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The Influence of Product Displays on Purchasing Decisions (Study on Aroma Bakery and Cake Shop Karya Jaya)

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ABSTRACT

Consumer purchasing decisions are the result of choices made by individuals when buying a product. This process involves selecting one solution out of many options, followed by real consequences. A crucial aspect of this decision-making process is the product display. The presentation of goods in a store plays a key role in creating a visual image that influences consumers' perceptions of beauty and the product itself. This study seeks to investigate the impact of product display on purchasing decisions at Aroma Bakery and Cake Shop Karya Jaya. The research methodology employed is quantitative with an associative approach. Data was collected from 96 respondents using the Accidental Sampling technique. Primary data was gathered through questionnaires distributed to consumers who had recently made purchases at Aroma, while secondary data was collected through literature and documentation reviews. The data analysis included validity testing, reliability testing, classical assumption testing, simple linear regression analysis, hypothesis testing, and determination coefficient calculation. Results from the study revealed that the product display significantly affects purchasing decisions. The product display variable had a positive impact on buying decisions, as demonstrated by the t-test results ($9.332 > 1.6612$) and the low significance value ($0.000 < 0.05$). According to the coefficient of determination test, product displays explained 48% of the variation in purchasing decisions, with external factors accounting for the remaining 52%. The findings underscore the importance of product displays in influencing consumer purchasing decisions at Aroma Bakery and Cake Shop Karya Jaya.

Keywords: Product Display, The Decisions of Purchasing, Aroma Bakery, Cake Shop

1. Introduction

In today's age of economic globalisation, there are newfound possibilities for Indonesian companies to vie for customers. The level of competition in the international business arena is intensifying, with companies striving to expand their market share constantly. The purchasing behaviour of consumers is diverse, as each individual has their own specific preferences when it comes to products.

Consumers are one of the supporting factors for the survival of the company, therefore companies need to study consumer behaviour. Due to increasingly fierce competition, companies are competing with each other to get consumers in various ways, such as improving product quality, improving services, prize promotions and so on. Another thing to note is that there are many new products with various choices, so consumers can switch to new products from other companies. Perhaps it is due to the improved and contemporary packaging, or maybe it is because consumers are inclined to give it a try.

The success of a company is tied to effective business management, with the company's growth being affected by various factors such as the introduction of new products, sales strategies, and marketing strategies. As a result, promotional and display activities are integral to the implementation of sales and marketing concepts in a business.

One way to deal with this is display, because consumers do not always use mass media such as watching television and reading texts in newspapers or brochures. Communication can be through product displays in the store. Displaying goods is important, because it can generate customer interest in buying them. Display is an effort made to arrange goods that direct buyers to be interested in seeing and buying. Product display is very influential in attracting consumer attention to buy an item and allows consumers to immediately buy items with an attractive appearance.

Product display is one part of the store atmosphere which is an important aspect to attract consumer attention and interest in stores or goods and encourage the desire to buy through direct visual appeal. Orderly and neat displays of goods will make consumers interested in approaching, seeing, touching and even buying these items, and the display of products really helps consumers to easily obtain goods sold by the store.

Marketing strategies really need to be implemented properly in an effort to influence consumer purchasing decisions. One of the strategies that can attract potential buyers is the arrangement of goods display, promotion, and service to consumers. The display aims to attract and direct buyers to be interested in seeing and deciding to buy it. Display plays an important role in attracting buyers and making them comfortable in choosing products, so that buyers feel satisfied.

Consumers do not consistently rely on traditional mass media like radio, printed publications, and television for information. Communication can also take place through visual cues and product displays in stores. Retail companies and stores communicate with their customers using physical elements like store design and product placement. The display setup is influenced by various factors including the type of products, size, color, packaging, and arrangement.

However, the development of information technology is currently shifting the habit of buying a product that is usually done by visiting the store directly to buying online. With the internet, online buying activities have now become a common alternative among the public. In online transactions, consumers fully rely on trust in the information conveyed in the form of a website.

