

# Relation analysis group factors reference, location and price on consumer decision in shopping in traditional markets

## Pinasungkulan Karombasan Manado

**Ruhiyat, Novy. J. Kasenda, Leavy. R. Pandey, Grace Ropa**

Department Of Accounting, Polytechnic of Manado Country

**Abstract** - The purpose of this research is to analyze the influence of partial factors reference group, location and price to consumer decisions in shopping, and to analyze also these factors simultaneously affect the consumer's decision in shopping in traditional markets Pinasungkulan Karombasan Manado. As a result of preliminary observations, which indicate that there are symptoms of declining sales revenue, the traders of traditional markets Pinasungkulan Karombasan Manado, in addition to the unhealthy competition with the emergence of modern markets, is also suspected due to the influence of several other factors. The method used in this research is descriptive explanatory survey method, with the application of quantitative design. Data collection techniques used to capture primary data from 50 respondents, traditional market consumers Pinasungkulan Karombasan Manado, through questionnaires and interview guides, while secondary data were collected through documentary techniques. Technical analysis of data through multiple regression statistics. The results showed that: first, the relationship between the reference groups and management decisions, showed positive and significant results with the correlation coefficient ( $r$ ) of 0.327, and the coefficient of determination ( $r^2$ ) of 0.107. Second, the relation between market location factor and consumer decision of shopping, in this research showed positive result significantly with correlation coefficient ( $r$ ) equal to 0.366, and coefficient of determination ( $r^2$ ) equal to 0.134 or 13.4%. Third, the relationship between price factor and consumer decision, in this research showed positive and significant results with the correlation coefficient ( $r$ ) of 0.326, and the determinant coefficient ( $r^2$ ) of 0.106 or 10.6%. Fourth, the relationship of all independent variables, namely: reference groups, locations and prices partially and simultaneously have a direct influence on the dependent variable of consumer decisions, especially consumers who shop at traditional markets Pinasungkulan Karombasan Manado. The relationship between the four variables showed positive and significant results with the coefficient of determination ( $r^2$ ) of 0.218 or 21.8%.

Keywords: Reference, Location, Price and Consumer Decision to Shop

### I. Introduction

Initial observations indicate that there is a decline in the revenue of traditional market traders in Pinasungkulan Karombasan Manado as more and more modern retail retailers emerge, ranging from places that are central to community activities to housing. The emergence of modern retailers, on the one hand, benefits customers because they are faced with a variety of products of choice, while on the other hand there is a concern from traditional traders who feel threatened by the presence of these modern retailers. The concern is largely due to the feeling of no balance of power between traditional retailers and modern retailers, so that the emergence of modern retailers will kill traditional retailers whose average has already existed (Wicaksono, 2008).

What are the strengths of traditional markets that can continue to operate? The culture and behavior of Indonesian consumers who like to bargain is an important factor, and even can be said as a competitive advantage of traditional markets, it is almost impossible applied by modern retailers. Another advantage is the proximity of sellers and buyers which usually exist in traditional retail markets, and are rarely found in modern retailers even though they often cope with customer databases. However, it does not feel like the natural relationship built between the seller and the buyer in the traditional market. Traditional markets have now changed due to improvements, and multiplied production. Judging from the corporate environment, attitudes, and consumer behavior in making purchases, are now not fixated on the needs that have been influenced by some opinions that are around, for example influenced by friends, relatives, family and others.

Consumers will basically buy a product that can satisfy their desires, not only in the physical form, but the benefits of the product. Consumers buy the required products according to their needs. In addition, consumers also adjust the price of goods with their economic capabilities, because consumers are increasingly aware of the needs that must take precedence, and should be postponed first. There are at least two reasons why marketers need to understand consumer spending behavior. First, the rapid development of trade today shows that more products are offered to consumers than on demand. The advantages of this offer cause many products that are unsold, or not consumed by consumers. The indication is that the average sales revenue of traders decreased by about 20% compared to the previous year. Second, marketers need to know the wants, and needs of consumers, because knowing exactly the needs and desires of consumers. The company will be able to deliver products and services, with superior quality as consumers want, and will lead to efficient and appropriate marketing policies.

