Increasing Consumer Buying Satisfaction through Brand Personality with the Strength of Physical Retail Environment and Store Preference

YUNELLY ASRA
TEGUH WIDODO
Department of Business Administration
Bengkalis State Polytechnic, Riau, Indonesia

Abstract:

This study aims to determine the effect of Physical Retail Environment and Store Preference on Consumer Buying Satisfaction through Brand Personality in traditional retail traders in Bengkalis Regency. This type of research is explanatory research design. Data collection was done by probability sampling with a purposive method. Data analysis was done by perception analysis, frequency distribution and multiple regression using SPSS version 20.0. The results of this study shown that Store Preference and Physical Retail Environment factors are not considered by consumers in determining the Brand Personality of Traditional Retailers in Bengkalis Regency but Consumer Buying Satisfaction is influenced by both factors when entering the Brand Personality as the moderator factor.

Key words: Physical Retail Environment, Store Reference, Consumer Buying Satisfaction, Brand Personality

INTRODUCTION

Today, the retail industry is experiencing a dramatic increase in competition caused by globalization (Borsboom, 2018). "Currently competing in the global market has become

increasingly difficult and only those who are able to create competitive advantage will survive longer (Gentile, Spiller & Noci, 2007). Today's retail business has also undergone significant changes which have led to a shift in consumer buying behavior. Consumers now have a tendency to shop with their smart phones first, assess product performance based on recommendations from friends or conduct research and self-assessment of most products or services before making purchasing decisions (Calines, Carmel-Gilfilen & Portillo, 2016). This evolution in the retail business forces traditional retail stores to invest in customer experience so that they can be distinguished from their competitors and win customer attention.

Problem Statement

Based on this thought, this study tries to provide alternative actions needed to maintain the existence of traditional retailers amid the modern retail competition scene by examining how to increase consumer shopping satisfaction levels by building the strength of physical retail environments and store preferences through moderating brand personality.

LITERATURE REVIEW

For the purpose of gaining insight into the research area several literature has been reviewed. Preethi &Anupriya (2017) with the article "A study on customer preference and satisfaction towards selected retail stores in Coimbatore city". The findings of the study reveal that consumers prefer modern retail formats due to quality, variety of products and for security purpose. Based on the study majority of the respondents are facing problem like insufficient parking facility, no proper crowd management and slow billing. Hence, the retail stores should concentrate mainly on consumer

preference and satisfaction. To be successful, Retail Stores have to blend the best expertise and technology that the world has to offer and synergize these with the demands and expectations of the consumers.

Fatima & Bisaria (2017), with the article "A Study on Analysis Of Factor Affecting Consumer Buying Behavior in organized Retail Sector" The findings are factors like payment mode, discounts on apparels, location and ambience etc. are significant factors that affect their buying behavior. The researcher has not examined the statistical importance of various parameters considered in the study but has complied the generalized results. For buying apparels shoppers prefer to visit shopping malls. They find it convenient to shop from shopping malls as they can buy apparel for their personal as well as their family's need under one roof.

Messaoud (2016) with the article "The Role of Physical Environment in Consumers' Relationship with a Retail Outlet Offering a Regional Product". The result found that a design with references to regional products positively influences consumer attachment to the point of sale. However, atmospherics have no significant impact on loyalty to the point of sale.

Shamsher (2016) with the article " Store Image and Its Impact On Consumer Behavior ". This study has been conducted to analyze the theoretical framework of store image and its overall impact on consumer behavior. This theoretical study, in addition to its contribution to the marketing literature, has important implications for the retail entrepreneurs, professionals and academicians in terms of adopting strategic marketing decisions by expanding the retail portfolio towards a better understanding regarding the importance of consumer store image perceptions for the overall retail business scenario.

Dash (2014) doing research with entitled "Brand Personality Mapping: Study on Colas", which was conducted on 200 consumers of soft drinks in India found that brand personality statements became part of advertising development. Brand personality is a crucial factor in building a brand, creating customer loyalty and winning competition. Brand personality is able to create uniqueness, competitive advantage and differentiation of marketers.