Making decisions involves thinking about different options and choosing the one that aligns with our personal values and goals in order to achieve desired outcomes and predictions for the future (Iqbal & Siregar, 2022). Meanwhile, according to Sutisna (Manik & Siregar, 2022) the process of consumers making choices to buy a product starts with them being conscious of their desires and requirements being met. Furthermore, if it is realised that there are needs and wants, then consumers will seek information about the differences in the products they want.

Kotler defines purchasing decisions as the choices consumers make about whether or not to purchase items. When deciding to buy a product or service, consumers typically take into account factors like quality, price, and the popularity of the product. Prior to making a purchase, consumers often go through a series of steps, including recognizing a problem, searching for information, weighing different options, making a decision to buy or not, and behaving after the purchase (Arfah, 2022).

Buying choices are the decisions made by individuals to buy a product. This means that the decision-making process of consumers when purchasing involves selecting from different solutions with actual consequences. Following this, consumers can assess their options and decide on the next course of action.

2. Literature Review

2.1. Product Display

Display is one of the tools to communicate products that will be sold to consumers by retailers so that consumers can observe, research, and make choices. So, product display is arranging the goods to be offered to consumers with a very attractive and unique arrangement so that consumers feel interested after seeing it and immediately buy (Afrianti, 2021).

According to Ayu Puspita (2019), product displays are able to arouse customer interest by utilising the sense of sight. Stores use product arrangement to attract customers through direct inspection. This is an approach used by stores when organising and placing their products to attract customers to buy.

2.2. Consumer Behaviour

According to Schiffman and Kanuk (Damiati, 2017), the term consumer behaviour refers to the actions exhibited by individuals when they are in the process of searching for, purchasing, utilising, assessing, and allocating resources towards goods and services that are intended to cater to their requirements. Engel, Blackwell, and Miniard (Damiati 2017) have outlined consumer behaviour as the direct activities that are undertaken to acquire, consume, and allocate products and services, encompassing the decision-making procedures that come before and after these activities.

According to Kotler et al. (2000) consumer behaviour involves the constant interplay between emotions and thoughts, actions, and the surroundings in which people engage in transactions in their daily lives. It is a constantly evolving process, with the behaviour of individuals, groups, and communities always in flux. This behaviour is intricately linked to the purchasing process, during which consumers engage in activities like searching, comparing, and deciding on products to buy (Nababan & Siregar, 2022).

2.3. Purchase Decision

According to Sunyoto (2015) decision making is a mental process that involves memory, thought, processing information, and making assessments. Buying decisions are an opportunity that influences how consumers choose to purchase a needed product. Prior to making a purchase, a consumer typically goes through a process of making decisions.

Consumers go through a decision-making process when choosing a product, selecting what they believe is the best option from a range of alternatives that align with their specific preferences. They make choices based on what they perceive to be the most advantageous (Anwar, 2019). The process of choosing and evaluating typically starts by pinpointing the key issues impacting objectives, gathering and scrutinising different options, and deciding on the most optimal course of action.

3. Methodology

This study utilises associative research with a quantitative approach. Associative research focuses on exploring the connections between variables and assessing the impact of one variable on another (Juliandi, 2013). Quantitative research aims to create and utilise mathematical models, theories, or hypotheses concerning various aspects of the environment, such as individuals, groups, and specific scenarios. Through this type of research, we can investigate the impact of product displays on consumer choices, as seen in the study conducted at Aroma Bakery and Cake Shop Karya Jaya. The correlation between the independent and dependent variables is illustrated in the constellation diagram provided.

