

The Factors Affecting Buyer Interest In Indomaret Retail In Maros City

Buhari Mulbi

The Lectuter of Asmi Publik Makassar

Anwar Ramli

Department of Management, Faculty of Economy,
State University of Makassar, South Sulawesi, Indonesia

ABSTRACT

This study aims to determine 1) the effect of prices on buyer interest in Indomaret, 2) the effect of product quality on buyer interest in Indomaret and 3) the effect of location on buyer interest in Indomaret, Maros City. The object of this research is consumers who shop at Indomaret, Maros City. This type of research is explanatory descriptive research, namely to know and explain the characteristics of the variables under study in a situation. The sampling technique uses accidental sampling techniques, namely anyone who accidentally meets with a researcher can be used as a sample, with 97 respondents. The analytical method used is the multiple regression method with the help of the SPSS 25 program. The results of this study indicate that, prices have a positive and significant effect on buyer interest in Indomaret, Maros City. Then the product quality has a positive and significant effect on the interest of buyers in Indomaret, Maros City, and the location has a positive and significant effect on buyer interest in Indomaret in the City of Maros.

Keywords: Price, Product Quality, Location and Buyer Interest

INTRODUCTION

Indomaret or PT. Indomarco Prismatama is a retail franchise competition in Indonesia which was established in 1998. Indomaret is a Salim Group subsidiary with a motto: the company is "easy and economical". The company is the largest franchise store pioneer in Indonesia with a total of 16,336 outlets. January 2019 with a growth of 7 outlets per day.

The presence of minimarkets such as Indomaret has increasingly shifted the role of traditional markets and other small retail stores so that many retail store owners lose customers until they go bankrupt. Today, people's lifestyle changes as changes in behavior in shopping tend to choose a comfortable and safe place. According to Natalia (2013) in choosing a store (retail), consumers have evaluation criteria including location factors, product completeness, product quality, price, service, convenience for shopping and promotion. In this study, the author focuses on price variables, the quality of goods sold and strategic locations.

The market as part of contributing in offering products must be careful in analyzing the factors that can influence consumer buyer interest, consumer perceptions of products offered so that consumers are interested in making purchases, and marketers must be able to develop appropriate strategies in attracting consumers' buyer interest in products offered in the market that are in accordance with the wishes and needs of consumers. The strategy of making consumers interested in buyer is crucial for companies to keep thinking (Utami, 2006). The presence of these modern markets has led to an unhealthy competitive climate that harms small kiosk traders, and does not rule out the possibility, this condition has the potential to grow the seeds of social jealousy among traders.

Presidential Regulation No. 112/2007 Article 1 Paragraph 12 has stated that zoning, namely the distance of minimarkets is at least 1 (one) km with small or traditional kiosks, but in reality we can now find minimarkets adjacent to stalls or traditional markets. Brata's research (2012: 143) shows that the modern market which is considered the most dangerous to the people's economy (traditional markets, small shops and roadside shops), is a minimarket, such as Alfamart and Indomaret whose presence has penetrated the remote villages. Even these modern markets operate up to 24 hours, so they can narrow the reach of traditional traders and small traders. As a result, the existence of modern markets, such as minimarkets and similar businesses has the potential to kill small businesses around them.

According to the Secretary General of the Association of Indonesian Market Traders (APSI), Ngadiran (2011) said that "minimarkets" were the most dangerous types of market termites. They undermine the most real people's economic order. Imagine, when people will go to the traditional market or the nearest shop, they will be more "fascinated" to shop at a minimarket that sells various needs, with relatively cheap prices and a comfortable place. With such conditions the existence of small grocery traders or kiosks is increasingly squeezed in this intense competition.

This is inseparable from an action related to consumer behavior. Consumer behavior is essentially understanding "why do consumers do what they do". Consumer behavior is all activities, actions, and psychological processes that encourage these actions at the time before buyer, when buyer, using, spending products and services after doing the above or evaluating activities. (Schiffman and Kanuk, 1994).

There are Three Perspectives on Consumer Behavior Research According to Mowen (2001: 11).

1. Decision making perspective
2. Experience perspective
3. Environmental influence perspective

There are five stages that consumers go through in the buyer process, namely problem recognition, information seeking, alternative evaluation, purchasing decisions, and post-purchase behavior. Smart companies try to understand the customer's purchasing decision process in full, (Kotler, 2007).

