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# Analysis of the effect of behavior market segmentation on purchasing decisions of local rice in the modern market

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**Abstract.** The background of this study aims to determine the effect of market segmentation strategies on consumer purchasing decisions in buying local rice, which has traditionally been bought by traditional market communities, but this time is carried out in the modern market. Behavioral variables are very important controlled by the company in order to know what real action they need to remain loyal to the products offered. The variables studied were behavioral variables on purchasing decisions on local rice in the modern market. To find out how much influence the demographic market segmentation variables have on purchasing decisions, this study used a sample of 50 local rice consumer respondents in the Carrefour Pengayoman Makassar Modern Market. While sampling uses a purposive sampling method. The analysis technique used in this research is a descriptive test. Test results show that: Market segmentation does indeed influence the decision to purchase local rice in the modern market.

## 1. Introduction

Currently, the majority of Indonesia's population (over 90%) consume rice as a staple food. Based on a study of Indonesia's rice consumption by the BPS over the past three years, we have found 114kg per capita per year or 312 grams per capita per day [1]. The basic need for rice increases each year in line with the population [2].

South Sulawesi is one of the biggest rice producers in Indonesia. Rice production in South Sulawesi in 2018 has a total production of 5.74 million tons. The abundant product is marketed in various places, one of which is in the modern market in Makassar. This modern-based sale is intended to boost the economy of the people of South Sulawesi.

The city of Makassar has now become one of the targets made by local and foreign business people to set up businesses. This development resulted in changes in people's lives, especially in big cities, one of which changes in places to shop. One of the efforts made by the company to remain in an effective position is to establish market segmentation.

Many choices of rice products in the form of types (one of them is local rice), packaging, price, taste, and others as well as differences and influences of the cultural environment, social class, purchasing power, motivation and lifestyle shape different consumer behavior. There is a very close relationship between consumer behavior and market segmentation. By understanding consumer



behavior, market segmentation will be properly mapped. Purchasing decisions on products are influenced by consumer behavior, for that in making sales need to be considered.

The attractiveness of modern markets, in addition to the convenience and safety factors of shopping, is also able to provide a diversity of goods. Carrefour is a market with a modern market concept that provides middle and upper service standards. One of the Carrefour outlets in Makassar is Carrefour Pengayoman. Customers can meet all their daily needs at the location, one of which is a local rice product. Thus given the importance of market segmentation, the authors are compelled to conduct research to determine the effect of market segmentation based on behavioral variables on local rice purchase decisions.

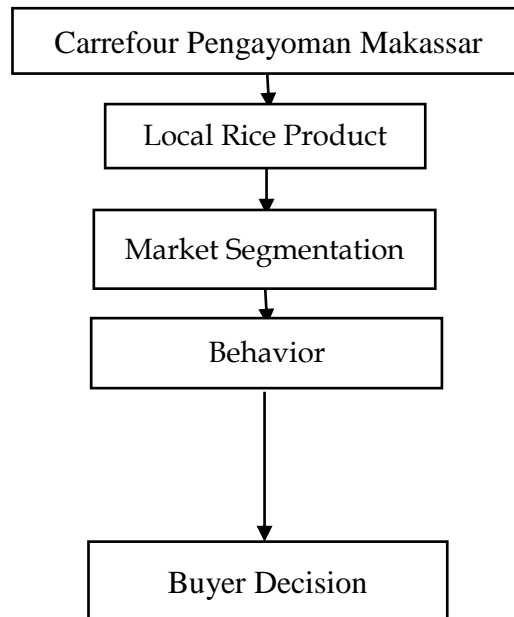
## 2. Methods

This research was conducted at Carrefour Pengayoman Makassar. The location was chosen because it is a branch of the largest modern market in the city of Makassar. This research was conducted during April-May 2019. The population in this study were consumers who were buying local rice at the Carrefour Pengayoman Modern Market. The sampling method used was Probability Sampling with a purposive sampling method in which the researcher chose the sample because it was felt in accordance with the purpose of the study. Characteristics of the sample carried out on consumers who position as a decision-maker. In this study, the number of samples is 50, according to the opinion of Roscoe in Sugiyono [3], which states that if the research will conduct multivariate analysis (correlation or multiple regression for example), then the number of sample members is at least ten times the number of variables studied. In this study, using five variables (4 independent variables and 1 dependent variable), the number of samples is  $10 \times 5 = 50$  samples.

In an effort to obtain the data needed for this research, the researchers conducted primary data collection such as interviews (the question and answer process of several questions between researchers and respondents) and observations, as well as secondary data, in this case, the data obtained from reports and information sourced from the literature related to this research.

Measurement variables are analyzed through an ordinal scale in the form of a Likert scale, namely the measurement of five categories of respondents ranging from "strongly agree" to "strongly disagree" (worth 5 to 1) of each set of questions about the stimulus object (Malhotra, 2009).

The data analysis used is descriptive analysis. Sugiyono [3] said that descriptive analysis is used to analyze the data that has been collected by describing the objects studied through the sample or describing the objects studied through the sample or population as they are without analyzing and making general conclusions. The reliability test is used to measure a questionnaire, which is an indicator of a variable or construct, said reliable if the answer to the question is consistent [4]. If the Cronbach Coefficient Alpha is greater than 0.6, then the answer from the respondent is declared reliable and vice versa. Then the classic assumption test is performed, in which there is a multicollinearity test, heteroscedasticity test, autocorrelation test, and linearity test. Based on the explanation above, the framework of this research is as follows.



