Customer Preferences of Offline Store Atmosphere of Berry Benka with Conjoint Analysis Method

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Abstract: RESEARCH OBJECTIVES, to determine the customer preferences about how the ideal store looks like according to many aspects such as Exterior, General Interior, Store Layout, and Interior Display. RESEARCH METHODS that used is Conjoint analysis method. ANALYSIS using this Conjoint method can know which aspects among the components that have the most value and the combination as what is expected by the customer. RESULT ACHIEVED is generally for some aspects Berrybenka's Offline Store have met customer expectation but not fully compliant. CONCLUSIONS that can be generated is the result can be used as reference data for the company to develop its store to maximize their performance. (MJ, AD, D).

Keywords: Customer Preferences, Conjoint analysis, Offline Store.

I. INTRODUCTION

Nowadays, the development of e-commerce industry in Indonesia is increasing drastically. More and more new e-commerce companies are emerging and multiplying in all types of industries. The growth of the e-commerce industry has a good impact on the country's income. Referring to Statista, the value of e-commerce retail sales in Indonesia in 2016 reached 5.56 billion USD or an increase of 23% from the previous year. According to one survey institution in Indonesia, Indonesia is one of the countries that will have the fastest-growing e-commerce market in the Asia Pacific region in the coming years. Even in 2018, it is predicted to increase by more than 239%, with total sales of around 11 billion USD. This has become one of the factors that increase the growth of new companies in the e-commerce field.

One of the fastest-growing industries in Indonesia is the fashion or clothing industry. Based on survey data from the Creative Economy Agency (Bekraf) and the Central Statistics Agency (BPS), the Creative Economy sector contributed 7.05% to the total of the national economy in 2016 or as much as Rp 642 trillion. The fashion sector contributed as much as 27.9% or the second largest number after culinary for the creative industry in Indonesia. Compared to 16 other

subsectors in Bekraf, the fashion industry contributed more than a quarter of Bekraf's total contribution. The fashion industry is very interesting for new companies and at the same time becomes an interesting research subject for researchers.

One of the economic actors engaged in the fashion industry is PT. BlackBerry Benka. Berrybenka is known as one of the leading e-commerce fashions in Indonesia. Berrybenka was first established in 2011 by Cynthia Lamuda, who is the wife of Jason Lamuda (Berrybenka's CEO). The business activities of Berrybenka used to be limited to online business platforms, which all sales, distribution, ordering, returning and other things happen in the internet or online media.

Berrybenka's development is quite significant for companies that are just starting. Berrybenka has been able to compete with other large e-commerce companies, such as OLX, Blibli, Lazada, Zalora, and others. Reporting from Tech in Asia, Berrybenka is listed in the Top 15 for the most popular websites in Indonesia for the e-commerce industry.

Table- I: E-commerce Ranking

Rank of Popular	E-commerce	PBI	Rank of Popular	E-commerce	PBI
1	Lazada	29.2	9	Bhineka	2.1
2	OLX	22.1	10	Blibli	1.8
3	Berniaga	8.9	11	Groupon Disdus	1.4
4	Kaskus	8.1	12	Elevenia	1.3
5	Zalora	5.5	13	Berrybenka	1.3
6	Qoo10	3.8	14	Bukalapak	0.6
7	Tokopedia	3.6	15	Livingsocial	0.5
8	Rakuten	2.6			

Source: Tech in Asia

However, in its development, just like other companies, Berrybenka also experienced several obstacles and problems. One of the problems that is considered very vital is that even though the brand awareness of Berrybenka has begun to be known to the public, it turns out that in the past few months, sales of Berrybenka products through online have begun to decline or not in accordance with the predetermined targets, even falling far from the expected target. One of the innovations made by Berrybenka is to change its online platform into a mixed platform, online and also offline or commonly known as a physical store. But along with its development, the innovation strategy that was carried out by changing the online platform into a mixture (online and offline) was, in fact, also less than optimal.

