THE INFLUENCE OF PRODUCT DIVERSITY AND STORE LOCATION ON PURCHASE DECISIONS OF CONSUMERS AT VIERA OLEH-OLEH PEKANBARU

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ABSTRACT

Purchasing decisions play a crucial role in the marketing concept. This is the background to this research. Product diversity and good store locations are some of the incentives for someone to make a purchase. This is what the Viera Pekanbaru Souvenir Shop implements. This research aims to determine the influence of product diversity and shop location on purchasing decisions at the Viera Pekanbaru Souvenir Shop. The research method employed in this study is a descriptive approach with quantitative methods. Research data sources come from primary data. The number of samples in this research was 100 people, with the sampling technique using purposive sampling. The analytical method for this research is multiple linear regression analysis and uses validity and reliability tests. The results obtained are that product diversity has a positive and significant effect on purchasing decisions, store location has a positive and significant effect on purchasing decisions, and product diversity and store location simultaneously influence purchasing decisions at the Viera Pekanbaru Souvenir Shop.

Keywords: Product Diversity; Store Location; Purchase Decision

INTRODUCTION

The business world is becoming increasingly competitive in line with increasing human needs and desires. Business people then take advantage of these business opportunities to fulfill their needs and desires in order to gain profits. Business success is determined by the company's ability to take advantage of opportunities in detail and identify consumer behavior to attract consumers to be interested in buying, including in the purchasing decision process (Purbohastuti, 2021).

Companies use various methods to maintain and improve their position in competition (Husen et al., 2018). Companies are required to be sensitive to competitive conditions in their business environment so that they are able to attract consumers and survive in the business world (Husen et al., 2018). Nowadays consumers are increasingly critical in making purchases due to varied market conditions. Companies must be able to develop strategies to attract purchasing decisions from consumers (Waani et al., 2022).

The culinary business is currently very developed in Pekanbaru City, in recent years the culinary business has developed quite rapidly. One of the culinary businesses currently in Pekanbaru is the souvenir business. The city of Pekanbaru has many special foods that depict traditions and cultural fusion, such as sticky rice talam durian, bolu kemojo, lempuk durian, and others. When you come to visit an area, it won't be complete if you don't try the typical food from that area and bring it as a souvenir. One of the companies that provides souvenirs in Pekanbaru City is Viera Oleh-Oleh Pekanbaru which is one of the largest souvenir centers in Pekanbaru with a shop concept that produces and sells typical Riau snacks and souvenirs. With so many similar competing stores, Viera Oleh-Oleh must pay attention to the factors that influence consumer purchasing decisions in order to remain competitive

Consumers have factors that influence purchasing decisions. Purchasing decisions are influenced by several factors, one of which is product diversity (Tjiptono, 2015). Product diversity according to Raharjani (2005:8) in Mulyani (2009) is the completeness of the goods sold and the availability of these goods. Consumers tend to choose stores that offer varied and complete products regarding the depth, breadth and quality of the variety of goods offered by the retailer (Raharjani, 2005:8) in (Mulyani, 2009). The availability of goods in a shop includes a wide variety of brands, the type and size of packaging for the goods sold, various flavors of the product to be purchased. For a souvenir shop, the completeness of the merchandise is an important factor to attract consumers, because the completeness of the goods sold means that the souvenir shop attracts many visitors. The more complete a store is, the more it fulfills consumers' needs and desires for shopping. Consumers will be happier if they visit a shop that has a variety of products, so they don't need to look for goods in other shops (Simamora, 2004).

One other factor that can influence consumers' purchasing decisions is store location. Store location is also a factor that consumers consider (Sonia, 2022). Kotler and Armstrong (2012) state that place or location, namely various company activities to make the products produced or sold affordable and available to the target market. A shop location is a place of business chosen based on the decision of the owner of a business to carry out its operational activities and distribute the goods or services it offers (Hardikoesoemo & Harjanti, 2021).

Consumer decisions in choosing a store are strongly influenced by accessibility (Yan & Eckman, 2009). The importance of the location of a chosen business influences consumer purchasing decisions in accordance with the strategies and targets that have been set (Sonia, 2022). This is supported by the results of previous research conducted by Husen et al (2018) stating that location has a positive effect on purchasing decisions.

This means that the better the location of a business, the higher the purchasing decision and vice versa.

The following is a list of consumers at Viera Oleh-Oleh Pekanbaru (Central Outlet Jl. Melati) during the period 2018-2022.

