

(The Impact Of Organized Retail and Store Atmosphere On Marketing Performance Through The Image Of Modern Retailers In Medan City (Case Study of Alfa Mart, Alfa Midi and Indo March)

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ABSTRACT

At this time modern retail grows rapidly and will compete with fellow modern retailers and even online retail in Medan city. Competition of retail business can not be dammed, modern society nowadays as advances in information technology and production technology lead to rapid economic growth. People's lifestyle shifts towards the modern, in fulfilling the daily needs of society leads to the concept of excellent service and fulfillment needs at retail organized. The purpose of this study is to analyze the influence of reference groups on modern retail image in Medan City, analyze the effect of retail organized retail) to the modern retail image in Medan City, to analyze the influence of Store Atmosphere on retail marketing performance in Medan City, to analyze whether there is an effect of organized retail on retail marketing performance in Medan City, to analyze the influence of Store Atmosphere on marketing performance retail in Medan City, Analyzing the Influence of Modern Retail Image on Retail Marketing Performance in Medan City. The population of this study are consumers who shop at modern retailers Alfa Mart, Alfa Midi and Indomaret in Medan City with a sample size of

204 respondents. Based on consideration of study objectives, this research is descriptive and verifikatif. Descriptive research aims to obtain a description of the variable reference group and retail organized. While verification research aims to determine the relationship between variables through a hypothesis testing using statistical calculations. The results of this study are (1) Organized retail has a positive and significant impact on modern retail image.(2) Store Atmosphere has positive and significant influence on retail marketing performance in Medan City (3) Organized retail has positive and significant impact on retail marketing performance in Medan City. (4). Store Atmosphere (Store Atmosphere) has a positive and significant impact on retail marketing performance in Medan. (5) Modern retail image has a positive and significant impact on retail marketing performance in Medan City.

Keywords: Organized Retail, Store Atmosphere Retail Image, Retail Marketing Performance.

CHAPTER I INTRODUCTION

1.1 Background Issues

Retail market is now a marketing alternative in the midst of society. The organization of marketing in the form of modern retailing becomes something of interest today. Retail business is a business activity related to the sale and delivery of services to consumers for the use of an individual nature as a person or family. The success of the competitive retail market, always offering the right products, with the right price, time and place. Therefore, an understanding of the retailer and the characteristics of the target market or the

consumer to be served is of paramount importance.

At this time modern retail is growing rapidly and will compete with fellow modern retailers and even online retail in Medan city. Given the density of population in the city of Medan which continues to increase the daily needs are also an important factor. This makes investors continue to develop their business, especially in the field of providers of daily needs that are modern such as modern supermarkets and even supermarkets. Retail business competition can not be dammed, modern society today as the progress of information technology and production technology causes rapid economic growth. The pattern of community life shifts towards the modern, in fulfilling the daily needs of society leads to the concept of excellent service and the fulfillment of needs at retail organized. This is due to the emergence of modern retail in the potential value by retail businessmen. Modern retail that experienced rapid growth at this time is minimarket with the concept of franchise or franchise.

In the modern era, now the growth of modern stores such as Indomaret, Alfamart and Alfa Midi very rapidly in the spread of the city of Medan. Modern stores can almost be found in every region of certain areas and even coincide between one retail to another retail. Modern retail business competition encourages the pampering quality of service to consumers to meet the needs of everyday life with the concept of complete needs, pleasant atmosphere with a fun pattern of organized retail and sustainable marketing. Marketing performance is a construct that is often used to measure the impact of strategies and orientations that companies apply from environmental marketing factors (Ferdinand, 2000: 116). Marketing performance by Johnson and Arunthanes (1995: 37) formed by three

indicators namely: sales growth, customer growth, and sales volume. Marketing performance is a factor that is often used to measure the impact of a company's strategy. Company strategy is generally always directed to produce superior marketing performance (Pelham, 1997: 55).