Retail marketers have a big influence on the smooth sales of the product, because through retailers can get valuable information about the product, such as how the consumer views about the quality of its products, consumer satisfaction of the product. Furthermore, the manufacturer can know the strengths and weaknesses of its competitors. In addition, with the retailers, consumers can buy the products needed, in the price and quantity of goods as needed. Retail trading can be found in traditional markets that provide a variety of products with various products and quality. The current condition of the economic crisis, where shopping in traditional markets is more attractive to consumers, because the price is more affordable and can be bargained. In the traditional market there are some retailers who occupy the stalls that have been provided by the market manager. Currently, many other retail trades are emerging in various forms, mini markets and super markets, both managed by individuals and companies, as well as hypermarkets as foreign retailers.

These retailers run a variety of strategies to take advantage of existing market opportunities, and can attract as many customers by providing services, and products in accordance with the wants and needs of consumers, so that there will arise a satisfaction and loyalty to the shopping place. Situation as above, previously anticipated by market Pasar Pinasungkulan Karombasan Manado, as the object of this research. As is known that the market Pinasungkulan Karombasan Manado, is a retailing directly related to the final consumer, the goal is to serve the daily needs of consumers. The selection of the location of this study, because the traditional market Pinasungkulan Karombasan Manado, which is on the road karombasan Manado, where the road is often passed by public transport. Pasar Pinasungkulan Karombasan Manado was established in 1982, at this time the existence of the market, is needed by the surrounding community in meeting the needs of every day.

The emergence of supermarkets around the market Pinasungkulan Karombasan Manado, impact on the sales revenue of the traders concerned, because the supermarket can provide promotion in the form of large discounts at the beginning of the opening of the supermarket. Such conditions would never be expected by the manager, despite the fact that it only has an impact of about 3 months, Manado's malicious market still has to evaluate, improve management performance, and take advantage of existing opportunities by implementing effective and efficient marketing strategies. This is to cope with the decline in sales, and still pay attention to consumer spending behavior, and understand what is needed and desired consumers, because most of the consumer spending behavior on the traditional market is more oriented to the atmosphere of the shopping environment, where the spending behavior is more influenced by the marketing strategy of the shopping place. Based on the above description, the researchers feel it is important to analyze the factors reference group, location and price to consumer decisions in shopping in traditional markets Pinasungkulan Karombasan Manado

## II. Research Methods

The method used in this research is quantitative approach. Relevant use with the application of descriptive methods (Nazir 1988; Koentjaraningrat, 1997); and an explanatory survey (Vredendrecht, 1981). This is possible, because in addition to this research reveal the problems that are actual and factual, also aims to find the relationship between one factor or with other symptoms. According to Vredendrecht (1981), the explanatory method of survey is a method used to test a hypothesis, or more generally explain relationships among variables. The number of samples to be taken as many as 50 respondents contained in the population. Where according to Arikunto (2002), if the population of more than 100 people, then taken up to 5% - 10% or 20% - 30% of the population. Meanwhile, according to Guildford (1987) the number of samples taken is greater than the minimum requirement of 50 respondents, where the greater the sample is better because it gives accurate results. Sources of data in this study, namely: Primary data is data obtained directly from the respondents research, through interviews and questionnaires in the field. Secondary data, ie data obtained in a ready-made form, has been collected and processed by other parties.

### A. Instruments and Techniques Data collection

Remembering this research using a quantitative approach, namely the main instrument is a questionnaire or questionnaire research (questionnaire) to obtain primary data. Questionnaires are designed on a Likert scale, and patterned on an interval scale. The variables in this study are taken data, through the spread of questionnaires, or questionnaires with a scale likert 1 to 5 (most negative to positive strongly agree), is the most widely measured attitude, used in research companies or organizations (Sugiyono, 2008). Secondary data were obtained through documentary techniques, and all data and information were collected through survey methods and direct observation.

### B. Test Validity and Reliability

#### 1. Validity Test

Test the validity or degree of accuracy, used to determine whether or not the instrument of measurement. Instruments are said to be valid, meaning they can be used to measure, what to measure, or be able to measure, what they want to look for rightly (Sugiyono, 2008). Valid not an instrument, can be seen from the value of correlation coefficient, between the score of items with a total score at a significant level of 5%, items that are not correlated are considered void. The magnitude of this correlation number, Azwar (2000) mentions that the coefficient of validity is not so high, say be around 0.50, is acceptable and considered satisfactory. So it can be concluded that the item of a variable is said to be valid, if it has a coefficient of  $\geq 0.30$ .