Table 1
List of Consumer Numbers at Viera Oleh-Oleh, Pekanbaru Outlet (Main Outlet – Jl. Melati)

Year	Number of Consumers
2018	79.583
2019	75.870
2020	65.325
2021	59.203
2022	54.113

Source: Viera Oleh-Oleh Pekanbaru, 2023

Based on the Table 1 it can be seen that during this period the number of consumers at Viera Oleh-Oleh Pekanbaru has decreased. The decrease could have occurred because there was still a lack of purchasing decisions at Viera Oleh-Oleh Pekanbaru. The decline in the number of consumers experienced by Viera Oleh-Oleh can be caused by the many similar competitors who have more product diversity and more easily accessible store locations. Based on these problems, this study aims to see the effect of product diversity and store location on purchasing decisions of consumers of Viera Oleh-Oleh Pekanbaru

LITERARTURE REVIEW AND HYPOTHESIS
Product Diversity
Kotler & Keller (2009) stated that product diversity is a collection of a number of products or goods offered for sale. The diversity of products available in a shop will increase consumer purchases because with the diversity of products available, consumers can choose alternative products that suit their needs and abilities (Indrasari, 2019). Meanwhile Raharjani (2005: 8) in Mulyani (2009) explains that product diversity is the completeness of the goods sold and the availability of these goods. Consumers tend to choose stores that offer varied and complete products regarding the depth, breadth and quality of the variety of goods offered by the retailer. The availability of goods in a shop includes a wide variety of brands, the type and size of packaging for the goods sold, various flavors of the product to be purchased (Raharjani, 2005: 8) in (Mulyani, 2009) . For a souvenir shop, the completeness of the merchandise is an important factor to attract consumers, because the completeness of the goods sold means that the souvenir shop attracts many visitors. The more complete a store is, the more it fulfills consumers' needs and desires for shopping.

Store Location
Kotler & Armstrong (2012) stated that place (location) involves various company activities to make the produced or sold products affordable and available to the target market. Understanding the influence of location on purchasing decisions can be viewed from the consumer's perception in taking an action in the form of a decision to choose that location as a means to fulfill their needs for goods or services (Utami 2012).

According to Lupiyoadi (2013), location is a decision made by a company regarding where its operations and staff will be placed. The importance of location for service companies depends on the type and degree of interaction involved. Location is a

place where the company's product outcomes are situated (Lupiyoadi, 2013). The store's location plays a role in determining the success and achievement of a business because it affects the size of the potential market that a company can reach (Rahayu, 2018).

Purchase Decision
A purchase decision is a process in decision-making where consumers make an actual purchase Kotler & Armstrong (2013). The stages of the purchase decision start from need recognition, information search, evaluation of alternatives, purchase decision, and finally, post-purchase behavior (Lupiyoadi, 2013). These stages are influenced by both internal and external factors. Internal factors include motivation, perception, learning, and memory. External factors include culture, social, and economic influences (Lupiyoadi, 2013).

Tjiptono (2008) stated that purchase decision is a process where consumers recognize their problem, search for information about a specific product or brand, and evaluate how well each alternative can solve their problem, which then leads to a purchase decision.

Hypothesis
Product diversity influences purchasing decisions because each individual has different preferences or tastes, and with many choices, consumers are more likely to find products that meet their needs, tastes, and budget (Dewi et al., 2018). This is supported by the research conducted by Yolandia (2022), which states that product diversity influences purchasing decisions based on research conducted at the Oke Listrik store in Jember. Thus, the first hypothesis is as follows:

> H1: It is hypothesized that product diversity affects purchasing decisions at Viera Oleh-Oleh Pekanbaru.

Store location influences purchasing decisions due to accessibility and the surrounding environment; if a store is located in an easily accessible area, people are more likely to choose that store (Hardikoesoemo & Harjanti, 2021). This is supported by research conducted by Husen et al (2018), which states that location has a positive influence on purchasing decisions. Thus, the second hypothesis is as follows:

> H2: It is hypothesized that store location affects purchasing decisions at Viera Oleh-Oleh Pekanbaru.

Product diversity and store location significantly influence purchasing decisions among consumers (Hardikoesoemo & Harjanti, 2021). With the wide variety of products sold at a store, consumers can shop more efficiently in terms of time and effort. The importance of the location of a business affects consumer purchasing decisions according to the strategy and targets that have been set (Sonia, 2022). In line with the research conducted by Dewi & Sindarko (2018) and Husen et al (2018) which shows that product diversity and store location have an influence on purchasing decisions. Thus, the third hypothesis is as follows:

> H3: It is hypothesized that product diversity and store location affect purchasing decisions at Viera Oleh-Oleh Pekanbaru.

