

THE INFLUENCE OF STORE ATMOSPHERE ON IMPULSE BUYING

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ABSTRACT

The fun atmosphere felt by consumers when shopping at a store is called a Store Atmosphere. This becomes very important because it is assumed to affect someone in making an unplanned purchase (impulse buying). This research is conducted to test the effect of store atmosphere on impulse buying. It took place at one shopping center (retail) in Malang, Indonesia. This research is a quantitative research carried out by using questionnaire technique as the data collection which involves 116 respondents. The results showed that Store Atmosphere has a strong influence on consumers to do *Impulse Buying*.

KEY WORDS

Store atmosphere, impulse buying, retail, Malang.

According to Levy and Weitz (2001), *Store Atmosphere* can be created through the design of the visual environment, light, color, music, and aroma that can stimulate consumer emotions to make purchasing decisions. *Store Atmosphere* will not only provide an atmosphere of a pleasant purchasing environment but also add a value to the product being sold. In addition, *Store Atmosphere* will determine the image of the store itself. A good *Store Atmosphere* can guarantee the company to survive the competition in shaping loyal customers.

Stores that have a well-designed atmosphere will stimulate the emotion of the consumers to do *Impulse Buying*. That term is defined as purchases made in store that are not in line with the initial plan of the consumers when entering the store (Hawkins *et al.*, 2001). Consumers who do *Impulse Buying* do not think to buy certain products or brands. They tend to make purchases because they are interested in the brand or product at the moment. *Impulse Buying* is a tendency to buy spontaneously, suddenly, and automatically. Thus, it is natural and is a quick reaction. This study attempts to examine the influence of *Store Atmosphere* on *Impulse Buying*. The study was conducted at one shopping center (retail) in Malang, East Java-Indonesia.

LITERATURE REVIEW

Store Atmosphere is one element of retail marketing that is related to the creation of shopping atmosphere. *Store Atmosphere* plays an important role to lure buyers, to make them comfortable in the shopping, and to remind them what products they need both for personal use and for domestic use (Ma'ruf, 2006). According to Lamb *et al.*, (2001) *Store Atmosphere* is the environment or feel which is the overall impression delivered by the physical layout of stores, decorations, and the surroundings.

Mowen and Minor (2002) pointed out that *Store Atmosphere* is better known as the ambiance of the store and is related to the way managers can manipulate the designs, interior spaces, hallways, carpets and wall texture, scents, colors, shapes, and sounds that customers experience to achieve a certain effect. Kotler in Mowen and Minor (2002) suggested that the incorporation of those elements can illustrate the definition of *Store Atmosphere* as an attempt to design a buying environment used to generate a special emotional impact on buyers that allows them to purchase more.

According to Lamb *et al.*, (2001) the factors affecting *Store Atmosphere* are as follows:

1. Types and general characteristics of employees, for example neat, friendly, insightful, and service oriented.

2. Types and density of the products. How the goods that are being sold and displayed determines the atmosphere that the retailer wants to create.
3. Types and density of fixture equipment. The fixture equipment can be elegant (made of teak wood) and trendy (made from metal and filmed glass). It should still be consistent with the general atmosphere that the owner wants to create.
4. Sound. Sound can be fun or irritating to a customer. Music can also make consumers stay longer in the store. It can control the crowd in the store, create an image and atmosphere, and attract or direct the attention of the buyers.
5. The scent, it can stimulate or disrupt the sales. Other research found that people value the goods more positively, spend more time at the store, and generally have a good mood if there is a good scent. Retailers use perfume as an extension and strategy.
6. Visual factors. Color can create a mood or attract people attention. Yellow, orange, or red color is considered as a warm color. Meanwhile, green and violet are used to brighten a closed place and create an elegant and clean atmosphere.