Organized retail will have an impact on sustainability marketing that is critical to the success of sustainable retail strategies. The argument is that by marketing sustainable products and sustainability initiatives, retailers can build customer value, build a profitable brand image, and increase demand for sustainable products (Anselmsson and Johansson, 2007, Cacho-Elizondo and Loussaief, 2010, Girod and Bryane 2003 , Jones et al., 2005b). Organized retail with sustainability marketing pattern has received little attention in the field of retail study. In contrast, other issues seem to draw the attention of scholars focusing on sustainable marketing, another study has in common is that they describe and analyze existing sustainable retail approaches and initiatives as a way of learning something about the potential of sustainable retailing, El-Adly (2007) found six factors that influence the mall or retail consumer organized namely: convenience, diversity, entertainment, essence of the mall, luxury and comfort. Howard (2007) believes shopping became a leisure pursuit and with the rapid development of shopping centers, both retailers and developers are trying to make it more of a pleasure activity.

Store atmosphere is made as attractive as possible can be positive and will provide benefits for the company. The four determinants used to assess store atmosphere according to Berman and Evan (1992: 463) are: Exterior, General interior, store layout, interior display. This store atmosphere greatly affects consumer

psychography, according to Mowen in Prasetijo (2004: 53) defines psychographic as a study of what constitutes a psychologically consumer. There are two concepts in the psychographic, the first, giving a picture of the consumer psychological characteristics that lead to the identification of the consumer's personality (self concept). Second, looking at the psychographic as a study of activities (activities) interest (interest), opinion (opinion). In practice, however, psychographics are used to measure consumer lifestyles by analyzing activities, interests and opinions. Activities explain how consumers perceive places that will be used as a shopping target.

The rapid growth of e-commerce market in Indonesia is already unmistakable and will be a serious threat to modern retailers if not constantly doing various reinforcement in its marketing strategy. Based on the above background the authors want to examine the title "The Influence of Reference Groups and Organized Retail Against Modern Retail Image And Its Implication On Retail Marketing Performance in Medan City".

1.2. Identification, Restriction and Problem Formulation

1.2.1. Identification of problems

1. Convenience in shopping to the needs of consumers today's zaman, especially for those who want to fulfill the necessities of life comfortably in shopping.

2. Consumers' interest and decision not to shop in traditional markets or traditional stores as the main decision, allegedly caused by the image of traditional shops that do not keep consumers shopping comfort, are gradually abandoned by some consumers who turn to modern retailers.

3. Traditional market image and traditional shops that are relatively less concerned about consumer convenience tend to be caused by the perceived value of the consumer group is relatively low and the lack of reference groups that refer to consumers to remain in traditional markets and traditional shops.

4. The emergence of massively organized retail with comfortable environment and store atmosphere makes modern retailing a place of sustainable marketing and a place to shop for more convenient consumers.

1.2.2. Scope of problem

Based on the description on the background of problems that have been described previously, this research is limited to "The Effect of Organized Retail and Store Atmosphere on Modern Retail Imagery as well as Its Impact on Retail Marketing Performance in Medan City". This study was conducted on consumers who come shopping in modern retail in Medan, such as Indomaret, Alfa Mart and Alfa Midi

1.2.3. Formulation of the problem

Problem formulation is a research statement that describes what is in the identification and limitation of research problems. The formulation of a good problem is that the relationship between two or more variables is expressed in the form of a question or alternate sentence but implicitly contains the question (Zikmud and Babin, 2011: Sekaran and Bougie, 2017). Based on this, the formulation of this research problem are:

1. Is Organized Retail having a positive and significant impact on modern retail image?

2. Does Store Atmosphere affect positively and significantly to modern retail image?

3. Is Organized Retail having positive and significant effect to retail marketing performance in Medan city?

4. Is the Atmosphere (Store Atmosphere) positively and significantly affect the performance of retail marketing in the city of Medan?

5. Does the modern retail image have a positive and significant impact

to retail marketing performance in Medan city.

