

CHAPTER I

INTRODUCTION

1.1 Background

Pesona Store is one of the most comprehensive stores that provide various necessities of life, especially food ingredients. In terms of attracting customers, Pesona store business to attract consumers who buy food is to influence consumers in making purchasing decisions through sales promotion activities. This research is based on purchasing and promotional activities, particularly purchasing decisions. Activities carried out in promotion are providing information to potential customers. For costs, promotions can be done by utilizing the existing space in the store. One of the right strategies is to use Price of Purchase, namely communication at the place of purchase that combines displays and signage to improve the atmosphere of consumer communication while in the store.

A product that is supported by of Purchase has a stronger position in influencing consumers in choosing the product to be purchased. Activities carried out can be in the form of product arrangement so that it is easy to see and reach by shop visitors, Ease of finding goods, a shop atmosphere that is not hustle and bustle, prices, various choices of goods, services offered, attractive shop. appearance and also salespeople.

In addition, consumer behavior is influenced by the level of age and life. cycle stage, occupation, economic or income conditions, lifestyle, personal concepts, perceptions, education, beliefs and beliefs. Consumer behavior in choosing products rise because of a need, and these needs try to be satisfied by looking for certain benefits from the product offered at the cost. Solution for product selection is obtained from the product as a series of attributes (product characteristics and characteristics). A person who will buy will evaluate and assess the product to be selected.

The current market situation is influenced by various kinds of products from various brands, whether it the well-known brands or emerging brands thus there is competition among manufacturers. Seeing these competitive conditions, every business person needs to increase the strength that exists in their company by bringing out the differences or uniqueness of the company compared to competitors to be able to attract consumer buying interest (Bani, 2016).

Today, the task of a marketer is becoming increasingly difficult and complex. It is said that because on the one hand the needs and desires of consumers are increasingly diverse and demand higher satisfaction with the products they buy. Melisa (2016) stated that, to survive and develop a company needs to understand consumer behaviours in order to be able to cause consumer repurchases so that in the end it can compete with other companies. This is where many strategies emerge on how to make a product from a certain brand acceptable to consumers well, because each consumer has a different perspective on a particular product. There are some consumers who are loyal to one product from a particular brand, there are also consumers who like to try various kinds of new products from various brands. For long-term profit-oriented companies, the market is the main focus that concern them.

Marketers are very interested in describing their market based on variables or characteristics, such as demographic and socioeconomic characteristics, but those characteristics only describe consumers in a descriptive way that provides answers to the question of who and where they are. According to Fuad (2020), one of the marketing strategies is carried out among others to be able to attract consumers, trigger purchases by consumers, create an atmosphere that can affect consumer emotions, and to be able to influence how consumers behave. According to Peter and Olson (in Fuad, 2020) stated that the three main decisions in designing the physical environment of a business are location, layout, and the stimuli or products it causes.

The expectations that a consumer has will not necessarily encourage the consumer concerned to make a purchase. These expectations have to be stimulated thus pressure arises to immediately realize them in the form of purchase actions.

There are various factors that can be a stimulus, including a Pesona Store. The management can design the Pesona Store as well as possible in order to create a sense of comfort and security in consumers so as to encourage consumers to carry out their purchase decisions. Pesona Store can also be used as one of the marketing tools to be able to attract consumers to come, enjoy the store atmosphere to make purchase decisions as what has been concluded by (Meldani and Lisan, 2016) in their research. Pesona Store can not only provide a pleasant buying environment, but also can provide added value to the products sold. The Enchantment Store will also determine the image of the store itself.

Karmela and Junaidi (2021) in their research stated that a good and fun charm store will also be able to maintain and encourage the company's image. A good store image can ensure the survival of the company to survive the competition in forming loyal customers, just as Pesona Stores can make consumers more loyal (Chen and Hsieh, 2016). The Pesona Store as a means of communication that can have positive and beneficial consequences is made as attractive as possible to create comfort for consumers, at least consumers will feel at home in the store and this will make consumers decide to buy at the store. If consumers are satisfied shopping at that place, most likely these consumers will shop again.