Store Atmosphere Elements. According to Berman and Evans (1992), *Store Atmosphere* consists of four elements. The first one is *Exterior*. It has a strong influence on the image of the store so that it should be well-planned. The combination of *exterior* elements can make the outside appearance to look unique, attractive, and invite people to go into the store. These exterior elements consist of the following sub-elements: *Storefront* which is the front area of the store including a combination of the marquee, entrance door, and building construction. *Storefront* should reflect uniqueness, steadiness, or other things that fit the image of the store. New consumers often judge the store from the outside appearance so that the exterior is an important factor to influence consumers to visit the store. There are several alternatives for retailers to consider the basic planning of *storefronts* such as *modular structure* (standard structure) in square or circle which consists of several stores in the area, *prefabricated (prefab) structure* of the store that is located adjacent to the manufacturing house, and *prototype store* which is used by the franchisor. *Storefronts* are usually in line with other store branches and are part of the *atmosphere* specified in the franchise agreement. Besides the exterior, there is *General Interior* of the store which should be well-designed to maximize the *casual merchandising*. As we all know, ads can attract buyers to come to the store, but, the main thing that can make sale after a purchase is *display*. Good *display* arrangement can attract people attention and help them to easily look around, check, select the goods, and make a purchase. When consumers go into the store, there are many things that will affect their perception of the store. Therefore, *Store Layout* will invite or keep the customers away from the store when they see the inside area through a window or entrance door. A good store layout will be able to invite consumers to stay longer and spend more money at the store. The last element of *Store Atmosphere* is *Interior Display*. Each type of *point of purchase displays* provides information to customers to influence the atmosphere of the store environment. The main purpose of *the interior display* is to increase the sales and profit of the store.

Impulse Buying. Impulse Buying is defined as purchases made in store that are not in line with the initial plan of the consumers when entering the store (Hawkins *et al.*, 2001). Impulse Buying occurs when the consumer loses control because of the emotions that have been affected by several factors and then make unplanned purchases. This happens because of the desire to buy something which tends to be spontaneous and without much consideration. This definition ensures that the buyer has no intention to purchase the goods before entering the shopping area.

According to Stern (1962) in Utami (2010), there are 4 types of impulse buying:

1. Pure impulse, refers to the act of purchasing something for an interesting reason. Usually, the purchase occurs because of loyalty to the brand or just the usual purchase behavior.
2. Reminder impulse happens because the product is usually purchased by the consumers but not on the shopping list.

3. Suggestion impulse. A product that consumer sees for the first time will stimulate the desire of the consumer to try.
4. Planned impulse. The planning aspect of this behavior shows the consumer's response to some special incentives to buy the anticipated products. This impulsive is usually stimulated by coupon sales, coupon deductions, or other attractive offers.

Store Atmosphere is closely related to *Impulse Buying*. *Convenient Store Atmosphere* will make consumers feel cozy in the store for a long time. The duration and frequency of consumers in-store will increase consumer tendency to do *Impulse Buying*. *Comfortable Store Atmosphere* will increase the tendency of consumers to look around and then do *Impulse Buying*. According to Levy and Weitz (2001), *Impulse Buying* is a purchase decision made by consumers in place or shop after seeing the goods. Attractive store atmosphere will affect the emotional condition of consumers to purchase some goods that are not on the shopping list.

METHODS OF RESEARCH

The type of research used in this study is *Explanatory Research* which aims to test and explain the relationship of variables through hypothesis testing with quantitative approach. The research also carried out by using questionnaires and involved 116 respondents (visitors).

RESULTS OF STUDY

Of the 116 respondents, there are 2 respondents (1.72%) who strongly agree about the exterior design of retail store in Malang followed with respondents who agreed as many as 43 respondents (37.07%), neutral as many as 58 respondents (50%), disagree as many as 13 respondents (11.21%), and strongly disagree as many as 0 respondents (0%). The exterior design will indirectly affect the value perceived by someone of a store. Based on this assumption, there are 7 respondents who said strongly agree (6.03%), 58 respondents (50%) said to agree, 44 respondents (37.93%) are neutral, 7 respondents (6.03%) disagree, and there is no respondent who turns out to strongly disagree (0%). The location and width of the entrance make the consumers easy to shop.

Table 1 – Variable Frequency Distribution of *Store Atmosphere* (X1)

