

# The Effect of Visual Merchandise and Store Atmosphere on Purchase Decision with Hedonic Orientation as Moderator

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## Abstract

The development of the retail industry in Indonesia has been affected by the COVID-19 pandemic that has entered Indonesia since 2019. To restore the situation, retail business players must find ways to increase their turnover through increased sales which can be achieved by purchasing decisions by consumers. This study examines the effect of visual merchandise and store atmosphere on purchase decisions moderated by hedonic orientation. This research uses customers of the KKV store in Surabaya as objects, and there are 110 valid samples obtained from the data collection using a questionnaire. The results showed that visual merchandise, store atmosphere, and hedonic orientation significantly affect purchase decisions. In addition, hedonic orientation as a moderator does not significantly affect purchase decisions. These findings could enrich the current research in Marketing management. In addition, these results imply that store managers could encourage the purchase decision through improving the visual merchandise and store atmosphere.

**Keywords:** Hedonic Orientation, Purchase Decision, Store Atmosphere, Visual Merchandise.

## 1. Introduction

The development of the retail industry in Indonesia experienced a decline from mid-2019 to 2020, and then in 2021, the retail sector again showed an increase. Based on data, predictions regarding retail sales in Indonesia in 2021 will improve. This can be influenced by handling the COVID-19 pandemic, which the Indonesian government is increasingly carrying out. The competitive business competition requires business actors/people to continue to survive and innovate for business continuity, and retail business players are no exception. Many business strategies can be used to keep the business running. One way that companies can do this is to increase their sales turnover. Sales turnover can be obtained from the sale of goods to consumers. In other words, business people must be able to increase the attractiveness and buying interest to buy products at the store or what can be called a purchase decision (Hashem, 2019; Halim et al., 2020).

According to Hashem (2019), currently, stores are designed to make customers make purchasing decisions quickly. Factors that can affect consumer purchases are visual merchandise (presentation of goods/products in stores) and store atmosphere (store atmosphere). Visual merchandising is a general term in product management where product appearance in retail stores is of great concern (Chasity, 2012). One of the goals of visual merchandising is to make consumers feel comfortable and ensure that consumers can stay in the store longer to increase

their buying decision opportunities (Thomas, 2018; Cordova et al., 2020; and Akhilendra & Aravendan, 2023).

The next factor is the store atmosphere (Marso & Idris, 2022). According to Akram (2016), the concept of store atmosphere is an attempt to design a store environment to create specific emotional effects on consumers to increase their purchasing opportunities. The store atmosphere is also defined as the physical characteristics and influences surrounding a retail store that are used to attract consumer interest. Store atmosphere can be in equipment, store cleanliness, color, theme, layout, temperature, aroma, music, lighting, etc. Store atmosphere contributes to creating consumer shopping convenience, which is expected to improve their purchasing decisions.

According to a study by Scarpi (2021), the shopping orientation variable is identified and grouped into two, namely hedonic shopping orientation and utilitarian shopping orientation. Hedonism/hedonic orientation is the festive side of shopping. It is associated with fun and joy, while utilitarianism is on the opposite side, where utilitarianism represents a shopping orientation related to tasks and products purchased efficiently. Hedonism is synonymous with joy and pleasure, and shopping is not because of the need for certain goods but for more abstract reasons such as escapism, exploration, and fantasy that go beyond the physical character of the product. At the same time, utilitarianism refers more to where individuals or consumers look for certain products and evaluate the real features of the product to maximize efficiency

(Scarpi, 2021). Therefore, this study uses hedonism (hedonic orientation) as a moderator variable.

