

ANALYSIS OF THE EFFECT OF DISPLAY AND PROMOTION ON PURCHASE DECISIONS AT SURYA TOSERBA CIREBON



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Abstract

Tight competition in the modern retail industry encourages companies to implement appropriate marketing strategies, particularly through product display arrangements and sales promotions. This study aims to analyze the influence of displays and promotions on consumer purchasing decisions at Surya Toserba Cirebon. The method used is quantitative with a descriptive and associative approach, using a questionnaire instrument on 101 respondents. Validity and reliability tests show that all indicators in the research variables are valid and reliable with a Cronbach's Alpha value > 0.9 . The results of multiple regression analysis indicate that displays and promotions have a positive and significant effect on purchasing decisions, both partially and simultaneously. The coefficient of determination (R^2) value of 0.562 indicates that both variables are able to explain 56.2% of the variation in consumer purchasing decisions, while the remainder is influenced by other factors outside the research model. Promotions are proven to have a more dominant influence than displays, indicating that consumers are more responsive to promotional incentives such as discounts, vouchers, and bundling. These findings imply that retail management needs to combine attractive display strategies with varied promotions to increase sales effectiveness.

Keywords: Display, Promotion, Purchasing Decision, Modern Retail, Surya Department Store

INTRODUCTION

The retail industry in Indonesia is experiencing continued growth in line with population growth and urbanization, which have impacted the increasing needs and purchasing power of consumers. The arrival of the ASEAN Economic Community (AEC) has also fueled competition among companies to produce, market, and promote goods and services needed by the market, thereby generating consumer purchasing interest. Purchasing interest is a psychological process that shapes perceptions, motivations, and preferences before consumers make purchasing decisions. (Husain et al., 2022)

Along with the development of the retail industry, there has been a shift in consumer shopping patterns from traditional to modern retail. This pattern is influenced by various factors such as urbanization, increased purchasing power, lifestyle changes, and the convenience and price certainty of shopping.

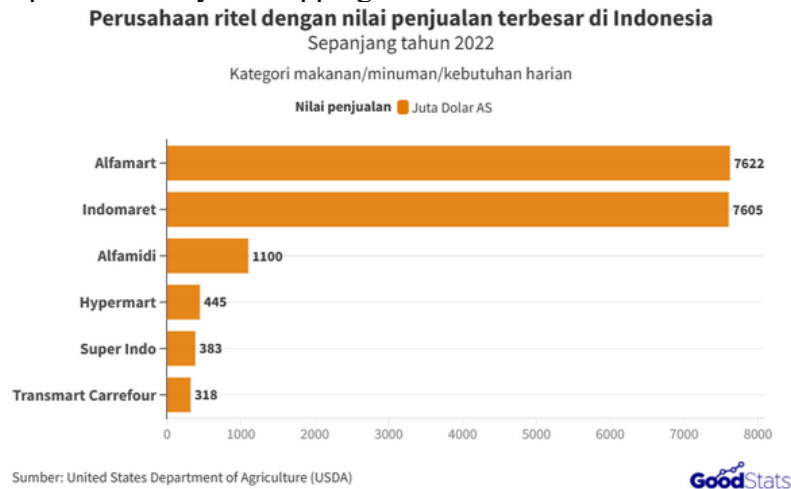


Figure 1.

Source: GoodStats 2022

According to GoodStats data (2022), modern retail giants like Alfamart and Indomaret have recorded high sales in Indonesia. This data indicates growing consumer interest in the convenience and efficiency offered by modern retail. In this context, two strategies considered influential in consumer purchasing decisions are product display arrangements and sales promotions.

An attractive display not only beautifies the appearance of the shop but also provides a unique perception for consumers. According to (Afif & Sriyanto, 2023) Display is a crucial component in creating an atmosphere that stimulates consumer attention and ultimately leads to purchasing decisions. Various promotions, such as discounts, bundles, or gifts, provide an impulsive push to potential consumers, prompting them to make immediate purchasing decisions.

Surya Toserba Cirebon is a relevant location for analyzing the influence of displays and promotions on consumer purchasing decisions, as it is a supermarket with neat product displays and actively offers attractive promotions. This study aims to analyze the strength of the influence of displays and promotions and which strategies are most effective in attracting consumer purchasing interest.

The results of this study are expected to be a reference that contributes to the development of the Retail business in Indonesia in implementing the most appropriate strategy to increase sales based on academic theory.

REVIEW OF LITERATURE

Display

Display is a promotional strategy through visuals, a neat and well-organized product layout can attract consumers to see and focus their attention on the displayed product which leads to a purchasing decision.