The pattern of relationships between research variables can be illustrated by the scheme below:

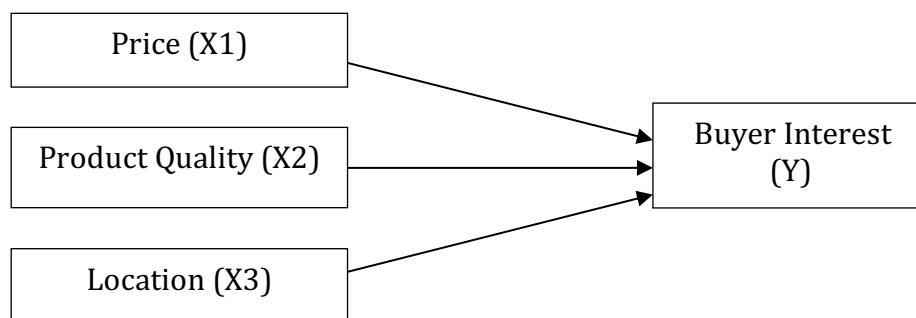


Figure 1. Pattern of Inter-Variable Relationships

METHOD

The Type of Research

This type of research is explanatory descriptive research. Descriptive research is conducted to find out and explain the characteristics of the variables under study in a situation (Uma Sekaran, 2006: 158). In this study the descriptive method aims to obtain a description of the price variable, product quality, sales location and buyer interest. Explanatory research is research that aims to examine causality between variables that explain a particular phenomenon, (Zulganef, 2008: 11). In this study we examined the causal relationship between price, product quality and location of sales.

Population and Data Collection Techniques

The population in this study were all visitors in Indomaret, Maros City. The sampling method is to use Probability Sampling which is to give the same opportunity or opportunity to be chosen as a sample (Sugiyono, 2013: 154). Because the population size is not known exactly to determine the sample size, the formula of unknown populations is used (Frendy, 2011: 53) as follows:

$$n = \frac{z^2}{4\mu^2}$$

Information:

n = sample size

Z= required sample confidence level

In research (at $\alpha = 5\%$ or degree of confidence determined 95% then Z = 1.96)

μ = margin of error, the error can be traced (10% determined)

Using the formula above, the following calculations are obtained:

$$n = \frac{z^2}{4\mu^2} = n = \frac{1,96^2}{4(0,1)^2} = n = \frac{3,8416}{0,04} \text{ so } n = 96,4 = 97 \text{ respondents.}$$

Operational Definitions and Variable Measurement

The operational definitions of this research variable are as follows:

Table 1. Variable Operational Definitions

Variable	Definition	Indicators	Data Measurement Scale
Price (X1)	An exchange rate that is equated with money for benefits obtained from an item or service for a person or group at the time certain and certain place.	a. affordability price b. price compatibility with product quality c. price competitiveness	Interval
Product Quality (X2)	Is a consumer assessment of the superiority or privilege of a product	product durability product features convenience of use	Interval
Location (X3)	Is a place where a business or business activity is carried out	access Large and safe parking lot Environment	Interval
Interest (Y)	Self-liked and desired involvement in an activity	Interest in the products offered. Product interest and ease of purchase. Pleasant purchase situation. Fulfillment of needs.	Interval

Data Analysis Technique

Instrument Validation Test

Validation or validity test is to show how far a measuring instrument is able to measure what you want to measure (a valid measure if it successfully means the phenomenon). (Syofian, 2015: 46).

Reliability Test

Test Reliability is to find out the extent to which measurement results remain consistent, if measurements are taken twice or more for the same symptoms using the same measuring device (Sofiyana, 2015: 55).