The objects used in this study are newly established stores in areas in Indonesia such as Jakarta and Surabaya. The visual merchandise and store atmosphere of the research object are also unique and have never been studied before. The object used in this study is the Surabaya KKV Store. KKV store is a retail business founded in Shenzhen, China. KKV provides consumers with the highest quality products, guaranteeing they will find their needs in the store and maintain customer satisfaction. The selection of KKV as the object in this study is because, from the visual side of the merchandise and the store atmosphere, the store is unique and interesting. KKV's visual merchandise is unique compared to other retail stores, with a neat arrangement, harmonious color placement, unique items, and so on can support the store's appearance and make consumers interested in shopping at the store. In addition, the store atmosphere also adds to the convenience of consumers in shopping. The dominant yellow color that matches the color of the KKV logo, lighting, room temperature, and so on can improve the consumer's shopping experience.

Research related to visual merchandises and atmosphere has been widely conducted, but the results of the research show that there are no consistent results. This study aims to analyze the effect of visual merchandise and store atmosphere on purchasing decisions. In addition, this study also aims to analyze the effect of whether hedonic orientation moderates the influence of visual merchandise and store atmosphere on purchasing decisions.

## 2. Literature Review

### 2.1. Visual Merchandise

According to Pegler (2006); Seock & Lee (2013) Zolkifly & Baharom (2016); and Upadhyay et al., (2023) visual merchandising is the best merchandise presentation, color coordination, easiness of looking at or touching any merchandise, and self-explanatory. Visual merchandise measurement usually focuses on store appearance, consisting of storefronts in layouts, store owners, and interior displays (Zolkifly & Baharom, 2016). According to Chugan (2013), visual merchandising is a technique to create euphoria in the industry through presentations displayed in stores.

The selection of Visual Merchandise indicators is adjusted to the condition of the object of research, namely the Surabaya KKV store, which has attractive product displays. Based on research by Chugan (2013), there are several indicators of visual merchandise, namely: window display/storefront display; in-store

form/display of new arrival products on display shelves; promotional signage/promo product information; and floor merchandising or color display presentation (display of goods according to color).

### 2.2. Store Atmosphere

According to Akram (2016), Store Atmosphere is an effort to design a store environment to produce certain emotional effects on consumers that can increase purchase opportunities. Measurement of store atmosphere in previous studies generally refers more to lighting, temperature, music, store aroma, and so on. Logkizidou (2016) and Marso & Idris (2022) define store atmosphere as a conscious room design to create a particular effect on consumers.

In this study, the selection of the Store Atmosphere indicator follows the condition of the Surabaya KKV store, whose outlets are located in the mall where the indicators can be examined on the object of this research. According to Kotler and Armstrong (2014) and Levy et al. (2004), store atmosphere indicators include product visuals; room temperature; room cleanliness; type of music; and aroma (scent).

### 2.3. Purchase Decision

This study defines purchase decisions as when customers decide whether to buy a particular product or service (Monoarfa, 2021). According to Hanaysha (2017), purchasing decisions involve a sequence of choices formed by a person (in this case, the consumer) before they make a purchase that begins when they have the will to fulfill their needs. Kotler & Armstrong (2017) in Cordova (2020), in many cases, consumer purchasing decisions can be influenced by cultural, social, personal, and psychological characteristics. Therefore, purchasing decisions depend on many factors that can affect the minds of consumers, after which consumers will decide to buy or not to buy the product or service (Wilis & Faik, 2022).

The selection of purchase decision indicators follows the operational definitions described. According to Kotler & Armstrong (2018) in Hartono (2021), there are several indicators of purchasing decisions: the need to buy products, habits in buying products, and stability in a product.

### 2.4. Hedonic Orientation

According to Grappi et al. (2011) in Bongomin et al. (2021), hedonism is defined as a reflection of the emotional value of a given experience that represents an expression of what is received in terms of enjoyment and pleasure. Hoffmann (2018), in Lopez

et al. (2016), define hedonism as a human value that comes from the motivational goal of happiness or sensual gratification for oneself.

