
THE EFFECT OF STORE ENVIRONMENT AND BRAND IMAGE ON CONSUMER BUYING DECISION AT THE BODY SHOP MANADO

*PENGARUH LINGKUNGAN TOKO DAN CITRA MEREK TERHADAP KEPUTUSAN
PEMBELIAN KONSUMEN DI THE BODY SHOP MANADO*

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ABSTRACT

Many retailers acknowledge the importance of store environment and brand image to attract the customer interest. The purpose of this research is to analyze the simultaneous and partial effect of Store Environment and Brand Images on Consumer Buying Decision. The populations of this research are people who use The Body Shop Product with 100 respondents. This research uses quantitative analyze by questionnaires and the Multiple Regression Analysis. The result is most of respondents agreed that the indicators related to store environment and brand image, becoming one of their consideration in deciding whether they will make a purchase or not. The Body Shop should pay more attention to the Store Environment and the Brand Image to make the consumer will still be interested buying their product.

Keywords: store environment, brand image, consumer buying decision.

ABSTRAK

Banyak pengusaha mengakui pentingnya lingkungan toko dan citra merek dalam menarik perhatian pembeli. Objek dari penelitian ini adalah The Body Shop Manado. Tujuan penelitian ini untuk menganalisis pengaruh simultan dan parsial Lingkungan Toko dan Citra Merek terhadap Keputusan Pembelian Konsumen. Penelitian ini, menggunakan populasi yang merujuk kepada orang-orang yang menggunakan produk The Body Shop dengan 100 responden. Penelitian ini menggunakan metode asosiatif untuk melihat keterhubungan antar variabel, dengan menggunakan kuesioner dan analisis Regresi Berganda. Hasil dari penelitian ini adalah kebanyakan responden setuju bahwa lingkungan toko dan citra merek menjadi salah satu pertimbangan mereka, apakah mereka akan melakukan pembelian atau tidak. Sebaiknya pihak The Body Shop Manado lebih memperhatikan lingkungan toko dan citra merek untuk membuat konsumen tetap tertarik dan memutuskan untuk membeli produk yang dijual.

Kata kunci: lingkungan toko, citra merek, keputusan pembelian konsumen

1. INTRODUCTION

1.1. Research Background

Today, there have been a major changes in the business world, especially in Indonesia. Indonesian economic is currently growing very rapidly, because it can be seen that there are so many new companies that have sprung up in Indonesia. Indonesia can become a good target market for all the company because, Indonesia have a huge amount of people compared with the other country. Beauty products is one of the items that become a trend today and it has attracted the interest of most women. In Manado city itself, beauty products already dominate the market and the major target market is female.

In the midst of economic slowdown in Indonesia, in the first quarter of 2015, the national cosmetics market would be able to grow. Competition in the cosmetics industry is also not only from Indonesian companies, but also companies from abroad. Increasing the value of imports from year to year, showing a high demand for products from abroad. According to the data from the Ministry of Industry, the growth of imported cosmetic products grew 2 times more than the growth of the local cosmetic products in Indonesia, where imports grew by 30% each year and local products only grew by 15% every year.

There are ten best-selling cosmetics company in Indonesia (Listtoptens, 2013) the market leader for the cosmetics industry in Indonesia is L'Oreal Group which oversees several brand names and The Body Shop is one of them. The Body Shop is one cosmetic brand of L'Oreal as the best-selling cosmetics company in Indonesia.

In order to gain the interest of the customer, the store environment can be used to help the beauty products store in drawing attention to get visitors and make the consumer feel comfort when they visit the store. In addition, the brand image can provide benefits for the company to attract new customers and also retain the old one.

Therefore, in this study we will discuss about the influence of Store Environment and Brand Image with specific on consumer buying decision of The Body Shop Manado.

1.2. Research Objectives

The objectives of this research are to identify the significant effect of:

1. Store environment and brand image on consumer buying decision in The Body Shop Manado simultaneously.
2. Store environment on consumer buying decision Manado partially.
3. Brand image on consumer buying decision in The Body Shop partially

2. THEORETICAL FRAMEWORK

2.1. Marketing

According to the Marketing News (2004, p. 1), "Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders". Kotler and Armstrong (2008:6), defined marketing is a total system of business activities specified for planning, pricing, promoting and distributing goods and services and satisfying the existing buyers and potential buyers. Based on the definitions above,

it can be concluded marketing as a strategy from an organization to delivering an information about the value of goods or services and also to convincing and persuading the markets in order to build a relationship with them to fulfill market needs.