Multiple Linear Regression Analysis

The formula is as follows (Rangkuty, 1997: 23-25)

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \epsilon$$

Information :

Y = Buyer Interest

a = Constanta

b = Regression Coefficient

X_1 = Price

X_2 = Product Quality

X_3 = Location

ϵ =Standard Error

RESULT

Validation Test

To test the validity and reliability of the instrument, the authors used analysis with SPSS 25. For the level of validation carried out with a significance test by comparing the r count with r table. For a significant level of 5% then r table 0.197. If the result of r count is greater than r table then item the question is declared valid. The results of the validation tests obtained in this study are as follows:

Table 2. Results of Test Validity Test

Variables	Item	r test	r table	Information
Price (X1)	X1.1	0.611	0.197	Valid
	X1.2	0.693	0.197	Valid
	X1.3	0.735	0.197	Valid
	X1.4	0.782	0.197	Valid
	X1.5	0.672	0.197	Valid
Product Quality (X2)	X2.1	0.674	0.197	Valid
	X2.2	0.605	0.197	Valid
	X2.3	0.805	0.197	Valid
	X2.4	0.802	0.197	Valid
	X2.5	0.779	0.197	Valid
Location (X3)	X3.1	0.755	0.197	Valid
	X3.2	0.791	0.197	Valid
	X3.3	0.749	0.197	Valid
	X3.4	0.581	0.197	Valid
	X3.5	0.607	0.197	Valid
Interest (Y)	Y1	0.590	0.197	Valid
	Y2	0.716	0.197	Valid
	Y3	0.741	0.197	Valid
	Y4	0.766	0.197	Valid
	Y5	0.638	0.197	Valid

Source: Primary data processed, 2019

Reliability Test

Reliability test is used to see whether the results obtained through the instrument are consistent and reliable. A research instrument if used to measure the same thing, then produce the same relative results called a reliable instrument. Reliability test is calculated by Cronbach Alpha with SPSS 25. If the Alpha coefficient value is greater than 0.6, it is concluded that the research instrument is reliable. The results of the reliability tests obtained in this study are as follows:

Table 3. Reliability Test Results in the study

Variables	Cronbach Alpha	Critical Value	Information
Price	0.738	0.6	Reliabel
Product Quality	0.783	0.6	Reliabel
Location	0.738	0.6	Reliabel
Buyer Interest	0.724	0.6	Reliabel

Source: Primary data processed, 2018

From table 3 above shows that the Cronbach Alpha value is not below the critical value of 0.6, this indicates that the variables used pass the reliability test.

Multiple Linear Regression Test

Table 4. Results and Multiple Linear Regression Tests in the study

Model		Coefficients ^a		Standardized Coefficients Beta	T	Sig.
		Unstandardized Coefficients				
		B	Std. Error			
1	(Constant)	2.683	1.525		1.760	.082
	Price	.316	.090	.331	3.521	.001
	Product Quality	.241	.094	.256	2.574	.012
	Location	.282	.084	.282	3.356	.001

a. Dependent Variable: Minat Beli

Source: Primary Data Processed by SPSS

Based on multiple linear regression tests processed with SPSS 25, the results of multiple linear regression calculations can be obtained as follows:

$$Y = 2.683 + 0.316 X_1 + 0.241 X_2 + 0.282 X_3 + \epsilon$$

The interpretation of the regression results is as follows:

1) Constant (a)

The above equation shows a constant value of 2.683. This shows a value of 2.683 meaning without considering any influence not examined in this study, the value of interest is 2.683 and the value of product quality, price, and location is zero (0), then the value of interest remains 2.683.

2). Price (X₁) against Buyer interest (Y)

Price regression coefficient (X₁) of 0.316 states that if the price variable increases by 1% then buyer interest (Y) will increase by 0.316. That is to say that the price variable has a positive effect on buyer interest in shopping in Indomaret, Maros City.

3).Product Quality (X₂) Against Buyer Interest (Y)

The product quality coefficient value (X₂) is 0.241 stating that if the product quality variable increases by 1%, buyer interest will increase by 0.241. It means that the better the quality of products offered by Indomaret, the more consumers will buy the products offered. The positive and significant influence of product quality on consumer buyer interest shows that every increase in the quality of products produced will result in increased buyer interest.

4).Location (X₃) Against Buyer Interest (Y)

Location coefficient value for variable (X₃) of 0.282 states that if the location variable increases by 1%, buyer interest (Y) will increase by 0.282. This means that Indomaret locations that strategically influence buyer interest are due to the short distance, location has a positive and significant effect on buyer interest. This means that if the location is strategic, buyer interest will also increase.