The selection of the hedonic Orientation variable indicator in this study is adjusted to the operational definition of the variable described and adapted to the habits of consumers who visit or even shop at the Surabaya KKV store. Indicators of hedonic Orientation by Zhang et al. (2018) used in this study are as follows: enjoyment while shopping; the desire to break away from routine; the willingness to enjoy time; and the desire to enjoy the company of others.

## 2.5. Relationship Between Concepts

Based on Hashem (2019), visual merchandise has a positive effect on Purchase Decisions; a good store layout or visual merchandise can create a positive experience for consumers by facilitating them in making it easier for consumers to find the products they are looking for and providing signage or adequate signs/instructions and a logical store layout. Visual merchandise positively correlates to purchasing decisions described by people who perceive innovation in products through visual merchandising to positively influence the selection and purchase of a product (Cordova, 2020). The results of research by Khan and Kumar (2016) state that visual effects in visual merchandising can cause a desire in the minds of consumers to buy a product. Khan & Kumar (2016) support the results of previous research that visual merchandise has a significant positive effect on purchase decisions.

H<sub>1</sub>: Visual Merchandise has a significant positive effect on purchase decisions.

Retail stores can use adequate techniques to support the convenience of the store environment (lighting, decoration, music, and aroma) to increase the likelihood of their purchasing decisions (Cordova, 2020). According to Akram (2016), a store with a good and attractive environment can influence many customers and encourage them to buy products in the store. The overall product, price, promotion, and store environment contribution to consumer purchasing decisions (Proboyo & Kusuma, 2019; Monoarfa, 2021). In this case, the store environment or atmosphere has a powerful influence on purchasing decisions. Therefore, Monoarfa (2021) also supports the results of previous research, which states that store atmosphere has a significant positive effect on purchase decisions.

H<sub>2</sub>: Store atmosphere has a significant positive effect on purchase decisions.

The results of research by Behe et al., 2015 in Mundel (2018) show that when consumers are presented with products that are considered hedonic, consumers are more likely to spend more time looking at the product. This indicates that hedonism plays a role in the relationship between visual merchandise and purchase decisions (Wilis & Faik, 2022). Furthermore, according to Meenakumari (2013) in Rathee & Prakash (2017), a similar study was conducted to determine the role of visual merchandise in purchasing decisions in supermarkets in Chennai city, and the result is that these factors have an essential role in buying decisions. This result indicates that visual merchandise with a hedonic Orientation can strengthen consumer purchasing decisions.

H<sub>3</sub>: Hedonic orientation acts as a moderator in the relationship between visual merchandise and purchase decisions.

Grappi & Montanari (2011), and Bogomin et al. (2019) argue that hedonism / hedonic orientation reflects the emotional value of a given experience that represents the return received in terms of enjoyment and pleasure. According to Ballantine et al. (2010) in Bogomin et al. (2019), hedonism / hedonic orientation is expressed through the joy and pleasure that is felt over the use of the purchased product or through the pleasure and new experiences obtained when using the purchased product. The Store Atmosphere concept, designed to produce certain emotional effects on buyers, can increase purchase opportunities (Akram, 2016). From this description, the store atmosphere with a hedonic Orientation can strengthen consumer purchasing decisions.

H<sub>4</sub>: Hedonic orientation acts as a moderator in the relationship between store atmosphere and purchase decision.

According to Hausman (2000), and Park et al. (2005), hedonic orientation has a fairly important role in consumer purchases. Hedonic desires often drive consumers, or there are factors other than economic factors, such as pleasure, fantasy, social, or emotional influence. When consumers shop to fulfill hedonic satisfaction, the products they choose or buy at the store may not follow the original plan due to the fulfillment of hedonistic needs. Consumers' willingness to pay higher prices for hedonic products can be influenced by appearance, resources, and diversity of individuals within the community (O'Curry et al. (2011). Kotler and Armstrong, 92017) in Cordova (2020), consumer purchasing decisions in many ways. Cases can be influenced by a person's cultural, social, personal, and psychological characteristics.