Marc (2015) doing research entitled "personality scale in French context Aaker: A replication and preliminatory test of its validity". Research conducted on the application of Aaker personality brand dimensions to French-speaking consumers in America is relatively satisfying. Only sincerity dimensions are different because this dimension is associated with the real performance of a brand.

Shahzad (2017) doing research entitled **"**Factors Affecting Consumers' Behavior Towards E-Shop in KSA". The findings of the study presented that from all the factors, only quality has impact on consumers behavior in KSA. Other factors namely convince, trust and promotions showed no significant relationship with consumers behavior in online shopping in KSA. The present study has been conducted on particular region as mentioned earlier. It is conducted in Riyadh city of KSA, with 110-samples size.

Brand personality can build relationships between brands and consumers and play a role in self-expression to attract consumers (Aaker, 2010). Previously Aaker (1997) had developed a five-dimensional brand personality model with factors consisting of 1) Sincerity, 2) Excitement, 3) Competence, 4) Sophistication, and 5) Ruggedness. According to Kapferer (2003) there are 9 dimensions that characterize the brand personality namely friendly, creative, misleading, original, elegant, conscientious, charming, ascendant, introverted.

RESEARCH METHODOLOGY

The survey was conducted in Bengkalis Regency.The data source used is primary data. Data collection techniques were carried out using survey and observational. Research hypothesis testing uses Multiple Regression Analysis. The results of the regression analysis are in the form of a coefficient for each independent variable. Partial hypothesis testing uses the t test. Significant role is seen from the value of t count> t table at α = 0.05 one side or with a value of p <0.05. While the simultaneous hypothesis is accepted / proven if the five variables produce F count> F table or significant <α = 0.05. Data processing in this study will be carried out with SPSS version 20.0. Data analysis will be carried out in this study using perception level analysis and factor analysis.

RESULTS AND DISCUSSION

This study was conducted on 250 respondents taken by non-probability sampling method. Based on gender aspects, 63.2% of respondents consisted of women. The respondent's age is in the range of 25 - 35 years and above 35 years, which is 29.6% and 55.6% . The level of education of majority respondents are tertiary and high school education that is 53.6% and 30%. Based on the aspect of work, the respondents mostly earn their living as entrepreneurs, which is 50%. Characteristics of these respondents generally indicate that all respondents are at the stage of maturity of thinking and tend to have a loyal attitude towards the brand.

From the results of the calculation of the significance test for the Physical Retail Environment variable, it can be seen that t count is 0.742 < t table 1.6510 with sig 0.459> α = 0.05. Thus it can be concluded that the correlation coefficient between Physical Retail Environment and Brand personality

has no positive and insignificant effect. This means that there is no positive and significant influence on the Physical Retail Environment factor on the brand personality. From the results of the calculation of the significance test for Store Preference variable, it can be seen that t count is 0.882 <t table 1.6510 with sig 0.427> α = 0.05. Thus it can be concluded that the correlation coefficient between Store Preference and Brand personality does not have a positive and insignificant effect. This means that there is no positive and significant influence on the Brand Preference factor on the brand personality

To testing the effect of Physical Retail Environment factors and Store Preference on perceived shopping satisfaction, the F count 175.176> F 3.84 table with sign 0.00 <α = 0.05. This means that there is a simultaneous effect of the independent variable on the dependent variable. This means that simultaneously there is a significant influence between the Physical Retail Environment and the Store Preference of consumers on the brand personality.

From the results of the significance test, there was an effect of the Physical Retail Environment factor and Store Preference on perceived shopping satisfaction. This means that there is a significant influence between internal and external factors of consumers on consumer satisfaction both jointly and through the brand personality moderator variables.