METHOD
This study uses a quantitative approach. Sugiyono (2010) explains that quantitative research is an approach used to investigate the cause-and-effect relationship between

one variable and another, with the final result in the form of statistics or numbers. The research was conducted in Pekanbaru, with the object of study focused on Viera Oleh-Oleh Pekanbaru, located at Jalan Melati Nomor 2 Bina Widya Tampan, Pekanbaru, Riau.

The population in this study comprises all consumers who have made purchases at Viera Oleh-Oleh Pekanbaru. The population size, based on consumer data from 2022, is 54,113 people. To determine the sample size, the authors used the Slovin formula by (Sugiyono, 2008) and resulting in a sample of 100 respondents. The sampling technique employed in this study is purposive sampling, which involves selecting samples based on specific criteria (Sugiyono, 2008). The criteria for respondents in this study are individuals who have shopped at the Viera Oleh-Oleh Pekanbaru main branch on Jalan Melati.

The data in this study comes from primary data. According to (Narimawati, 2008) primary data is data that comes from original or first sources. In this study, primary data was obtained by distributing questionnaires directly to respondents regarding the influence of product diversity and store location on purchasing decisions. The data analysis techniques used are descriptive analysis and quantitative analysis. According to (Sugiyono, 2008) descriptive analysis is used to analyze data by describing or depicting the data that has been collected as it is without intending to make conclusions that apply to the public or generalization. Quantitative analysis is a process in which the data obtained is processed statistically through the use of various formulas to measure research (Sugiyono, 2008). In this study, statistical calculations were carried out using SPSS25 software.

RESULT AND DISCUSSION
Multiple Linear Regression
According to Sugiyono (2008), multiple linear regression analysis is used to find out how the manipulation of two or more independent variables as predictor factors will affect the rise and fall of the dependent variable. Therefore, multiple linear regression is carried out if there are at least two variables. The multiple linear regression equation is:

$$Y = \alpha + b_1 X_1 + b_2 X_2$$

Table 2
Multiple Linear Regression

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	8.886	1.330		6.681	.000
	Product Diversity	.401	.039	.554	10.304	.000
	Store Location	.342	.039	.475	8.820	.000

Coefficients^a

Source: SPSS Data Processing, 2024

Based on the results of the multiple linear regression analysis in the Table 2, the following regression equation is obtained:

$$Y = a + b1X1 + b2X2$$
$$Y = 8,886 + 0,401X1 + 0,342X2$$

From the regression equation, the constant value is 8.886, indicating that if the product diversity and store location variables are zero, the purchasing decision constant

for Viera Oleh-Oleh Pekanbaru products is 8.886. The regression coefficient value for product diversity is 0.401, indicating that a 1% increase in this variable results in a 40,1% increase in the purchasing decision for Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati) products. Similarly, the regression coefficient for store location is 0.342, indicating that a 1% increase in this variable results in a 34,2% increase in purchasing decisions. Therefore, it can be concluded that effective management of product diversity and store location at Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati) will enhance purchasing decisions at Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati).

Hypothesis Testing
Partial Test (T-test)
Partial test is used to see the influence of each independent variable partially on the dependent variable. This test is used to prove the truth of the research hypothesis. The provisions of this test are if tcount> ttable then there is a strong influence between the independent variable and the dependent variable, if ttable> tcount then there is a weak influence between the independent variable and the dependent variable (Sugiyono, 2008).

Table 3
Partial Test (T-test)

Independent Variable	t value	t distribution table	α = 0,05	Description
Product Diversity (X1)	10,304	1,984	0,000	Accepted
Store location (X2)	8,820	1,984	0,000	Accepted

Source: SPSS Data Processing, 2024

Based on the t-test results in the Table 3, it can be observed that the t-value for product diversity is 10.304 > 1.984 with a significance value of 0.000, which is less than 0.05, indicating that the product diversity variable has a partial effect on purchasing decisions for Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati) products.

The partial test results for store location in the table above show that the t-value > t-table, which is 8.820 with a significance value of 0.000, which is less than 0.05, indicating that the store location variable has a partial effect on purchasing decisions for Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati) products.

Simultaneous Test (F-Test)
Simultaneous test is used for two or more variables resulting from linear regression simultaneously have a significant effect on the dependent variable. The provisions of this test are if Fcount <Ftable then the hypothesis is rejected, meaning that the independent variables simultaneously do not affect the dependent variable. Conversely, if Fcount> Ftable then the hypothesis is accepted, meaning that the independent variables simultaneously affect the dependent variable (Sugiyono, 2008).

