

Scientific Research Journal of Economics and Business Management

ISSN: XXXX-XXXX (Print) ISSN: XXXX-XXXX (Online)





Editor In Chief

ISR Publishing Group



Professor Dept of Finance, Accounting, and Economics,

University of Calabar, Nigeria

Email: udemeefanga@gmail.com

Editors

Adelajda Matuka

Economics Econometrics Macroprudential Policy Economic Policy Law, University of Macerata, Italy Email : a.matuka@unimc.it

Dr. Antonia Okogwu

Art, culture and design University of Port Harcourt antonia.okogwu@uniport.edu.eg okogwuantonia@gmail.com

Dr. Moetaz Soubjaki

Jinan University Business School, Tripoli, Lebanon Email: Moetaz.soubjaki@gmail.com

Mrs. Amrita Majumdar

Faculty Member, Faculty of Commerce and Management, Jharkhand Rai University, India Email: amritabhandari14@gmail.com

Nurul Mohammad Zayed

Assistant Professor & Head Department of Real Estate Faculty of Business & Entrepreneurship Daffodil International University, Dhaka, Bangladesh Email: zayed.bba@daffodilvarsity.edu.bd

Fredrick Onyango Aila

Department of Business Administration School of Business and Economics Maseno University Private Bag, Maseno Bo

2/10/21, 7:11 AM Scientific Research Journal of Economics and Business Management. | ISRP Digital Repository Universitas Jember ISR Publishing Group

Dr. Dariyoush Jamshidi

Assistant Professor Department of Management, College of Economics Management and Information System University of Nizwa, Oman Email: darioush1986@yahoo.com

© 2021 IARCON, All rights reserved. No part of this content may be reproduced or transmitted in any form or by any means as per the standard guidelines of fair use. Creative Commons License Open Access by

IARCON is licensed under Creative Commons License a Creative Commons Attribution 4.0 International License.



Digital Repository Universitas Jember About Sci Res Jr Eco Bus Mgn

"Scientific Research Journal of Economics and Business Management" Abbreviated Key Title: Sci Res Jr Eco Bus Mgn.; ISSN Print: 2788-9491 | ISSN Online: 2788-9505 is peer-reviewed, Bi-Monthly, open access Academic and Research Journal Published by International Academic & Research Consortium, Kenya, This Journal publishes Original Research Articles, Review Articles, Case Studies, Editorial Comments, and other scientific studies within all the fields of Economics and Business Management.

LATEST ARTICLES

Research Article

Factors Influencing Public Institutions Performance in Sierra Leone a Dr. Brima Turay, Joseph Brima Kalokoh, Daniel Albert Sesay & Abdulai Bobson Turay Published: Dec 10. 2021

Research Article

Shop Switching Behavior from Moslem Retail to Cultural-Based Store in Indonesia; the Religiosity and Price Effect & Sudaryanto Sudaryanto, Anifatul Hanim & Fian Anggraeni Published: Dec. 10, 2021

Research Article

Strategic Human Resources Practices and Job Maximization (A Study of Lafarge Cement Company Pic, Ewekoro, Ogun State) Adebayo, Adeyinka Taoheed & Eyinade, Michael Published: Oct. 20, 2021

Research Article

The Impact of Product Quality on Consumer Satisfaction and Repurchase of Pizza in Suitanate of Oman

& Dr. Renjith Kumar. R & Afrah Al Darrai Rashid Al Darrai Published: Aug. 31, 2021

Plagiarism checking

About the journal

E Classification

& Editorial Panel

Current Issue

Bindexing & Archiving

Impact Factor - 0

Archives

Track Article

Submit

Quick Links O Editorial Board

O Online Submission O Peer Review Process

O Refer a friend

O Advertise with us O Stay connected

Enter Manuscript ID

Scientific Research Journal of Economics and Business Management

Abbreviated Key Title: Sci Res Jr Eco Bus Mgn. ISSN 2788-9491 (Print) ISSN 2788-9505 (Online)

Research Article

Volume-1 | Issue-4 | Dec-2021 |

OPEN ACCESS

Shop Switching Behavior from Moslem Retail to Cultural-Based Store in Indonesia; the Religiosity and Price Effect

Sudaryanto Sudaryanto^{*1}, Anifatul Hanim² and Fian Anggraeni³

¹Associate Professor, Faculty of Economics and Business University of Jember, Indonesia ²Doctoral Student, Faculty of Economics and Business University of Jember, Indonesia