1.3. Research purposes

After observing the background of problem in this research, problem limitation and problem formulation, hence this research aim to:

1. Analyzing the effect of Organized Retail (Organized Retail) on modern retail image in Medan City.

2. Analyzing the influence of Store Atmosphere (Store Atmosphere) to modern retail image in Medan City.

3. Analyzing the effect of Organized Retail (Organized Retail) on retail marketing performance in Medan City.

4. Analyzing the influence of Store Atmosphere (Store Atmosphere) on retail marketing performance in Medan City.

5. Analyzing the influence of modern retail image on retail marketing performance in Medan City.

1.4. Benefits of research

This research is expected to provide benefits to various parties, among others:

a. Benefits of Science Development

1. For researchers useful for improving the ability to conduct scientific research, power analysis and problem solving as well as decision making in the field of marketing management science.

2. For other researchers in the context of reference theories that may be used in a subsequent research that adds or enhances similar studies related to the development of marketing management sciences.

b. Operational Benefits

The results of this study are expected to contribute thoughts for modern retail companies in Medan City in connection with Organized Retail and store atmosphere to retail marketing performance in Medan city.

CHAPTER II: LITERATURE REVIEW

A. Organized Retail (Organized retail)

Organized retail with sustainability marketing pattern has received little attention in the field of retail study. In contrast, other issues seem to draw the attention of scholars focusing on sustainable marketing, another study has in common is that they describe and analyze existing sustainable retail approaches and initiatives as a way of learning something about the potential of sustainable retailing. Finally, there is ongoing retail research that overcomes the effect that retailers sustain the consumer's efforts. Organized retail with sustainable marketing pattern has four factors that are considered important, first retailers must engage in sustainable retail. Second, they must do it differently. Finally, retailers should be willing to give researchers access and participate in the research. The three retail organizations are thus used as examples (different) from sustainable retailing. El-Adly, (2007) found six factors that influence the mall or

retail consumer organized namely: convenience, diversity, entertainment, mall essence, luxury and comfort.

B. Store Atmosphere (Store Atmosphere)

According to J. Paul Peter (1990: 525) Store atmosphere is defined as:

primarily involves affecting the form of in-store emotional states that consumers may not be fully conscious of when shopping. Store atmosphere has significant effects on behaviour, because these emotional states are difficult for consumers to be able to verbalize.

The atmosphere of the store as a marketing communication tool designed in such a way as to meet the needs and desires of consumers and as an effort to understand consumer behavior in modern retail stores in order to stimulate interest in shopping. Changes to the store atmosphere must always be designed so as not to be boring, the customer remains loyal, and can overcome the competitors.

C. Institutional Image

Gray's (1986) definition of agency image in Long-Yi Lin and Ching-Yuh Lu (2010: 18) states, "That corporate image is the combination of consumers' perception and attitude towards a business entity. Robertson and Gatignon (1986) states that, further proposed that corporate image helps facilitate consumers' knowledge on products or services offered by a certain company and reduces uncertainty while making buying decisions. Consumers are directed to buy commodities from a company with good corporate image to reduce their risk".

The Institutional Image is a combination of consumer perceptions and attitudes towards business entities. Robertson and Gatignon (1986) further state that, Citra Institutions help facilitate

consumer knowledge on products or services offered by certain companies and reduce uncertainty while making purchasing interest. Consumers are directed to buying commodities from a company with a good Institutional Image to reduce risk. Definition of Institutional Image by Alves and Raposo (2010: 75) states that the image as the sum of beliefs, ideas, and impressions that a person has of an object. Image is the number of beliefs, ideas, and impressions a person has in perceiving an object. The above statement is also reinforced by Belanger, Mout, and Wilson (2002: 218) states that image is defined as the sum of beliefs, attitudes, stereotypes, ideas, relevant behaviors or impressions that a person holds with respect to an object, person, or organization. Imagery is defined as the number of beliefs, attitudes, stereotypes, ideas, relevant behaviors of a person. Taleghani, Mohammad and Almasi (2011: 68) explain that, brand image can be defined as the perception of a brand as reflected by the cluster of associations that consumers connect to the brand name in memory.