Hypothesis testing

F Test

The F test is used to measure how the independent variables influence the dependent variable. If the value of F counts (the SPSS output is shown in the sig column). smaller than the level of error / error (alpha) 0.05 (which has been determined) it can be said that the estimated

regression model is feasible, whereas if F count is greater than the error level of 0.05, it can be said that the estimated regression model is not feasible.

The F Test results can be seen in the ANOVA table below, the calculated F value is seen in the last column (sig).

Tabel 5. Result of F Test In The Research

		ANOVA ^a				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	454.439	3	151.480	29.477	.000 ^b
	Residual	477.918	93	5.139		
	Total	932.357	96			

a. Dependent Variable: Buyer Interest

b. Predictors: (Constant), Location, Price, Product Quality

Source: Primary Data Processed by SPSS

The calculated F value in the table above is 29,477 with a significant 0,000 smaller than the 0.05 significance level. this means that the independent price variable, product quality and location simultaneously have a significant effect on the dependent variable buyer interest.

T Test

The t test in multiple linear regression is intended to test whether the parameters (regression coefficients and constants) that are thought to systematize the equations / multiple linear regression models are already the right parameters or not. The meaning right here is that the parameters are able to explain the behavior of free variables in influencing traction variables . If the value of t is calculated (SPSS output shown in column sig) is smaller than the level of error (alpha) 0.05 (predetermined), it can be said that the independent variable has a significant effect on bound variables, whereas if the value of t is greater than 0.05, it can be said that the independent variable has no significant effect on the dependent variable. The t test is intended to find out how far the influence of one independent variable (product quality, price, and location) individually explains the dependent variable (buyer interest), along with an explanation of several factors:

- 1) Price, Based on the results of the T test in the table above which shows that partially the price variable is 0.001 which means that the value is smaller than the significant level of 0.05 that has been determined, so that the price variable is significant in influencing consumer buyer interest.
- 2) Product Quality, Based on the results of the T test in the table above which shows that partially the product quality variable is 0.012 which means that the value is smaller than the significant level of 0.05 that has been determined, so the product quality variable is significant in influencing consumer buyer interest.
- 3) Location, Based on the results of the T test in the table above which shows that partially the location variable is 0.001 which means that the value is smaller than the significant level of 0.05 that has been determined, so that the variable is significant in influencing consumer buyer interest.

Correlation Coefficient (r)

Correlation coefficient is a number of numbers that can be used in analyzing the strength between two or more variables. The test results can be seen in the summary model table as shown below:

Table 6. Results of the R Test on the study

Model Summary^b

Model	Model Summary ^b			Std. Error of the Estimate	Change Statistics			Sig. F Change	Durbin-Watson	
	R	R Square	Adjusted R Square		R Square Change	F Change	df1			df2
1	.698 ^a	.487	.471	2.267	.487	29.477	3	93	.000	2.031

a. Predictors: (Constant), Location, Price, Product Quality

b. Dependent Variable: Buyer Interest

Source: Primary data processed in 2019

Based on the model summary table has an R value generated between the effect of price, product quality, and location on buyer interest of 0.698 or 69.8%, meaning that price, product quality and location have a strong relationship with consumer buyer interest in Indomaret, Maros City.

DISCUSSION

Based on the results of the analysis above, it shows that of the three variables studied it was found to be significant. Of the three variables can be described as follows:

The effect of prices on buyer interest

The results of this study indicate that there is a positive effect of price variables on buyer interest in Indomaret Kota Maros. This is evidenced by the results of multiple linear regression in the sig column on the coefficient table. The value of the price variable is smaller than the value of the significant level that has been determined, so that prices have a positive and significant influence on consumer buyer interest in Indomaret, Maros City. Price is an important factor in influencing consumer interest in goods needs. Price for consumers is the cost of getting the product product needed (Sumarawan, 2008). Prices can show the quality of the brand of a product, where consumers assume that expensive prices usually have quality the good one. Most consumers want affordable prices with good quality goods for each product they consume. This is what makes prices a dominant factor in conducting retail business. Basically prices are determined based on production costs and provisions from producers, but companies must also consider the value, product quality, benefits, and competitive prices so that they can compete with other products sold by competitors. This is one of the main attractions for consumers who will later make a purchase. According to Wiyadi (2011) prices reflect the value agreed upon by buyers and sellers of a product or service and use prices to achieve specific goals and market implementation. So prices are a value realized because of an agreement between the product seller and the buyer of the product or service.