³Student, Faculty of Economics and Business University of Jember, Indonesia

*Corresponding Author SUDARYANTO SUDARYANTO

Abstract: *Purpose:* Aims to discuss the Religiosity and price of the shop switching behavior from modern retail stores to the Moslem ethnic Store in Indonesia *Design/methodology/approach:* Explanatory research by employing the variables of religiosity price to predict shop switching behavior from modern to moslem ethnic store in Indonesia. One hundred and twenty samples defined from customer modern retail stores to Basmalah Moslem ethnic Store in Jember branch, a region where majority of Basmalah Moslem ethnic store exist. Researcher uses multiple linear regressions to test the hypothesis. *Findings:* The religiosity and price had a positive and significant influence on the store's transition behavior from modern to the Basmalah Moslem ethnic Store in Indonesia *Originality:* The shop switching behavior from modern to Moslem ethnic store in Indonesia has unique behavior particularly on religiosity and price aspect *Research limitation/implications:* Limited scope of the area and lack of supporting empirical studies are pioneering this research. Future research with more relevant variables is the potential to enrich the literature. *Practical implications:* This research is exploring the anti-mainstream of consumer behavior from modern retail to ethnic Moslem store, which is unbelievable findings. The leveraging brand image of the ethnic Moslem stores induced from this study *Social implications:* Moslem ethnic store is not a marginally stream in Indonesia.

Keywords: Religiosity, Price, Modern Retail, Moslem ethnic store, Multiple Linear Regression Analysis.

INTRODUCTION

Business ventures have experienced rapid development over the past few years with various formats and types. This situation encourages companies to compete for market share and provide the best service for the company's sustainability. Accordingly, the business activities that selling and adding the value to the product or services to the customer for personal use or family in a series categorize as a retail business (Levy & Weitz, 2012:48). Retail sellers provide a variety of products such as household needs, necessities, stationery to cover daily consumer's needs.

According to the Association of Retail Business Indonesia (Aprindo), the trend of retail business in Indonesia is still positive, increasing with the fact that in between September 2018 to September 2019, the Fast-Moving Consumer Goods (FMCG) consumption is 2.5% in growth. The most rapid growth of FMCG consumption in modern retail is 7.6% (Aprindo, 2019). In this fast and easy era, minimarkets provide a lot of convenience in terms of service, product completeness, price, secure payment process, location near the settlement, and even a service between orders to consumers' homes. Consumers prefer to shop at the convenience store, increasingly congested traffic conditions, and consumers avoiding excessive consumption in supermarkets and hypermarkets. In contrast, minimarket, with many visitors, tends to attract customers at a low price and has a value of Religiosity. Basmalah is a Moslem ethnic store with a religious nuance carries the theme of sharia, operated in many districts in Indonesia.

Quick Response Code



Journal homepage: https://isrpgroup.org/srjebm/ Article History

Received: 20.11.2021 Accepted: 30.11.2021 Published: 10.12.2021 Copyright @ 2021 IARCON, All rights reserved. No part of this content may be reproduced or transmitted in any form or by any means as per the standard guidelines of fair use. Creative Commons License Open Access by IARCON is licensed under Creative Commons License a Creative Commons Attribution 4.0 International License.

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

Basmalah Moslem ethnic store is an individual business and brand infrastructure built by the Cooperative Boarding School (Kopontren), Pasuruan, East Java. It has been established in 2013 and has the motto "Good Shopping" but, it seems simple but full of meaning. In Islam, it means as the Halalan Thayyiban (halal and right), and the goods sold in the Basmalah Store in Moslem ethnic store are halal and ethical. This mini market provides various kinds of basic needs and daily necessities such as basic needs, stationery, snacks, medicines, and other necessities. The store also offers a refrigerator that sells various kinds of drinks. Still, there do not sell water and different types of alcoholic beverages, there only sell Santri and agua brand mineral water. The type of water of the "santri" brand in the store dominates more. This minimarket also sells Zam-Zam water with large bottle size.

Another thing that is not less interesting than the Basmalah Moslem ethnic store is the Al-Quran Mushaf, iqra' books, Juz Amma and digital prayer beads, sarong, hat, hijab, and perfume. Basmalah Moslem ethnic store provides discounts / wholesale prices for every purchase of three items at once. The store sells some original products made by Moslem ethnic stores, such as soy sauce, sauce, rice, and cooking oil.

All employees at the Basmalah Moslem ethnic store - are male employees who are alumni of the Islamic Boarding School of Moslem ethnic store Islamic Boarding School. When working, they wear a white, green uniform with the logo of letter "Yes" (the last letter of the message in the Arab language), the logo of the Basmalah in Moslem ethnic store. When entering to the store, it hear Islamic music or the sound of reading the Qur'an that makes consumers feel a different sensation when purchasing at the store. Those are the uniqueness of Moslem ethnic store Basmalah from other minimarkets. The Kopontren Moslem ethnic store business continues to develop until it earns hundreds of billions of IDRs annually, as evidenced by the continued proliferation of Moslem ethnic store Basmalah in city sharing. In Jember, there are 15 branches out of 126 stores around Indonesia. The Moslem ethnic store Basmalah in the region is mirroring the society and potentially they shop switching one with another.