Lubis and Martin (2021) suggest that many factors influence purchasing decisions, one of which is the price factor. Price greatly influences the purchasing decisions of consumers somewhere. It is posited that price is the buyer's best cost that can determine and play an important role in their decision. The expectation that customers are loyal or loyal to the products offered makes marketers have to understand their behaviours. It is very important for marketers and prospective marketers to understand why and how individuals or organizations make their purchasing decisions so as to enable them to make better strategic marketing decisions (Suprapti, 2022).

Bahri (2021) suggests theoretically the purchasing decisions made by consumers on the goods offered are strongly influenced by price, service, comfort, product diversity and store design. Pesona Store is a distro that has a slightly

directly imported from the official. In addition to vegetables and fruits, Pesona Store also sells several basic necessities, such as rice, cooking oil, sugar, and cakes as well as several kinds of various brands.

The products provided by Pesona Store have quite expensive prices compared to other distros, because all goods are directly imported from outside, but have good quality. The design of the store also looks quite unique by displaying several band posters and music played in the store can also stimulate consumers so that they are more comfortable in choosing goods. The target market of charm stores includes teenage to adult consumers who tend to be connoisseurs and like to play music. As one of the stores that sell band merchandise, but there are still many consumers who only visit but do not make purchases because the price is quite expensive. The lack of strategic store location far from the center of the crowd also indicates that Pesona Store is difficult to reach many people. According to the description and argument, the title used is **"THE INFLUENCE OF STORE ATMOSPHERE, PRICE ON CONSUMER PURCHASE DECISION AT PESONA STORE "**.

1.2 Problem Formulation

Based on the background of the study, the main problem can be formulated as follows:

1. How does the Store Atmosphere Influence consumer purchasing decisions at the Pesona Store?
2. How Does Price influence consumer purchasing decisions at the Pesona Store?

1.3 Purpose of the study

1. To determine the effect of Store Atmosphere on consumer purchasing decisions at the Pesona Store.
2. To determine the Effect of Price on consumer purchasing decision at the Pesona Store.

1.4 Research Significance

Research conducted can provide benefits, including:

1. **Theoretical Benefits** This research is expected to provide insight and study on the factors that most influence buying interest, especially in traditional market consumers in Indonesia.

2. **Practical Benefits**

a. **For Researchers**

Provide other research alternatives in the field of management that are specifically related to price, buyer decisions. This research is expected to provide benefits for other students and all groups who need references in this field of research.

b. **For Business Managers**

This research is expected to be useful for business managers and several parties such as charm store managers to be taken into consideration in an effort to overcome related problems studied in this study.

1.5 Scope and limitations of the problem

From the problems identified above, there are quite a lot of problems and factors that affect service at Pesona Store but not all of them are studied, this study only examines the price of Pesona Store and customer satisfaction as factors that influence Pesona Store.

1.6 Writing system

The preparation of this report follows the writing systematics as follows:

CHAPTER I: INTRODUCTION

In CHAPTER 1, This chapter explains the background, problem formulation, research objectives, research benefits, scope and limitations of the problem, and systematics of report review.

CHAPTER II: LITERATURE REVIEW

In CHAPTER 2, This chapter describes the latest research, theoretical foundations, and frameworks.

CHAPTER III: RESEARCH METHODOLOGY

In CHAPTER 3, This chapter describes the location, time and object of research, types and sources of data, population and samples, data collection techniques, data management techniques, scale measurement, validity and reliability testing, data analysis methods, research hypotheses, research models, types of research, definitions of operating concepts and variables, and research schedules and budgets.

CHAPTER IV: RESULTS AND DISCUSSION

In CHAPTER 4, This chapter describes the results of the study, discussion, and limitations of the study.

CHAPTER V: CONCLUSIONS AND RECOMMENDATIONS

In CHAPTER 5, This chapter describes the conclusions and suggestions of the research that has been done.