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The Effect of Location Selection and Store Atmosphere on Buying Interest (Study on Customers of Lawas Jombang Coffee Shop)

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## **ABSTRACT**

This type of research is quantitative associative. Data collection techniques using questionnaires and interviews. The respondents of this research are the customers of the Lawas Jombang coffee shop which sells 100 people. The results of the t-test research on the store atmosphere variable of 7,664 are greater than the t table of 1,667 with a significance of 0.000 less than r 0.05, the store atmosphere variable has a positive and significant effect on the buying interest variable. And the t-count value for location is 2,469, which is greater than t table for 1,667 with a sig level of 0.016 less than 0.05, so the location variable partially has a positive and significant influence on the buying interest variable. Based on the results of the F test, the calculated F value of 71.789 is greater than the F table of 3.13, meaning that the store atmosphere and location simultaneously have a positive and significant effect on the buying interest. The value of Asjusted R Square obtained is 0.682. The figure shows that 68.2% buying interest (bound variable) can be explained by store atmosphere and location. The remaining 68.2% is influenced by other factors not explained in this study. variable.

Keywords: Location; Store Atmosphere; Buying Interest.

## **INTRODUCTION**

Jombang is one of the cities with a growing flow of immigrants in Indonesia. As a city that continues to grow, the pace of economic growth as well as changes in technology and the flow of information is also getting faster. This is one of the driving factors for the creation of intense competition in the business world. An increasingly dynamic market requires business people to continuously improvise and innovate in retaining their customers (Sa'adah, 2020). Today's business is no longer solely profit-oriented. Active marketing that is more customer-oriented is more widely used by business people, although this requires these business people to define "want and need" from the consumer's point of view.

The shift in the cultural values of the people who now tend to be individualistic and have a busy schedule requires a place to release fatigue after doing activities all day. Activities used to relieve fatigue are usually by relaxing enjoying a cup of coffee with music or just hanging out with relatives, friends or business relations (Nur'aini et al, 2020). Seizing this opportunity and the shift in people's lifestyles that make these activities part of the necessities of life, the food service business people look to the coffee shop business (Wahyuningsih, & Rahmatika, 2020). This is also inseparable from the high increase in coffee consumption in Indonesia. Coffee connoisseurs also increase and come from various circles. Coffee shop managers must consider consumer interest in determining their choice by providing added value from price, location selection and store atmosphere. Many coffee shops that serve similar menus even have almost the same competitive specifications, allowing the emergence of market saturation. This market saturation will affect the consumer's decision to buy. Consumers will feel bored and will reduce the frequency of purchasing a product (Rohmah & Ashlihah, 2021).

Consumer buying interest according to Kotler (2008) assumes consumer buying interest is something that arises after receiving a stimulus from the product he sees, from there arises an interest in trying the product until finally the desire to buy in order to have it arises (Ilma et al, 2019). Purchase intention is positively related to overall perception of acquisition and transaction value. The factors that

influence consumer buying interest are related with feelings and emotions, if someone feels happy and satisfied in buying goods or services then it will strengthen buying interest, dissatisfaction usually eliminates interest (Sa'adah & Maksum 2018).

The strategic location and comfortable atmosphere certainly increase people's interest in visiting coffee shops. The choice of location has a strategic function because it can determine the achievement of the objectives of the business entity. Store atmosphere is a very important physical characteristic for any retail business, it acts as a creation of a comfortable atmosphere in accordance with consumer desires and makes consumers want to linger in the store and indirectly stimulate consumers to make purchases (Purnama, 2011). Maintaining the comfortable feel of the atmosphere of a coffee shop that is located close to the center of the crowd is an important thing to maintain so that it is always a choice for consumers. A coffee shop that is comfortable and located in a strategic location is certainly better.

#### **METHOD**

The type of research used is quantitative associative, which is a research method that aims to determine the influence between variables. The independent variable of this research is location and store atmosphere, while the dependent variable is buying interest. Indicators of research subjects are Lawas Jombang coffee shop customer totaling 100 people. using purposive sampling technique. In collecting data in this study using the method questionnaire and interview. Data Analysis Techniques using validity test, reliability test, and multiple linear regression analysis.

#### **RESULT AND DISCUSSION**

#### Result

• Multiple linear regression analysis

Multiple linear regression analysis was used to measure the effect of more than one independent variable on the dependent variable, multiple linear regression analysis was used to determine whether there is influence of Location Selection (X1), Store Atmosphere (X2) either partially or simultaneously on Buying Interest (Y).

**Table 1**. Multiple Regression Test Results

		Unstandardized		Standardized			
		Coefficients		Coefficients			
Model		В	Std. Error	Beta	t	Sig.	
1	(Constant)	5.625	2.419		2.326	0.022	
	Location Selection	0.259	0.063	0.311	4.107	0.000	
	Store Atmosphere	0.581	0.069	0.633	8.375	0.000	
a. Dependent Variable: Buying Interest							

Source: Primary data processed with SPSS, June 2021

Based on the results of the analysis, the regression equation is obtained:

Y = 5,625 + 0,259 (X1) + 0,581 (X2)

For a constant value of 5.625, it can be interpreted that if the variables of buying interest, location selection, and store atmosphere are considered zero, then the level of buying interest at the Lawas Jombang coffee shop will be 5,625, or without the location selection variable and store atmosphere, the level of buying interest at the Lawas Jombang coffee shop will have a value of 5,625.