Many things encourage consumers to do shop switching from modern retail stores to Basmalah. Consumers in Moslem ethnic store are looking for variety, hunting low prices, which is not satisfying with the previous store. They want to find more benefits, unavailability of products and so on. Transfer of consumers from a general minimarket to the Basmalah Moslem ethnic store due to various uniqueness and differences with other modern stores. Experience shopping in these stores is charming with excellent and friendly services. Low prices, beautiful sound of reading Qur'an, and cold air condition that is not inferior to other minimarkets make consumers feel at home in the store and are compelling to make a transfer of purchase to Moslem ethnic store Basmalah. Another thing considered by consumers is that they hope that shopping at the Basmalah Moslem ethnic store - which is Islamic-owned cooperative - can blessing. Part of the store's profits was allocated to poor people and funding it.

Shop switching behavior is the tendency of consumer behavior related to the process of switching purchases from one store to another (Grassl, 2000; Kotler & Keller, 2012). If there is more healthy option such as dietary pattern, consumers will tend to move (Cummins, Anne, Petticrew, & Leigh, 2008); due to religiosity(Nasse, Ouédraogo, & Sall, 2019). The tendency to move from one store to another is described by research modelling of push pull and mooring model (Bansal, Taylor, & Yanik, 2005). The majority of consumers hunt for a product at a lower price (C. Calvo-Porrala & J.-P. Lévy-Mangin, 2015). Basmalah Moslem ethnic store provides products with lower rates and quality that are not less competitive with products available at other retail stores. Besides that, the Basmalah Moslem ethnic store - also provides wholesale prices for every purchase of three products and provides necessities such as rice, sugar, oil, flour, etc. which can cover consumer demand.

Consumer behavior is the attitudes towards the things by the circumstances of the society in which he was born and growth (Engell, Blackwell, & Miniard, 1995). The different walks of life or environments of the consumers creates the different judgments, needs, opinions, attitudes, and tastes so that will influence decision making in the purchasing phase. Hawkin & Coney, 2010; Engell et al., 1995) mentioned that there are four factors influencing consumer behavior; (1) a culture (culture, sub-culture, and social class), (2) a social (reference group, family, as well as roles and status); (3) personal (age, income, work, lifestyle); (4) personality and self-concept) and psychological (motivation, perception, knowledge, beliefs, and attitudes). These factors can individually or jointly influence a person's decision to purchase a product or service, choose the type, determine when to buy or place where to buy.

Religiosity refers to a person that committed to his religion and the teachings of the faith (Johnson, Lewis, & Robert, 2001:25). They highlighted that integrate their religion into most aspects of their lives by evaluating the world from religiosity views as the essential element of a culture. Religiosity is also one of the factors that influence consumer behavior to make purchases at a store in developing countries (Nasse *et al.*, 2019). According to (Hawkin & Coney, 2010:89; Mokhlis, 2006) religion affects various aspects of consumer behavior in making purchases (shop *switching behavior*). Consumers want to evaluate new

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

things, find information and consumption processes such as entertainment, search for new products, transportation, and family. The existence of the Basmalah Moslem ethnic store, which is a Islamicbased retail store, is different from other retailers, encourages consumers to transfer purchases from general retail stores. Imammudin, (2017); Dekhil & Bouslama, (2017); Dekhil & Bouslama, (2017) shows that Religiosity affects shop switching behavior.

Instead of religiosity, price has potentially influenced the shop-switching behavior on purchasing the products in a retail business. The price set by the company is a benchmark for consumers to make purchases. Price, according to Kotler & Armstrong (2016: 362), is the amount of money deliver for a product and service. Price is one of the crucial ingredients in making decisions to buy a product. Consumers will decide to buy a product if the perceived benefits are greater or equal to what they spent to get it. Research conducted by C.Calvo-Porrala & J.-P.Lévy-Mangin, (2015) shows that price affects shop switching behavior. In this study, the price has a significant positive effect on shop switching behavior from modern retail stores to the Basmalah Moslem ethnic store in Indonesia.

The research problems are as follows:

- Does Religiosity have a significant effect on shop switching behavior from Modern Retail Stores to Basmalah Moslem ethnic store in Indonesia?
- Does the price have a significant effect on shop switching behavior from Retail Modern Store to Basmalah Moslem ethnic store in Indonesia?