D. Marketing Performance

Marketing performance is a construct that is often used to measure the impact of strategies and orientations applied by the company in terms of marketing environment factor variables formed by three indicators: sales growth, customer growth, and sales volume, Johnson and Arunthanes (1995: 37). Marketing performance is a factor that is often used to measure the impact of a company's strategy. Company strategy is generally always directed to produce superior marketing performance (Pelham, 1997: 55). Marketing performance is a concept to measure the market performance of a product. Every company has an interest in measuring the market performance of its products as a reflection of business success in business competition. Narver

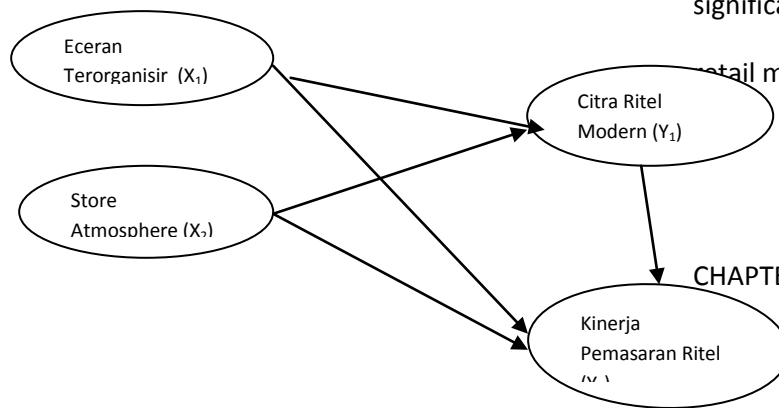
and Slater (1990) in his study of market orientation revealed that the company's goal of developing its marketing strategy was to improve the profitability of the company. To achieve a reasonable level of profitability, the company will focus its marketing management attention, recognize its customers, because the marketing philosophy shows that profits can be created through customer satisfaction perceived by customers.

influence, hence hypothesis of this research is as follows:

1. Organized Retail (Organized Retail) has a positive and significant effect to modern retail image?
2. Store Atmosphere (Store Atmosphere) has a positive and significant effect to modern retail image?
3. Organized Retail (Organized Retail) positively and influence significant to retail marketing performance in Medan city?
4. Store Atmosphere (Store Atmosphere) has a positive and significant effect

FRAMEWORK FOR THINKING AND HYPOTHESES

KERANGKA PEMIKIRAN DAN HIPOTESIS



on retail marketing performance in Medan city?

5. Modern retail image has a positive and significant impact on

retail marketing performance in Medan city.

CHAPTER III: RESEARCH METHOD

Methods Used

Image: Conceptual Framework Model

B. Research Hypothesis

Based on conceptual framework of direct influence and conceptual framework of indirect

The research of economics in this research is management science especially marketing management with focus on retail marketing related to determinant analysis affecting modern retail image and its implication to retail marketing performance in Medan city. The object of research which is endogenous variable (dependent variable) is retail marketing performance in Medan City. Based on consideration of study objectives, this research is descriptive and verifikatif. Descriptive research aims to obtain a description of the reference group variables, perceived value, organized retail,

store atmosphere and consumer psychography. While verification research aims to determine the relationship between variables through a hypothesis testing using statistical calculations (Nazir, 2011: 63), because this research is descriptive and verification research conducted through data collection in the field, the research method used is the method descriptive survey research and explanatory survey methods. The type of investigation used is causality, the type of research that states a causal relationship. The analytical unit of this study is the selected Modern Retail limited to Alfa Mart, Alfa Midi and Indo March in Medan City, while the observation unit is a consumer who shopped at modern retailers Alfa Mart, Alfa Midi and Indo March as well as store clerks (modern retail).

B. Data Sources, Populations and Sample Research

1. Data Source

Sources of data needed in this study are primary data and secondary data. Primary data were obtained from consumers who shop at Alfa Midi, Alfa Mart and Indo March as survey respondents using questionnaires and also obtained from employees of Alfa Midi, Alfa Mart and Indo March, while secondary data obtained from Annual Report PT. Midi Utama Indonesia.Tbk, PT. Sumber Alfaria Trijaya, Annual Report PT. Indoritel Makmur Internasional.Tbk. In order for the necessary data to be obtained more effectively and efficiently, it is necessary to determine the data by specifying some criteria about the data concerned, namely: what data is needed, what kind of data is specified, the number and place of the sample of the research is done.

