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ANALYSIS OF FACTORS AFFECTING REPURCHASE INTENTION AT PT INDOMARCO PRISMATAMA (INDOMARET)

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Abstract

This study set out to determine if hedonic values and utilitarian values both had an effect on consumer satisfaction. 3) To examine the relationship between hedonic and utilitarian values and consumer happiness. 4) To determine how utilitarian and hedonistic values affect consumer satisfaction. The quantitative descriptive techniques used in this investigation, the procedure of collecting data via a questionnaire. The population of the research consisted of clients of PT Indomarco Prismatama (Indomaret) in Batam. The Slovin formula sampling method was used to choose up to 423 respondents. The research's conclusions are as follows: With a significance threshold of less than 0.05, the t test variable utilitarian value (X1) on customer happiness (Y) provided a value of 5.905 that was higher than the t table (5.905 > 1.9719). (0.000 0.05). The value of t arithmetic, which is more than t table (136.479 > 1.9719), is 136.479 in the hedonic variable value (X2) to Repurchase Intention with a significance of less than 0.05 (0.000 0.05). (Y). the multiple linear regression formula, Y = (-1.351) + 0.413 (X1) + 0.674 (X2) + e The study's findings suggest that hedonic and utilitarian value determinants have an impact on PT Indomarco Prismatama (Indomaret) consumers in Batam.

Keywords: Utilitarian Value, Hedonic Value and Repurchase Intention

INTRODUCTION

The growth of the modern retail business in Indonesia has been fairly rapid, and its future appears promising. This is evidenced by the emergence of many shopping complexes, including shops, supermarkets, minimarkets, hypermarkets, supermarkets, department stores, and others. Thus, between 2012 and 2015, Indonesia's consumer expenditure climbed by an average of 11.8% each year. Food spending is expected to total IDR 1,930 trillion in 2015, while non-food spending is expected to total IDR 4,369 trillion. (Indonesian Retailers Association, Media Data, 2016)

Fast-moving consumer goods (FMCG) increased by an average of 10.8% in Indonesia's contemporary retail sector (modern commerce) in 2015, with minimarkets

growing by 11% and super/hypermarkets growing by 10.6%. Modern store sales per person in Indonesia are predicted to reach \$60, with minimarkets accounting for 56% of sales and super/hypermarkets accounting for 44%. From 2012 to 2015, the Indonesian minimarket market was worth around IDR 73 trillion, with an average annual growth rate of 13.5%. Along with the increased number of businesses, competition in the retail industry will heat up.

PT Indomarco Prismatama (Indomaret) is a national corporation engaged in general commerce and retail services that operates under the brand name Indomaret minimarket and sells basic necessities and everyday necessities. Indomaret is a company that operates minimarkets in the retail industry. Indomaret outperforms its biggest competitor minimarket brand, Indomaret. This is reflected in the growth of Indomaret minimarket outlets, which totaled more than 13,726 from 2008 to March 2020.

In the first three months of 2020, PT Indomarco Prismatama (AMRT) increased the number of Indomaret outlets from 13,726 to 47. Indomaret continues to expand by adding new locations each year when large retail chains close their doors due to slow sales. Indomaret creates new stores by approaching customer locations in residential zones, much like a ball being scooped up. Almost a five-year period, Indomaret outlets added over 3,000 new stores (2016–2020). Indomaret's profits increased by 116.5% year on year in 2019 to IDR 650.14 billion.

Supermarkets and hypermarkets are sprouting up everywhere, in both big and little cities, including Batam. The existence of supermarkets and hypermarkets in metropolitan areas implies a shift in lifestyle. The time available to hunt for instruments to fit everyday needs has altered in the current conditions due to lower time demands and changing culture. This form of illness mirrors the problem of increasingly picky clients while making shopping decisions. The community likes items that are as comprehensive as possible, such as high-quality goods, delightful services, and facilities that are all conveniently located in one location, such as supermarkets, hypermarkets, and department stores.

According to Sofiyudin (2015), Ma'ruf in Yistiani stated that customers first executed their purchasing activities logically, in terms of the benefits these goods provided (utilitarian value). However, hedonic values, which are emotional values such as pleasure and amusement, impact today's purchase habits. As a result, we can see that contemporary markets are now enormously beneficial to society, particularly for those with hedonic tendencies, because they make people's shopping experiences simpler and more joyful.

Repurchase Intention is sometimes described as the level of satisfaction one feels after weighing expectations and actuality. Meanwhile, Kotler and Keller (quoted in Luh et al., 2017) state that a person's level of satisfaction—whether delighted or disappointed—is decided by how well a product performs in accordance to their expectations. The majority of happy customers will opt to make more purchases from the firm, resulting in brand loyalty. Customer pleasure with the product after use, according to Nugroho, is the foundation for consumer repurchase desire (2011). When

a product makes people happy, they are loyal to it and will continue to buy it as long as it continues to make them happy.