2.2. Store Environment

Mattila & Wirtz (2008) have shown that a 'more than desired excitement' store environment will create positive impact on impulse purchase. Sharma & Stafford (2000) have pointed out that store atmospherics can positively influence customers' perceptions on the credibility of salespeople. It can be conclude store environment is a characteristic of store appearance that could attract the markets interest and was designed to boost the customer moods in order to make them purchase. Baker (2002) split store environmental factors into three groups according to the antecedents that stimulate customers' response :

1. Ambient Factor – non-visual elements like scent, music, temperature and lighting, etc.
2. Social Factor – People present in the shopping environment including sales staff and other customers, etc.
3. Design Factor – Other visual elements, like store layout, fitting room, color scheme, fixtures, and merchandise display, etc.

2.3. Brand Image

Brand image is a perception in the mind of the customers and a good impression of a brand (Hawkins 2004). Brand image is also referred to as the customer's perception of either the reason or rational basis or through more emotions towards a specific brand (Achmad, 2014 cited by Maholtra, 2010). Based on the definition above, brand image can be defined as a perception of the customer about the product based on their own understanding according to their experience about the product. Bian and Moutinho (2009) stated that brand image has three key components, Brand Personality, Product Attributes and Perceived Benefits.

2.4. Consumer Buying Decision

Purchase decision is series of choices made by a consumer prior to making a purchase that begins once the consumer has established a willingness to buy (Kotler 2006). There are 4 main types of factors influencing consumer purchase decision: cultural factors, social factors, personal factors and psychological factors (Durmaz Yakup and Sebastian Jablonsk, 2012). It can be concluded that consumer buying decision is an activity of the customers to choose whether they will make a purchase or not, based on several consideration according to the information from their research.

2.4. Previous Research

Patrick Bohl (2012), in his study "The effects of store atmosphere on shopping behavior" which claimed that the environmental stimuli have an effect on behaviour moderated by the consumer's emotional states (PAD). Personal control of the servicescape is deemed to be important on the dominance dimension to behaviour. This study assume that pleasure is strictly positively correlated to approach behaviours, too high levels of arousal (such as anxiety, stress) may lead to avoidance. It also claimed that consumer's personality traits mediate the effect of atmospherics. As the environmental cues may change significantly along the shopping path, and there could also be a time lag between service encounter and emotional states changing, marketers need to understand how behaviours change along the shopping process. Priyanka Singh, Neha Katiyar and Gaurav Verna (2014) in their study "The Impact of Store Atmospherics & Store Layout on Consumer Buying Patterns" which stated that, all store

atmospheric factors, have significant impact on customer approach behaviors. This reveals that the design factor of a store is the biggest environment factor that impacts customer approach behaviors. Khamisi Musanje (2009) in "Brand image, self concept, and consumer purchasing Behaviors in the Ugandan petroleum industry", which stated that, correlation analysis showed a significant positive relationship between brand image and customer purchase behaviour, which means that customers while in their purchase decision making process will always try to look for well established product names so as to shorten the entire process.

2.5. Conceptual Framework

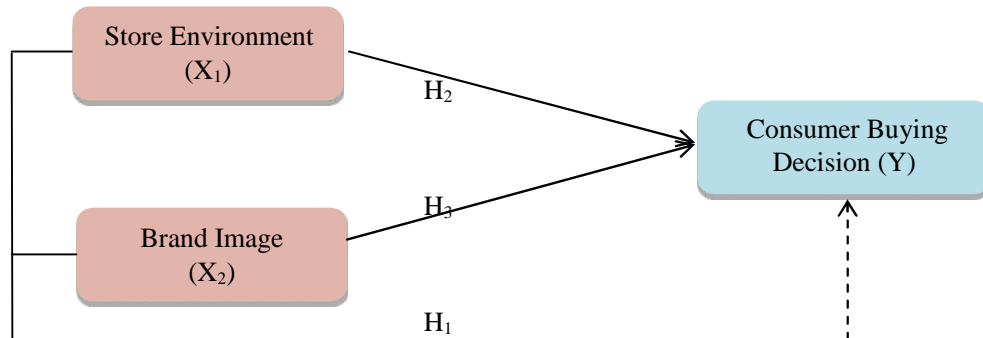


Figure 1. Conceptual Framework

Source: Literature Reviews 2015

2.6. Research Hypothesis

- H₁: Store environment and brand image significantly influence consumer buying decision simultaneously
- H₂: Store environment has significantly influence Consumer Buying Decision partially
- H₃: Brand Image has significantly influence Consumer Buying Decision partially