2. Population Research

Population is the whole unit of analysis that becomes the focus of attention in research. The population in this study are consumers who shop in modern retail (focus on Consumer Alfa Midi, Alfa Mart and Indo March) Medan city in 21 District. The total population in this study is 1.642.410 people, namely the number of residents who are consumers starting from the age level of 17 years to 65 years. The age level is chosen because it can be logically accountable for what is decided.

1. Sample Research

Determination of sample using technique of proportional purposive random sampling. This research is a survey research, so in this study not all members of the population used as sample research. Furthermore, as a basis for the calculation of the sample of this study is based on personal considerations. According to Nazir (1999: 325) if the population selection as a respondent is based on personal considerations, then the sample is called judgment sample. While the amount of sample by way of sample fraction Sample fraction according to Nazir is the ratio between the size of the sample drawn divided by the number of population multiplied by one hundred percent. Formulated as follows:

$$f = \frac{n}{N} \times 100\%$$

Information :

f = sample fraction

n = number of samples

N = total population

Researcher pull sample fraction equal to 0,0124% from 1,642,410 soul hence sample amount obtained for:

$$f = \frac{n}{1.642.410} \times 100\% = 0.0124\% \approx 204.$$

C. Operational Variables

The problems studied were sourced from five construct variables namely reference group, perceived value, organized retail, store atmosphere and consumer psychography as exogenous variables in the model. Modern retail image as intervening variable, retail marketing performance as endogenous variable.

The research variables consist of Exogenous variable (X), Intervening variable (Y1) and Endogen variable (Y2). In this study the variables observed are:

1. Exogenous Variables (Independent Variables)

a) Organized Retail (X1) that is:

Organized retail is a sustainable marketing pattern with a retail concept organized with three important factors: first, retailers must engage in sustainable retailing, they must both do it differently, the three retail chains are selected rather than smaller ones.

b) Atmosphere Store (Atmosphere Store) (X2), namely:

Situation or circumstance of the place of sale or place displaying various products with a comfortable state and attract consumers. The four determinants used to assess store atmosphere according to Berman and Evan (1992: 463) are: Exterior, General interior, store layout, interior display. Exterior, ie the outside of the

store (front) that is able to describe the characteristics of the store. Exterior design that has a characteristic capable of making consumers interested to enter into the store.

2) Intervening Variable

Institutional Image Variables (Y1), namely: Institutional Image as the creation and development of positive image for a brand, can be measured through indicators on brand value dimensions, brand characteristics, and brand associations.

3) Endogen Variables (dependent variable).

Retail Marketing Performance Variables in Medan City (Y2), namely: consumer growth, sales growth and modern retail sales volume in Medan City.

D. Analysis of Structural Equation Modeling (SEM) using Partial

Least Squares (PLS)

Analysis of this research data using Structural Equation Modeling (SEM) with SmartPartial Least Squares (PLS) software with the consideration that the statistical model is quite complex and is aimed for the exploration of knowledge. Partial Least Squares Analysis (PLS) is a multivariate statistical technique that performs comparisons between multiple dependent variables and multiple independent variables (Abdillah and Jogiyanto, 2015). PLS does not assume a particular distribution to estimate parameters and predict causality relationships. Therefore, the parametric technique to test the significance of the parameters is not necessary because this model is non-parametric.

Model Rating

CHAPTER IV: RESULTS AND DISCUSSIONS

4.1 Validity Test with Loading Value and Average Variance Extract (AVE)

The following table presents the loading values of each question indicator.