H<sub>5</sub>: Hedonic orientation has a significant positive effect on purchase decisions.

Based on the background and theoretical basis described above, a research model was developed, as seen in Figure 1. This model illustrates the relationship among the constructs involved in this research.

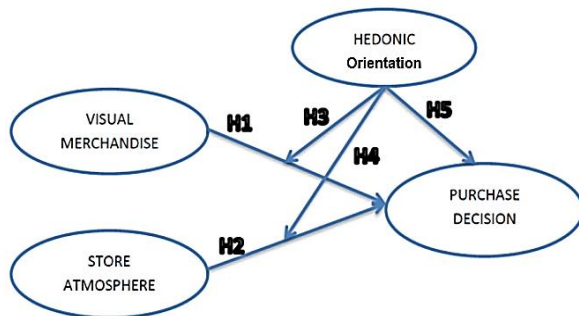


Figure 1. Research model

### 3. Methods

The type of research used is quantitative research. According to Creswell (1994), quantitative research is research on social problems based on testing a theory consisting of variables measured by numbers and analyzed using statistical procedures to determine predictive generalizations about the truth of the theory used. This study aims to determine the relationship between Visual Merchandise and Store Atmosphere on Purchase Decisions with the moderator Hedonic Orientation at the Surabaya KKV store. This study uses the technique of Non-Probability Sampling-Purposive Sampling. This technique provides unequal opportunities for each element or member of the research population selected to be the sample. Purposive Sampling is a research sample used based on certain considerations to ensure that the data obtained can be more representative. One consideration of the sampling criteria used in this study is that those who have shopped at the Surabaya KKV store for at least the last three months are at least 17 years old. This criterion ensures that the respondent understands the nature of this study and that their response is as expected. The data collection is conducted by distributing the questionnaire to customers of KKV Surabaya during the visit to KKV or through social media and e-mail.

There are 145 data collected, and 110 data are considered valid. Questionnaires were answered using a five-point Likert scale, with one meaning strongly disagree and five meaning strongly agree. Data were analyzed using the SEM method and smartPLS software 3. Partial Least Square (PLS) is a research method that supports the SEM model and allows re-searchers to do predictive research (Ghozali, 2015). The PLS

technique used bootstrapping to calculate the path coefficient, t-value, and p-value. The PLS also assesses the measurement model before proceeding to the hypothesis investigation.

The first analysis stage is measurement model assessment consisting of indicator validity and reliability. Further analysis examines the hypothesis to investigate whether it is supported or not. An indicator is considered valid once the factor loading is greater than 0.5. Furthermore, the block of indicators is considered reliable once the composite reliability, The Cronbach' Alpha, is greater than 0.70, and the Average Variance Extracted (AVE) is greater than 0.5. A hypothesis is supported once the t-value is more significant than 1.96 or the p-value is less than 0.05. Data collection used a questionnaire distributed through email or social media. The store atmosphere is measured using four indicators: product visuals; room temperature; room cleanliness; type of music; and aroma (scent). The purchase decisions are assessed using three indicators: the need to buy products, habits in buying products, and stability in a product. The Visual merchandise measurement use, namely: window display/storefront display; instore form/ display of new arrival products on display shelves; promotional signage/promo product information; and floor merchandising or color display presentation. The hedonic orientation used the indicators as follows: enjoyment while shopping; the desire to break away from routine; the willingness to enjoy time; and the desire to enjoy the company of others. These indicators will be examined to determine whether they are valid and reliable before proceeding to the next analysis step.

### 4. Results

Data was collected by distributing questionnaires which were conducted online through Google Forms. The samples obtained were 145 samples which were then screened to obtain a total of 110 samples. The data were then tested for validity and reliability in research. In addition, respondents were asked to fill out a questionnaire regarding visual merchandise, store atmosphere, purchase decisions, and hedonic orientation according to how they felt when they visited the KKV store Surabaya.

