

Relationship between Product Diversity and Consumer Purchase Decisions at Alfamart Bandung City Branch

Deva Berliano*, Endang Pratiwi, Fitri Janah, Nesa Novika, Ryan Kurniawan

Widyatama University, Indonesia

*Ryan.kurniawan@widyatama.ac.id

ABSTRACT

The purpose of this study is to obtain valid and reliable empirical data, facts, and information regarding the relationship between product diversity and consumer purchasing decisions at the Bandung City Branch Alfamart. This research uses descriptive and verification research. The population in this study were consumers of the Bandung City Branch Alfamart with a sample of 50 people. The data analysis technique used is the Spearman rank correlation analysis. Based on the results of the study shows that there is a strong relationship between product diversity and consumer purchasing decisions at the Bandung City Branch Alfamart. This finding means that the more variety of products offered will make consumer choices more diverse and increase consumer purchasing decisions.

Keywords

Product diversity, purchasing decision

Introduction

Indonesian people today, especially those who live in urban areas, are relatively forward thinking consumers. They are faced with various offers of goods and goods so that they always choose the best goods according to their needs and income levels. The changing times have also made a shift in values in the business world. Today, consumers have more decisive power in the business world, so that consumers are free to choose the products they consume and who they buy the products on.

Selection of the target market concentrates retail traders on consumer groups who will meet their needs, and the selection of a retail business model is based on effectiveness and efficiency in serving a predetermined target market. The growth of the retail business in Bandung itself is increasing from year to year, especially minimarkets. Minimarkets are showing a good increase because there are many minimarkets such as locations in residential areas, offering goods by means of self-service. Whereas, the traditional experience has decreased, this shows that the needs of society in the traditional market are limited (Nielsen survey, Viva News.com, 29/12/2010).

The development of the modern retail business today has resulted in an increasingly competitive level of competition; modern retail business players carry out retail strategies that can win this

competition. This situation has made managers work hard to create innovative marketing efforts that are able to attract and satisfy consumers, so that this will affect consumers in subscribing, because with the occurrence of competition among modern retail business players it will make consumers have many choices in choosing a place. retailers to make a purchase.

It is important for retailers such as Alfamart Kota Bandung Branch to provide diverse products because of the tendency in consumers to want diverse goods, so that the various products provided are expected to provide encouragement and choices for consumers to buy complementary products. in shopping.

Consumers choose stores based on their ability to meet customer expectations, one of which is the availability of all products in one place (Tobing, 2016). The relationship between product diversity and consumer behavior in making purchasing decisions is closely related to the continuity of sales of a company. Conditions that are created from the availability of goods in very varied quantities and types, giving rise to many choices in the consumer shopping process. Often consumers in the shopping process, the decision taken to buy an item is one that was not previously listed in the item shopping (out of purchase list) (Febriana et al., 2015).

This study aims to determine the relationship between product diversity and consumer purchasing decisions at the Bandung City Branch Alfamart.

Literature Review

Product Diversity

According to Kotler and Keller (2016) defines product diversity as follows; "Product diversity is a collection of products and goods that a company offers to sell by certain sellers. The main characteristics of the company's products are: length, width, depth and consistency".

Meanwhile, according to Engels (2015) defines product diversity as follows: A range of products related to the depth, breadth and quality of the products offered as well the availability of such products at any time in the shop".

From the definition above, it can be formulated that product diversity is a set of entire product lines and types of products offered by sellers to buyers, including the number of product lines, product size choices, color choices and choices.

Consumer Purchasing Decisions

Consumers who will buy a product will try to find as much information as possible before making a purchase decision. These consumers usually go through the stages of decision making before making a purchase. The definition of purchasing decisions according to Kotler and Keller (2016) namely:

"Purchasing decisions are the behavior of studying a person, group and organization to select, buy, use and manage products, services, ideas and experiences to find what is needed and wanted".

According to Kotler and Armstrong (2016) defines decision to buy is a stage in the decision-making process embroder where the consumer is

understanding, going through stages or a purchase decision process before making an actual purchase.

Effect of Product Diversity on Consumer Purchasing Decisions

With the diversity of products, it will provide flexibility for consumers in determining the choice of products to buy in an effort to meet and complement their needs. A retail for example can offer a variety that is narrow and shallow (*warung*, kiosk), narrow and deep (electronics store, drug store), wide and shallow (minimarket), or wide and deep (supermarket, department t store).

So, retailers need to know what products can be offered according to the needs and desires of consumers. With the diversity of products, it will provide flexibility for consumers in determining the choice of products to buy in an effort to meet and complement their needs.