Validity test using construct validity test, which is done by correlation technique between score question items in a variable observed with total score, using product moment correlation formula, with significant level 5% from its critical value. The formula of product moment correlation (Singarimbun and Efendi, 2006):

$$r = \frac{n\sum XY - (\sum X)(\sum Y)}{\sqrt{\{n\sum X^2 - (\sum X)^2\}\{n\sum Y^2 - (\sum Y)^2\}}}$$

Information:

r = Correlation coefficient                      Y = Total Question Score  
 X = Item Question Score                      n = Many of Samples

If the probability of a correlation result is less than 0.05 (5%), then it is said to be valid, and vice versa is not valid (Sugiyono, 2008). Validity test assisted by SPSS program version 16.0.

2. Realibility Test

Reliability is an index that indicates, to what extent a measuring instrument can be trusted or reliable, especially in certain time intervals (Singarimbun and Efendi, 2006). To find out if the measuring instrument is reliable or not, tested using the Cronbach Alpha method. An acceptable level of reliability, if the measured realibility coefficient value is greater than or equal to 0.6 (Sekaran, 1992). The formula of Alpha Croanbach (Arikunto, 2003, in Mintardjo, 2010) is as follows:

$$r_{11} = \left[ \frac{k}{k-1} \right] \left[ 1 - \frac{\sum \sigma_b^2}{\sigma_t^2} \right]$$

Information:

r<sub>11</sub> : Reliability of instruments  
 k : The number of questions  
 $\sum \sigma_b^2$  : Amount of variance items  
 $\sum \sigma_t^2$  : Total variance.

The calculation is then compared with the table of critical value at a significant level of 0.05 (= 5%). If the calculation has a reliability coefficient or alpha ≥ 0,6 (greater than the critical value) then the results of the research instrument is said to be reliable. Alpha Cronbach is assisted by using SPSS (Statistical Product and Service Solutions) version 16.0.

C. Data Analysis Technique

The data collected will be analyzed using statistical analysis technique, using SPSS program, where the statistic formula used is Linear Multiple Regression (multiple linear regression), namely:

$$\hat{Y} = a + b_1.X_1 + b_2.X_2 + b_3.X_3$$

The function describes the relationship between the five independent variables (X1 to X5) and the dependent variable (Y), where:

Y : Consumer Behavior  
 a : Constants  
 b<sub>1</sub> s/d b<sub>3</sub> : Regression Coefficient  
 X<sub>1</sub> : Reference Group  
 X<sub>2</sub> : Location  
 X<sub>3</sub> : Price

III. Discussion

Table 1. Description of Characteristics of 50 Respondents Research

Number	Description	Frequency (f)	(%)
	<b>Gender</b>		
1.	Man	12	24
2.	Woman	38	76
	<b>Age</b>		
1.	< 20	1	2
2.	21 – 30	5	10
3.	31 – 40	16	32
4.	41 – 50	17	34
5.	> 50	11	22
	<b>Last education</b>		

1.	Primary school	1	2
2.	Junior high school	12	24
3.	Senior High School	32	64
4.	Diploma	4	8
5.	Bachelor	1	2
<b>Work</b>			
1.	Student	2	4
2.	Entrepreneur	8	16
3.	Private employees	1	2
4.	PNSGovernment employees	3	6
5.	Army / Police	5	10
6.	Professional	2	4
7.	Housewife	22	44
8.	Does not work	7	14
<b>Income per month (rupiah)</b>			
1.	< 500.000	35	70
2.	500.000 s/d 1.000.000	1	2
3.	1.000.000 s/d 2.000.000	10	20
4.	2.000.000 s/d 3.000.000	4	8
<b>Shopping frequency</b>			
1.	Never	1	2
2.	Often	32	64
3.	Always	17	34
<b>The purpose of shopping</b>			
1.	Buy daily needs	46	92
2.	Accompany friends	3	6
3.	Etc	1	2
<b>Products that are often purchased</b>			
1.	Staple food	27	54
2.	Fish	10	20
3.	Meat	3	6
4.	Other (side dishes, vegetables, spices, etc.)	10	20
<b>The reason for shopping</b>			
1.	Cheap	33	66
2.	Negotiable	10	20
3.	Near the residence	2	4
4.	Complete product	5	10
<b>Domicile</b>			
1.	Wanea District	25	50
2.	Sario District	8	16
3.	Malalayang District	8	16
4.	Wenang District	2	4
5.	From outside Manado city	4	8
6.	Etc	3	6
<b>Total</b>		<b>50</b>	<b>100</b>

Source: Processed data

### 1. Description of Characteristics of Research Variables

This research consists of 3 independent variables and 1 dependent variable. Independent variables, namely reference group variable (X1), location variable (X2), price variable (X3) and variable Y in this research are consumer decision to shop. The following is a description of the variable characteristics of the respondents. Table 2 is a description of the characteristics of the respondents' answers to the reference group variable (X1).