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104

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It is expected that, with the existence of physical stores, sales will increase significantly, but in reality this does not match what is expected. Berrybenka store sales are still far from the expected target. This is allegedly due to the quality and performance of Berrybenka's physical store which is considered even far below the standards of other competing stores For this reason, researcher makes the underlying assumption that the inability of some Berrybenka stores to reach monthly targets is also influenced by customer preferences in assessing Berrybenka stores. To validate this, the researchers aimed to pre-interview 6 Berrybenka customers who had shopped at one of the Berrybenka stores. Based on the results of the verbal interview, 4 out of 6 people consider that the main obstacle of the Berrybenka store stagnant sales is the uncomfortable atmosphere of the Berrybenka store that makes customers not interested in entering or visiting. After being communicated with the company, they expect a further evaluation of their physical store in order to be able to fulfill the wishes of the customers and attract more visitors. So based on the description above, the researchers seek to conduct further research entitled "Analysis of Customer Preferences on Berrybenka Offline Store atmospheres with the Conjoint Analysis Method" to help relevant agencies develop and evaluate innovations that have been carried out. This study aims to analyze the atmosphere of the offline store in accordance with the existing preferences so that it becomes interesting to be visited by customers using the Conjoint analysis method.

According to [1] conjoint analysis is a method for analyzing customer preferences regarding a product and the prerequisites of the properties that make up the attributes of the product. Conjoint analysis is one of the techniques in Multivariate Analysis that is used specifically to understand how respondents build preferences for a product. The purpose of using this conjoint method is to be able to provide a recommendation for a combination of Berrybenka physical store attributes in terms of customer preferences and is expected to be used as a reference in managing Berrybenka physical stores.

II. RESEARCH METHOD

Based on the problems that occur in this study, the method used in this study is a quantitative method, and the type of research is descriptive. According to [2] this research is descriptive because this research aims to make a systematic, factual and accurate description of the facts, and the characteristics of the population of a particular area [3]. This type of research, when viewed from the time, is a cross-sectional study, which is a research method that is conducted by taking a certain point of time that is relatively short and at a certain place [4]. This study uses quantitative data types, and data sources taken are primary and secondary data. According to [5] Primary data is a data source that directly provides data to data collectors. Secondary data is data sources that do not directly provide data to data collectors. Data collection techniques in this study used questionnaires, interviews, and literature studies.

The sampling technique uses convenience and purposive sampling. Purposive sampling is a sampling technique with certain considerations, while convenience sampling is a method of selecting samples based on convenience. This

research uses SPSS version 25 software by using conjoint analysis method. According to [1], conjoint analysis is a method for analyzing customer preferences regarding a product and the prerequisites of the properties that make up the attributes of the product.

III. RESULT AND DISCUSSION

The results obtained from this study can be described as follows:
1. Exterior

For the results of the card that is formed on the Exterior component is 6 cards through the Orthogonal Design process. For results from the Exterior shown through the following table:

Table- II: Exterior Result

No	Attributes	Level	Relative Interest Weight	Utility Level
1	Marquee	Writing	75.805%	.275
		Logo		-.350
		Writing + Logo		.075
2	Entrance	Doorless	24.195%	.410
		Push and Pull Door		-.410

For the most popular type of Marquee is the form of writing with the largest utility level of 0.275 followed by writing + logo and finally logo. For the type of Entrance the most popular is the Doors with a value greater utility level of 0.410. For comparisons between attributes, between Marquee or Entrance, many respondents considered that the Marquee attribute was more important than Entrance. This is shown from the Relative Interest Weight of Marquee which is higher than the Relative Interest Weight of Entrance, which is 75,805% to 24,195%.

Hypotheses

Ho : There is no significant relationship between Estimates Preferences and Actual Preferences.

Ha : There is a significant relationship between Estimates Preferences and Actual Preferences.

Basis of Decision Making

Sig > α Ho accepted

Sig ≤ α Ho rejected

Correlations[a]

	Value	Sig.
Pearson's R	1.000	.000
Kendall's tau	1.000	.002

a. Correlations between observed and estimated preferences

Value > 0.5 strong relationship

Value ≤ 0.5 weak relationship

Decision

0.002 ≤ 0.05 Ho Rejected dan

Ha Accepted
and
> 0.5 Strong relationship.
Conclusion
So there is a significant relationship between Estimates Preferences (results from Conjoint calculations) and Actual Preferences (actual opinions of respondents) in the Exterior attribute and the nature of the correlation is strong because the resulting correlation value is 1.00 and the sig is greater than 0.5 (Kendall tau) .