Table 4
Simultaneous Test (F-Test)

Independent Variable	F value	F distribution table	α = 0,05	Description
Product Diversity (X1) and Store location (X2)	174,389	3,091	0,000	Accepted

Source: SPSS Data Processing, 2024

Based on Table 4, the F-value for the two independent variables is 174.389, which is greater than the F-table value of 3.091. The significance value obtained is 0.000, which is less than 0.05. According to the F-test criteria outlined, we can conclude that the hypothesis is accepted. This means that the product diversity and store location variables have a simultaneous influence on the purchasing decision variable for Viera Oleh-Oleh Pekanbaru (Main Branch Jalan Melati).

Coefficient of Determination Test (R^2)

The coefficient of determination is used to determine the magnitude of the influence between independent variables on dependent variables in a regression equation. If the coefficient of determination value is closer to zero, the smaller the influence of the independent variables on the dependent variable (Sugiyono, 2008). The results of the R2 test can be seen in the following table:

Table 5
Coefficient of Determination Test (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.885[a]	.782	.778	1.379

a. Predictors: (Constant), Store location, Product Diversity

Source: SPSS Data Processing, 2024

Based on the Table 5, the value of R is 0.885, indicating a correlation between product diversity and store location variables with purchasing decisions that have a relationship of 88.5%. The R-squared value in the table above is 0.782, meaning that the purchasing decision for Viera Oleh-Oleh Pekanbaru products can be explained by product diversity and store location variables by 78.2%, leaving 21.8% of other factors influencing purchasing decisions that are not discussed in this study.

Discussion

Based on partial test results, it shows that the product diversity variable is significant for purchasing decisions with a positive direction towards purchasing decisions for Viera Souvenir Pekanbaru products (Outlet Jalan Melati Center). This can be interpreted as the better the company's product diversity strategy, the more it can influence purchasing decisions at Viera Souvenirs Pekanbaru (Jalan Melati Central Outlet).

Product diversity influences purchasing decisions because each individual has different preferences or tastes, with more choices, consumers are more likely to find products that suit their needs, tastes and budget. The results of this research state that product diversity influences purchasing decisions according to theory Raharjani (2005: 8) in Mulyani (2009) explains that product diversity is the completeness of the goods sold and the availability of these goods. Consumers tend to choose stores that offer varied and complete products regarding the depth, breadth and quality of the variety of goods offered by the retailer.

Store location influences purchasing decisions due to accessibility and surrounding environmental factors. If the store is located in a place that is easy to reach, people will tend to choose that store. The results state that store location influences

purchasing decisions according to theory Kotler & Armstrong (2012) which states that place or location, namely various company activities to make the products produced or sold affordable and available to the target market. Understanding the influence of location on purchasing decisions can be seen from consumers' perceptions in taking action in the form of a decision to choose that place to fulfill their need to obtain goods or services (Utami, 2012).

Based on the results of simultaneous regression testing, it shows significant results between the product diversity and store location variables on purchasing decisions, meaning that every increase in product diversity and store location will increase purchasing decisions. This means that the better the product diversity and shop location, the better the purchasing decision at Viera Souvenirs Pekanbaru (Jalan Melati Central Outlet).

CONCLUSION AND SUGGESTIONS

Based on the test results in this study, it can be concluded that product diversity and store location affect consumer purchasing decisions at Viera Oleh-Oleh Pekanbaru. Where every time there is an increase in the variables of product diversity and store location, the purchasing decision also increases. This is proven by the results of the multiple linear regression analysis test.

This study also shows that product diversity and store location have a partial and simultaneous effect on consumer purchasing decisions at Viera Oleh-Oleh Pekanbaru. Based on the results of the determination coefficient test, it also shows a large influence of product diversity and store location on purchasing decisions at Viera Oleh-Oleh Pekanbaru.

With the problems faced by Viera Oleh-Oleh Pekanbaru, the researcher suggests to improve each indicator that measures product diversity and store location because these variables have a big influence on purchasing decisions at Viera Oleh-Oleh Pekanbaru. So that by improving each indicator of these variables can increase sales and the number of consumers at Viera Oleh-Oleh Pekanbaru. And for further researchers to be able to expand the independent variables that influence purchasing decisions and expand the scope of the research so that subsequent research can be a reference for further researchers.

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