# The Influence of Location on Purchasing Decisions at the Plastic King Shop in Mancang Village, Samudera Sub-District, Northern Aceh District

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## ABSTRACT

This study aims to determine the effect of location on purchasing decisions at Raja Plastik stores in Mancang Village, Samudera District, North Aceh Regency. This study uses descriptive quantitative research methods with 97 respondents as the research sample obtained from the lemesshow formula. The data analysis method used in this research is simple regression analysis with the help of the SPSS 20.0 program. Data collection techniques using a questionnaire. The results showed that through a t-test with a significant value of 5.053 at the 5% error rate, it was concluded that location had a positive and significant effect on purchasing decisions at Raja Plastik stores in Samudera District, North Aceh Regency. Based on the results of hypothesis testing, it can be concluded that Ha is accepted. This study focuses on specific aspects of the location of the Raja Plastik store such as access, visibility, traffic and parking. This study also examines the impact of the store's proximity to public transportation centers and its location near shopping areas and dense residential areas.

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#### **INTRODUCTION**

A country's economy plays an important role in the welfare of its people. Economic success is not only supported by large businesses, but also the contribution of small businesses that are getting more attention in the management of developing countries, including Indonesia. Small businesses continue to innovate and improve strategies to strengthen the national economy. This trend is also supported by changes in the lifestyle of the Indonesian people, where the business world is experiencing significant developments in various fields, both small, medium and large businesses.

One of the increasing business trends is the increasingly advanced productive economy business, where competition between businesses is becoming increasingly fierce. To survive and thrive, trading businesses need to pay close attention to market conditions and business performance. Strategies to increase consumer purchasing power are crucial in order to compete with other businesses. However, business does not always run smoothly; obstacles such as a less strategic business location can affect consumers' purchasing decisions, where they will choose based on their intentions or previous experiences.

Business location is an important factor in improving consumer purchasing decisions. Tjiptono (2016) states that location is the place of operation of a company to produce goods or services by considering economic aspects. Hariyati (2005) also added that a strategic location can determine the achievement of business entity objectives. Therefore, choosing a business location is an important decision that has a long-term impact on the company, where locations that are easily accessible to the public will be more attractive to consumers.

Purchasing decisions are actions taken by buyers to obtain a product, which can be measured in terms of product choice and purchase time. Tjiptono (2016) defines purchasing decisions as conditions in which consumers decide to buy a product. Susanto (2014) adds that purchasing decisions are influenced by factors such as business location, consumer behavior, service quality, price, and product quality.

Plastic screen printing business is one of the business fields engaged in plastic bag printing, which is an important requirement for various purposes. For example, plastic bags are still widely used in shopping centers, traditional markets, and other stores. In Samudera Subdistrict, North Aceh District, Toko Raja Plastik, which was started by Mrs. Rosmalita, is one of the plastic screen printing businesses that has a strategic location on the edge of the Medan-Banda Aceh highway, making it easy to reach and in the middle of the crowd.

This strategic location is an advantage of Toko Raja Plastik over its competitors, such as Zerroy Plastik and Wati Printing, whose locations are less adequate. Based on the pre-research survey, many consumers agree that Toko Raja Plastik has a strategic location, is safe, comfortable, and easy to reach, which is an attraction for consumers to continue shopping.

Through a brief interview with Ms. Rosmalita, it is known that sales at Toko Raja Plastik fluctuate every month. Competition in the plastic screen printing business in Samudera District is very tight, so business owners need to offer the best advantages to attract consumers. Strategic location is one of the important factors in consumer decisions to shop. Therefore, this research is interesting to continue to further understand the effect of location on consumer purchasing decisions at Toko Raja Plastik.

# LITERATURE REVIEW

#### Location

According to Kuswatiningsih in Yumiati (2023) Location refers to various marketing activities that try to facilitate and facilitate the delivery or distribution of goods and services from producers to consumers.

Location indicators according to Kuswatiningsih in Yumiati (2023)

- 1. Access
- 2. Visibility
- 3. Traffic
- 4. Parking lot

## **Purchase Decision**

According to Kotler et al, in Edwin (2021) Purchasing Decision is a decision-making process for a purchase which includes determining what to buy or not to make a purchase.