This is in line with the research conducted by Ma'munah, Siti Ulfatul (2017), with research entitled "Analysis of Factors Affecting Retail Consumer Purchasing Interests" (Empirical Study of Conventional Retail Relations between Jaya Kartasura & Retail Modern Indomart Kleco Kartasura), that is, the price has a significant effect on the interest of consumer purchases in Conventional Retail Relations Jaya Kartasura & Modern Retail Indomart Kartasura. This research is also in line with the opinion of the Kotler which stated that prices influence consumer buyer interest.

Effect of product quality on buyer interest

The results of this study indicate that there is a positive influence on the quality of the product on buyer interest in Indomaret Kota Maros. This is evidenced by the results of multiple linear regression in the sig column in the coefficient table. The product quality variable value is smaller than the predetermined significance level. positive and significant influence on consumer buyer interest in Indomaret, Maros City. In developing a product, marketers must initially choose the level of quality that will support the position of the product in the market.

This is in line with research conducted by Lia Natalia (2009), conducting research with the title "Analysis of Perception Factors that Influence Consumers' Interest in Shopping for Giant Hypermarket Bekasi", namely product quality significantly influences consumer interest in shopping. This research is also in line with the opinion of Kotler which stated that product quality affects consumer buyer interest.

Effect of location on buyer interest

The results showed that there were positive effects on location variables on buyer interest in Indomaret Kota Maros. This is evidenced by the results of multiple linear regression in the sig column in the coefficient table where the value of the location variable is smaller than the determined significance level. According to Taufiq Amir (2004), site selection is indeed a part of strategic decisions in retail business. The right or wrong location is the beginning of the success or failure of the retail business.

Location factors influence the decisions taken by consumers to buy a product. Locations that are easily accessible to buyers and close to the crowd are the right location for a business. Strategic location for consumers will reduce energy and time sacrifice (Bernard, 2009).

This is in line with the research conducted by Fitria Sari Budiningtyas, Didik Purwadi, Ahmad Mardalis (2010) on "Factors Affecting Consumer Buyer Interests in Minimarkets", namely location variables that have a partially significant influence on consumer selection in choosing a mini market in Banjarsari village Surakarta.

CONCLUSION/RECOMMENDATION

The results of this study indicate that there is a positive influence on price, product quality, and location variables on buyer interest in Indomaret, Maros City. The results showed that the price variable, product quality and location together had a positive and significant effect on buyer interest in Indomaret, Maros City, because the results of the hypothesis test (F Test) showed Sig < 0.05 which was equal to 0,000. These results provide empirical evidence that together the price, product quality and location influence buyer interest.

This is in line with the research conducted by Lia Natalia (2009), who conducted a study entitled "Analysis of Perception Factors that Affect Consumer Interest for Shopping Giant Hypermarket Bekasi", namely location variables, product completeness, product quality, price and promotion significantly influence towards consumers' interest in shopping

For consumers in particular in order to further increase buyer interest that is good in meeting their primary needs to support their daily needs because with the need for daily necessities it is easier to move. For Indomaret parties can help evaluate and as a basis for reference or consideration how to meet the tastes and desires of consumers and pay more attention to the factors that can influence consumer buyer interest apart from the price factor, product quality and location.

References

- Assuri Sofyan, 2010. " *Manajemen Pemasaran*. Jakarta : penerbit raja Grafindo (Rajawali Pers)
- Bariroh Hikmatul. 2015. "Pengaruh Kualitas Pelayanan Terhadap Minat Membeli Konsumen Pada Minimarket Indomaret Dan Minimarket Alfamart. Universitas Islam Negeri Maulana Malik Ibrahim Malang, Mei 2015
- Dama Daniel, 2016. " Analisis Faktor-Faktor Yang Mempengaruhi Minat Beli Konsumen Dalam Memilih Laptop Acer Di Toko Lestari Komputer Manado". Jurnal Berkala Ilmia Efisiensi Vol. 16, No. 01
- Ghanimata Fifyanita. 2012. "Analisis Pengaruh Harga, Kualitas Produk, Dan Lokasi Terhadap Keputusan Pembelian". Skripsi. Universitas Diponegoro Semarang