Customers now have an increasing number of options for where to shop as a result of the rapid growth of Batam's retail industry. Household necessities including food and beverage goods saw a dip in sales and did not sell out within a month, as is typical. Many foods and beverages deteriorate and are discarded. Academics are interested in the influence of utilitarian and hedonic values on consumer satisfaction at PT Indomarco Prismatama (Indomaret) in Batam.

According to Kazakeviciute in, customer perceived value defines consumer trust and aspirations, as well as consumer expectations after purchasing and utilizing the product or service purchased (Luh et al., 2017). As a result, one of the most important aspects of retail difference is consumer perceived value.

Helbrook and Hirschman provided a concept that was pretty close to this in (Sofiyudin, 2015), suggesting that consumer behavior oriented toward utilitarian principles will pick items logically and effectively. Customers make reasonable purchases that take into account the benefits that the product gives.

According to Kim in Kartika (2012), customers' hedonic values may motivate them to engage in purchase activities by addressing their emotional or expressive requirements, such as enjoyment, sensory stimulation, uniqueness, relaxation, and fulfillment. Emotional states achieved through social interactions and purchases can be used to achieve hedonistic aims (Yistiani et al., 2012).

A person's experience of satisfaction or unhappiness that arises from comparing perceptions or impressions of the results or advantages of a product or service consumed with consumer expectations for the product or service, according to Kotler, is mentioned in a statement from Kartika (2012).

Based on the theoretical study indicated above, the framework for this study is titled The Influence of Utilitarian Value and Hedonic Value on Repurchase Intention at PT Indomarco Prismatama (Indomaret). The researcher produced the flowchart of the framework of thought given below to help in study:

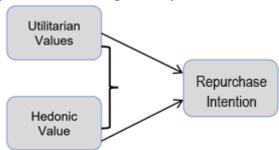


Figure 2.Framework

According to the conceptual framework, utilitarian and hedonic values have a partial and simultaneous impact on Repurchase Intention at PT Indomarco Prismatama (Indomaret).

METHODS

According to Sugiyono (2013: 23), because the research data is in the form of numbers and the analysis is based on statistics, this study adopts a quantitative research approach. When there is a difference between what should be and what happened, between rules and execution, between theory and practice, or between plans and implementation, the quantitative approach is applied. This study uses quantitative methodologies to examine utilitarian (X1) and hedonic (X2) values in relation to consumer pleasure based on the preceding context and issue formulation (Y). PT Indomarco Prismatama (Indomaret) is the study's topic, and the unit of analysis is PT Indomarco Prismatama employees (Indomaret). "Primary" means "first," according to Nazir (2011: 50)., "primary data are basic sources that are the main evidence or witnesses of past events," obtained from employees of PT Indomarco Prismatama (Indomaret), whereas secondary data are "records of an event or records that are far from the original source," obtained from PT Indomarco Prismatama (Indomaret).

The verification or causality technique is used in this research strategy. The population is 138 individuals, and the sample size is 138 people. PT Indomarco Prismatama (Indomaret) research object with PT Indomarco Prismatama personnel analysis unit (Indomaret). Data was gathered via a questionnaire, and people and leaders from PT Indomarco Prismatama were questioned (Indomaret). The analytical method used is the Multiple Linear Regression equation $Y = a + b1X1 + b2X2 + \epsilon$.

Information:

Y = Repurchase Intention

A = constant regression equation

 $bb_1, b_2, b_3 = Regression coefficient$

X1 = Utilitarian Value X2 = Hedonic Value

e = Error/ epsilon (other influencing factors)

The design hypothesis is *Utilitarian Values* and Hedonic Value influences Repurchase Intention both partially and simultaneously at PT Indomarco Prismatama (Indomaret).

- a) H0 = Utilitarian Value and Hedonic Value have no effect on Repurchase Intention either partially or simultaneously at PT Indomarco Prismatama (Indomaret).
- b) H1 = Utilitarian Value and Hedonic Value influence Repurchase Intention either partially or simultaneously at PT Indomarco Prismatama (Indomaret).

