

The effects of assortment and utilitarian motive to purchase decision in supercenter

A. Wijaya

Universitas Bunda Mulia, Jakarta, Indonesia

ABSTRACT: This research studied about the effect of assortment and utilitarian motive to purchase decision in Transmart Supercenter Cempaka Putih. Indicator of purchase decision was measured by: problem introduction, search information, alternative evaluation, purchase decision, post purchase behaviour, indicator of assortment was measured by price, quantity, variety, display product, and indicator of utilitarian motive was measured by achievement, efficiency, quality of product, quality of services. A field questionnaire survey was adopted using a structured questionnaire with closed questions and 5-point Likert response scale and sampling procedure was taken as much 152 sample with purposive sampling method. Collected data was processed using SmartPLS02. As the result of hypothesis test are H1 accepted, which means that the assortment variable has a significant influence on purchase decision. H2 is accepted, which means utilitarian motive have a significant influence on purchase decision. H3 is accepted, which means utilitarian motive has moderating effect on purchase decision.

Keywords: Purchase decision, Assortment, utilitarian motive

1 INTRODUCTION

Retail Business have facing the a significantly growth and facing the tightly competition. such as dynamic business, the problem in retailing business now have facing the phenomenon of “choice overload”. several researchers have conducted research on the theme of choice overload. Iyengar & Lepper (2000); Chernev (2003); looked at the more diverse products available, which led to the phenomenon of "Choice Overload" which was popularized by Toffler (1971), namely diversity which caused complexity in product selection. The advantage of having a large number of product diversity has been investigated by several previous researchers Kahn & Wansink (2004) in his research saw a different perspective from consumers with the increasing diversity available, giving rise to the intention of comparing existing products. This makes the researchers interested in further research, such as: Reutskaja & Hogarth (2009) assess that with more product diversity it can also result in swelling shop operations. By increasing the number of alternatives, decision making becomes more complex and tiresome (Chowdhury et al. 2009). Having more alternatives is not always favorable (Iyengar & Lepper 2000). This is still happening today. Based on

a survey conducted by Nielsen (2010), giving consumers time to choose in-store will reduce purchase intention.

Therefore it is important for business owners to be able to provide precisely the amount of diversity of products in the store. The latest concept of Transmart supercenter aims to create a new shopping experience for consumers amid the increasing dynamic lifestyle changes (Bachdar 2017). This study also aim to reexamine the mini theory that has been done in previous research by (Wijaya and Sander 2017) and investigate the right amount of product diversity in purchasing decisions, using inverted-U theory.

1.1 Purchase Decision

Kotler (2014) defines purchasing decisions as actions of consumers who want to buy or not. Schiffman & Kanuk (2000) defines purchasing decision are the selection of an action from two or more alternative choices. According to Kotler (2014) indicator of purchase decision can be measured by: problem introduction, search information, alternative evaluation, purchase decision, post purchase behaviour.

1.2 Assortment

Kotler (2014) illustrate assortment is a collection of all products and goods offered by sellers to buyers. According to Kotler (2014) assortment has a close relationship with purchasing decisions.: The diversity of retailer's products must be in accordance with the expectations of the shopping of the targets. The retailer must decide on the breadth and depth of product diversity. Thus, a company can offer a diversity of products. According to (Zielke 2010); assortment can be measured by price, quantity, variety, display product.

Ha1 : Assortment has significance positive influence on purchase decision

1.3 Utilitarian Motive

For the middle and especially for lower segments, Kotler (2014) a defines utilitarian motive is a process to encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called rational motives. indicator of utilitarian shopping motives according to (Kim 2006) are : achievement, efficiency, quality of product, quality of services

Ha2 : Utilitarian motive has significance positive influence on purchase decision

Ha3 : Utilitarian motive has moderating effect on purchase decision

Research model in this research was illustrate below based on hypothesis mentioned.

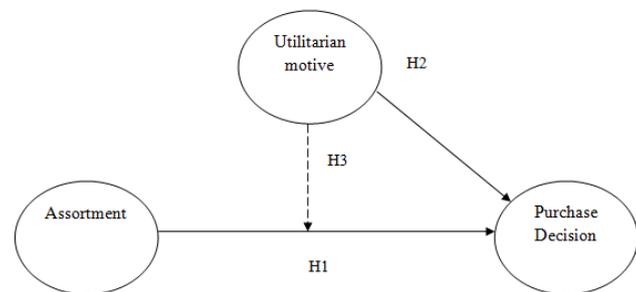


Figure 1: Research Model

2 RESEARCH METHODS

A field questionnaire survey was adopted to collect data of 152 samples using a structured questionnaire with closed questions and 5-point Likert response scale. The sampling procedure was taken by purposive sampling method, a tool for taking samples with certain criteria. The Criteria of the selected respondents at least had shopping once time at transmart carrefour.

3 RESULTS AND DISCUSSIONS

Data had been analyze with SmartPLS02 to described outer model test including validity and reliability test, and inner model involving the coefficient of determination test and significance of path coefficients test.