#### 4.1. Characteristics of Respondents

Characteristics of respondents who filled out the questionnaire were those who were at least 17 years old and had shopped at the Surabaya KKV store for at least the last three months. Table 1 is a profile based on the gender, age, and income of respondents.

**Table 1.** Profile of respondents

Parameter		Frequency	%
Gender	Male	34	30.9
	Female	76	69.1
Age	17 - 25 years	53	48.2
	26 - 35 years	51	46.4
	> 36 years	6	5.5
Income	< 3 million	10	9.1
	3 - 5 million	25	22.7
	5 - 10 million	51	46.4
	> 10 million	24	21.8

From Table 1, it can be seen that of the 110 respondents, 30.9% were male and 69.1% female. Respondents aged 17-25 were 48.2%, 26-35 years 46.4%, and over 36 years 5.5%. These data show that most people who shop at KKV Surabaya stores are aged 17-25 years, followed by people aged 26-35. Therefore, it can be said that young buyers more often visit KKV stores. Judging by the income of respondents, 9.1% of respondents have income below 3 million Rupiah, respondents with an income of 3 to 5 million Rupiah are 22.7%, respondents with an income of 5 to 10 million Rupiah are 46.4%, and 21.8% of respondents have income above 10 million Rupiah. From these data, it can be seen that most buyers who shop at KKV Surabaya stores have sufficient income (middle class) of around 5-10 million Rupiah.

#### 4.2. Analysis

This study used smartPLS software to determine the relationship between Visual Merchandise and Store Atmosphere on Purchase Decisions with a Hedonic Orientation moderator at the Surabaya KKV store. This PLS analysis was chosen by considering the number of research samples that were not too many, namely as many as 110 samples. The research continued with the evaluation of the outer model and inner model to test the indicators in the study and the latent variables in the study. In the outer model, validity and reliability were tested for the indicators of each variable used in the study. The first validity test is convergent validity. This study uses a loading factor greater than 0.5 to reflect a correlation that can be said to meet convergent validity (Ghozali, 2018). The cross-loading value of each construct has a more excellent value in each research instrument used. Thus, the research instrument has been measured as it should be so that the numbers declared valid can be used for further analysis at the next stage. The highest value in the Hedonic Orientation (HD) variable is found in the HD 1.3 indicator, with a value of 0.909. In this case, customers' desire to enjoy the time spent at the Surabaya KKV store is more prominent than other indicators.

Then for the Purchase Decision (PD) variable, the largest value is found in the PD 1.3 indicator, which is 0.926. In this case, it means that stability in a product most influences consumer purchasing decisions compared to others. Store Atmosphere (SA) in this study showed the highest cross-loading value on the SA 1.3 indicator, which was 0.874, indicating that room cleanliness was essential in the Surabaya KKV store. The next variable is Visual Merchandise (VM). In this study, the highest VM cross-loading value is found in the VM 1.3 indicator, which means that promotional signage/promo product information at KKV stores is the most prominent thing compared to other visual merchandise indicators. All indicators in this study were declared valid. All variables meet the requirements and have a mean above 0.5. For reliability, the criteria used are Cronbach's Alpha value greater than 0.6, Composite Reliability value greater than 0.7, and AVE greater than 0.5. Based on Table 2, all variables can be categorized as reliable because they have values above the criteria.

**Table 2.** Reliability test

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
<i>Visual Merchandise</i>	0.812	0.876	0.639
<i>Store Atmosphere</i>	0.775	0.842	0.523
<i>Hedonic Orientation</i>	0.920	0.943	0.806
<i>Purchase Decision</i>	0.850	0.910	0.771

Inner model analysis was conducted to determine the effect of each independent variable on the dependent variable following the hypothesis in the study. Hypothesis testing uses t-statistic criteria  $> 1.96$  and p-value  $< 0.05$ , associated with a significant level of 5%, so the hypothesis can be accepted.