RESULTS AND DISCUSSION

Table 1. Equation of Multiple Linear Regression Results

		Unstandardized		Standardize	t	Sig.
		Coefficients		d		
				Coefficients		
Model		В	Std. Error	Beta		
	(Constant)	-1.351	2.021		668	.505
1	Utilitarian	.413	.070	.304	5.905	.000
	Hedonik	.674	.066	.525	10.192	.000

Source: Processed Results of SPSS 20 (2023)

Based on the results of multiple linear regression calculations, it can be concluded that the regression equation is:

Y = (-1.351) + 0.413 (X1) + 0.674 (X2) + e

Table 2. Coefficient of Determination (R2)

1 00010 21 0 0 0 111 0 10 10 10 11 11 11 11 (11 2)						
Model	R	R Square	Adjusted R	Std. Error of		
			Square	the Estimate		
1	.729a	.532	.528	2.998		

Source: Processed SPSS Data 20, (2023)

The regression model has a coefficient of determination (Adjusted R 2) of 0.528, according to table 2. It may be inferred that the independent variables consisting of utilitarian (X1) and hedonic (X2) variables can impact the dependent variable Repurchase Intention (Y) by 52.8%, with the remaining 47.2% influenced by additional factors not mentioned in this study.

Table 3. Simultaneous F/T Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2453.587	2	1226.794	136.47 9	.000 ^b
	Residual	2157.335	240	8.989		
	Total	4610.922	242			

Source: Processed SPSS Data 20, (2023)

Based on Table 3, the computed f value is 136,479 with a significance level of 0,000; this value will be compared to the f table. f table value with 5% error rate and degree of freedom (df) = (nk): (k-1). The sample size (n) is 243, and the number of study variables (k) is three. So df = (243-3): (3-1), which equals 3.04 at a Repurchase Intention rating of 95% (= 5%). So, if f count > f table (136.479> 3.04) and a significance level of 0.000 is less than 0.05 (0.000 0.05), H3 is accepted, indicating that all independent variables (utilitarian and hedonic values) have a significant influence on the variable dependent (Repurchase Intention).

T Test (Partial)

Table 4. T Test (Partial)

Variabel	T	Sig.	T tabel	Alpha	Keterangan	
UTILITARIAN	5.905	0.000	1.971.90	0.05	Signifikan	
HEDONIK	10.192	0.000	1.971.90	0.05	Signifikan	

Source: Processed SPSS Data 20 (2023)

In table 4. it can be concluded as follows:

- a. The t-count value is 5.905 based on the findings of the utilitarian value variable processing. Because the computed test results are more than the t-table (5.905 > 1.97190), H1 is approved and Ha is rejected at a significant level of 0.05. This suggests that the variable utilitarian value has a major impact on consumer satisfaction.
- b. The t-count value is 10.192 based on the processing results of the hedonic value; because the computed test results are more than the t-table (10.192 > 1.97190), H1 is allowed and Ha is denied at a significant level of 0.05. This implies that the hedonic value variable has a substantial impact on consumer satisfaction.

The results of the t-test analysis are shown in the table above, which shows that the partial effect of the X1 variable (utilitarian value) is 0.000 and the alpha value is 0.05, indicating that the effect of the X1 variable (utilitarian value) on satisfaction is significant, because the significance value is 0.000 from alpha 0.05 and t count value 5.905 > t table 1.97190, indicating that the hypothesis is accepted. While the influence of variable X2 (hedonic value) on satisfaction is substantial, the hypothesis may be accepted since the significance value is 0.000 from alpha 0.05 and the t-count value is 10.192> t-table 1.97190.

The Effect of Utilitarian Variables on Repurchase Intention.

It has also been proven from the results of testing hypothesis 1 that there is an influence between utilitarian values and Repurchase Intention, as the t results of the utilitarian value variable are 10,192 and the t table value is 1.97190 with a significant value of 0.000 0.05, while simultaneously testing the variable utilitarian values and hedonic values have a simultaneous effect on cu For an R2 (R Square) value of 0.532, or 53.20%. This test statistically indicates that utilitarian value has a positive effect on Repurchase Intention, implying that utilitarian value factors have an impact on customer happiness at PT Indomarco Prismatama (Indomaret).

The majority of respondents agreed to statements linked to utilitarian values in the NU5 statement "Lots of discounts and offers when shopping at PT Indomarco Prismatama (Indomaret)" with a weight of 1006. The majority of PT Indomarco Prismatama (Indomaret) respondents agreed to the statement about discounts at PT Indomarco Prismatama (Indomaret). As a result, we may conclude that discounts have the greatest impact on consumer happiness from both utilitarian and hedonic perspectives.

This is consistent with previous research conducted by (Sofiyudin, 2015) titled The Influence of Utilitarian Value and Hedonic Value on Consumer Satisfaction at Indomaret Point Colombo Yogyakarta Branch, which found that Hedonic Value and Utilitarian Value affect Repurchase Intention both partially and simultaneously.

The Effect of Hedonic Variables on Repurchase Intention.