- Hariyadi, Taufan Guruh. 2016. "Faktor-Faktor Yang Mempengaruhi Konsumen Berbelanja Di Minimarket (Studi Pada Indomaret Dan Alfamart Di Semarang)". *Jurnal Penelitian Ekonomi dan Bisnis*.
- Kotler, Philip & Gary Armstrong. 2001. *Prinsip-prinsip Pemasaran*. Jakarta: Penerbit Salemba Empat
- Natalia Lia. 2009. "Analisis Faktor Persepsi yang Mempengaruhi Minat Konsumen Untuk Berbelanja Pada Giant Hypermarket Bekasi". Skripsi. Universitas Gunadarma.
- Nurhikmah Andi. 2017. "Faktor-faktor yang Mempengaruhi Perilaku Konsumen Dalam Pembelian Scuter Matic Yamaha di Fakultas Ekonomi Universitas Negeri Maros". Skripsi. Universitas Negeri Makassar.
- Ma'munah, Siti Ulfatul. 2017. "Analisis Faktor-Faktor Yang Mempengaruhi Minat Pembelian Konsumen Retail" (Studi Empiris Retail Konvensional Relasi Jaya Kartasura & Retail Modern Indomart Kleco Kartasura)
- Ola Andi Tenri, 2016. "Persepsi Masyarakat Terhadap Mini Market (Studi Kasus Pasar Atapange Kecamatan Majauleng Kabupaten Wajo)". Skripsi Universitas Islam Negeri Alauddin Makassar
- Purnomo Eko, 2016. "Pengaruh Harga, Kualitas Produk Dan Lokasi Terhadap Minat Beli Konsumen Dalam Membeli Beras Lokal (Studi Kasus Desa Rambah Utama)". Skripsi. Universitas Pasir Pengaraian
- Ratmirosanti. 2015. "Faktor-faktor yang Mempengaruhi Keputusan Pembelian Mobil Toyota Avanza pada PT.Hadji Kalla di Kota Maros." Skripsi. Universitas Negeri Makassar.
- Rusham. 2016. "Analisis Dampak Pertumbuhan Pasar Modern Terhadap Eksistensi Pasar Tradisional di Kab. Bekasi." *Jurnal Ilmiah Ekonomi Manajemen dan Kewirausahaan "OPTIMAL" VOL.10 No 2*
- Rizky, Muhammad Fakhru & Yasin Hanifa. 2014. "Pengaruh Promosi Dan Harga Terhadap Minat Beli Perumahan Obama Pt. Nailah Adi Kurnia Sei Mencirim Medan". *Jurnal Manajemen & Bisnis Vol 14 No 2*
- Riska. 2017. "Analisis Motivasi Belanja Konsumen Minimarket Dan Warung Kelontong Dalam Perspektif Islam (Studi Di Kelurahan Bulurokeng Kota Maros)". Skripsi. Universitas Islam Negeri Alauddin Makassar.
- Sekaran, Uma, 2006, *Research Methods for Business*, USA: John Wiley & Sons Inc.
- Siregar Sofyan, 2013. *Metode Penelitian Kuantitatif*. Jakarta : Penerbit Prenamedia Group
- Setiadi Nugroho J, 2008. *Perilaku Konsumen*. Jakarta : penerbit kencana
- Sarwako Edi. 2008. "Dampak Keberadaan Pasar Modern Terhadap Kerja Pedagang Pasar Tradisional di Wilayah Kabupaten Malang". *Jurnal Ekonomi Modernisasi Vol.4 No 2*
- Satria, Adi Arief. 2017. "Pengaruh Harga, Promosi, Dan Kualitas Produk Terhadap Minat Beli Konsumen Pada Perusahaan A-36". *Jurnal Manajemen dan Start-Up Bisnis Vol.2 No 1*
- Yusuf Muri, 2014. *Metode Penelitian*. Jakarta : Penerbit Prenamedia Group
- Zulganef, 2008, *Metode Penelitian Sosial dan Bisnis*, Yogyakarta, Graha Ilmu.
- www.indomaret.co.id