The research objectives are as follows:

- To test and analyze the effect of Religiosity on shop switching behavior from Retail Modern Stores to Basmalah Moslem ethnic store in Indonesia
- To test and investigate the impact of prices on shop switching behavior from Retail Modern Stores to Basmalah Moslem ethnic store in Indonesia

LITERATURE REVIEW

Consumer Behavior

In this 4.0 era, there is a continuous change, and this condition occurs because of the development process. The process of this development will directly or indirectly affect the life of the economy. Along with human development, consumer behavior and tastes also indicate changes. Changes in consumer behavior require companies with interest always to know their customers well. To understand how people's behavior in purchasing service goods requires a separate study. Studying consumer behavior means that you will learn something that concerns social behavior in general. Economics in the field of management marketing also studies social behavior by utilizing thinking as a scientific discipline in marketing aspects.

Kotler & Armstrong, (2016) interpret consumer behavior as buying behavior for end consumers, both individuals and households who purchase products for personal consumption. Consumer behavior defined as the individuals activities involved in obtaining and using goods and services through a decision-making process includes the preparation and determination of activities (Engell et al., 1995). The behavior also studies the exchange processes of buying units that involve the acquisition, consumption, and disposal of goods, experience services, and ideas. In the buying process, a consumer is always associated with the exchange process, resources that occur between the two parties, namely between consumers and companies, or can also happen between two companies when facing an industrial purchasing situation.

Mowen & Minor, (2001;11-14) explains that there are three perspectives of consumer behavior, namely the perspective of decision making, experience perspective, and behavioral influence perspective. These three perspectives are beneficial to understand. The decisionmaking perspective describes a consumer doing a series of specific steps when making a purchase. These steps include the introduction of problems, seeking information, evaluating alternatives, selecting, and evaluating post-acquisition. Consumer decision making is an experiential perspective; for some things, consumers do not make purchases following rational decision making. However, consumers purchase products or services to obtain pleasure, just creating a fantasy or feelings.

Basic Concepts of Muslim Consumers

In Islamic economic life, human beings must always reflect the values that come from Our'an and Hadith. Humans in their lives unable to fulfill the obligation of spiritual and material without fulfilling primary needs such as food, shelter, and security. In Islamic economics, meeting the requirements for clothing, food, and accommodation based on the values of spiritualism and the balance in the management of wealth. Besides, the obligations that fulfill by humans in meaning, they cover needs based on the limits of adequacy both for personal and family needs (Nawawi Uha, 2010). Furthermore, there is no prohibition to carry out economic activities if the action aims at a benefit and a decent life. But all efforts made to achieve these goals must not conflict with understanding and Islamic values. Consuming things Muslim can maximize the utility value that he wants to get from a commodity with a note that it does not exceed the prescribed limits of sharia. Besides, the quality and quantity of goods consumed by a Muslim must be under sharia. In this sense, the existing quality does not negatively impact the community's socio-economic life. Likewise, the quantity consumed must be far from israf and tabdzir, which can damage the source of economic growth

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

Religiosity (Religiosity)

Religious teachings influence consumer attitudes, motivations, perceptions, and behavior in consuming goods and services (Dekhil & Bouslama, 2017). A person's commitment to carrying out this religion is then called Religiosity. In other words, the individual that committed to faith, including responsibilities based on religion rules, attitudes, and behavior teaching (Johnson, B.R *et al.*, 2001). "[...] religiosity as "the degree to which a person adheres to religious values, beliefs and uses them in daily life" (Worthington , *et al.*, 2003),. They argue that highly religious people point out the world through religious schemes and tend to integrate them in a whole live.

A high levels of religiosity consumer tend to be less impulsive when making purchasing decisions, behave in a more mature, disciplined, and responsible way(LaBarbara & Gurhan, 1998). Religion is a cultural factor that is important to study because religion is an universal embodies that influences attitudes, values, and behavior both at the individual and community level (Mokhlis, 2006). These religiousity derive the commitment and beliefs that potentially affect consumer behavior. Dekhil & Bouslama, (2017: 77) also mentioned that: "Religion is part of these values and cultures and deeply rooted in time. It has determining effect on the individual, both as human being and as a consumer". We will investigate the ways in which religiosity influence shop witching behavior since religiosity of the consumers will be more inclined to choose foods that have obtained halal labels from authorized institutions in consumer goods, especially food. In this case, the role of Indonesian religion authorization on halal food (Imammudin, 2017). Also, Muslim consumers will seek information about the halal food they will consume before making a purchase.