2. General Interior

For the card results that are formed on the General Interior component, 16 cards are through the Orthogonal Design process. For results from the General Interior shown through the following table:

Table- III: General Interior Result

No	Attributes	Level	Relative Interest Weight	Utility Level
1	Flooring	Vinyl board	10.270 %	.448
		Synthetic Bamboo Flooring		-.378
		Wood Flooring		-.070
2	Colors & Lighting	White	20.294 %	1.061
		Yellow		-1.061
3	Packaging	Box Shape + Spoundbound	12.223 %	.427
		Round Shape + Spoundbound		-.298
		Box Shape + Goodiebag		.336
		Round Shape + Goodiebag		-.465
4	Eco Friendly Packaging	Important	8.772%	-1.187
		Not Important		-2.374
5	Music	Low Volume	9.359%	-.770
		High Volume		-1.540
6	Width of Aisles	≤50cm	12.323 %	1.924
		>50cm		3.848
7	Technology	Card payments accepted	26.760 %	-4.088
		Card payments not accepted		-8.177
	Total		100%	

The most popular type of Flooring is the Vinyl Board, with the greatest utility level of 0.448. The most popular type of Colors & Lighting is White Light, with a greater utility level value of 1,061. The most popular type of packaging is box-shaped with spoundbound with a utility value of 0.427 and respondents also assume that Eco-Friendly Packaging is an important aspect because the value of the utility that chooses the greater importance is -1.187. For the choice of music in the store, respondents prefer a low volume of music because the utility value is higher, amounting to -0.770. As for the distance between shelves/width of aisles, respondents prefer the distance between shelves greater than> 50cm with a utility value of 3,848. Finally, for technology attributes, respondents prefer shops that support cashless payments or with cards with a utility value of -4,088.

For comparison between attributes in the General Interior component, many respondents consider that the Technology attribute is a more important attribute than anything else, it can be seen from the highest Relative Interest Weight of Technology compared to others with a value of 26,760%, followed by the next Colors & Lighting of 20,294% , then the third Width of Aisles / Distance between shelves with a relative importance weight value of 12,323%.

Correlations

	Value	Sig.
Pearson's R	.999	.000
Kendall's tau	.958	.000

a. Correlations between observed and estimated preferences

Hypotheses

Ho : There is no significant relationship between Estimates Preferences and Actual Preferences.
Ha : There is a significant relationship between Estimates Preferences and Actual Preferences.
Basis of Decision Making
Sig > α Ho accepted
Sig ≤ α Ho rejected
Value > 0.5 strong relationship
Value ≤ 0.5 weak relationship
Decision
0.00 ≤ 0.05 Ho rejected dan Ha accepted
1.00 > 0.05 Strong relationship
Conclusion
So there is a significant relationship between Estimates Preferences (results from Conjoint calculations) and Actual Preferences (actual opinions of respondents) in the Exterior attribute and the nature of the correlation is strong because the resulting correlation value is 1.00 and the sig is greater than 0.5 (Kendall tau).

3. Store Layout

For the results of the cards formed in the Store Layout component are 4 cards through the Orthogonal Design process. For results from Store Layout shown through the following table:

Table- IV: Store Layout Result

No	Attributes	Level	Relative Interest Weight	Utility Level
1	Traffic flow	Straight	50%	-.450
		Free/Loop		.450
2	Product Placement	Free	50%	-.510
		By Category		.510

The most popular type of Traffic Flow is Free Traffic Flow, with the largest utility level of 0.450. The most popular type of Product Placement is Product By Category Placement with a greater utility level value of 0.510. For comparisons between attributes between Traffic Flow or Product Placement, many respondents consider that these two attributes are equally important. This is shown from the Relative Interest Weight owned by Marquee is the same compared to the Relative Interest Weight owned by Entrance, which is 50%.

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106

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Correlations

	Value	Sig.
Pearson's R	1.000	.000
Kendall's tau	1.000	.021

a. Correlations between observed and estimated preferences

Hypotheses

Ho : There is no significant relationship between Estimates Preferences and Actual Preferences.