| Item | 5 | | 4 | | 3 | | 2 | | 1 | | Total | | Mean |
|------|----|-------|----|-------|----|-------|----|-------|---|------|-------|-----|------|
| | f | % | f | % | F | % | F | % | F | % | Total | % | |
| X1 | 2 | 1.72 | 43 | 37.07 | 58 | 50.00 | 13 | 11.21 | 0 | 0.00 | 116 | 100 | 3.29 |
| X2 | 7 | 6.03 | 58 | 50.00 | 44 | 37.93 | 7 | 6.03 | 0 | 0.00 | 116 | 100 | 3.56 |
| X3 | 30 | 25.86 | 52 | 44.83 | 23 | 19.83 | 8 | 6.90 | 3 | 2.59 | 116 | 100 | 3.84 |
| X4 | 14 | 12.07 | 52 | 44.83 | 38 | 32.76 | 11 | 9.48 | 1 | 0.86 | 116 | 100 | 3.58 |
| X5 | 9 | 7.76 | 67 | 57.76 | 32 | 27.59 | 8 | 6.90 | 0 | 0.00 | 116 | 100 | 3.66 |
| X6 | 7 | 6.03 | 53 | 45.69 | 47 | 40.52 | 9 | 7.76 | 0 | 0.00 | 116 | 100 | 3.50 |
| X7 | 13 | 11.21 | 56 | 48.28 | 36 | 31.03 | 11 | 9.48 | 0 | 0.00 | 116 | 100 | 3.61 |
| X8 | 13 | 11.21 | 59 | 50.86 | 36 | 31.03 | 8 | 6.90 | 0 | 0.00 | 116 | 100 | 3.66 |
| X9 | 9 | 7.76 | 54 | 46.55 | 43 | 37.07 | 10 | 8.62 | 0 | 0.00 | 116 | 100 | 3.53 |
| X10 | 11 | 9.48 | 60 | 51.72 | 35 | 30.17 | 10 | 8.62 | 0 | 0.00 | 116 | 100 | 3.62 |
| X11 | 10 | 8.62 | 44 | 37.93 | 45 | 38.79 | 16 | 13.79 | 1 | 0.86 | 116 | 100 | 3.40 |
| | | | | | | | | | | | | | 3.57 |

There are 30 respondents (25.86%) who said to strongly agree, 52 respondents (44.83%) agree, 23 respondents (19.83%) neutral, 8 respondents (6.90%) disagree, and 3 respondents (2.5%) strongly disagree. Parking space is one of the things considered by prospective customers to visit a store. If the parking lot is inadequate, most consumers are reluctant to visit the store. There are 14 respondents (12.07%) that strongly agree, 52 respondents (44.83%) who agree, 38 respondents (32.76%) who are neutral, 11 respondents or (9.48%) who disagree, and only 1 respondent (0.86%) who strongly disagrees. The

selection of colors and lighting in a store affects the convenience of consumers and helps them in shopping. There are 9 respondents (7.76%) who strongly agree, 67 respondents (57.76%) agree, 32 respondents (27.59%) are neutral, 8 respondents (6.9%) disagree, and there is no respondent who said strongly disagree (0%). The cleanliness of a store affects the convenience of consumers in the shopping.

Respondents who said strongly agree are as many as 7 respondents (6.03%), agree as many as 53 respondents (45.69%), neutral as many as 47 respondents (40.52%), disagree as many as 9 respondents (7.76%), and strongly disagree as many as 0 respondents (0%). The scent of a store can affect the convenience of shopping for consumers. 13 respondents (11.21%) are known to strongly agree, 56 respondents (48.28%) agree, 36 respondents (31.03%) are neutral, 11 respondents (9.48%) disagree, and no respondent who strongly disagrees (0%). The services provided by a store can make consumers feel comfortable in the shopping. 11.21% respondents are strongly agree, 59 respondents (50.86%) are agree, 36 respondents (31.03%) are neutral, 8 respondents (6.90%) are not agree, and 0 respondents (0%) is strongly disagree. The grouping of product types can assist consumers in finding goods.

The respondents who said strongly agree are 9 respondents (7.76%), agree as many as 54 respondents (46.55%), neutral as many as 43 respondents (37.07%), disagree as many as 10 respondents (8.62%), and strongly disagree as many as 0 respondents (0%). The arrangement of shopping flow can help the consumers in shopping. Proper settings can help consumers to shop. 11 respondents (9.48%) are strongly agree with this and 60 respondents (51.72%) are agree, 35 respondents (30.17%) are neutral, 10 respondents (8.62%) are disagree, and 0 respondents (0%) is strongly disagree. Location and tidiness of the shelf can provide convenience for consumers. The location that is easy to reach and has a neat arrangement makes consumers feel easier in shopping. Last but not least, is about the sign of product location that is obvious. This can be seen from the respondents who stated strongly agree as many as 10 respondents (8.62%), agreed as many as 44 respondents (37.93%), neutral as many as 45 respondents (38.79%), disagree as many as 16 respondents (13.79%), and strongly disagree as many as 1 respondents (0.86%).