According to Glock & Stark, (1965); El-Menouar & Stiftung, (2014) Religiosity has several indicators, including:

- 1. Dimensions of Belief (Belief); The level of acceptance of consumers and acknowledges dogmatic things in his religion. For example, the belief in God's attributes, the existence of angels, the Prophets, and so on.
- 2. Dimensions of Religious Practice (Ritual); The aspects of religious practice are the fulfilment of his ethical ritual obligations such as performing prayer, zakat, fasting, pilgrimage.
- 3. Dimensions of Understanding (Experience); The aspect of appreciation is the religious feeling experienced and felt like feeling close to God, calm when praying, touched by hearing the verses of the Holy Quran, feeling afraid of committing sins
- 4. Dimensions of Knowledge (Knowledge); The dimension of religious knowledge is the extent to which someone knows and understands the teachings of his religion, especially those in the

Holy Quran, hadith, fiqh, and so on.

5. Dimensions of Consequences (Consequences); The aspects of consequences are the extent to which the implications of religious teachings influence a person's behavior in social life. For example, fear of sinning and avoiding things that are prohibited by religion.

This opinion is following five aspects in the implementation of Islamic teachings on issues of Religiosity: "[....] a five-dimensional structure of Muslim religiosity: 1.Basic religiosity, 2. Central duties, 3. Religious experience, 4. Religious knowledge, and 5. Orthopraxis." (El-Menouar & Stiftung, 2014:1)

Those, The Religiosity In Islam Refers To:

- 1. Aspects of faith parallel to religious belief, related to belief in Allah, Prophets Mohammad, and so on.
- 2. Islamic aspects are related to religious practice, the frequency or intensity of the implementation of religious teachings such as prayer, fasting, and others.
- 3. Aspects of Ihsan are related to religious experience, relating to one's experiences and feelings about God's existence, fear of violating His prohibitions, and so on.
- 4. The aspect of science is the religious knowledge, which is one's knowledge of spiritual teachings.
- 5. Charity aspects identical to religious consequences, related to one's life in society and so on.

Prices

Price is one of the important attributes that consumers often use to evaluate products or services offered by producers. Price is the number of financial required to have a product or service offered as an exchange rate for consumers as a consequence of owning or using a product or service (Kotler & Armstrong, 2016:283). According to Tjiptono (2008: 466), prices are one of the marketing mixes attributes that require careful calculation. Several strategic dimensions are as follows:

- Price is a description of the value of a product or service. Value is a comparison between perceptions of benefits and costs incurred by consumers to get the product or service.
- Price includes an aspect that is obvious to customers.
- Price is the primary determinant of a request. The higher the price requested, the fewer requests for the service or product in question.
- Price is a flexible aspect, meaning that prices can be changed or adjusted quickly according to market dynamics.
- Prices can affect the image and positioning strategy of the product or service in question. Consumers tend to associate prices with the level of product quality.

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

The purpose of pricing involves profit from the sale of the product or service, market share leadership, brand image building, retaining customer and creating relationships. Specifically, companies set prices to find new customers or retain existing customers (Kotler, 2012: 355)

Indicators that characterize prices according to (Kotler, 2012: 278), namely:

- Affordability of prices, namely aspects of price determination made by producers or sales that are under the customer's purchasing ability.
- Price competitiveness, price quotes provided by producers or sellers are different and compete with those given by other producers on the same type of product.
- Price conformity with product quality is the aspect of price-fixing made by the producer or seller per the quality of the product to be obtained by the customer.
- Price conformity with the benefits of the product, namely the aspect of price-fixing carried out by the producer or seller by the benefits obtained by the customer from the product purchased.

Purchase Transfer (Shop Switching Behavior)

The transfer of purchases or shop switching behavior is the tendency of consumer behavior associated with the process of switching investments from one store to another (Abdurrahman, 2013). The transfer of purchases from one store to another is closely related. The concept of the desire to behave on consumer attitudes towards previous objects and behaviors. Transfer of purchases occurs from various factors that influence it, including price mismatches and failures in the service of goods or services. The ignorance of consumers or lack of information about goods or services consumed makes the possibility of consumers tending to move higher. The desire of consumers to move will decrease when the profits obtained after moving imbalance with the effort, time, and costs spent to move. Customer satisfaction is an essential thing because satisfied or not, the customer greatly influences the back and forth of customeroriented business. Customer satisfaction is a full-time evaluation, where alternatives are chosen at least equal to or exceed customer expectations, while customer dissatisfaction arises when the results do not meet expectations

Several factors that can influence the transfer of purchases can be grouped into three categories, according to Bansal *et al.*,(2005) as follows:

- Variable Push includes satisfaction, quality, value, trust, and price perception.
- > Pull Variables are the attractiveness of competitors.
- Mooring variables include moving costs, social influences, past behavior, and variable search tendencies.