Based on Figure 2 and Table 3, the hypothesis states that Visual Merchandise (VM) affects Purchase Decision (PD) is acceptable, evidenced by the calculated t value = 2.762 (meaning  $> 1.96$ ) and P-values of 0.006 (meaning  $< 0.05$ ), then  $H_1$  is accepted. Second, the hypothesis which states that Store Atmosphere (SA) affects Purchase Decision (PD) can be accepted in this study, as evidenced by the calculated t value = 2.093 (meaning  $> 1.96$ ) and P-values 0.037 (meaning  $< 0.05$ ), then  $H_2$  is accepted.

Third, based on the table 3, it can be seen that in the moderating effect 1, the impact of the moderating variable Hedonic Orientation (HD) in the relationship of Visual Merchandise (VM) to Purchase Decision (PD) has no effect as evidenced by the calculated t value of 1.513 which means less than

1.96; P-Values 0.131 which is greater than 0.05. Thus, the hypothesis in this study states that if the relationship between Visual Merchandise and Purchase Decision with the moderator's Hedonic Orientation is rejected (unacceptable), then  $H_3$  is rejected. Fourth, the moderating variable Hedonic Orientation in the Store Atmosphere Relationship on Purchase Decision has an impact as evidenced by the calculated  $t$  value of 3,078 greater than 1.96 and P-values of 0.002 less than 0.05. Thus, the hypothesis in this study states that if the relationship between Store Atmosphere and Purchase Decision with the Hedonic Orientation moderator is accepted, then  $H_4$  is accepted. Fifth, the hypothesis stating that Hedonic Orientation affects Purchase Decisions can be accepted in this study. This can be proven by the calculated  $t$  value of 3.062, greater than 1.96, and the P-value of 0.002, less than 0.05, then  $H_5$  is accepted.

**Table 3.** Hypothesis test

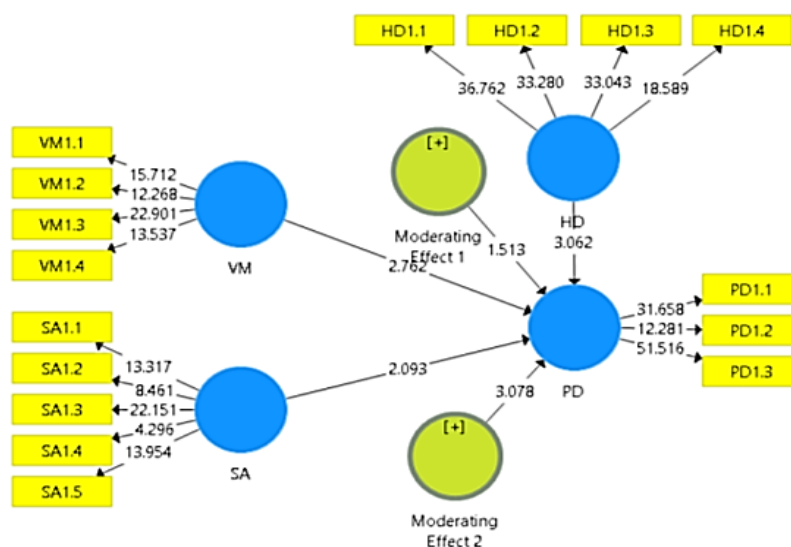
	Path Coefficient	t Statistics	P-Values	Information
VM → PD	0.181	2.762	0.006	Hypothesis accepted
SA → PD	0.186	2.093	0.037	Hypothesis accepted
Moderating Effect 1 → PD	0.138	1.513	0.131	Hypothesis rejected
Moderating Effect 2 → PD	-0.240	3.078	0.002	Hypothesis accepted
HD → PD	0.504	3.062	0.002	Hypothesis accepted

## 5. Discussion

The results show that Visual Merchandise affects Purchase Decisions. Therefore, visual Merchandise influences encourage respondents to make