Indicators of Purchasing Decisions According to Kotler et al, in Edwin (2021):

- 1. Product selection
- 2. Brand selection
- 3. Selection of a dealer
- 4. Purchase time
- 5. Purchase amount

#### **RESEARCH METHODS**

The research location chosen in this study is Toko Raja Plastik, Mancang Village, Samudera District, North Aceh Regency. This location was chosen because Toko Raja Plastik is one of the plastic screen printing businesses that has the advantage of a fairly strategic location, access to the location is easy to pass and reach by consumers because it is on the side of the Medan-Banda Aceh highway. The road conditions around the Raja Plastik shop are also very good in a crowded environment, thus making this shop quite widely known by the public.

The approach in this study uses quantitative methods. Quantitative research relies on data collection in the form of numbers from measurements, therefore in this study statistics play an important role as a tool to analyze answers to problems. The type of quantitative research used in this study is descriptive research. Descriptive research is research intended to investigate circumstances, conditions or other things that have been mentioned, the results of which are presented in the form of a research report.

In this study using a sampling technique, namely the Cluster Random Sampling technique. Cluster Random Sampling can be used if the sample population cannot be known with certainty, which allows no

design related to the sampling frame, and the existence of a randomly distributed population or collected in different scopes.

To determine the research sample from the population, researchers used the Lemeshow formula because the population size was not known with certainty. The Lemeshaw formula (Slamet Riyanto, 2020: 13) will be used:

$$n=\frac{z^2p(1-p)}{d^2}$$

By not knowing the number of customers who visit the Raja Plastik shop, the number of samples is obtained by calculating using the Lemeshow formula (Slamet Riyanto, 2020: 13) as follows:

$$n = \frac{1,96^2 X 0,5 (1-0,5)}{0,10^2} = \frac{0,9604}{0.01} = 96,04$$

From the results of calculations using the Lemeshow formula above, the minimum sample required in this study was 97 respondents. The technique used in this research is simple linear regression analysis in this study using the help of the SPSS Statistics 20.0 for windows program.

$$Y1 = a+bx$$

# RESULTS

This research was conducted at Toko Raja Plastik, which is located in Mancang Village, Samudera District, North Aceh Regency. Toko Raja Plastik is one of the small and medium enterprises (SMEs) engaged in the trade of plastics and packaging materials. The location is strategic, located in the center of the village which is easily accessible to the surrounding community as well as customers from surrounding areas. Mancang Village is one of the villages in Kecamatan Samudera that is famous for its trading and agricultural activities. The village has a dynamic environment with various economic activities that support the lives of local people. The village infrastructure is adequate with good roads, public facilities, and access to education and health services.

Toko Raja Plastik in Mancang Village is an ideal place for this research because of its strategic position and significant role in meeting the community's needs for plastic and packaging products. It is also one of the centers of the local economy that interacts directly with various elements of the community, thus providing relevant and diverse data for this research.

## **Description of Respondents**

Respondents who are female are higher than those who are male, with a percentage of 75% because women often shop for household needs, including plastic needs such as shopping bags which are often considered more practical and easy to use for carrying groceries, storage containers and kitchen utensils. And the age of respondents who dominate in this study is aged 15-25 years with a percentage of 60%, where teenagers currently open many business opportunities themselves and the younger generation is currently more likely to look for practical and efficient solutions in everyday life, cheap and multifunctional plaStik products meet current needs well.

Furthermore, based on profession, it is dominated by students with a percentage of 38% where these students are classified as teenagers at this time many are opening their own business opportunities and Raja Plastik stores offer affordable prices with a wide variety of products that are very attractive to students or students who usually have a limited budget. In this study, all customers of the Raja Plastik shop were 97%. This means that all respondents who are sampled are regular consumers of the Raja Plastik shop.

## Simple Linear Regression Analysis

Before conducting simple linear regression analysis, instrument tests were carried out, namely validity and reliability tests. Based on the validity test, all instruments (question items / indicators) are declared valid, so they are suitable for use as research instruments. Meanwhile, based on the reliability test, the questionnaire used by each variable is declared reliable or reliable as a variable measuring instrument.