Table 2. Description of characteristics of reference group variables (X1)

Indicator	Score										Mean
	1 (STS)		2 (TS)		3 (CS)		4 (S)		5 (SS)		
	F	%	f	%	f	%	F	%	f	%	

X <sub>11</sub>	Family as a reference	-	-	1	2	13	26	32	64	4	8	3,78
X <sub>12</sub>	Friends as a reference	-	-	-	-	9	18	24	48	17	34	4,16
X <sub>13</sub>	Environment as a reference	-	-	2	4	17	34	27	54	4	8	3,66
X <sub>14</sub>	Spiritual / social group as a reference	-	-	-	-	9	18	24	48	17	34	4,16
<b>Mean</b>											<b>3,94</b>	

Source: Processed data

Table 3. Description of characteristics of location variables (X2)

Indikator	Skor										Mean	
	1 (STS)		2 (TS)		3 (CS)		4 (S)		5 (SS)			
	f	%	f	%	f	%	f	%	f	%		
X <sub>21</sub>	Near the residence	1	2	4	8	20	40	25	50	-	-	3,38
X <sub>22</sub>	The route is easy	-	-	9	18	27	54	14	28	-	-	3,10
X <sub>23</sub>	The location is easy to visit	2	4	11	22	26	52	11	22	-	-	2,92
<b>Mean</b>											<b>3,13</b>	

Source: Processed data

Table 4. Description of characteristics of price variables (X3)

Indikator	Skor										Mean	
	1 (STS)		2 (TS)		3 (CS)		4 (S)		5 (SS)			
	f	%	f	%	f	%	f	%	f	%		
X <sub>41</sub>	Price affects the desire	-	-	-	-	11	22	15	30	24	48	4,26
X <sub>42</sub>	Prices can be negotiated	-	-	-	-	11	22	15	30	24	48	4,26
X <sub>43</sub>	Price comparison is significant	1	2	2	4	11	22	14	28	22	44	4,08
X <sub>44</sub>	Price and value are appropriate	1	2	1	2	18	36	16	32	14	28	3,82
<b>Mean</b>											<b>4,10</b>	

Source: Processed data

Table 5. Description of characteristics of consumer decision variables (Y)

Indikator	Score										Mean	
	1 (STS)		2 (TS)		3 (CS)		4 (S)		5 (SS)			
	f	%	f	%	f	%	f	%	f	%		
Y <sub>11</sub>	Encouragement of wants and needs	-	-	3	6	32	64	14	28	1	2	3,26
Y <sub>12</sub>	Searching for information	-	-	2	4	29	58	19	38	-	-	3,34
Y <sub>13</sub>	Encouragement of certain factors	-	-	1	2	31	62	17	34	1	2	3,36
Y <sub>14</sub>	Be positive about shopping in the market	-	-	3	6	29	58	16	32	2	4	3,34
Y <sub>15</sub>	Decide to shop in the market in the future	-	-	2	4	31	62	16	32	1	2	3,32
<b>Mean</b>											<b>3,32</b>	

Source: Processed data

Based on Table 5, the indicators obtained mean value or mean of 3.32. This means that of all indicators on consumer decision variables, that the majority of respondents answered quite agree, or appreciate quite positively to the indicators.

**A. Statistical Analysis**

1. Test Validity and Reliability Instruments

Table 6. Validity Test Results and Reliability of Research Instruments

Variables	Indicator	Validity		Reliability	
		Correlation of items	Information	Alfa Kronbah	Information
Reference group (X <sub>1</sub> )	X <sub>11</sub>	1,000	Valid	0,867	Reliable
	X <sub>12</sub>	0,642	Valid		
	X <sub>13</sub>	0,638	Valid		
	X <sub>14</sub>	0,642	Valid		
Location (X <sub>2</sub> )	X <sub>21</sub>	1,000	Valid	0,731	Reliable
	X <sub>22</sub>	0,378	Valid		
	X <sub>23</sub>	0,597	Valid		
Price (X <sub>3</sub> )	X <sub>41</sub>	1,000	Valid	0,870	Reliable
	X <sub>42</sub>	0,873	Valid		
	X <sub>43</sub>	0,781	Valid		
	X <sub>43</sub>	0,441	Valid		
Consumer decision (Y)	Y <sub>11</sub>	1,000	Valid	0,820	Reliable
	Y <sub>12</sub>	0,698	Valid		
	Y <sub>13</sub>	0,339	Valid		
	Y <sub>14</sub>	0,442	Valid		
	Y <sub>15</sub>	0,672	Valid		