Purchase Decisions. The results also show that promotional signage/promo product information at the KKV Surabaya store is the most prominent thing influencing consumer purchasing decisions. The results of this study support previous research conducted by Cordova et al. (2020), which stated that visual effects in visual merchandise could cause a desire in the minds of consumers to buy a product. It has been widely observed that the more time customers spend in the store, the more likely they are to purchase the merchandise. Retailers can use this concept to increase product sales in their stores. An example of an application that can be carried out by the company's managerial side (Surabaya KKV store) is related to visual merchandise; namely, The company can make repairs and improve the arrangement of unique storefront displays, display new arrival products on store display shelves to be made as attractive as possible and follow current trends, and Color display presentation or display of goods that match colors must also be paid more attention (for example, do not mix colors.

In this study, based on the hypothesis test data that has been done, it was found that the Store Atmosphere affects Purchase Decisions. Based on the study's results, it can also be seen that in the KKV store, product visuals are the most prominent. Respondents also strongly agree that the visuals of KKV store products are excellent (high mean value) or store atmosphere has a powerful influence on purchasing decisions. The acceptance of the Store Atmosphere hypothesis that influences Purchase Decisions supports the theories described in the previous chapter. An example of an application that can be done by the Surabaya KKV managerial in paying attention to the Store Atmosphere at the Surabaya KKV store is based on the results of the study it can be seen that overall both in terms of product visuals, room temperature, cleanliness, type of music, and store aromas are very



**Figure 2.** Research model and analysis result

good and things This cannot be eliminated because it can support the operation of the Surabaya KKV store. Considering that KKV Surabaya outlets are located in malls, it can benefit the condition and quality of the Surabaya KKV Store Atmosphere. An example of the application is the KKV store presents their product visually in an attractive manner, the room temperature is made as comfortable as possible (air conditioning temperature setting), the cleanliness of room must be kept clean, the type of music that is played must be suitable with environmental conditions (inappropriate music genres are played, for example, music), rock, dangdut; more suitable for pop music), then the smell of the room must also be made fragrant (for example, there is an automatic perfume spray that can be placed in the corners of the room).

The results showed that Visual Merchandise with Hedonic Orientation as a moderator had no effect on Buyer Decisions. Based on the research of Guerreiro et al. (2015) in Mundel (2018), it is known that when consumers are treated to products that are considered hedonic, consumers are more likely to spend more time looking at products. This can indicate that hedonism plays a role in the relationship between visual merchandise and purchase decisions. However, the study results show that attractive Visual Merchandise is not enough to make customers make purchases due to the need for the desired goods and their availability in the store. There will be no interest in making a Purchase Decision if the required items are unavailable. According to Bolton et al. (2018), and Kang et al. (2021) regarding the SOR (Stimulus-organism-Response) theory, where the results of the study show that Visual Merchandise accompanied by Hedonic Orientation as a moderator variable does not affect Purchase Decision, it can be said that the response of visitors/consumers of KKV stores Surabaya can be in the form of Pleasure, Arousal, or Dominance; not a buying decision. Therefore, Visual Merchandise with a Hedonic orientation (related to SOR theory) does not affect Purchase Decisions. So Hedonic Orientation as a moderator does not play a role (strengthen or weaken) in the relationship of visual merchandise to the purchase decision. This finding is contradictive with previous studies, which conclude that hedonic orientation could strengthen the relationship between visual merchandise and store atmosphere on purchase decisions.