These factors will later be able to influence consumers to conduct shop switching behavior. According to Haryanto & Chairy (2007), mentioning three types of indicators as follows:

- The desire of consumers to make purchases because a shop provides adequate facilities.
- Consumers want to make a purchase change because a store sells products at a more affordable price than other stores.
- The desire of consumers to make purchases for reasons.

Empirical Research

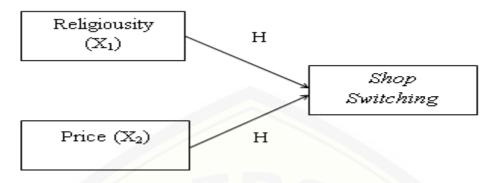
Several previous studies explain various authors' points of view; research variables, methods, and findings which are presenting in Table 1.

Table 1							
Author (Year)		Variables	Analysis Method	Conclusion			
	(1)	(2)	(3)	(4)			
1	Morris Kalliny & Angela Hausman (2007)	Cultural, Religiousity, Shop Switching Behavior	Logistic Regression Analysis	Cultural variables and religiousity have a significant effect on shop switching behavior			
2.	(Dekhil & Bouslama, 2017)	Effect of religiosity on luxury consumer behavior: the case of the Tunisian Muslim	Simple linear regression	There is significant effect of religiosity on luxury consumer behavior.			
3.	Imammudin M. (2017)	Halal Label, Religiosity, Purchase Decision	Inferential Statistical Analysis	Halal and religiosity label variables have a significant effect on purchasing decisions.			
4.	Lili Salfina & Heza Gusri (2018)	Brand Image, Product Quality, Price, Interest in Buying	Multiple Linear Regression Analysis	Variable brand image, product quality and price have a significant effect on buying interest.			
5.	Ani Madaniyah & Sanaji (2019)	Dissatisfaction, Price, Purchasing Displacement (shop switching behavior)	Analysis of Multiple Linear Regression	Variables of dissatisfaction and price have a positive effect on purchasing switching (shop switching behavior).			

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

Conceptual Framework

The theoretical foundation and previous research are references in this study. Several factors influence the transfer of purchases (shop switching behavior). This study is to examine the relationship of independent variables, namely Religiosity (X1) and Price (X2), to the Shop Switching Behavior (Y) as the dependent variable. The conceptual research framework is as follows:



Hypothesis

Effect of Religiosity on Shop Switching Behavior

According to Hawkin and Coney (2010: 89), religion influences consumer behavior in making purchases (shop switching behavior). Consumers want to evaluate new things, find information and consumption processes such as entertainment, search for new products, transportation, and family. Consumers with high levels of Religiosity tend to be less impulsive when making purchasing decisions, behave in a more mature, disciplined, and responsible way (Alam *et al.*, 2011). Religion is important to study because religion applied to the individual and community level (Mokhlis, 2009). These religious commitments and beliefs affect consumer behavior.

In consuming goods, especially food, consumers will be more inclined to choose foods that have obtained halal labels from authorized institutions. In this case, the halal name under Majeleis Ulama Indonesia/MUI (Sumarwan, 2015: 226). With this, Muslim consumers will seek information in advance about the halal food they will consume before making a purchase (Nasution *et al.*, 2016).

With the existence of the Moslem ethnic store, Basmalah Store, which is a boarding school-based retail store and one of the shops that sell halal products, encourages consumers to transfer purchases from general retail stores. Consumers evaluate products sold by Moslem ethnic store Basmalah Stores. Consumers want to find information about the retail store because it differs from other retail stores. The existence of retail stores such as the Basmalah Moslem ethnic store - that has Islamic nuances has its charm for most people, mainly Muslim communities. Thus, it does not rule out the possibility for consumers to make a purchase change (shop switching behavior) at the Basmalah Moslem ethnic store. The store has a high level of reliability. This refers to the research from Morris Kalliny and Angela Hausman (2007), which explains that Religiosity has a significant positive effect on purchasing switching (shop switching behavior).

H1: Religiosity has a significant positive effect on Shop Switching Behavior.

Effect of Prices on Shop Switching Behavior

Price is something essential that consumers often use in evaluating products or services offered by a producer. Price is the amount of money requested for a product or service offered as an exchange rate for consumers to benefit from owning or using a product or service (Kotler & Armstrong, 2016: 283). It mentioned that prices also play an essential role in transferring purchases (shop switching behavior). Most consumers hunt for a product at a low price. If there is a store selling a product at a low cos t, it does not rule out that consumers will make a transfer of purchases (shop switching behavior) from one store to another. This explanation refers to the research by Ani Madaniyah and Sanaji (2019), which explain that prices have a significant positive effect on purchasing switching (shop switching behavior).