From the value of the beta coefficient on the location selection variable of 0.259, which means that each increase of one unit in the location selection variable will increase the value of buying interest by 0.259, and vice versa a decrease of one unit in the location selection variable will decrease the value of buying interest by 0.259 units assuming the variable other fixed.

The value of the beta coefficient on the store atmosphere variable of 0.581, which means that every one unit increase in the store atmosphere variable will increase the buying interest level by 0.581, and vice versa a one unit decrease in the store atmosphere variable will reduce the buying interest level by 0.581 units assuming the variable other fixed.

#### • Partial Test (T test)

The t-test was conducted to partially test whether the independent variables consisting of location selection and store atmosphere had a significant effect on buying interest. Provided that if t count > t table or probability < 0.05, then Ho is rejected Ha is accepted (significant).

Location selection Variable (X1), the t-count value is 4.107 with a significance level of 0.000. The

location selection variable states that the significance number is 0.000 less than 0.05, then Ho is rejected and Ha is accepted, which means "there is a significant effect of the location selection variable on buying interest at the Lawas Coffee Shop Jombang.

Store atmosphere Variable (X2), the t-count value is 8.375 with a significance level of 0.000. The store atmosphere variable states that the significance number is 0.000 less than 0.05 then Ho is rejected and accepted, which means "there is a significant influence on the store atmosphere variable on buying interest at the Lawas Coffee Shop Jombang.

## • Simultaneous Test (F test)

The F statistic test basically shows whether all independent or independent variables have a simultaneous effect on the dependent or dependent variable. Simultaneous equation testing is done by comparing the F count with F table or probability with F count > F table or probability < 0.05, then Ho is rejected Ha is accepted (significant).

**Table 2.** F-Test Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6634.933	2	3317.467	222.802	$0.000^{b}$
	Residual	1444.307	97	14.890		
	Total	8079.240	99			

Source: Primary data processed with SPSS, June 2021

Based on these results, the calculated F value is 222,802 with a significance level of 0.000. So it can be stated that the significance of 0.000 is less than 0.05. So Ho is rejected and Ha is accepted, that the Location Selection, Store Atmosphere simultaneously (simultaneously) has a significant effect on Buying Interest.

#### • Coefficient of Determination Test (Adjusted R<sup>2</sup>)

The determination coefficient is used to calculate the magnitude of the role or influence of the dependent variable. The magnitude of  $R^2$  ranges from 0-1, which means the smaller the amount  $R^2$  then getting weaker, if the  $R^2$  approaches 1, the relationship between the two variables is getting stronger.

**Table 3.** Adjusted R<sup>2</sup> Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	0.906 <sup>a</sup>	0.821	0.818	3.859		
a. Predictors: (Constant), store atmosphere, location selection						

Source: Primary data processed with SPSS, June 2021

Based on the result of the table above, the result of R of 0,906 shows that the correlation or relationships between the interest in purchase and two independent variables in the strong category. While the result of the coefficient of determination the coefficient obtained a value of 0,821 which means that the location selection and atmosphere of the store have an effect of 82,1% of the interest in purchase, while the rest is explained by other variables outside the study.

#### Discussion

In this study the location selection had an effect on buying interest. Determining the location where each business is located is an important task for an entrepreneur. There are must be considered in determining a strategic location, including easy road access, safe and specious parking lots, easy public transportation access, good building condition, and the right size and shape of the building.

There is a significant influence on the store atmosphere variable on buying interest. The store must form a planned atmosphere that is in accordance with the target market so that it can attract consumer attention. The creation of pleasant, interesting, and comfortable atmosphere when comsumers in the store are on way so that consumers take purchase actions (Levy & Weizt in Wibowo, 2015). The atmosphere of the store is a combination of physical characteristics of stores such as architecture, layout, lighting, search, color, temperature, music, and thorough aroma will create an image in the minds of consumers (Utami, 2006)

The F test result indicate that the location selection and store atmosphere has a simultaneous effect on buying interest with a significance value of 0,000 less than 0,05. This shows that the higher the location valueand store atmosphere, the higher the interest of buying consumers. The location and atmosphere of the store are designed to be able to attract consumer attention. If the location is easy to

reach and the atmosphere of the store is comfortable, it will foster buying interest in consumers.

#### CONCLUSION

Based on the results of research that aims to determine the effect of location selection and store atmosphere on buying interest, it can be concluded that 1) Location selection Variable (X1), the t-count value is 4.107 with a significance level of 0.000. The location selection variable states that the significance number is 0.000 less than 0.05, then Ho is rejected and Ha is accepted, which means "there is a significant effect of the location selection variable on buying interest at the Lawas Coffee Shop Jombang. 2) Store atmosphere Variable (X2), the t-count value is 8.375 with a significance level of 0.000. The store atmosphere variable states that the significance number is 0.000 less than 0.05 then Ho is rejected and accepted, which means "there is a significant influence on the store atmosphere variable on buying interest at the Lawas Coffee Shop Jombang. 3) F value is 222,802 with a significance level of 0.000. So it can be stated that the significance of 0.000 is less than 0.05. So Ho is rejected and Ha is accepted, that the Location Selection, Store Atmosphere simultaneously (simultaneously) has a significant effect on Buying Interest.

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