In addition to conducting instrument tests, classical assumption tests were also carried out, including normality and heteroscedasticity tests. Based on the classical assumption test, it is concluded that the data is normally distributed and there is no heteroscedasticity. The table below shows the results of simple linear regression:

Coefficients <sup>a</sup>									
Model		Unstandardized		Standardized	Т	Sig.			
		Coefficients		Coefficients					
		В	Std. Error	Beta					
1	(Constant)	12.406	1.483		8.366	.000			
	Lokasi	.447	.089	.460	5.053	.000			
a. E	Dependent Var	iable: Keputu	san Pembeliar	1					

From the results of statistical calculations using the help of the SPSS program as shown in the table above, a simple linear regression is obtained as follows:

# Y = 12.406 + 0.447 X

Based on this equation, it can be explained that the independent variable with the dependent variable partially, from this equation it can be concluded that the constant value is 12.406, where if the location variable (X) is 0, the value of the purchase decision (Y) will also increase by 12.406. while the location coefficient value (X) is 0. 447. It means that for every increase in the value of X by 1, Y will increase by 0.447, meaning that if the plastic king shop increases the location by a unit, the purchasing decision at the Raja Plastik shop (Y) will increase by 0.447 at the Raja Plastik shop.

Based on the test results in the table above, it is obtained that the location test results have a significant effect on purchasing decisions. This can be seen from the Thitung value of the location variable (X) has a value of 5.053 and a Ttable value of 1.985 so that (5.053 > 1.985) so it can be concluded that the location has a positive and significant effect (0.000 < 0.05) partially on purchasing decisions at the Raja Plastik store, thus the hypothesis Ha is accepted.

	Correla	tions	
		Lokasi	Keputusan
			Pembelian
	Pearson Correlation	1	.460**
Lokasi	Sig. (2-tailed)		.000
	N	97	97
Keputusan	Pearson Correlation	.460**	1
Pembelian	Sig. (2-tailed)	.000	
	N	97	97

**Correlation Coefficient** 

The results of the calculation using the help of SPSS for the dependent variable location (X) with the independent variable purchasing decision (Y), the correlation coefficient value r = 0.460 is obtained with a significant level of 5%. More details can be seen in the table below. This means that the dependent variable (free) location will affect the independent variable (bound) purchasing decisions by 46.0%.

So from the table above it can be concluded that the relationship between the dependent variable (independent) location (X) on the independent variable (bound) purchase decision (Y) is very high and significant at the 98% confidence level. To determine the magnitude of the influence of the independent variable location (X) on the dependent variable purchasing decisions (Y) can be done by squaring the correlation coefficient (r) which is 0.460 or 0.204, in other words it can also be seen from the coefficient of determination (R2).

## **Coefficient of Determination**

The coefficient of determination is a tool to detect the best accuracy of the regression line. The magnitude of the coefficient of determination is between zero and 1. The determination test is used to determine how much influence the independent variable (free), namely location on the dependent variable, namely the purchase decision. If the greater the r value, the greater the dependent variable that can be explained by the independent variable, and vice versa. The calculation of determination that has been obtained is as follows:

Model Summary"									
Model	R	R Square	Adjusted R	Std. Error of the Estimate					
			Square						
1	.460 <sup>a</sup>	.212	.204	2.184					
a. Predictors: (Constant), Lokasi									
b. Dependent Variable: Keputusan Pembelian									

Based on the table above, it can be seen that there is no relationship between the independent variable and the dependent variable, it can be seen from the correlation coefficient (R), based on the table above, it is known that the R Square value is 0.212, this shows that the ability of the location variable relationship to explain the purchasing decision variable at the Raja Plastik store is 20.4%, the remaining 79.6% is explained by other variables not discussed in this study.

## DISCUSSION

The results of data processing that have been carried out previously show that location has a positive and significant effect on purchasing decisions at Raja Plastik stores. Based on the results of the partial test (T-test), it shows the value of Thitung 5.053> Ttable 1.985, the hypothesis is accepted and it can be concluded that the location variable (X) has a significant positive effect on purchasing decisions.