3. RESEARCH METHOD

3.1. Type of Research

This research using a quantitative method that formed from the respondents responses by a questionnaire that aims to analyze the effect of store environment and brand image on consumer buying decision in The Body Shop Manado.

3.2. Place and Time of Research

This research has conducted in Manado city, North Sulawesi Province, Indonesia within three months (May until July 2015).

3.3. Population and Sample

According to Sugiyono (2008: 115), "Population is the generalization region consisting of the objects / subjects that have certain qualities and characteristics. Set by researchers to learn and then drawn a conclusions ". In this study population are all consumers of The Body Shop Manado. According to Sugiyono (2008: 116) "sample is part of the number and characteristics

owned by the population". If the population is too large and it is impossible to learn the entire population, the research can use the sample that taken from the population. The sampling method is random sampling. The random sampling was applied in this research regarding to obtain information quickly and efficiently and the total sample is 100 respondents.

3.4. Data Collection Method

The data collection method can be from primary and secondary sources. The researcher obtains primary data from questionnaires. The secondary data is collected from books, journals, and relevant literature from library and internet.

3.5. Operational Definition and Measurement of Research Variables

1. Store Environment (X_1) : Store environment is a controllable characteristics of a retail space that entice a customer to enter the store, and which are designed to influence a customer's mood so as to increase the odds of a purchase being made.
2. Brand Image (X_2) : Brand image is a concept that is assumed by the customers due to subjective reasons and their own personal emotions and define brand image as a perception about a brand as reflected by the brand association held in consumer memory.
3. Consumer buying decision (Y) : Buying decision is a series of choices made by a consumer prior to making a purchase that begins once the consumer has established a willingness to buy.

3.6. Data Analysis Method Validity and Reliability Test

In order to analyze the validity of questionnaire, Pearson bivariate correlation method is used (Pearson Product Moment). If the r count r table the instruments or items of questions correlated significantly to the total score (declared valid). Reliability test is done by looking at the *Croanbach Alpha* value if reliability coefficient >0.6 the measurement being done is consistent or reliable

3.7. Multiple Regression Analysis Model

Multiple linear regression analysis is a linear relationship between two or more independent variables (X_1, X_2, \dots, X_n) with the dependent variable (Y). This analysis to determine the direction of the relationship between the dependent and independent variables whether each independent variable related positively or negatively, and to predict the value of the dependent variable when the independent variable values increase or decrease. The formula of multiple regression models in this research is shown as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Whereas:

- Y : Consumer Buying Decision
- β_0 : Intercept
- β_1, β_2 : The regression coefficient of each variable
- X_1 : Store Environment
- X_2 : Brand Image
- e : error

4. RESULT AND DISCUSSION

4.1. Validity and Reliability Test

Table 1. Validity and Test Result

Indicator	R _{count}	R _{table}	Status
Ambient Factors (X _{1.1})	0.195	0.836	Valid
Social Factors (X _{1.2})	0.195	0.757	Valid
Design Factors (X _{1.3})	0.195	0.850	Valid
Brand Personality (X _{2.1})	0.195	0.706	Valid
Perceived product Attribute (X _{2.2})	0.195	0.800	
Perceived Benefit (X _{2.3})	0.195	0.741	Valid
Cultural Factors (Y _{1.1})	0.195	0.736	Valid
Social Factors (Y _{1.2})	0.195	0.622	Valid
Personal Factors (Y _{1.3})	0.195	0.761	Valid
Psychological Factors (Y _{1.4})	0.195	0.762	Valid

Source: SPSS data analysis, 2015

The table shows the values of all indicators are above 0.195, since the value of r_{table} is 0.195, so it means that all the indicators of variables in this research considered as valid.