A display is a strategy for sellers to display and show products to visitors with the goal of attracting them and making them want to buy. Displays that are visible and easily accessible, along with well-organized displays, are expected to entice consumers to pay attention and purchase. (Afif & Sriyanto, 2023)

According to (Dewanti et al., 2024), display is an effort or method of displaying and arranging the layout of a product to make it easily visible and attractive to visitors, thus encouraging the desire to make a purchase. Display is one strategy that can attract consumers to visit the store by seeing an attractive product layout, which then encourages them to buy the product on display.

A display is an attempt to create an incentive to buy something by presenting an eye-catching layout. Indicators of a good product display include: well-organized, easy to see, and easy to access. (Kawulusan et al., 2023)

Promotion

According to (Fantura et al., 2024), promotion is a marketing communication effort by disseminating information to the public in order to influence and persuade consumers who are the target market. Sales promotion is also a key element for business owners in communicating products and also places to consumers through various tools with short-term and long-term incentives to stimulate sales to be more or faster. In this case, promotional incentives can be in the form of discounts, bonuses, vouchers or cash back (Kristanto et al., 2023).

Promotion is a way to convey information to visitors or consumers about a product being sold with the ultimate goal of increasing sales. In this context, promotions can take the form of discounts, vouchers, gifts, bundles, and other offers. Examples of promotions include samples, vouchers, cash back, bundled packages, and purchase incentives. (Kristanto et al., 2023)

Buying decision

Purchasing Decision is the stage where consumers determine the product that best suits their needs, the process of selecting a product from various aspects that are considered most relevant and profitable starts from identifying the problem, organizing, analyzing and choosing the best option. (Afif & Sriyanto, 2023) According to (Fantura et al., 2024), the Purchasing Decision is the final stage where a person has determined a choice from several existing product alternatives and made a purchase.

Purchasing decisions can also be interpreted as a customer's desire to obtain a selected product based on the impression obtained from a product that is considered to have aspects in fulfilling consumer needs economically and emotionally (Sari & Kapuy, 2021). Purchasing decisions are also interpreted as choices made by consumers regarding goods or

services provided by sellers with various considerations according to the perspective of each consumer (Mahardika & Astawa, 2023). Purchasing decision indicators are attention, interest, desire and action.(Kristanto et al., 2023)

RESEARCH METHOD

The method used in this research is a quantitative method with a descriptive and associative approach. This method is used because the data collected is in the form of numbers that are processed statistically to test hypotheses. The processed data is obtained from a sample population that shares certain characteristics or similar characteristics.(Rifka Agustianti et al., 2022). The objective of the descriptive approach is to provide a systematic, factual, and accurate picture of the characteristics of respondents and the actual conditions of displays and promotions at Surya Toserba Cirebon. Meanwhile, the associative approach is used to determine the relationship and influence between variables, namely the influence of displays (X_1) and promotions (X_2) on purchasing decisions (Y). To analyze this relationship, multiple linear regression analysis was used, because there are two independent variables and one dependent variable.

RESULTS AND DISCUSSION

Validity and Reliability Test

The validity test results show that all indicators in the Display (DP1–DP6), Promotion (PP1–PP10), and Purchase Decision (KP1–KP8) variables have an item-total correlation value of more than 0.3 with a significance of 0.000. This means that all indicators are valid and suitable for use.

Furthermore, the reliability test produced the following Cronbach's Alpha values:

- Display (X_1): 0.927

Reliability Statistics	
Cronbach's Alpha	N of Items
.927	6

- Promotion (X_2): 0.919

Reliability Statistics	
Cronbach's Alpha	N of Items
.919	10

- Purchase Decision (Y): 0.944

Reliability Statistics	
Cronbach's Alpha	N of Items
.944	8

This value is far above the minimum limit of 0.7, so the instrument used is very reliable.

Multiple Regression Analysis

a. Model Summary (Coefficient of Determination)

Model Summary				
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.749a	.562	.553	3,364
a. Predictors: (Constant), PP (X2), DP (X1)				
b. Dependent Variable: KP (Y)				

The R Square value = 0.562 shows that the Display (X₁) and Promotion (X₂) variables are able to explain the variation in Purchase Decisions (Y) by 56.2%.

b. F Test (Simultaneous)

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1420.027	2	710,014	62,749	.000b
	Residual	1108,884	98	11,315		
	Total	2528.911	100			
a. Dependent Variable: KP (Y)						
b. Predictors: (Constant), PP (X2), DP (X1)						

The calculated F value = 62.749 with a significance of 0.000 < 0.05, so that Display and Promotion simultaneously have a significant effect on Purchasing Decisions.

c. t-Test (Partial) and Regression Coefficient

Coefficientsa								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	5,738	2,319		2,475	.015		
	DP (X1)	.413	.092	.329	4,510	.000	.841	1,190
	PP (X2)	.416	.055	.555	7,602	.000	.841	1,190
a. Dependent Variable: KP (Y)								

The t-test results show that Display (X₁) and Promotion (X₂) have a positive and significant effect on Purchasing Decisions. The regression equation obtained is:
 $Y = 5.738 + 0.413X_1 + 0.416X_2$

Comparison of the Influence of Display and Promotion

Based on the standard beta value, Promotion (0.555) has a greater influence than Display (0.329). This indicates that consumers are more sensitive to promotions, although display remains important as an initial attraction.