So, it can be concluded that with the diversity of products, it will be able to influence buyers in making purchasing decisions. This is due to the tendency of buyers who want an ease and cost savings that can be obtained in meeting all their needs.

Methodology

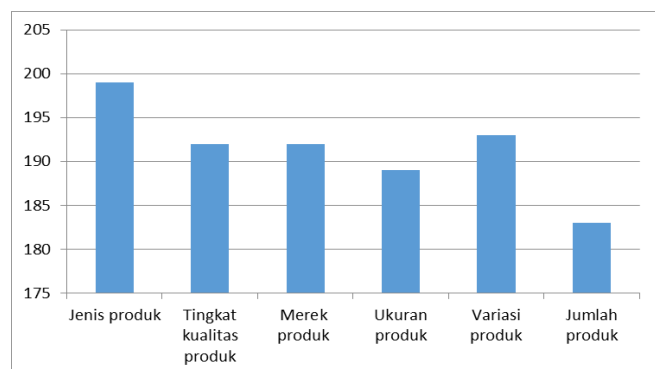
This research uses descriptive and verification methods. The population in this study were all consumers of the Bandung City Branch Alfamart, with a total sample of 50 respondents. Collecting data using questionnaires, interviews and observations. The data analysis method used was the Spearman *rank* correlation.

Results and Discussion

Consumer Responses Regarding Product Diversity at Alfamart Kota Bandung Branch

No.	Question	Answer					Quantity	Average	Result
		SB	B	CB	KB	TB			
1	Alfamart Bandung branch provides a complete range	7	35	4	2	2	193	3.86	Good

	of products to meet your needs.								
2	Alfamart Bandung branch provides and sells various products with various qualities.	8	31	6	2	3	189	3.78	Good
3	Alfamart Bandung branch provides a wide selection of product brands	7	35	3	3	2	192	3.84	Good
4	Alfamart Bandung branch provides various sizes / product packaging.	5	33	7	2	3	185	3.70	Good
5	Alfamart Bandung branch provides various types (variations) of products for each brand.	6	32	6	3	3	185	3.70	Good
6	Alfamart Bandung branch always provides the product you want in sufficient quantities.	7	31	7	3	2	188	3.76	Good
	total	40	197	33	15	15	1132	22.64	
	Total	200	788	99	30	15	1132	3.77	Good
	Percentage	17.67%	69.61%	8.75%	2.65%	1.33%	100%		

Table 1

is 3.77, which means that the agreement is in the interval 3.40 - 4.19. This shows that the elements of product diversity at the Bandung City Branch Alfamart are considered good. However, there are several factors that need to be considered such as the number of products, because they have a value that is below average.

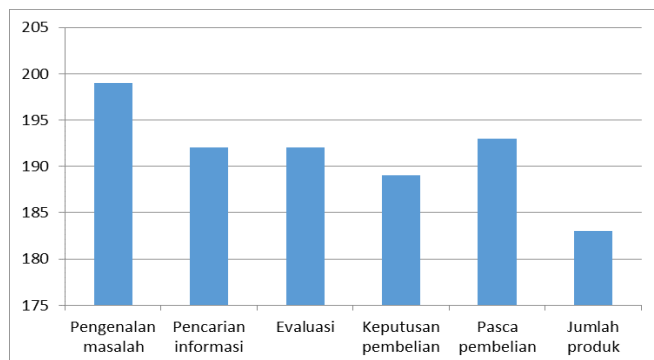
Respondents' Responses Regarding Consumer Purchasing Decisions

From Table 1, the average value of the entire variable X (product diversity) is obtained, which

No.	Question	SS	S	CS	TS	STS	Quantity	Average	Result
1	You have the need to make purchases at the Alfamart branch minimarket in Bandung .	8	35	6	0	1	199	3.98	High
2	You are trying to find information about the Bandung branch Alfamart minimarket .	9	29	9	1	2	192	3.84	High
3	You are trying to make a comparison between the	8	32	6	2	2	192	3.84	High

Alfamart branch minimarket in Bandung with other stores										
4	After making a comparison, you decide to make a purchase at the Alfamart branch in Bandung	8	32	4	3	3	189	3.78	High	
5	You feel satisfied after buying at the Alfamart branch in Bandung	8	33	5	2	2	193	3.86	High	
6	You will continue to buy at the Alfamart Bandung branch minimarket in the future.	6	34	3	1	6	183	3.66	High	
total		47	195	33	9	16	1148	22.96		
Total		235	780	99	18	16	1148	3.83	High	
Percentage		20.47%	67.94%	8.62%	1.57%	1.39%	100%			

Table 2



From the Table 2, the average value of all purchasing decision variables is 3.83, which means high because it is in the interval 3.40 - 4.19. This shows that consumer purchasing decisions are high, but there are factors that need to be considered, namely statements to make comparisons with other minimarkets and will continue to buy at the Alfamart branch of

Bandung city in the future, because the statement has a value below the average.