This means that a strategic and easily accessible location is a determining factor in consumer purchasing decisions. Consumers consider that the location of Toko Raja Plastik is very strategic and easily accessible by vehicles, with a large parking lot, thereby increasing purchasing decisions.

Business location is very important for business continuity, because strategic placement will influence consumer purchasing decisions. Strategic location and supporting facilities such as places to eat and places of worship provide convenience for consumers when shopping, making the store location easy to reach, with a large parking lot, and high visibility from normal viewing distance.

Previous research also supports these findings. For example, research by Kuswatinigsih in Yumiati (2023) states that strategic location is an advantage for businesses because it is easily accessible to consumers, and choosing the right business location determines the success or failure of the business in the future. Based on the results of the frequency of respondents' answers on the location variable from the access indicator, Toko Raja Plastik in Mancang Village, Samudera District, North Aceh Regency, is easily passed and reached by public transportation. The visibility indicator shows that the store location can be seen clearly from a normal viewing distance, making it easier for consumers to find the store. The traffic indicator shows that the number of people passing by increases purchasing decisions at Toko Raja Plastik.

However, the parking lot at Toko Raja Plastik is still considered inadequate, with the lowest mean value of 3.91, which falls into the category of less agree.

Previous research which also saw the influence of location, price on customer satisfaction at the ummu rasyid meatball shop in Bilahh Hilir kecamtan, Kota Negeri Lama conducted by Sopi Muliana (2023). The results show that the Location Variable (X) has a positive effect on Customer Satisfaction (Y). This is supported by the value of Thitung> Ttabel significantly smaller than 0.05, and it can be stated that location has a positive and significant effect on customer satisfaction at the ummu rasyid meatball shop in Bilah Hilir kecamtan, Kota Negeri Lama.

A strategic location plays an important role in increasing future sales. The selected area must be able to increase sales in economic terms so that it can maintain business continuity. A strategic and good location has a significant positive impact on purchasing decisions at Toko Raja Plastik. A strategic location, easily accessible, and equipped with adequate supporting facilities, such as a large parking area and a clean store environment, substantially increases the number of visits and sales volume.

In addition, the strategic location also has a positive impact on the operational efficiency of Toko Raja Plastik. A good location allows the store to get supplies more quickly and efficiently, keeping goods in stock. Large parking facilities also facilitate the loading and unloading of goods, reduce waiting time, and increase employee productivity.

Choosing the right location is a key strategy in increasing store competitiveness, attracting more customers, increasing sales, and maintaining customer loyalty. Therefore, Toko Raja Plastik is advised to continue prioritizing location elements in its business development strategy to achieve long-term success.

However, a strategic location can also increase rental costs or premises investment. According to Utami (2012), location selection is a very strategic decision because location is a long-term resource commitment that can reduce the future flexibility of the business, whether the location is only purchased or rented. The location also affects future growth, the selected area must be able to grow economically so that it can maintain business continuity. The local environment can change at any time, if the location is considered to be deteriorating then the business location should be moved or closed. Choosing the right location determines the success or failure of the business in the future.

# CONCLUSION

From the test results that have been described in the research hypothesis using simple linear regression tests, conclusions can be drawn about the effect of location on customer purchasing decisions at Raja Plastik stores in Mancang Village, Samudera District, North Aceh Regency, through a t-test with a significance value of 5.053 at the 5% error level, it can be concluded that location has a positive and significant effect on purchasing decisions at Raja Plastik stores. Based on the research that consumers have assessed that the Raja Plastik shop is very strategic, easily accessible by vehicles, a large parking lot so that it can increase purchasing decisions.

# Suggestion

Based on the research results and conclusions above, suggestions can be given:

- 1. For Toko Raja Plastik, it is necessary to improve the location marker so that it is more visible from a normal viewing distance. The store must also maintain the existing positive impression and ensure that traffic in the store area is organized and provides easy access for customers. If these two things continue to be addressed in a better direction, of course the interest in customer visits will increase.
- 2. For further researchers, it is hoped that it can expand the factors that influence purchasing decisions and different research objects.

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