior	Y1	0,833	0,1793	0,000	0,05	Valid
	Y2	0,856	0,1793	0,000	0,05	Valid
	<u>Y</u> 3	0,830	0,1793	0,000	0,05	Valid

Source: Author's Calculation 2020

Table 2. Shows that the correlation index is higher than 0.3 and below the significance level of 5%. Therefore, the data is considered valid.

# **Reliability Test**

Table 3. Reliability Test Result

	Reliability Statistics
Cronbach's Alpha	N of Items
.733	3

Source: SPSS Output (2020)

Table 3. Shows that Alpha Cronbach is 0.669 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

# **Multiple Linear Regression Analysis**

**Table 4. Multiple Linear Regression Output** 

Model			ndardized fficients	Standardized Coefficients	T	Sig.	Collinearity	Statistics
		В	Std. Error	Beta			Tolerance	VIF
	(Constant)	2.004	1.529		1.311	.193		
	Sales Promotion	0.191	.085	.219	2.241	.027	.680	1.471
	Store Layout	.286	.084	.333	3.413	.001	.680	1.471

Source: SPSS Output (2020)

From the result in the table above, the model defines as:

 $Y = 2.004 + -0.191 X_1 + 0.286 X_2$ 

# **Hypothesis Testing**

**Table 6. Simultaneous Test (F-Test Output)** 

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	287.063	2	143.531	18.632	.000b
	Residual	901.304	117	7.703		
	Total	1188.367	119			

a. Predictors: (Constant), Sales Promotion, Store Layout

b. Dependent Variable: Impulsive Buying Behavior

Source: SPSS Output (2020)

Table 6 shows the  $f_{count}$  is 18.632 with significant value at 0.000. The result shows  $F_{count}$  is greater than  $F_{table}$  (18.632 > 3.07) and significant value 0.000 < 0.05. Then  $H_o$  rejected and  $H_a$  accepted. It means, Sales Promotion and Store Layout simultaneously influence Impulsive Buying Behavior.

**Table 7. Partial Test (T-Test Output)** 

Variable	t <sub>count</sub>	$t_{table}$	Description
Sales Promotion	2.241	1.980	Accepted
Store Layout	3.413	1.980	Accepted

Source: Data Processed (2020)

Table 7 shows is the  $t_{count}$  of variable Sales Promotion is 2,241 and Store Layout is 3,413, while the t table is 1,980. Variable Sales Promotion which  $t_{count}$  2,241 >  $t_{table}$  1,980 it means Sales Promotion has very significant influence towards Impulsive Buying Behavior. Variable Store Layout  $t_{count}$  3,413 >  $t_{table}$  1,980 which means has very significant influence towards Impulsive Buying Behavior. x

### **Discussion**

The finding of this research shows that Sales Promotion and Store Layout variable have a positive influence to Consumer Impulsive Buying Behavior at Cool Supermarket Tomohon. The result is consistent with research by C Nagadeepa, J Tamil Selvi, Pushpa (2015) reveals that sales promotion activities play an important role in the process of framing the marketing strategies by the retailers. *This shows that in Cool Supermarket Tomohon should take care about their sales promotion and store layout to boost more sales at their store, because sales promotion and store layout are important aspects of selling.* The main objective of this research is the identification of factors affecting unplanned purchases and to give awareness to marketers in Cool Supermarket Tomohon to understand these factors. These findings can lead marketers of Hyderabad supermarkets to have an understanding of the factors affecting impulse purchase behavior and plan strategies to enhance the impulsive behavior accordingly.

### CONCLUSIONS AND RECOMMENDATIONS

### **Conclusions**

This research is conducted on Cool Supermarket Tomohon and discusses about "The influence of sales promotion and store layout on consumer impulsive buying behavior". Based on the results of the discussion in the previous chapter, this research has several conclusions such as:

- 1. Sales Promotion and Store Layout significantly influenced the Impulsive Buying Behavior. Means that the impulsive buying behavior that happen at Cool Supermarket Tomohon is affected by sales promotion and store layout.
- 2. Sales Promotion as one of independent variable has positive significant influence on Impulsive Buying Behavior. Means that the marketing activity at Cool Supermarket Tomohon is affected by sales promotion and it run well. Thus, it can raise the value of profitability and can boost sales.
- 3. Store Layout as one of independent variable has positive and significant influence on Impulsive Buying Behavior. Means that the marketing activity at Cool Supermarket Tomohon is affected by store and it run well. Thus, it can raise the value of profitability and can boost sales.

### Recommendation

- 1. Sales promotions and store layouts are 2 forms of methods to increase unplanned purchases or impulsive buying behaviors. Then it is expected for the leadership of Cool Supermarket Tomohon to be able to pay attention to sales promotions and store layouts, also evaluate sales promotions and store layouts such as what could affect a lot in order to increase the purchase of impulsive or unplanned purchases at the Cool Supermarket Tomohon.
- 2. It is necessary to do other research or advanced research related to variables in this study or related to this research object.

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