**Figure 1.** Framework

### 3. Results and Discussion

#### 3.1. Respondent Characteristic

From the 50 questionnaires distributed, it can be seen the characteristics of local rice respondents in the Carrefour Pengayoman Makaassar Modern Market. The variables analyzed included gender, age, number of family members, occupation, income, and final education. The results of the study are as follows.

From the results of identification that have been done, it shows that based on gender, male respondents are 11 respondents (28%), and 38 respondents (78%) are female. It can be concluded that the number of female respondents is higher than male respondents. Women are potential consumers because women's behavior is more consumptive than men [5]. Women are known to be more careful in making purchases than men in terms of choosing the form of products to be purchased up to the price of the product, women are known for their diligence in buying products, in this case, rice for consumption.

Based on the identification of the age of the respondents, most respondents at the time of the study were 21-30 years of age, with 18 respondents (36%), and the smallest number of respondents were <20 years old respondents, namely one person (2%). The theory of measuring knowledge, attitude, and behavior, according to Huclok [6], suggested that the older a person is, the higher the level of maturity and strength in working and thinking.

Based on the identification of indicators of the number of family members, it can show that the number of family members of the respondents is mostly > 4 people, with 25 respondents (50%). This is consistent with the opinion of Tjiptoherijanto (1992), which states the number of family members in a household will affect the size of consumption, which is conducted.

Most of the respondents who were sampled were Housewives by 11 respondents (22%), then entrepreneurs with a total of 10 respondents (20%), then the number of respondents from other occupational groups were eight respondents (16%), respondents who worked as civil servants, private employees and students/students as many as seven people (14%). Kotler and Armstrong [7] explain that work is one of the factors that a person has in buying behavior that affects his consumption patterns.

The results of identification based on income revealed that most of the respondents in the sample had income > Rp. 3,500,000 with a total of 28 respondents (56%), with total income <Rp. 1,500,000 and income between Rp. 2,500,000 - Rp. 3,500,000 has the same number of respondents, eight people (16%), and respondents who have an income of between Rp. 1,500,000 - Rp. 2,500,000 with 6 respondents (12%). A person's economic condition can affect every product selection, especially the rice they buy. The size of the income will affect the effect on one's consumption behavior. Soekartawati [8] explains that income will affect the number of goods consumed.

Last education most of the respondents who were sampled were tertiary education (Diploma, S1, etc.) with 34 respondents (68%), then senior high school education with 14 respondents (28%), and two respondents graduated from elementary school (4 %), and for respondents not graduating from elementary school and junior high school was not found at the study site. The tendency is, the higher the education of a community, the better the quality of its human resources (Fitriani, 2015).

The description of the data that will be presented includes the Mean (M) and Standard Deviation (SDi) values. In addition, frequency distribution tables and histograms are also presented. To determine the tendency of respondents' assessment of research variables based on grouping of 3 rankings, as mentioned by Suharsimi Arikunto [9] are: (1) Very Influential: Indicator items that have a score of average scores plus one standard deviation and above ( $> M_i + 1 SD_i$ ), (2) Influences: Indicator items that have a score between an average score of minus one standard deviation and an average score plus 1 standard deviation (between  $M_i - 1 SD_i$  to  $M_i + 1 SD_i$ ) and (3) No effect: Indicator items that have a score lower than the average score of minus one standard deviation ( $< M_i - 1 SD_i$ )

**Table 1.** Results of Distribution of Variable Behavior Items

No.	Item	Results	Number of Respondents	Percentage (%)	Mean
1	Knowledge	SD	2	4	<b>3.26</b>
		D	6	12	
		N	22	44	
		A	18	36	
		SA	2	4	
2	Attitude	SD	1	2	<b>3.52</b>
		D	2	4	
		N	25	50	
		A	16	32	
		SA	6	12	
3	Usage	SD	4	8	<b>3.38</b>
		D	6	12	
		N	17	34	
		A	18	36	
		SA	5	10	
4	Responder	SD	4	8	<b>3.18</b>
		D	9	18	
		N	19	38	
		A	16	32	
		SA	2	4	

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Indicator items that have a score between an average score of minus one standard deviation and an average score plus one standard deviation (between  $M-1 \text{ SDi}$  to  $M_i + 1 \text{ SDi}$ ) and (3) No effect: Indicator items that have a score lower than the average score of minus one standard deviation ( $<M_i - 1 \text{ SDi}$ )

#### 4. Conclusion

Based on data that has been found in research on the effect of market segmentation on local rice purchasing decisions in the Modern Carrefour Market in Makassar, it can be concluded that market segmentation behavior influences local rice purchase decisions in the Modern Market. Based on the study of research results and conclusions that have been formulated, it can be suggested several things as follows: (1) The company is expected to continue to be consistent in maintaining well-determined behavior market segmentation that has proven to influence local rice purchasing decisions. So that consumers continue to feel the right and appropriate segmentation based on the customer's perspective. (2) It is expected that the company will continue to pay attention and find out other factors in increasing the value of local rice purchasing decisions so that consumers remain loyal to the products offered.

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