H2: Price has a significant positive effect on Shop Switching Behavior.

Research Method

This study uses explanatory research with a quantitative approach. Explanatory research aims to explain the relationship between variables through testing hypotheses (Parasuraman?). The population in this study are consumers who have already made a purchase switch (Shop Switching Behavior) from Modern Retail Stores to Moslem ethnic store Basmalah Stores in Jember. The sampling technique in this study is considering, such as limited time, energy, and funds, so that it cannot take large and far samples. The sampling technique uses a double sampling technique, namely the sampling area (sample area) and quota sampling (quota sample). Determination of the number of samples in this study refers to (Joseph F. Hair, Black, Babin, & Anderson, 1998), who stated that the sample size depends on the number of indicators used in all variables. The number of samples is the same as the

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

number of indicators multiplied by 5 to 10. In this study, the number of variables studied was two independent and one dependent variable with four indicators in each, so the total indicator is 12. Referring to (Joseph F. Hair *et al.*, 1998), the number of samples in this study are 120 respondents gaining from 10 x number of indicators.

RESEARCH FINDING

Analysis of Multiple Linear Regression

Multiple linear regression analysis is one analysis that aims to measure the relationships that occur

between variables (Hair *et al.*, 2014). In the regression analysis, there are two kinds of variables used, namely the independent variable (X) and the dependent variable (Y). By using regression analysis can be measured changes in the dependent variable based on changes in independent variables. Linear regression analysis is to find out how the influence of independent variables, namely Religiosity (X1) and Price (X2) on Shop Switching Behavior (Y). Using SPSS software, the result of regression analysis presented in Table 2.

Table 2: Regression Analysis Result						
Variable	Regression Coeffecient	Sig.	Information			
Constants	3,870	-	-			
Religiosity (X ₁)	0,220	0,001	Significant			
Price (X_2)	0,240	0,004	Significant			
N = 12	20					
R = 0,	559					
R Square $= 0$,313					

Table 2, presents the value of R (the correlation coefficient number) is 0.559, indicating that the closeness of the direct relationship between Religiosity (X1) and price (X2) to the shop switching behavior (Y) is 55.9%. While the value of R2 (R Square) shows that the magnitude of the direct effect between Religiosity (X1) and price (X2) on shop switching behavior (Y) is 31.3% so the remaining 68.7% explains outside the research model. The finding implies the Religiosity and price have little effect on shop switching behavior from modern retail stores to Moslem ethnic store Basmalah Stores, Jember Branch. This is due to consumers make the transfer of purchases not only from the side of Religiosity and price. But consumers also choose shopping places that have excellent facilities and services that can satisfy buyers. On this basis, the regression model produced as an explanatory model of the effect of religiosity (X1) and price (X2) on shop switching behavior (Y) from modern retail stores to the Basmalah Moslem ethnic store in Indonesia as follows: Y = 3.870 + 0.220X1 + 0.240X2 + e

Constant Value

From the above equation, the constant value is 3.870, which means that if the value of the variable Religiosity (X1) and price (X2) is equal to zero, the shop switching behavior (Y) is equal to the constant 3.870.

Religiosity (X1)

The religiosity coefficient has a positive value of 0.220, which means that every increase in one unit of the Religiosity will increase the probability of the shop switching behavior (Y) by 0.220.

Price (X2)

The coefficient value of the price variable is positive value 0.240, which means that every increase in one unit of the price variable will increase the shop switching behavior by 0.240.

CONCLUSIONS AND SUGGESTIONS Conclusions

Based on the results of the analysis and discussion, the following are the conclusion:

- Religiosity has a significant positive effect on shop switching behavior. It means that the higher the level of customer religiosity, it will increase shop switching behavior from modern retail stores to Moslem ethnic store Basmalah in Indonesia.
- Price has a significant positive effect on shop switching behavior, meaning that both the price offered will increase shop switching behavior from modern retail stores to Moslem ethnic store Basmalah in Indonesia

Suggestions

Based on the results of data analysis, discussion, and conclusions in this study, the suggestions given include:

- For companies, Basmalah Moslem ethnic store, it is necessary to continue to maintain the image of Religiosity. That is, owned as well as lower prices from modern retail stores and other stores so that customers will be interested in choosing Muslim ethnic store Basmalah as a shopping place to meet their daily needs.
- For the next researcher, it is better to add analytical methods using interviews to expand the discussion of the research and add variables that might influence shop switching behavior.

