

CHAPTER I

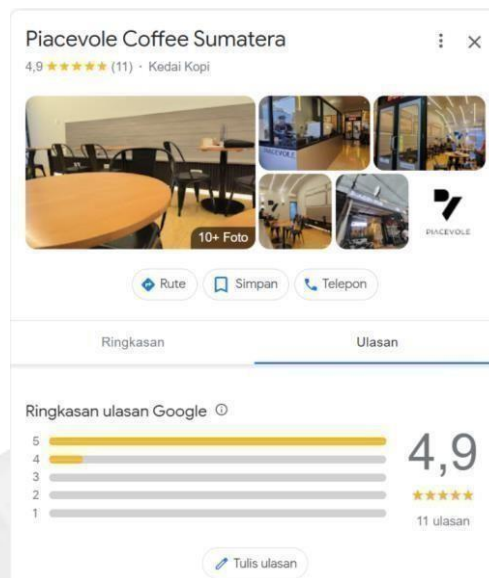
INTRODUCTION

1.1 Background of the Study

Consumer purchase decision at product will be a very valuable asset for a business being run. Maintaining consumers can reduce the effort to find new consumers and provide positive feedback to the business being run. Consumer purchase decision also has a relationship with profitability where loyal consumers are an opportunity to get new consumers and can continue to increase consumer purchase decisions of the business being run. In conjunction with the headway of civilization, human life and culture as well as the advancement of globalization, there's a move in social values from social society to tend to be more person.

Commerce and tall portability make urban individuals require a put to discharge weariness after doing their every day schedules. Exercises carried out to diminish weakness are as a rule by unwinding eating, drinking, listening to music or fair gathering and talking with relatives or companions within the community. Seizing this opportunity and the move in people's ways of life that make these exercises a portion of the necessities of life and make nourishment benefit and café commerce individuals compete to discover ways to pull in buyers by paying consideration to different things that can influence their buying choice. Piacevole Coffee is a café that was founded in 2017, where in the city of Medan, Piacevole Coffee has three branches, namely Piacevole Coffee S. Parman, Piacevole Coffee Cemara and Piacevole Coffee Sumatra. For Piacevole Coffee Sumatra,

which is located at Jalan Aipda KS Tubun Medan, for some time now there has been an increasing in the number of consumer purchases. This increased consumer purchasing decisions is caused by product quality, location and store atmosphere. Some consumers feel that the quality of the products offered by Piacevole Coffee is considered good quality, although some consumer who are very selective in choosing their products feels the products offered by Piacevole Coffee are not good enough. Meanwhile, in terms of location, some consumers feel that the location of Piacevole Coffee is strategic because it is in the middle of a dense population and is often used as a place to meet or hang out with friends because it is close to their location and easy to find. Apart from that, the location of Piacevole Coffee also has a satisfactory parking area because some information from consumers states that they can easily find parking when they want to visit Piacevole Coffee. When it is busy, Piacevole Coffee also has an adequate location and has free space for consumers to do activities and makes the level of calm for consumers who want to relax comfortable. Meanwhile, in terms of store atmosphere, it is known that the atmosphere offered by Piacevole Coffee able to make consumers feel at home and comfortable enough to stay and enjoy the menus it offers. The following are several reviews given by consumers regarding Piacevole Coffee Aipda KS Tubun Branch Medan can be seen in the figure below as follow:



Sources: Google Review, 2023

Figure 1.1. Picevole Coffee Sumatera Branch Review

While in terms of location can be seen below:



Sources: Google, 2023

Figure 1.2. Picevole Coffee Sumatera Branch Location



Sources: Google, 2023

Figure 1.3. Piacevole Coffee Sumatera Branch Store Atmosphere

Based on the research conducted by Aeni (2020) entitled "Effect Of Product Quality, Prices And Places On Purchase Decisions (Case Study of Consumers Ikhtiar Meatballs Tofu Cikarang Region)." The comes about of this think about are that there's a critical impact on item quality on purchasing choices. There's a significant impact on cost choices. There's a significant impact of put impact on obtaining choices. There's a critical impact on item quality, cost and put at the same time on the choice. The size of the impact of item quality, cost and place simultaneously on acquiring choices. The conclusion of the think about is that there's a noteworthy impact on item quality, cost, and put on the obtaining choice of Ikhtiar Meatballs Tofu.

Based on the background study above by customer interview, complain or data, the writer is interested to conduct research with the title: **"The Effect of Product Quality, Location, and Store Atmosphere on Consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch Medan."**

1.2 Problem Limitation

For the problem limitation, writer will focus on four variable which are Product Quality, Location, Store Atmosphere as independent variable and consumer Purchase Decision as dependent variable. The location of the research will be limited at Piacevole Coffee Aipda KS Tubun Branch Medan.

1.3 Problem Formulation

Based on the description of the background of the problem above, there are identification problem in this study can be identified:

1. Does Product Quality have partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?
2. Does Location have partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?
3. Does Store Atmosphere have partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?
4. Do Product Quality, Location, and Store Atmosphere have simultanous effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?

1.4 Objective of the Research

The objective of the research as follow:

1. To analyze whether Product Quality has partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?
2. To analyze whether Location has partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?

3. To analyze whether Store Atmosphere has partial effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?
4. To analyze whether Product Quality, Location, and Store Atmosphere have simultaneous effect on consumer Purchase Decision at Piacevole Coffee Aipda KS Tubun Branch, Medan?

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

Contribute to existing theories especially relevant with Product Quality, Location, Store Atmosphere and consumer Purchase Decision

1.5.2 Practical Benefit

- a. For Piacevole Coffee Aipda KS Tubun Branch

The researcher expects the result from this study could benefit the business to evaluate, and take the result as suggestion to know the effect of Product Quality, Location, and Store Atmosphere on consumer Purchase Decision.

- b. For The Writer

The result from this study make the writer gain new experience and more knowledge about the importance of Product Quality, Location, and Store Atmosphere on consumer Purchase Decision.

- c. For Future Research

The writer expects the result from this study could become a comparison for the future researchers who are interested of studying the same topic which is the effect of Product Quality, Location, and Store Atmosphere on consumer Purchase Decision.