The results of testing hypothesis 2 have proven that there is an influence between the hedonic value and Repurchase Intention, with the t results of the hedonic value variable of 5.905 and the t table value of 1.97190 with a significant value of 0.000 0.05, whereas Simultaneous test of the variable hedonic value and utilitarian value has a simultaneous effect on Repurchase Intention. For an R2 (R Square) value of 0.532, or 53.20%. This test statistically indicates that the hedonic value has a positive effect on Repurchase Intention, implying that the varied usage of hedonic values has an effect on customer happiness at PT Indomarco Prismatama (Indomaret).

According to Helbrook in (Tanojohardjo et al., 2014), hedonism is driven by a desire to have fun and be playful; so, hedonic expresses the qualities of shopping experiences such as fantasy, passion, sensory, stimulation, enjoyment, pleasure, curiosity, and escapism.

The majority of consumers agreed to statements related to the hedonic value of PT Indomarco Prismatama (Indomaret) in the NH8 statement, namely "respondents feel happy shopping at PT Indomarco Prismatama (Indomaret) when there are discounts price" with a weight of 1059 based on their responses to the hedonic value variable. Thus, the value of customer delight is met when PT Indomarco Prismatama (Indomaret) offers a discount that is appealing even if the client did not intend to make a purchase at the moment. Customers may experience the excitement/enjoyment of shopping without having to worry about the price with this discount. As may be seen, the fulfillment of the customer's requirements.

This is consistent with previous research conducted by (Sofiyudin, 2015) titled The Influence of Utilitarian Value and Hedonic Value on Consumer Satisfaction at Indomaret Point Colombo Yogyakarta Branch, which found that Hedonic Value and Utilitarian Value affect Repurchase Intention both partially and simultaneously.

CONCLUSION

Based on the findings of the study and debate titled "The effect of utilitarian values and hedonic values on Repurchase Intention," the following conclusions can be drawn:

- a. According to the test results, the hedonic value variable has a considerable influence on consumer satisfaction. This suggests that the higher the hedonic value of PT Indomarco Prismatama (Indomaret), the higher the customer happiness.
- b. The test results show that partially the utilitarian value variable has a significant effect on Repurchase Intention. This means that the better/increased utilitarian value owned by PT Indomarco Prismatama (Indomaret), the greater the Repurchase Intention obtained.
- c. The test findings reveal that the variable utilitarian values and utilitarian hedonic values impact each other, therefore it can be concluded that the better/increased utilitarian values and hedonic values possessed by PT Indomarco Prismatama (Indomaret), the higher the Repurchase Intention.
- d. The R Square is 0.532 or 53.20%, indicating that the variable Repurchase Intention is driven by the utilitarian value variable and the hedonic value of 53.20%, while the remaining 46.80% is influenced by other variables outside of this research.
- e. The average number of respondents' replies to hedonic values is 3.87, indicating that the majority of respondents agreed with the hedonic values of PT Indomarco Prismatama (Indomaret). With a weight of 1,059 in the eighth statement, this suggests that respondents are satisfied purchasing at PT Indomarco Prismatama (Indomaret) when there is a discount.
- f. The average number of respondents' replies to utilitarian values is 3.98, indicating that the majority of respondents agree with the utilitarian ideals that exist in PT Indomarco Prismatama (Indomaret). The 5th statement has the highest weight with a weight of 1006, indicating that there are several discounts and deals available while buying at PT Indomarco Prismatama (Indomaret).

The average answer of respondents to Repurchase Intention is 3.80, indicating that the majority of respondents agreed with the satisfaction that exists at PT Indomarco Prismatama (Indomaret). With a weight of 955 in the eighth statement, this suggests that

the responder has never been disappointed when shopping at PT Indomarco Prismatama (Indomaret). Based on the results of research, discussion, and conclusions with the title value influenceutilitarian and hedonic values on Repurchase Intention PT Indomarco Prismatama (Indomaret) in Batam, here are some suggestions that can be conveyed:

- a. The lowest score was derived from the findings of respondents' replies to the hedonic value variable, specifically in the statement item Nh1 "shopping at PT Indomarco Prismatama (Indomaret) is an adventure" with a weight of 750. As a result, the researcher makes recommendations to the company/PT Indomarco Prismatama (Indomaret) to pay more attention to consumer purchasing excitement by making the store ambiance more pleasant, so that customers feel more passionate about shopping.
- b. The statement item Nu1 "in PT Indomarco Prismatama (Indomaret) I can find a wide selection of items that I can pick from" had the lowest score based on the results of respondents' replies to the utilitarian value variable. As a result, the researchers make advice to PT Indomarco Prismatama (Indomaret) so that they may continue to update the latest items so that clients are not bored and have more options.

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