Source: Processed data

Table 6 shows that the results of the validity test, the instrument gives a good value, on the overall indicator items of each of the main variables. It can be seen where the average value of r count, which is obtained higher than the critical value of 0.30, or average r count higher than r table that is 0,279 (n = 50, sig = 0.05). Table 6, it can be seen that the total item value of all the indicated variables is reliable. This can be seen from Alpha Cronbach's value of each variable, both the independent variable and the dependent variable have a reliable average value that is above 0.60 (> 0.60). Thus, it can be said that all construct variables are valid and reliable, so can be accepted and used for further statistical analysis, ie regression analysis.

2. The results of the classical assumption test

To obtain good linear regression results, and not biased then used the classical assumption test, namely: multicollinearity test, heteroscedasticity test, autocorrelation test, normality test.

a. Uji Multikolinearitas

Multicollinearity test aims, to test whether the regression model found a correlation between independent variables. Good regression model, there should be no correlation between independent variables (Ghozali, 2009). To see the multicollinearity can be seen in Table 7.

Table 7. Multicollinearity test

Model	Kolinearitas Statistics	
	Tolerance	VIF
1 (Constants)		
Reference Group (X <sub>1</sub> )	0,692	1,446
Location (X <sub>2</sub> )	0,891	1,122
Price (X <sub>3</sub> )	0,757	1,321

Source: Processed data

A statistical analysis said no multicollinearity symptoms if the value of VIF (Variance Inflation Factor) <10 (Ghozali, 2009). The results of the calculations shown in Table 7, yielding VIF values for all X (X<sub>1</sub>, X<sub>2</sub>, and X<sub>3</sub>) variables less than 10 (<10), it can be concluded that there is no multicollinearity symptom in this research model.

b. Autocorrelation Test

Uji autokorelasi bertujuan menguji apakah dalam model regresi linear ada korelasi antara kesalahan pengganggu pada periode t dengan kesalahan pengganggu pada periode t-1 (sebelumnya). Jika terjadi korelasi, maka dinamakan ada problem



autokorelasi (Ghozali, 2009). Hasil uji autokorelasi, tidak mengindikasikan terjadinya autokorelasi. Di mana hasil D-W (Durbin-Watson) menunjukkan angka D-W (Durbin-Watson) sebesar 1,693. Angka 1,693 berada diantara -3 sampai +3, sehingga dapat disimpulkan bahwa dalam model penelitian tidak terdapat gejala autokorelasi.

3. Regression Analysis

Table 8 presents the results of multiple linear regression analysis of the variables studied, independent variable, consisting of: reference group variable (X1), location variable (X2), and price variable (X3); and consumer decision variable (Y) for the dependent variable.

TTable 8. Multiple Linear Regression Analysis

Variable	B	Std Error	Std. Coef. B	t count	Sig.	Information
(Constants)	8,168	2,463	--	3,316	0,002	
Reference Group (X <sub>1</sub> )	0,126	0,161	0.123	0,786	0,043	Significant
Location (X <sub>2</sub> )	0,389	0,185	0.290	2,100	0,041	Significant
Price (X <sub>3</sub> )	0,170	0,117	0.219	1,461	0,015	Significant
R = 0,467	Sig. F = 0,010		Amount of samples = 50			
R Square = 0,218	F count = 4,269		α = 0,05			
Adj R Square = 0,167	k = 3; n-k-1 = 50 - 3 - 1 = 46					
Consumer decision : 8,168 + 0,126X <sub>1</sub> + 0,398X <sub>2</sub> + 0,170X <sub>3</sub> + e						

Source: Processed data

Based on the results of multiple regression analysis in Table 8, it was found that one-way variance analysis (ANOVA) indicated that the regression was statistically significant with F = 4.269 for the degree of freedom k = 3 and n-k-1 = 50 - 3 - 1 = 46, and the value of P (P-value) = 0.010 is smaller than α = 0.05. The equation of multiple linear regression lines, for the least squares method obtained is:  $\hat{Y} = 8,168 + 0,126X_1 + 0,398X_2 + 0,170X_3$ . The explanation of the above equation is as follows:

- a.  $\hat{Y}$  = Considered consumer decision; X1 = Reference group; X2 = Location; X3 = Price;
- b. The value of α constant is 8.168, where the value has a meaning, the reference group variable (X1), location variable (X2), and Price variable (X3) absent or at position 0 (zero) then consumer decision to shop (Y) in traditional markets only 8,168 or ± 8.17%.
- c. Signs + (positive), on the regression direction coefficient b (b1, b2, and b3), means that the regression model is positive linear. This means that any change (increase or decrease) on the X123 variable (reference group, location and price), will be followed by changes (up or down) on variable Y (consumer decision to shop at traditional Pinasungkulan Karombasan Manado);
- d. The regression coefficient b1 of 0.126 stating that any addition or an increase of +1 of the reference group will increase the consumer's decision by 0.126 or 12.6%.
- e. The regression coefficient b2 of 0.398 states that any addition of +1, location, will increase consumer's decision, equal to 0.398 or 39.8%.
- f. The regression coefficient b3 of 0.170 states that any addition of + 1, price, will increase the consumer's decision by 0.170, or 17.0%.

Based on the analysis result in table 8, it is known that the p-value for reference group, location, and price variables is smaller than 0.05 (<0.05), so the three independent variables have an individual influence or partial to the consumer's decision to shop. The reference group variable has a significance value of 0.043 or <0.05 the location variable has a significance value of 0.041 or <0.05 and price variables, has a significance of 0.001 or <0.05. This shows that individually or partially reference group variable, location, and price variables, have a significant influence on the consumer's decision to shop at Traditional Market Pinasungkulan Karombasan Manado.

Based on the results in table 8, it was found that the significance value of Fcount is 0.010 <0.05 then the hypothesis states bahwa seluruh variabel independen good reference group, location, or price variable, simultaneously or simultaneously have a significant effect on consumer's decision to shop at Traditional Market Pinasungkulan Karombasan Manado, can be accepted with certainty.

**Discussion Result**

1. The Influence of Reference Group on Consumer Decision

Based on the results of multiple regression analysis and t test, it is found that the reference group variable has a significant and positive influence on consumer decisions to shop especially traditional market Pinasungkulan Karombasan Manado. The relationship between reference groups, and consumer decisions in this study, showed positive results and significant with the correlation coefficient (r) of 0.327 and the coefficient of determination (r<sup>2</sup>) is 0.107.

The results of the hypothesis states the reference group variable, partially influence on consumer decisions especially traditional market consumers, accepted or tested empirical validity . This is seen from t-test results for consumer decisions that give p-value results or significance values of 0.043 or <0.05. This indicates that there is a significant influence of the reference group on consumer decisions to shop in traditional markets Pinasungkulan Karombasan Manado.

The result of regression analysis shows that each addition of 1 unit in the reference group variable will be followed by the increase of 0.126 units or by 12.6%, on the consumer's decision variable to shop in traditional market Pinasungkulan Karombasan Manado. The reality of the results of this study can be supported by the calculation of determination which is as big as to 0.107 or 10.7%. That is, the average value of consumer decision variables which shopped in the traditional market of Pinasungkulan Karombasan Manado amounted to 16.62 or compared to the ideal score = 20, the consumer's decision to shop an average of 83.1%, partly determined or influenced by factors of the reference group, ie by 10.7% and the remaining 89.3% influenced by other factors.

This finding identifies, that for consumers who shop in traditional markets Pinasungkulan Karombasan Manado, the majority of female respondents, aged 41 to 50 years, have high school education, job as housewives, earning less than five hundred thousand rupiah per month, often shopping in traditional markets Pinasungkulan Karombasan Manado. The purpose of shopping is to buy daily needs, products that are often purchased, including staple food. The reason for shopping for cheap, and residing in Wanea district, from the results of statistical tests, found that the reference group consists of 4 main indicators that have an influence on consumer decisions, in shopping in traditional markets Pinasungkulan Karombasan Manado.