Validity Testing based on Loading Value

Table 5.1 Validity Testing based on Loading Value

Tabel 5.1 Pengujian Validitas berdasarkan Nilai

Loading

Indikator	X1	X2	Y1	Y2
PX11	0.796	0.232	-0.102	0.132
PX12	0.875	-0.126	0.007	0.132
PX13	0.829	-0.034	-0.108	0.053
PX14	0.856	-0.095	0.091	-0.101
PX15	0.85	0.041	0.101	-0.209
PX21	-0.009	0.809	-0.034	0.184
PX22	-0.01	0.877	0.046	0.048
PX23	-0.094	0.847	-0.069	-0.036
PX24	0.026	0.845	-0.002	-0.114
PX25	0.088	0.84	0.057	-0.078
PY11	0.009	0.081	0.879	-0.104
PY12	0.064	-0.009	0.912	0.021
PY13	-0.027	-0.066	0.869	-0.04
PY14	-0.05	-0.056	0.864	0.106
PY15	0	0.05	0.859	0.018
PY21	-0.04	0.16	0.145	0.819
PY22	0.037	-0.093	-0.186	0.804
PY23	0.044	-0.009	-0.021	0.926
PY24	-0.059	-0.086	-0.004	0.896
PY25	0.017	0.034	0.062	0.877

Based on the loading results above, it is known that all loading values above 0.4, which means it has fulfilled the validity requirements based on the loading size. Based on loading results known:

1. Number of indicators from X1 as many as 5 indicators. Given all loading values of the indicator on the variable xx1 above 0.4, which means it has fulfilled the validity requirement based on the loading value.
2. Number of indicators from X2 as many as 5 indicators. Given the entire loading value of the indicator on the variable X2 above 0.4, which means it has fulfilled the validity requirements based on the loading value.
3. Number of indicators from Y1 as many as 5 indicators. Given the entire loading value of the indicator on the Y1 variable above 0.4, which means it has fulfilled the validity requirement based on the loading value.
4. Number of indicators from Y2 as many as 5 indicators. Given all loading values of the indicator on the Y2 variable above 0.4, which means it has fulfilled the validity requirement based on the loading value.

1. validitas berdasarkan nilai *loading*.

	X1	X2	Y1	Y2
R-squared			0.	0.633
Composite reliab	0.924	0.9	0.	0.937
Crombach'alpha	0.897	0.8	0.	0.915
Avg. Var. Extrac.	0.708	0.7	0.	0.749

Gambar 4.2 : Nilai Average Variance Extracted (AVE) dari Masing-Masing Variabel Laten

For validity testing with AVE, the recommended AVE value is 0.5. Based on the figure above, it is

known that the AVE value of X1 is 0.708, X2 is 0.713, Y1 is 0.769 and Y2 is 0.749. It is known that all AVE values are above 0.5, which means it has met the validity requirements based on AVE size.

	X1	X2	Y1	Y2
X1				
X2				
Y1	0,009	0,023		
Y2	0,034	0,008	0,003	

Gambar 4.3 : Hasil Uji Signifikansi Pengaruh Langsung

From the result of significance test of direct effect in Figure 4.3, the following results are obtained.

4.4 Evaluation of Cronbach Alpha Value and Composite Reliability (Reliability)

Reliability evaluations are assessed on the basis of alpha cronbach and composite reliability. Figure 5.2 presents the values of alpha cronbach (AC) and composite reliability (CR) for each latent variable. The recommended cronbach alpha value is above 0.7. The value of composite reliability is above 0.7. Based on the picture above, it is known:

1. The cronbach alpha value of X1 is 0.897, X2 is 0.899, Y1 is 0.925 and Y2 is 0.915. All cronbach alpha values above 0.7 are known to have qualified reliability based on alpha cronbach size.
2. The composite reliability value of X1 is 0.924, X2 is 0.925, Y1 is 0.943, and Y2 is 0.937. Given all values of composite reliability above 0.7 which means it has qualified reliability based on composite reliability measure.

4.5 Testing of the Direct Effect Hypothesis (Inner Model)

From the results of testing outer model shows that has fulfilled the validity and reliability requirements. Furthermore, inner model testing is done, which includes direct significance test (direct effect) and significance test of indirect effect / influence of mediation (indirect effect). Figure 5.3 and Figure 5.4 presented the results of direct significance test.