Ha : There is a significant relationship between Estimates Preferences and Actual Preferences.

Basis of Decision Making

Sig > α Ho accepted

Sig ≤ α Ho rejected

Value > 0.5 strong relationship

Value ≤ 0.5 weak relationship

Decision

0.021 ≤ 0.05 Ho rejected dan Ha accepted

1.00 > 0.05 Strong relationship

Conclusion

So there is a significant relationship between Estimates Preferences (results from Conjoint calculations), and Actual Preferences (actual opinions of respondents) in the Exterior attribute and the nature of the correlation is strong because the resulting correlation value is 1.00 and the sig is greater than 0.5 (Kendall tau) .

4. Interior Display

For the results of the cards that are formed on the components of the Interior Display are 4 cards through the Orthogonal Design process. The results of the Interior Display are displayed in the following table:

Table- V: Interior Display Result

No	Attributes	Level	Relative Interest Weight	Utility Level
1	Wall decoration	Important	48%	-1.020
		Not Important		-2.040
2	Assortment Display	Open	52%	.460
		Close		-.460

The most popular type of Assortment Display is Open Assortment Display with the largest utility level of 0.460. For the Wall Decoration attribute, the respondent considers this important to see that the value of the utility of the respondent who chooses the greater importance is -1.020. For comparison between attributes between Wall Decoration or Assortment Display, many respondents consider that the Assortment Display attribute is more important than Wall Decoration. This is shown from the Relative Interest Weight of the Assortment Display, which is higher than the Relative Interest Weight of the Wall Decoration, which is 52% to 48%..

IV. CONCLUSION AND SUGGESTION

Based on the results of research conducted at PT. Berrybenka, it can be concluded that the combination of levels of each store attribute most favored by customers is as follows:

Table- VI: Combination of levels of each store attribute most favored by customers

Component	Attributes	Relative Interest Weight	Level
Exterior	Marquee	75.805%	Writing
	Entrance	24.195%	Doorless
General Interior	Flooring	26.76%	Vinyl board
	Colors & Lighting	20.294%	White
	Packaging	12.323%	Box shaped + Spoundbound
	Eco Friendly Packaging	12.223%	Important
	Music	10.270%	Low Volume
	Width of Aisles	9.359%	>50cm
	Technology	8.772%	Card payments accepted
Store Layout	Traffic Flow	50%	Free
	Product Placement	50%	By Category
Interior Display	Wall Decoration	52%	Important
	Assortment Display	48%	Open

For the Exterior component of the Marquee attribute, respondents prefer the form of writing, and for the entrance, respondents prefer doorless. For the General Interior component, the flooring attribute using the Vinyl Board is more popular, Colors & Lighting uses the more popular white light, the Attributes of Packaging are box-shaped with spoundbound. Respondents also consider that the Eco-Friendly Packaging attribute is important, for music attributes, respondents prefer low volume music, while for technology, respondents prefer shops that supported card/cashless payments. In the Store Layout component for the Traffic Flow attribute, respondents are more fond of Free Traffic Flow, and for the Product Placement attribute, respondents are more fond of Product Placement in accordance with the category. Finally, for the Interior Display component for the Assortment Display attribute, respondents prefer Open Assortment Display, and the respondents also consider that Wall Decoration in the store is important.

For each attribute in the component, it can be concluded that in the Exterior component, the Marquee attribute is considered more important due to the higher Relative Importance Value. For the General Interior component, the Technology attribute is considered the most important, while for the Store Layout component, both Traffic Flow and Product Placement attributes are considered equally important, and finally, in the Interior Display component, the Wall Decoration attribute is considered more important by respondents.

It can be concluded that for each component of Exterior, General Interior, Store Layout, and Interior Display, there is a significant relationship between Estimates Preferences and Actual Preferences.

There are several suggestions for the company and for further research. Companies should pay more attention to attributes that have a high relative importance, and it is also advisable for companies to implement things that have not been implemented that are considered important, such as Wall Decoration, use of lighting, Product Placement, etc., and which Finally, it is recommended that companies continue to make regular observations to evaluate store performance.

Future studies are recommended to develop and use attributes other than the attributes of this study, and it is also expected that the scope of the study will be enlarged so that the results obtained are more accurate..

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