Similarly, based on the hypothesis test data, it was found that the Store Atmosphere affected the Purchase Decision with the Hedonic Orientation moderator. According to Zhuang et al. (2005), Wu et al. (2014); Chi et al. (2021) the buyer's emotional state significantly influences consumers' shopping intentions and perceived value. Buyer's mood influences Purchase Decision; it proves that unhappy and unhappy buyers make fewer purchases than happy buyers. From this description, the Store Atmosphere with Hedonic Orientation can weaken consumer purchasing decisions. Regarding the theory

of SOR (Stimulus–Organism–Response), Store Atmosphere accompanied by Hedonic Orientation as a moderator variable can weaken the influence on Purchase Decision, the response of visitors/consumers of the Surabaya KKV store can be in the form of Pleasure, Passion (Arousal), or Dominance (Dominance); not a buying decision. Therefore, the influence of Store Atmosphere accompanied by Hedonic Orientation (related to SOR theory) can weaken its relationship to the Purchase Decision. In addition, consumer habits in doing window shopping can also weaken their purchasing decisions. Thus, the hypothesis in this study, which states that the Store Atmosphere affects Purchase Decisions with a Hedonic orientation moderator, can be accepted.

In addition, it was found that Hedonic Orientation affected Purchase decisions. This study supports previous research conducted by (Kotler & Armstrong 1992) in Cordova (2020), where consumer purchasing decisions, in many cases, can be influenced by a person's cultural, social, personal, and psychological characteristics. Hedonism / Hedonic Orientation is expressed through the joy and pleasure that is felt over the use of the purchased product or through the pleasure and new experiences obtained when using the purchased product. According to Hausman (2000) in Park et al. (2005), hedonism is fairly important in consumer purchases. Hedonic desires often drive consumers, or there are factors other than economic factors, such as pleasure, fantasy, social, or emotional influence. Therefore, in this study, it can also be stated that Hedonic Orientation is related to purchase decisions. Thus, the hypothesis in this study states that Hedonic Orientation affects Purchase Decisions and can be accepted. Although Hedonic Orientation is a variable that is beyond the control of the company, based on the descriptive table, it can be seen that the average KKV store visitors have felt hedonism in the store (high mean value). Hedonic orientation depends on each individual (buyer), which means it is external or outside the company's authority. In the application, when shoppers enjoy shopping, they want to break away from routine and enjoy time and company with other people; these things do not necessarily affect their purchasing decisions. Buyers make purchasing decisions because they feel the need, are used to buying products at the store, and feel confident buying them. Therefore, the KKV store can provide products that customers need and must maintain the quality of these products so that customers who buy their products feel stable.

Therefore, managers can consider better visual merchandising that suits their store to help customers make better purchase decisions and can be easier to influence customers to buy certain products. KKV Surabaya is located in malls, so paying attention to store cleanliness, choice of music, color, merchandise placement, and aroma will be very important to attract and influence customers. This study also contributes theoretically to marketing management, especially visual merchandising and purchase

decisions. Hedonic orientation in this re-search acts as a moderating variable, which means hedonic orientation only helps independent variables to have a stronger or weaker effect on dependent variables. Therefore, the next study can use hedonic orientation as an independent or mediating variable, with purchase decision as the dependent variable. Also, doing this research on other objects may give different results than this research.

## 6. Conclusions

As stated previously, the objective of this study is to analyze the role of visual merchandise and store atmosphere on purchase decisions moderated by hedonic orientation. Based on the results, it can be concluded that visual merchandise and store atmosphere affect purchase decisions. Hedonic orientation affects purchase decisions. However, hedonic orientation is a moderating variable; the results weaken the effect, even if it does not affect purchase decisions. Therefore, hedonic orientation as a moderator variable between visual merchandise and purchase decision is declared to have no effect. This result means that hedonic orientation does not strengthen or weaken the relationship between visual merchandise and purchase decisions. Hedonic orientation, as a moderating variable in the relationship between store atmosphere and purchase decision, is stated to have a negative effect and weaken the relationship between store atmosphere and purchase decision. This study has limitations on the limited empirical data used. It is suggested to conduct similar research by enriching research with primary data that can be done through interviews to get more accurate data and not limited to questions in the questionnaire. This result could enrich knowledge for future researchers. Companies or managerial parties should focus on visual merchandise and store atmosphere at the KKV Surabaya store.

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