Table 2. Reliability and Test Result

Variable	Standard Deviation	Cronbach's Alpha	Status
Store Environment (X ₁)	0.6	0.751	Reliable
Brand Image (X ₂)	0.6	0.610	Reliable
Consumer Buying Decision (Y)	0.6	0.693	Reliable

Source: SPSS data analysis, 2015

The table shows the Cronbach's Alpha values of all indicators are above 0.60, it means that all the variables in this research is considered reliable and can be used to retrieve data.

4.2. Classical Assumption Test Multicollinearity Test

Table 3. Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Store Environment (X ₁)	.591	1.692
Brand Image (X ₂)	.591	1.692

Source: SPSS data analysis, 2015

Table 3 shows the tolerance value of store environment is 0.591 and brand image is 0.591. While the VIF value of store environment is 1.692 and brand image is 1.692. Since all the tolerance value is less than 0.90 and the VIF value is less than 10, so this research is free from multicollinearity.

4.3. Heteroscedasticity Test

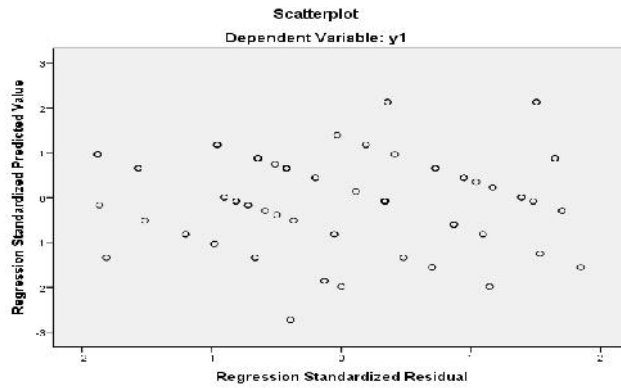


Figure 2. Heteroscedasticity Test
 Source: SPSS data analysis, 2015

According to the scatterplot above, it shown that the dots is not created a specific pattern and also spread above and below 0 (zero). It proves that there is no heteroscedasticity in this regression model.

4.4. Normality Test

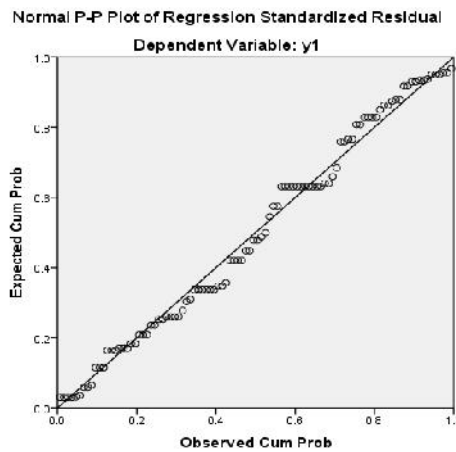


Figure 3. Normality Test
 Source: SPSS data analysis, 2015

Based on the figure 4.4 below, it can be seen that the dots are speard in the direction of the diagonal lines, it shows that the distribution of the data in this research is normally distributed.

4.5. Multiple Regression Analysis

Table 4. Multiple Regression Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	3.789	.787		4.813	.000		
Store Environment(X ₁)	.193	.071	.251	2.753	.007	.591	1.692
Brand Image (X ₂)	.467	.080	.533	5.818	.000	.591	1.692

Source: SPSS Data Analysis, 2015

The result in the table 4.3, can be expressed in regression equation as :

$$Y = 3.789 + 0.193 X_1 + 0.467 X_2 + e$$

The interpretation of the multiple linear regression equation above is as follows :

1. Constant value of 3.789 means that if the variables in this research of variables X₁ and X₂ simultaneously increased, will increase Y at 3.789 point.
2. Coefficient value of 0.193 means that if the variable in this research of X₁ increased, it will improve and increase Y at 0.193.
3. Coefficient value of 0.467 means that if the variable in this research of X₂ increased, it will improve and increase Y at 0.467.

Thus, if there is any change in factors measuring of X₁ and X₂ will change the dependent variable Y.

Table 5. Result of R and R2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.720 ^a	.518	.508	.87214

Source: SPSS Data Analysis, 2015

The value of r² is 0.518 which means the store environment and brand image as an independent variables able to influence the consumer buying decision as much as 51.8% while the rest is explained by other factors not included in this research.