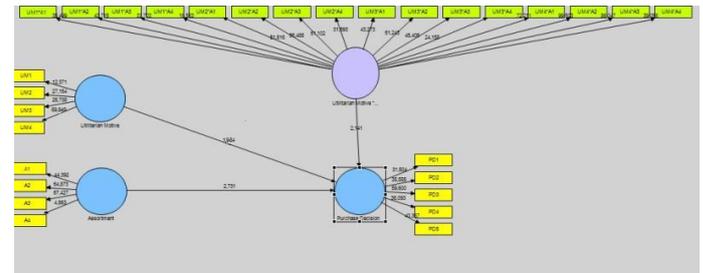


Figure 2. Model Result

3.1 Outer model

Outer model involves examining individual indicator reliabilities fo reach construct's composite of measures as well as the measures's convergent and discriminant validity.

3.1.1 Validity Test

Validity test in PLS using convergent validity and discriminant validity.

Table 1. Convergent Validity Test

	AVE	Communal-
Assortment	0,532468	0,532468
Utilitarian Motive	0,541000	0,541000
Purchase Decision	0,591326	0,591326
Utilitarian		
Motive*Assortment	0,542569	0,542569

The convergent validity test evaluation carried out by using convergent validity which is as the used measurement (outer) models. The amount of loading factor 0.5 for each variable in AVE and communality is defined (Ghozali 2014).

Table 2. Discriminant Validity Test output from SmartPLS

	Assortment	Purchase Decision	Utilitarian Motive	Utilitarian Motive * Assortment
A1	0,815094	0,429819	0,207464	0,599490
A2	0,855533	0,440812	0,248596	0,648235
A3	0,811556	0,512125	0,247806	0,588570
A4	0,273743	0,185398	0,127942	0,258693
PD1	0,478861	0,718402	0,180970	0,391193
PD2	0,389452	0,736171	0,282987	0,421089
PD3	0,382405	0,800015	0,286963	0,408384
PD4	0,351689	0,713019	0,464399	0,512680
PD5	0,466215	0,706067	0,353935	0,485168
UM1	0,176564	0,218166	0,498184	0,436483
UM1*A1	0,741826	0,446615	0,419466	0,708578
UM1*A2	0,745182	0,444071	0,443643	0,724122
UM1*A3	0,666732	0,488739	0,462631	0,667051
UM1*A4	0,302925	0,270046	0,422687	0,471261
UM2	0,182582	0,283459	0,714632	0,596342
UM2*A1	0,612247	0,465069	0,632505	0,794474
UM2*A2	0,603621	0,459831	0,631857	0,786393
UM2*A3	0,521732	0,495023	0,676097	0,753859
UM2*A4	0,270986	0,325337	0,675049	0,731623
UM3	0,179869	0,288095	0,689444	0,571289
UM3*A1	0,618068	0,430922	0,578478	0,755644
UM3*A2	0,647963	0,463510	0,636177	0,810546
UM3*A3	0,570834	0,490733	0,635945	0,746252
UM3*A4	0,270055	0,326985	0,608303	0,679785
UM4	0,268213	0,396214	0,855033	0,720499
UM4*A1	0,597309	0,490787	0,720343	0,834583
UM4*A2	0,603896	0,506019	0,760751	0,862663
UM4*A3	0,527885	0,549514	0,798132	0,828953
UM4*A4	0,311624	0,408452	0,801220	0,822398

3.1.2 Reliability Test

Table 3. Reliability Test

	Cronbach's Alpha	Composite Reliability
Assortment	0,761038	0,802422
Utilitarian Motive	0,787633	0,885828
Purchase Decision	0,742840	0,788874
Utilitarian Motives* Assortment	0,941985	0,911093

The reliability test can be extracted from composite reliability with PLS calculations. The value of a variable is reliable if the composite reliability value > 0.70 and the result of all the items have been met in a rule of thumb (Ghozali 2014).

3.2 Inner model

Evaluation for inner model involving coefficient determination test and estimating the path coefficient.

Table 4. Coefficient Determination Test

	R Square
Assortment	
Purchase Decision	0.403543
Utilitarian Motive	
Utilitarian Motive*Assortment	

The results are: purchase decision had been affect by assortment, and utilitarian motive by 40.35%, the rest of 59.65% influenced by other variables not examined in this study.

Table 5. Significance of Path Coefficient Test

	T Statistics (O/STERR)
Assortment -> Purchase Decision	2,731,201
Utilitarian Motive -> Purchase Decision	1,984,281
Utilitarian Motive * Assortment -> Purchase Decision	2,141,261

According to the results of hypothesis test researched in this study are: H1 accepted, which means that the assortment has a significant effect on purchase decision. H2 is accepted, which means utilitarian motive has a significant effect on purchase decision. H3 is accepted, which means utilitarian motive has moderating effect on purchase decision.

4 CONCLUSION

Based on the results, then the following conclusion is assortment has a significant effect on purchase decision, because consumers feel the product diversity can being benefit to influence in purchasing decision in Carrefour Supercenter. Another variable is utilitarian motive has a significant effect on purchase decision; the consumers feel the higher utilitarian motive in their feeling can assist to purchase decision in transmart supercenter. We also suggested to another researcher to find the other variables in purchase decision research such as bundling promotion, and hedonic motive to seeking the customer blackox befor purchase decision. Another point need to be addressed is seeking preference in size, colour, using choice model for useful planogram for efficiency and investigate the right amount of product diversity in purchasing decisions, using inverted-U theory.

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