## 2. The Influence of Location on Consumer Decisions

Based on multiple regression analysis, and t-test found that location variable has significant and positive influence to consumer decision variable. The relationship between market location factors and consumer decision shopping in this study shows, positive and significant results with the correlation coefficient (r) of 0.366 and the coefficient of determination ( $r^2$ ) of 0.134 or 13.4%. These results show that the hypothesis states that the market location factor partially affects consumers' decision to shop, in traditional markets, is accepted convincingly or empirically tested. This is seen from the t-test results for consumer decisions, which gives p-value or significance value of 0.041 or <0.05; this indicates a significant influence of the location factor on the decision of the consumers.

Hasil analisis regresi menunjukkan bahwa nilai variabel lokasi sebesar 0,389 atau sebesar 38,9%, di mana setiap kenaikan sebesar 1 satuan dari faktor lokasi akan diikuti oleh kenaikan pada keputusan konsumen untuk berbelanja di Pasar Tradisional Pinasungkulan Karombasan Manado sebesar 0,389 atau 38,9%.

Realitas hasil penelitian ini didukung pula dengan hasil perhitungan determinasi, di mana diperoleh koefisien determinasi (penentu) sebesar ( $r^2$ ) = 0.134 atau 13,4 %. Hasil ini mengindikasikan bahwa keputusan konsumen berbelanja di pasar tradisional turut ditentukan oleh faktor kedekatan lokasi pasar sebesar 13,4 %, sementara sisanya sebesar 86.6 % dipengaruhi oleh faktor lain.

Temuan penelitian ini mempertegas bahwa lokasi merupakan salah satu faktor determinan yang mempengaruhi perilaku konsumen, terutama dalam mengambil keputusan untuk berbelanja di Pasar Tradisional Pinasungkulan Karombasan Manado. Kedekatan lokasi pasar tradisional dengan pemukiman penduduk (konsumen) merupakan faktor penentu perilaku konsumen dalam mengambil keputusan berbelanja di pasar tradisional, khususnya di pasar Pinasungkulan Karombasan Manado.

Realitas ini dapat dipahami karena sebagian besar konsumen pasar tradisional adalah masyarakat yang memiliki tingkat pendapatan menengah ke bawah, yang rata-rata tidak memiliki kendaraan (mobil) pribadi sehingga kebanyakan dari mereka menggunakan sarana transportasi umum. Dengan posisi lokasi pasar yang dekat dengan pemukiman penduduk dan atau berada pada lintasan jalur kendaraan umum, sehingga memudahkan konsumen untuk berbelanja, karena biaya transportasi cukup murah.

This finding identifies, that for consumers who shop in traditional markets Pinasungkulan Karombasan Manado, the majority of female respondents, aged 41 to 50 years, have high school education, job as housewives, earning less than five hundred thousand rupiah per month, often shopping in traditional markets Pinasungkulan Karombasan Manado. The purpose of shopping is to buy daily needs, products that are often purchased, including staple food. The reason for shopping for cheap, and residing in Wanea district, from the results of statistical tests, found that the reference group consists of 3 main indicators that have an influence on consumer decisions, in shopping in traditional markets Pinasungkulan Karombasan Manado

## 3. The Influence of Price on Consumer Decisions

Based on the results of multiple regression analysis, and t test, it was found that the price variable, has a significant and positive influence on consumer decision variables, especially consumers Traditional Market Pinasungkulan Karombasan Manado. The correlation between price factor and consumer decision in this research shows, positive result, and significant with correlation coefficient (r) equal to 0,326, and coefficient determinant ( $r^2$ ) equal to 0106 or 10,6%.

These results indicate that the price variables, partially influence consumers' decisions, especially consumers Traditional markets Pinasungkulan Karombasan Manado accepted convincingly, or tested its validity empirically. This is seen from the results of the t test for consumer decisions, which gives p-value results, or significance values of 0.015 or <0.05. This indicates, a significant influence of price factors, on consumer decisions Traditional Market Pinasungkulan Karombasan Manado.

The result of regression analysis shows that the value of the price variable is 0.170, where every change (increase or decrease) of 1 unit of the price factor will be followed by changes (increase or decrease) of consumer behavior, in making decision to



shop at Traditional Market Pinasungkulan Karombasan Manado, by 0.17, or 17% when the price factor changes 100 times. Price is one of the determinants of consumers, in making decisions to shop. Where the results of determination analysis show that consumer's decision to shop in traditional market, also determined by price affordability factor equal to 10.6%, and the rest equal to 89.4% influenced by other factors. The findings of this study confirm that price is one of the variables that contribute to consumer decisions, especially in consumer decisions to shop at traditional market of Pinasungkulan Karombasan Manado.