Relation to Previous Research

This research aligns with Afif & Sriyanto (2023), who found that product displays have a positive influence on purchasing decisions. Furthermore, these results support the research of Kristanto et al. (2023), which showed that sales promotions significantly influence purchasing decisions.

Managerial Implications

1. Surya Toserba Management needs to keep product displays neat, easy to see, and easy to reach.
2. Promotions need to be improved, especially discount programs, vouchers, and bundling.
3. It is necessary to combine display and promotional strategies to maximize the influence on purchasing decisions.

CONCLUSION

Based on the results of the analysis and discussion of research regarding the influence of Display and Promotion on Consumer Purchasing Decisions at Surya Toserba Cirebon, the following conclusions can be drawn:

1. The research instrument was proven valid and reliable. All indicators in the Display, Promotion, and Purchase Decision variables had item-total correlation values above 0.3 with a significance level of 0.000. The reliability test also produced a Cronbach's Alpha value above 0.9, indicating that the research instrument is consistent and reliable. This ensures that the data obtained reflects actual conditions on the ground.
2. Display has a positive and significant effect on consumer purchasing decisions. The regression coefficient value of 0.413 with a t-test of 4.510 (sig. 0.000 < 0.05) indicates that the better the product display arrangement, the higher the consumer's tendency to make a purchase. A neat, easy-to-see, and easy-to-reach display creates a comfortable shopping experience that encourages purchasing decisions.
3. Promotion has a positive and significant effect on consumer purchasing decisions. The regression coefficient value of 0.416 with a t-test of 7.602 (sig. 0.000 < 0.05) proves that promotions such as discounts, vouchers, and product bundling can provide a direct stimulus that encourages consumers to buy. Promotion factors are proven to be more dominant than displays, because consumers tend to be more interested in financial benefits and added value offered.
4. Display and Promotion simultaneously have a significant effect on Purchasing Decisions. The F-test result of 62.749 with a significance of 0.000 < 0.05 and a coefficient of determination (R^2) of 0.562 indicates that the combination of the two variables can explain 56.2% of the variation in consumer purchasing decisions, while 43.8% is influenced by other factors such as price, product quality, service, and consumer psychological factors.
5. Promotion has a more dominant influence than display. The standard beta value for promotion (0.555) is higher than that for display (0.329). This confirms that while display remains the initial attraction, Surya Toserba Cirebon consumers are more responsive to promotions that are direct and provide tangible benefits.

Thus, this study strengthens the empirical evidence that Display and Promotion are important factors that can influence consumer purchasing decisions in modern retail.

Suggestion

Based on the research conclusions, the suggestions that can be given are as follows:
For Surya Toserba Cirebon Management:

1. Improve the quality of product displays. Displays should not only be neat and accessible, but also be developed with more creative visual merchandising concepts, such as the use of color, lighting, and thematic layouts tailored to specific seasons or occasions (Eid, New Year, etc.). This can increase consumer appeal from the first glance.
2. Strengthening promotional strategies. Promotions need to be more varied and innovative, encompassing more than just price discounts, but also membership programs, reward points, digital vouchers, and cross-product promotional collaborations (cross-selling). Creative promotions will encourage consumers to feel they're getting more value, thus encouraging them to buy more.
3. Integrate displays and promotions. Products being promoted should be placed in strategic display areas such as end racks, island displays, or near the cashier. This will optimize the synergistic effect between visual displays and promotions.

For Consumers:

The results of this study suggest that consumers should be more discerning in their approach to promotions. While promotions can provide financial benefits, consumers should still consider their real needs to make more rational purchasing decisions and not be driven solely by fleeting promotions.

For Further Research:

1. It is necessary to add other variables such as price, product quality, brand image, and service, which may also influence purchasing decisions.
2. Using different research methods, such as qualitative methods or mixed methods, to dig deeper into consumer motivations in decision-making.
3. Expanding the research object to various other modern retailers in different regions so that the research results are more comprehensive and comparable.

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