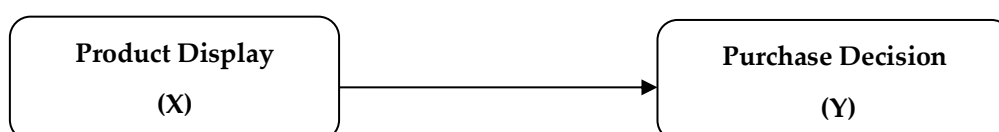


Figure 1. Variable Relationship

4. Results and Discussion

4.1. Results

Table 1. Product Display Reliability Test Results (X)

Reliability Statistics	
Cronbach's Alpha	N of Items
,889	40

Source: Data Processing Results (2022)

Based on table 1, it can be seen that the variable Cronbach's Alpha value is greater than 0.6, thus the reliability test results on the product display variable (X) can be trusted or reliable.

Table 2. Reliability Test Results of Purchasing Decisions (Y)

Reliability Statistics	
Cronbach's Alpha	N of Items
,889	40

Based on table 2, it can be seen that the variable Cronbach's Alpha value is greater than 0.6, thus the results of the reliability test on the purchasing decision variable (Y) can be trusted or reliable.

Table 3. Normality Test Results Kolmogorov Smirnov Approach

One-Sample Kolmogorov-Smirnov Test			
		Total_X	Total_Y
N		96	96
Normal Parameters ^{a,b}	Mean	86,36	47,11
	Std. Deviation	9,447	5,629
Most Extreme Differences	Absolute	,111	,094
	Positive	,111	,094
	Negative	-,055	-,051
Kolmogorov-Smirnov Z		1,084	,919
Asymp. Sig. (2-tailed)		,191	,368

a. Test distribution is Normal.

b. Calculated from data.

According to the results from table 3 of the Kolmogorov Smirnov test for normality, if the Asymp. Sig (2-tailed) value at the 5% significance level is higher than 5%, it indicates that the residual variables follow a normal distribution. Referring to table 3, it shows that the Asymp. Sig (2-tailed) values are 0.191 and 0.368. A p value greater than 0.05 suggests that the data in this research is normally distributed.

Table 4. Simple Linear Regression Analysis Results

Model	Coefficients ^a						
	Unstandardized		Standardized	t	Sig.	95,0% Confidence Interval	
	Coefficients		Coefficients			for B	
B	Std. Error	Beta	Lower Bound	Upper Bound			
1 (Constant)	11,431	3,847		2,972	,004	3,794	19,068
Total_X	,413	,044	,693	9,332	,000	,325	,501

a. Dependent Variable: Total_Y

Based on table 4 above, the regression equation models formed is:

$$Y = 11.431 + 0.413X$$

Based on data processing using SPSS, simple linear regression results are obtained as follows:

$$\text{Constant} = 11.431$$

The positive constant value indicates the positive effect of the independent variable product display. If the dependent variable increases or has an effect in one unit, the purchasing decision variable will increase or be fulfilled.

$$\text{Product Display (X)} = 0.413$$

Is the regression coefficient value of the product display variable (X) on purchasing decisions (Y), which means that if the product display (X) increases by one unit, the purchasing decision (Y) will increase by 0.413 or 41.3%. The coefficient is positive, meaning that between product displays (X) and purchasing decisions (Y) have a positive relationship.

Table 5. Partial Test Results (t-test)

Model	Coefficients ^a						
	Unstandardized		Standardized	t	Sig.	95,0% Confidence Interval	
	Coefficients		Coefficients			for B	
B	Std. Error	Beta	Lower Bound	Upper Bound			
1 (Constant)	11,431	3,847		2,972	,004	3,794	19,068
Total_X	,413	,044	,693	9,332	,000	,325	,501

a. Dependent Variable: Total_Y

According to table 5, it is evident that the product display factor (X) yields a t value of 9.332, surpassing the t table value of 1.6612 (df = 96-2). This indicates that the t statistic is greater than the t table value (9.332 > 1.6612) and the significance is less than 5% (0.000 < 0.05). Therefore, it can be inferred that the product display factor has a partially positive and significant impact on purchasing choices.