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#### 4. The Influence of Reference Groups, Locations and Prices Together Against Consumer Decisions

Based on multiple regression analysis and F test it is found that all independent variables, namely: reference group, location, and price simultaneously have a direct influence on the dependent variable of consumer decision, especially consumers who shop at traditional market Pinasungkulan Karombasan Manado. The relationship between the four variables simultaneously to consumer decisions in this study showed, positive results and significant with the value of coefficient of determination ( $r^2$ ) of 0.218 or 21.8%.

These results indicate that the hypothesis of reference group variables, location and price simultaneously affect the consumer's decision to shop at Traditional Market accepted with enough convincing and empirically tested its empirical. This is seen from the results of the F test, for consumer decisions that provide F-test results, of 0.010 or  $<0.05$ . This indicates that there is a significant influence from reference group variable, location, and price simultaneously affecting consumer's decision to shop at Traditional Market Pinasungkulan Karombasan Manado.

Looking at the multiple regression equations and the results of the F-test and t-test indicate the significant influence of the three factors on consumer decision making to shop in traditional markets, as well as the results of the test of classical assumptions indicates that the equation of the recessions is worthy of prediction meaning the result of regression equation  $\hat{Y} = 8,168 + 0,126X_1 + 0,398X_2 + 0,170X_3$ , hence following will be prediction, by interpolation method, that substituting X price, in scope of price X, by taking X maximal price, that is ( $X_1 = 20$ ,  $X_2 = 12$  and  $X_3 = 20$ ) then the predicted value of Y for  $\hat{Y} = 8,168 + 0,126(20) + 0,398(12) + 0,170(20) = 18.86$ .

Thus, consumer decision making to shop in traditional market of Pinasungkulan Karombasan Manado, can be predicted ahead of 18.86, or in the ideal scale measurements obtained by 75.5%. This number has increased from the average of consumer decision making variables, by 66.5% to 75.5% or up by  $\pm 9\%$ . The degree of degree of determinant shows, that consumer's decision to shop at Traditional market, simultaneously determined by reference group factors, market location and price equal to 21.8%, while the rest equal to 78.2% influenced by other factor, which is not examined in this research. Referring to the above description, it is clear that a consumer before taking a decision to buy an item in a traditional market, first consider several factors, namely: recommendations from reference group, market location and price factor.

## V. Conclusion

As a result of initial observations, it shows that there is a symptom of declining sales revenue, traditional market traders Pinasungkulan Karombasan Manado, in addition to the existence of less healthy competition with the advent of the modern market is also suspected because of the influence of several other factors. The method used in this research that is descriptive and explanatory method of survey with the application of quantitative design. Data collection techniques used, to collect primary data from 50 respondents, through questionnaires and interview guides. while secondary data, collected through documentary techniques. Data analysis techniques through multiple linear regression statistics. The results showed that first, the relationship between the reference group and the consumer decision, showed positive and significant results with the correlation coefficient ( $r$ ) of 0.327 and the coefficient of determination ( $r^2$ ) of 0.107. Second, the relation between location factor and consumer decision of shopping showing positive result, and significant, with correlation coefficient ( $r$ ) equal to 0,366 and coefficient of determination ( $r^2$ ) equal to 0.134 or 13.4%. Third, the relationship between price factor and consumer decision, in this study showed a positive result, and significant with coefficient ( $r$ ) of 0.326, and the determinant ( $r^2$ ) of 0.106 or 10.6%. Fourth, the relationship of all independent variables, namely: reference groups, locations, and prices partially and simultaneously have a direct influence on the dependent variable, especially consumers who shop at traditional markets Pinasungkulan Karombasan Manado. The relationship between the four variables, together showed a positive result, and significant with the value of coefficient of determination ( $r^2$ ) of 0.218 or 21.8%. Based on the results discussed earlier, it can be concluded: First, the influence of the reference group occurs because the dissemination of information among consumers, to agree to shop in Pinasungkulan market, information from relatives, neighbors, relatives, and other groups around, helped encourage them to decide to shop in the market. Secondly, the market location, influencing consumer decisions to shop, because it is located in the middle of the settlement and easy to reach. Third, competitive prices, which can be negotiated and

cheap, also influence the management decision to shop there. Fourth, significant influence of reference group, location and price simultaneously, to consumer decision to shop in traditional market Pinasungkulan Karombasan Manado.

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