Path Coefficients

	X1	X2	Y1	Y2
X1				
X2				
Y1	0,234	0,41		
Y2	0,138	0,214	0,217	

P values

1. Hypothesis 1 (Direct Effect) The path coefficient value of Organized Retail variable (X1) to modern retail image (Y1) is 0,234 which is positive value. The value can be interpreted that Organized Retail (X1) have a positive effect on modern retail image (Y1). While the value of Organized Retail (X1) to modern retail image (Y1) is 0,009 <0,05 (or 5%) significance level, Organized Retail (X1) variable significantly modern retail image (Y1).

2. Hypothesis 2 (Direct Effect) The value of path coefficient from Store Atmosphere variable (X2) to modern retail image (Y1) is 0.41 which is positive. The value can be interpreted that the variable Atmosphere Store (Store Atmosphere) (X2) have a positive effect on the image of modern retail (Y1). While the value of P-values of Store Atmosphere variable (X2) to modern retail image variable (Y1) is 0,023 <0,05 (or 5%) significance level, Store Atmosphere (X2) variable has significant effect against modern retail image variables (Y1).

3. Hypothesis 3 (Direct Effect) The value of path coefficient of Organized Retail (X1) variable to retail marketing performance (Y2) is 0,138, that is positive value. The value can be interpreted that the Organized Retail (X1) has a positive effect on the retail marketing performance (Y2).

While the value of P-values of Organized Retail variable (X1) on retail marketing performance (Y2) is $0.034 < 0.05$ (or 5%), then Organized Retail (X1) has significant effect to the retail marketing performance variable (Y2).

4. Hypothesis 4 (Direct Effect) The value of path coefficient from Store Atmosphere variable (X2) to retail performance marketing variable (Y2) is 0,214 which is positive value. The value can be interpreted that the variable Atmosphere Store (Store Atmosphere) (X2) has a positive effect on retail marketing performance (Y2). While the value of P-values of store atmosphere variable (X2) to retail marketing performance variable (Y2) is $0,008 < 0,05$ (or 5%) significance level, makavariabel retail organized (X2) have significant effect to marketing performance (Y2).

5. Hypothesis 5 (Direct Effect) The value of path coefficient from modern retail image (Y1) to retail marketing performance variable (Y2) is 0,217, that is positive value. The value can be interpreted that the modern retail image (Y1) has a positive effect on retail marketing performance (Y2). While the value of P-values of modern retail image variable (Y1) to retail marketing performance (Y2) is $0,003 < 0,05$ (or 5%), modern retail image (Y1) has significant effect to retail marketing performance (Y2).

Based on the results in Figure 4.2, it is known:

1. The value of the coefficient of determination (r square) of variable Y1 is 0.56. The value can be interpreted variable X1, X2, able to explain / affect variable Y1 equal to 56%.
2. The coefficient of determination (r square) of variable Y2 is 0.63. The value can be interpreted that the variables X1, X2, Y1 able to explain / affect variable Y2 by 63%.

CHAPTER V CONCLUSIONS AND SUGGESTIONS

A. CONCLUSION

Based on the results of the analysis and discussion of the research that has been

described in the previous chapter, then some conclusions can be put forward as follows:

1. Organized Retail (Organized Retail) has a positive and significant impact on modern retail image variables.
2. Store Atmosphere (Store Atmosphere) has a positive and significant impact on modern retail image.
3. Organized Retail (Organized Retail) has a positive and significant impact on retail marketing performance in Medan City.
4. Atmosphere Store (Store Atmosphere) have a positive and significant impact on retail marketing performance in Medan City.
5. Modern retail image has a positive and significant impact on retail marketing performance in Medan City.

B. ADVICE

Taking into account the findings in data collection and analysis of research results, the suggestions that need to be put forward in this research are:

1. To maintain the modern retail image remains good, the company must pay attention to Organized Retail Variables, Store Atmosphere Variables in its marketing programs.
2. The performance of modern retail marketing must be maintained through a continuous marketing program, so that modern retail directly in the midst of society is not eroded by the rapid growth of retail on line.

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