Table 6. Determination Coefficient Test Results (R²)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,693 ^a	,481	,475	4,077

a. Predictors: (Constant), Total_X

According to the data in table 6, it is evident that with an R² value of 0.481, almost half of the fluctuation in the purchase decision can be accounted for by the product display. The remaining 52% of variation is attributed to other unexplored factors in this research.

4.2. Discussion

The results of research at Aroma Bakery and Cake Shop Karya Jaya show that there is an influence of product display variables on purchasing decisions. The indicators used in this variable consist of display, layout, product information and online media (facebook, instagram, go-food / grab-food). Based on these results, it is known that the highest display indicator is that consumers are interested in Aroma products because of the cleanliness of the shelves and products on display at 59.4%, the layout indicator is that consumers are interested because of the neat arrangement and placement of each product according to the product group each at 60.4%, the product information indicator is because there is a price tag and halal label information each at 67.7%, then 71.9% because specifically for products stored at cold temperatures, they use refrigerators with glass doors making it easier for consumers to see these products. Then for online media indicators, the highest number of consumers get information through Facebook media at 36.5%.

This shows that product displays are very influential on purchasing decisions, in other words that purchasing decisions are determined by product displays. Apart from in-store displays, purchasing decisions are also influenced by display displays on advertisements on social media such as Facebook, Instagram, go-food/grab-food. However, from the information obtained, consumers are more dominated by those who buy offline or come directly to the store than online. From the results of the study, it shows that a higher percentage of consumers use Facebook to find information about Aroma products. This is because the respondents in this study were dominated by mothers and fathers aged over 30 years, where they use Facebook media more than other media.

According to the reliability test results, it is evident that the Cronbach's Alpha value for the product display variable (X) is above 0.6, indicating that the results can be considered reliable. Similarly, the purchasing decision variable (Y) also shows a Cronbach's Alpha value above 0.6, confirming the reliability of the results.

If the Asymp. Sig (2-tailed) from the Kolmogorov Smirnov normality test is greater than 5%, then it can be inferred that the residual variables follow a normal distribution. In this case, the Asymp. Sig (2-tailed) values of 0.191 and 0.368, as shown in table 3, suggest normal distribution. The P-Plot test also indicates normal distribution as the data points align closely with the diagonal line. Moreover, the histogram approach reveals a bell-shaped distribution for both X and Y variables, indicating normality.

The partial test (t-test) results reveal that the t value for the product display variable (X) is 9.332, which is greater than the t table value (1.6612) at a significance level of less than 5%. This signifies a positive and significant relationship between product display and purchasing decisions. The hypothesis criteria support this conclusion, highlighting the importance of product display in influencing purchasing decisions at Aroma Bakery and Cake Shop Karya Jaya.

Simple linear regression analysis demonstrates that a one unit increase in product display leads to a 41.3% increase in purchasing decisions, indicating a positive relationship between X and Y variables. The coefficient of determination (R²) test shows that product display accounts for 48% of the variance in purchasing decisions, with the remaining 52% attributed to other factors. This underscores the significance of product display in enhancing purchasing decisions at Aroma Bakery and Cake Shop Karya Jaya, offering valuable insights for future improvements in product quality and presentation.

5. Conclusion

According to the findings of the study on the Impact of Product Presentation on Buying Choices at Aroma Bakery and Cake Shop Karya Jaya, it was determined that the way products are displayed in the store greatly affects purchasing decisions. Moreover, purchasing decisions can also be swayed by how products are showcased in ads on various social media platforms such as Facebook, Instagram, as well as food delivery services like Go-Food/Grab-Food. However, the data suggests that most purchases are made in physical stores rather than online. Among the factors examined, product details had the most significant impact, followed by store layout and presentation, with online advertising having the least influence.

Furthermore, the results of the reliability test indicated that the Cronbach's Alpha value for the variables analysed exceeded 0.6, demonstrating the data's credibility. In terms of the coefficient of determination (R^2) test, it was revealed that product displays contribute to 48% of the impact on buying decisions, while the remaining 52% is influenced by outside variables not explored in this study.

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