Sudaryanto Sudaryanto et al., Sci Res Jr Eco Bus Mgn; Vol-1, Iss-4 (Dec, 2021): 14-21

REFERENCES

- 1. Aprindo. (2019, September 12). (Retail Growth is still hampered up to 2020 (Pertumbuhan Ritel Masih Terhambat Hingga Tahun 2020). *REPUBLIKA*. Retrieved from https://republika.co.id/berita/q0umsv383/aprindo-pertumbuhan-ritel-masih-terhambat-hingga-tahun-2020
- 2. Bansal, H. S., Taylor, S. F., & Yanik, J. (2005). Migrating" to New Service Providers: Toward a Unifying Framework of Consumers' Switching Behaviors. *Journal of the Academy of Marketing Science*, 33(1), 96-115.
- 3. C. Calvo-Porrala, & J.-P. Lévy-Mangin. (2015). Smooth operators? Drivers of customer satisfaction and switching behavior in virtual and traditional mobile services. *Revista Española de Investigaciónde Marketing ESIC*, 19, 124-138.
- Cummins, S., Anne, F., Petticrew, M., & Leigh, S. (2008). Retail-led regeneration and store-switching behaviour. *Journal of Retailing and Consumer Services*, 15(4), 288-295. Retrieved from https://www.sciencedirect.com/science/article/abs/ pii/S0969698907000458
- Dekhil, F., & Bouslama, H. B. and N. (2017). Effect of religiosity on luxury consumer behavior: the case of the Tunisian Muslim. *Journal of Islamic Marketing*, 8(1), 74-04. Retrieved from www.emeraldinsight.com/1759-0833.htm
- El-Menouar, Y., & Stiftung, B. (2014). The Five Dimensions of Muslim Religiosity. Results of an Empirical Study. *Methods, Data, Analyses, 8*(1), 53-78.
- Engell, J. F., Blackwell, R. D., & Miniard, P. W. (1995). *Consumer Behavior* (8th ed.). New York: Dryden Press.
- 8. Glock, C. Y., & Stark, R. (1965). *Religion and Society in Tension*. Chicago: Rand McNally.
- 9. Grassl, W. (2000). Strategic Brand Management: Building, Measuring, and Managing Brand Equity. Journal of Consumer Marketing, 17. https://doi.org/10.1108/jcm.2000.17.3.263.3
- 10. Hawkin, B., & Coney. (2010). *Consumer Behavior, Building Marketing Strategy* (Internatio). New York: Mc Graw Hill Companies.
- 11. Imammudin, M. (2017). The Influence of Halal

Labels and Religiosity Against the Decision of Instant Noodle Purchasing for Students of Bukit Tinggi IAI N T.A 2016/2017. *Journal of Economic Studies*, 1(1), 34-47.

 Johnson, B. R., Jang, S. J., Larson, D. B., & De Li, S. (2001). Does adolescent religious commitment matter? A reexamination of the effects of religiosity on delinquency. *Journal of Research in Crime and Delinquency*, 38(1), 22-44. Retrieved from

https://journals.sagepub.com/doi/abs/10.1177/0022 427801038001002

- Joseph F. Hair, J., Black, W. C., Babin, B. J., & Anderson, R. E. (1998). *Multivariate Data Analysis. England: Pearson Educational Limited*. Boston: Pearson EducationLimited.
- 14. Kotler, P., & Keller, K. L. (2012). *Marketing management* (14th ed.). New Jersey: Prentice Hall.
- 15. Kotler, Phillip, & Armstrong, G. (2016). *Principle* of Marketing (8th ed.). Jakarta: Erlangga.
- LaBarbara, A., & Gurhan. (1998). The role of materialism, religiosity and demographics in subjective well-being. *Psychology and Marketing*, 14(1), 71-97.
- 17. Levy, M., & Weitz, B. (2012). *Retail Management Information Center*. New York: McGraw-Hill.
- Mokhlis, S. (2006). The effect of religiosity on shopping orientation: an exploratory study in Malaysia. *Journal of American Academy of Business*, 9(1), 64-74.
- 19. Mowen, J. C., & Minor, M. (2001). Consumer Behavior: A. Framework. Prentice Hall.
- Nasse, T. B., Ouédraogo, A., & Sall, F. D. (2019). Religiosity and consumer behavior in developing countries: An exploratory study on Muslims in the context of Burkina Faso. *African Journal of Business Management*, 13(4), 116-127.
- 21. Nawawi Uha, I. (2010). *Islamic Microeconomics*. Jakarta: CV. Dwiputra.
- Worthington Jr, E. L., Wade, N. G., Hight, T. L., Ripley, J. S., McCullough, M. E., Berry, J. W., ... & O'Connor, L. (2003). The Religious Commitment Inventory--10: Development, refinement, and validation of a brief scale for research and counseling. *Journal of counseling psychology*, 50(1), 84-96.