Table 2 – Variable Frequency Distribution of *Impulse Buying* (Y)

| Item | 5 | | 4 | | 3 | | 2 | | 1 | | Total | | Mean |
|------|----|-------|----|-------|----|-------|----|-------|---|------|-------|-----|------|
| | f | % | f | % | F | % | f | % | f | % | Total | % | |
| Y2.1 | 7 | 6.03 | 64 | 55.17 | 39 | 33.62 | 5 | 4.31 | 1 | 0.86 | 116 | 100 | 3.61 |
| Y2.2 | 13 | 11.21 | 60 | 51.72 | 35 | 30.17 | 7 | 6.03 | 1 | 0.86 | 116 | 100 | 3.66 |
| Y2.3 | 11 | 9.48 | 35 | 30.17 | 48 | 41.38 | 18 | 15.52 | 4 | 3.45 | 116 | 100 | 3.27 |
| Y2.4 | 36 | 31.03 | 40 | 34.48 | 29 | 25.00 | 8 | 6.90 | 3 | 2.59 | 116 | 100 | 3.84 |
| | | | | | | | | | | | | | 3.60 |

From 116 respondents, there are 7 respondents (6.03%) who stated strongly agree about buying because they are interested in a product and 64 respondents (55.17%) agree, 39 respondents (33.62%) are neutral, 5 respondents (4.31%) disagree, and 1 respondent (0.86%) is strongly disagree. Consumers tend to buy a product when they inadvertently seeing the product sold in the store. They buy it because the products are often bought by them. Respondents are strongly agreed as many as 13 respondents (11.21%), agreed as many as 60 respondents (51.72%), neutral as many as 35 respondents (30.17%), disagree as many as 7 respondents (6.03%), and strongly disagree as many as 1 respondents (0.86%). Consumers tend to buy products that have been purchased frequently even though they did not have any plan to buy it. They buy that product because they are influenced by the promo. This can be seen from the data that as many as 36 respondents (31.03%) strongly disagree, 40 respondents (34.48%) agree, 29 respondents (25%) are neutral, 8 respondents (6.90%) disagree, and 3 respondents (2.59%) strongly disagree. A promo can be in the form of a discount or a member card with various benefits obtained. With this, there might be a bonus when the consumers buy the product.

Table 3 – Coefficient Test Result of *Impulse Buying*

| Independent Variable | Path Coefficient (Beta) | t-count | p-value | status |
|----------------------------|-------------------------|---------|---------|-------------|
| X | 0.314 | 3.550 | 0.001 | Significant |
| Y ₁ | 0.485 | 5.480 | 0.000 | Significant |
| Dependent Variable | Y ₂ | | | |
| R square (R ²) | 0.547 | | | |

The result of the influence of *Store Atmosphere* on *Impulse Buying* can be seen in the table above. The research hypothesis tested is as follows:

H₁ : *Store Atmosphere* has a significant effect on *Impulse Buying*

From the table above, the beta coefficient of 0.314 shows the effect of attributes on *Impulse Buying* with t_{count} of 3.550 and probability of 0.001 (p<0.05). This means that H₀ is rejected. Therefore, the hypothesis that states *Store Atmosphere* significantly influences *Impulse Buying* is accepted. This result supports the research of Kurniawan (2013) which believed that *Store Atmosphere* has a significant effect on *Impulse Buying*.

CONCLUSION

Based on the problems of this study, the results of analysis and testing of hypotheses that have been done in the previous chapter show that the variable of *Store Atmosphere* (X) has a positive effect on *Impulse Buying* (Y). This is evidenced by the probability value (0.001) <0.05 which means that there is a significant influence.

SUGGESTIONS

The retail management in Malang should able to maintain and improve the *Store Atmosphere* because it has significant effects on *Impulse Buying*. This can be done by improving the services provided to consumers, checking the store's interior and exterior periodically, setting up a better layout for the products, and maintaining shop hygiene in order to provide more convenience space for consumers.

The retail management in Malang is expected to create innovation and creative ideas to make a good image in the eyes of consumers so that they feel comfortable and happy to shop at the store. This needs to be realized because the competition in retail business is getting tighter, especially in Malang.

For further research, it is expected to examine other variables outside the variables that have been studied in this research in order to obtain more varied results and to know other variables that may be generated from the influence of *Store Atmosphere* on *Impulse Buying*.

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