4.6. Hypothesis Testing

Table 6. F-Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	79.379	2	39.690	52.180	.000 ^b
	Residual	73.781	97	.761		
	Total	153.160	99			

Source: SPSS Data Analysis, 2015

From ANOVA test above, it can be seen that the value of $F_{count} = 52.180$ with sig. 0.000. The significant is below 0.05 and the value of F_{table} is 3.09, which means the value of $F_{count} (52.180) > F_{table} (3.09)$. Therefore, H_0 is rejected and H_a is accepted. Thus, the formulation of hypothesis that the influence of independent variables Store Environment (X_1) and Brand Image (X_2) on dependent variable (Y) Consumer Buying Decision simultaneously accepted.

Table 7. T – Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.789	.787		4.813	.000
Store Environment(X_1)	.193	.071	.251	2.753	.007
Brand Image (X_2)	.467	.080	.533	5.818	.000

Source: SPSS Data Analysis, 2015

If the value of $T_{count} > T_{table}$ where the value of $T_{table} = 1.664$ it means H_1 and H_2 / H_a is acceptable or by using the Significant value < 0.05 .

1. The first hypothesis testing (H_1)

Based on T-Test analysis, it can be seen that for a store environment variable (X_1) $T_{count} = 2.735$ and significant value = 0.007, which means $T_{count} > T_{table}$ and significant value < 0.05 , so it can be concluded that H_{01} rejected and H_{a1} accepted. It explained that there is a significant effect of store environment (X_1) on consumer buying decision (Y) partially.

2. The second hypothesis testing (H_2)

Based on T-Test analysis, it can be seen that for a brand image variable (X_2) $T_{count} = 5.818$ and significant value = 0.000, which means $T_{count} > T_{table}$ and significant value < 0.05 , so it can be concluded that H_{02} rejected and H_{a2} accepted. It explained that there is a significant effect of brand image (X_2) on consumer buying decision (Y) partially

4.7. Store Environment on Consumer Buying Decision

This research found that the store environment has a positive significant influence on consumer buying decision. These results are supported by Priyanka Singh, Neha Katiyar and Gaurav Verna (2014). According to the study, most respondents agree that the store environment can influence their decision to make a purchase. Some because of the designing in a store including to the decoration and the other is because of the convenience of the arrangement placement of commodities that has been classified properly with a clear signs and marks and they also put an attention to the service personnel behaviour, because there are some respondents who said that they once bought an unplanned product, just because they are attracted to the offer and explanation from the service personnel that made an explanation with a proper way.

4.8. Brand Image on Consumer Buying Decision

This research found that the brand image has a positive significant influence on consumer buying decision. This results are supported by Khamisi Musanje (2009). Some respondents chose to buy The Body Shop products because they care about the environment and they also know that The Body Shop is a brand that is known as an environmental friendly brand. In addition, some respondents also admitted that they chose The Body Shop products because of the image of The Body Shop. In their opinion, the brand that has a good image as The Body Shop, have a good product quality as well. It also become a reason for them to keep buying The

Body Shop products even if the price of these products is quite expensive, they assume that the price is worth it with the product quality.

5. CONCLUSION AND RECOMMENDATION

5.1. Conclusion

1. Store environment and brand image has a positive significant effect on Consumer buying decision at The Body Shop Manado, simultaneously.
2. Store environment has a positive significant effect on consumer Buying Decision at The Body Shop Manado, partially.
3. Brand Image has a positive significant effect on consumer Buying Decision at The Body Shop Manado, partially.

5.2. Recommendation

1. The Body Shop Manado advised to pay more attention to their shop environment. The store of The Body Shop itself need to create an attracted store appearance that can be able to clearly reflect the image of The Body Shop itself. In addition, The Body Shop also should enhance the ability of their service personnel, so they can provide the required information and be able to encourage the visitors to buy the products of The Body Shop in a way that certainly not being pushy and polite.
2. The Body Shop need to be able to maintain and improve their image as an environmentally friendly brand to encourage consumers to be more concerned with the environment to improve their brand personality. In addition, The Body Shop also need to maintain the stability of the products prices and product quality as well as improving the image of the product as a natural-product to maintain the perception and belief of the customer to strengthen in order to attract more customers and increase the consumer buying decision level.
3. With these results, it is expected that The Body Shop Store in Manado increased their focus on related indicators in the store environment and brand image in order to provide a maximum results related to the issue of consumer buying decision.

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