According to Preethi and Anupriya (2017), Retail store is often categorized as a self-service retail environment. They found that for retail store retailers wanted to build relationships with their customers, being able to track their levels of 'satisfaction' with the key elements of the retail store environment is extremely important. From the retailer's perspective the aim is to minimize the reasons for complaints and dissatisfaction and the cost of a service recovery plan whilst establishing a track of direct feedback from customers about their reactions to those key elements. Kotler et al (2009)

defines perception as a process whereby the sensitivity received by someone who is sorted and selected, then regulated and interpreted. So, it can be concluded that perception is an interpretation of the process by which consumers understand their own environment. Many people believe that perception is passive or the opposite we see and hear what is out there is very objective. Satisfaction is a consumer's post-purchase evaluation of the overall service experience. It is an affective reaction in which the consumer's needs, desires and expectations during the course of the service experience have been met or exceeded. Satisfaction in this sense could mean that a retail store has just barely met the customer's expectations, not exceeded nor disappointed those expectations. The benefits of taking the customer's response beyond satisfaction at this level by exceeding expectations, is a competitive strategy many retailers aspire to achieve. Customer satisfaction now represents a central strategic focus for customer-oriented firms across diverse industries.

Physical retail environment and store preference factors are not considered factors in assessing brand personality traditional retailers in Bengkalis Regency can take advantage of this. Whereas the Bengkalis Regency consumptive is actually not too concerned about the conditions in the store while their shop (Asra, 2017). They also do not have many references and shop choices for shopping. So they tend to accept existing conditions. This of course will not last long. When modern retailers come with all the convenience of shopping and a more comfortable store atmosphere, consumers will move immediately. For this reason, it is recommended that traditional retailers in Bengkalis Regency begin to fix the shop display to be better and easier to enter and provide better shopping convenience. So that consumers feel cared for and appreciated. The current store preference is still low because there are not many modern retailers in Bengkalis Regency and

they have not fully mastered the market. But this will not last long. When consumer preferences have begun a lot, the differences are increasingly felt, so of course this will be a big disaster for traditional retailers. For that we need real efforts that must be done immediately. for example by fixing the layout of the store, more variety of products and brands, maintaining the friendliness of the seller, and a more comfortable store atmosphere, not crowded with merchandise and faster transactions.

Physical retail environment and store preference factors through current brand personality give effect to the perceived shopping satisfaction of consumers. This has become a fresh air for traditional traders in Bengkalis Regency. Because even though the brand personality is not high, they still shop. But of course this cannot be a guarantee that they will be satisfied forever. Therefore, the improvement of brand personality is absolutely must be done by maintaining closeness with customers, which is a characteristic and personality that is a strong differentiator from modern retailers.

CONCLUSION, IMPLICATION AND LIMITATION

Physical retail environment and store preference factors partially have no effect on brand personality, but together these two factors influence the personality factors of traditional retailers. Furthermore, brand personality factors influence consumer shopping satisfaction. And if the brand personality is included as a moderating factor between physical retail environment and store preference factors with consumer shopping satisfaction, then physical retail environment and store preference factors remain influential. This means that the physical retail environment and store preference factors are not a factor that is considered by consumers in assessing the traditional personality of retail traders in Bengkalis Regency.

Because even through the brand personality that exists today, consumers have gotten shopping satisfaction.

The Implication of this research is traditional retailers in Bengkalis Regency have several advantages and disadvantages. Proximity to customers, understanding the wishes and needs and desires of customers well, maintaining customer loyalty with hospitality and ease of transaction can still be fixed. However weaknesses such as shop layout that is irregular and tend to be scattered, shopping atmosphere that is less comfortable, stuffy with stockpiles and the difficulty of finding the products needed by themselves without the help of the seller because of the many items that accumulate, it should be addressed immediately. Not many shop choices also become the next profitable thing. This means that competition is not too tight but of course still be aware of any increase in competitors who enter the same business. The trick is to make improvements to a good physical environment that can cause positive emotions, consumer interest, satisfaction, and consumer loyalty to a store. A good emotional state creates a feeling of pleasure and creates a desire for something. Indeed, quality is the basis, but good atmosphere and service conditions will greatly influence consumer decisions in making a purchase.

This study uses physical retail environment and store preference and brand personality as the variables studied and the object of retail merchant consumer research in Bengkalis Regency only. For the next researcher, it is expected to be able to examine other factors that might influence the satisfaction of consumers shopping. This research was conducted in a place that is not yet a lot of modern retailers, so that consumer preferences for differences in traditional retail stores with modern retail are not many. Increasing the number of samples and expanding the place of research and increasing the variables studied will certainly produce more comprehensive conclusions.

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