Analysis of the Relationship Between Product Diversity with Consumer Purchasing Decisions at The Branch Alfamart Bandung

To know how to influence consumer purchasing decisions product against diversity in Alfamart Branch Bandung City, necessary to test the correlation (correlation). Correlation analysis is used to measure the degree of closeness of the relationship between the independent variable (X) and the dependent variable (Y). Following are the results of the Spearman Rank Correlation Coefficient Analysis used with the SPSS program.

Correlations				
			X	Y
Spearman's rho	X	Correlation Coefficient	1,000	,684**
		Sig. (1-tailed)	.	,000
		N	50	50
	Y	Correlation Coefficient	,684**	1,000
		Sig. (1-tailed)	,000.	.
		N	50	50

** . Correlation is significant at the 0.01 level (1-tailed).

Based on the calculation of the Spearman Rank correlation, the r_s value is 0.684. Because the r_s value is between 0.600-0.799, the relationship between product diversity and consumer purchasing decisions is strong.

To find out the magnitude of the influence of product diversity on consumer purchasing decisions at Alfamart Bandung City Branch in the form of a percentage, the calculation of the coefficient of determination is used with the following formula:

$$K_d = 0.684^2 \times 100\% \\ = 46.78\%$$

The magnitude of the influence of product diversity on consumer purchasing decisions Alfamart Bandung branch is 46.78% and the remaining 53.22% is influenced by other factors not examined by the author, for example the quality of service.

To find out whether the hypothesis is accepted or rejected, a right-side test is carried out with the following hypothesis:

$H_0: r_s \leq 0$: This means that product diversity has no relationship with consumer purchasing decisions.

$H_a: r_s > 0$: This means that product diversity has a relationship with consumer purchasing decisions.

Comparing t_{count} with t_{table} with the following criteria:

If $t_{count} \geq t_{table}$, then H_0 will be rejected and H_a accepted

If $t_{count} < t_{table}$, then H_0 will be accepted and H_a will be rejected.

where the degrees of freedom (df) are:

$$df = n - (k-1) \\ = 50 - 2 \\ = 48$$

where the error rate (α) used is 5%.

To set the value of $t_{arithmetic}$ used the following formula:

$$t_{hitung} = r_s \sqrt{\frac{(n-2)}{1-r_s^2}} \\ t_{hitung} = 0,684 \sqrt{\frac{(50-2)}{1-0,684^2}}$$

And

$$t_{table} = t(\alpha; df) \\ = (0.05; 48)$$

Because $df = 48$ is not found in the table, it is searched for through the following calculations:

$$\text{Given that } t(0.05; 40) = 1.684 \\ t(0.05; 60) = 1.671$$

then for $df = 48$

$$= \frac{48-40}{60-48} = \frac{x-1,684}{1,671-x} \\ \frac{8}{12} = \frac{x-1,684}{1,671-x}$$

$$8(1,671 - x) = 12(x - 1,684) \\ 8x - 13,368 = 12x - 20,208 \\ 8x + 12x = 20,208 + 13,368 \\ 20x = 33,576 \\ x = 1.678$$

It is known that $x = 1.678$ then for $t(0.05; 48)$ is 1.678.

From the above calculations, it can be seen that $t_{count} = 6.49$ is greater than $t_{table} = 1.678$. This means that H_0 is rejected and H_a is accepted, so product diversity has a relationship with consumer purchasing decisions at Alfamart Branch of Bandung city.

Conclusion

Based on the research conducted by the author through the analysis of statistical data from distributed questionnaires, observations and interviews, the following conclusions can be drawn:

1. The product diversity policy implemented by Alfamart Bandung Branch Babakan Sari

Kiaracondong includes types of products that provide various basic and daily needs such as food and beverages, household appliances, beauty equipment, stationary, medicines without prescription, baby necessities, children's toys.

2. The result of consumer feedback about the diversity of products offered Alfamart Branch Kota Bandung Cabang Babakan Sari Kiaracondong as a whole has been good. This shows that the elements of product diversity at Alfamart Bandung City Branch are considered good or complete.
3. The results of respondents' responses regarding purchasing decisions made by consumers of Alfamart, Bandung City Branch, Babakan Sari Kiaracondong Branch as a whole are high. This shows that consumer purchasing decisions are high.
4. The results of the Spearman rank correlation coefficient show that the relationship between product diversity and consumer purchasing decisions can be said to be strong.

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