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The Analysis of Souvenir Purchase Decision Making Based on Management Resources Approach

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Abstract

The purpose of this research is to analysis the influence of management resources, men, material, method and market. This research was designed with cross sectional approach. The population in this research was the consumers of knitting mask connector, due to the limitation of time, obtained 55 respondents as the sample. The independent variable in this study is management resources (men, material, method), and the dependent variable is purchase decision making. Using SEM-PLS as the technical analysis, obtained a significant direct influence of men, materials, methods and market on purchase decision making.

Keywords: Men, Material, Method, Market, Purchase Decision Making

1. Introduction

Nowadays, the world tries to awake the tourism sector. Tourism is a service sector that tries to present innovative and integrative services that offers various services including the touristic attraction (Mendes, Ferreira, & Dias, 2022). The most important aspect in tourism that can be considered as the touristic attraction is “what to buy” (on the way to or at the tourism destination), and one of the answers is souvenirs. Tourists have to make purchase decision making in determining what to buy. Many factors affect tourists’ decision in purchasing the souvenirs. One of the most popular souvenirs, Covid-19 aftermath, is knitting mask connector. The decision-making of the knitting mask connector purchase by the customer is a goal that the business expects to achieve with the support of qualified business management resources.

The rationalization that management is required in all types of organizational activities where people work together in the organization in pursuit of common goals is empirically proven through study, conducted on consumers of an organization/company providing services. The results of data processing showed that: 45% of respondents gave a high appraisal of man resource, 48% of respondents gave a high appraisal of materials, 51% of respondents gave a high appraisal of machines, 50% of respondents gave a high appraisal of methods, 49 % of respondents gave a high monetary appraisal on management resources (Wardani, 2017).

As we have stated before, the purpose of management is to achieve set goals. One of the main goals of a commodity -producing business unit, as a souvenir business unit, is to get as many buyers for their products. Several previous studies have proven this, even thought of in various ways or goals or objections. That is why, based on ideas, the purpose of this research is that is why, based on ideas, the purpose of this research is to analyze the influence of management resources, men, materials, methods, and markets on purchase decisions making in buying the souvenir - knitting mask connector.

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2. Literature Review

Management is needed in all types of organizational activities where people work together in an organization to achieve common goals (Wardani, 2017). This argument is supported by a study with the statement: Variable of man, material, and method has significant association to the interest of using, or we can say purchasing, the service given by the organization.

The process of a purchase decision making consists of several steps, that involving complexity, various aspects, or attributes such as: identification, selection, information, substitution, and others (Sofi & Nika, 2017; Pappas & Glyptou, 2021; Methling, Abdeen & Nitzsch, 2022; Ran, 2022). Every business that offers souvenirs wants tourists or customers to purchase as many as they can. Based on previous research, it is believed that to achieve one business goals we need management resources. Management resources consist of men, material, machine, money, and method, the 5M (Abdi, et.al. 2016; Wardani, 2017).

Therefore, based on the literature review, the theory, and the previous study, on the management resources and purchasing decision making, the hypothesis of this research would be:

H1: Management resources has significant effect on purchasing decision making

3. Methodology

This research was designed with cross sectional approach. The population in this research was the consumers of knitting mask connector. The sampling technique used in this research was simple random technique. Due to time constraints, a sample of 55 respondents was obtained. The independent variable in this study is management resources (men, material, method), and the dependent variable is purchase decision making. The technical analysis used is SEM-PLS. The Variable used in this research is described in Table 1.

Table 1. The research variables

Variable	Indicator	Symbol
Management Resources (X)		
	Men:	
	1. Qualified Souvenir Artisan	X1
	2. Supplier Availability	X2
	Material:	
	3. Good Quality Material	X3
	Method:	
	4. Unique Knitting Mask Design	X4
	5. Sales Channel Diversity	X5
Purchase Decision Making (Y)		
	Product quality is better comparing to others	Y1
	Bought after comparing with other seller's product	Y2
	The information provided regarding the product is in accordance with the reality	Y3
	Look at the product sold makes you interested in buying them	Y4
	Product packaging is very good	Y5
	Knitting mask connector as souvenir follow the current trend	Y6
	See other consumers wearing knitting mask connector makes you interested in buying them	Y7
	Satisfied with the knitting mask connector	Y8
	Never feel disappointed after buying a knitting mask connector	Y9
	The decision to buy knitting mask connectors due to the good quality of the product	Y10

3. Analysis and Findings

Assessment of Measurement Model

The overall evaluation model, Model Fit and quality indices, in this research were assessed in the Table 2. Based on the data processed, out of the 15 tests/index goodness of the model, good results were obtained for 11 tests/index of goodness of the model (73.3% good). In other words, the model is good and feasible to use.

Table 2. Model fit and quality indices

Classic Indices	*Value*	Model Requirement	Conclusion
Average path coefficiest (APC)	<0.001	*P-value*< 0.05	*close fit*
Average R-squared (ARS)	<0.001	*P-value*< 0.05	*close fit*
Average adjusted R-squared (AARS)	<0.001	*P-value*< 0.05	*close fit*
Average block VIF (AVIF)	-	*acceptable if* ≤ 5, *ideally* ≤ 3.3	-
Average full collinearity VIF (AFVIF)	1.853	*acceptable if* ≤ 5, *ideally* ≤ 3.3	*close fit*
Tenenhaus GoF (GoF)	0.499	*small* ≥ 0.1, *medium* ≥ 0.25, *large* ≥ 0.36	*close fit*
Sympson's paradox ratio (SPR)	1.000	*acceptable if* ≥ 0.7, *ideally* = 1	*close fit*
R-squared contribution ratio (RSCR)	1.000	*acceptable if* ≥ 0.9, *ideally* = 1	*close fit*
Statistical suppression ratio (SSR)	1.000	*acceptable if* ≥ 0.7	*close fit*
Nonlinear bivariate causality directun ratio (NLBCDR)	1.000	*acceptable if* ≥ 0.7	*close fit*
Additional Indices	***Value***	**Model Requirement**	**Conclusion**
Standardized root mean squared residual (SRMR)	0.150	*acceptable if* ≤ 0.1	*not good fit*
Standardized mean absolute residual (SMAR)	0.112	*acceptable if* ≤ 0.1	*not good fit*
Standardized chi-square with 252 degrees of freedom (SChS)	<0.001	*P-value*< 0.05	*close fit*
Standardized threshold difference count ratio (STDCR)	0.838	*acceptable if* ≥ 0.7, *ideally* = 1	*good fit*
Standardized threshold difference sum ratio (STDCR)	0.581	*acceptable if* ≥ 0.7, *ideally* = 1	*not good fit*

The measurement model evaluation was showed in Table 3, the internal consistency, were measured by Cronbach's Alpha (α> 0.60) and Composite Realibility (CR > 0.70). Furthermore, the convergent validity was measured by Outer Loading (OL> 0.50) and Average Variance Extracted (AVE > 0.50).

Table 3. The validity and reliability measurements for all constructs

Construct	Item Description	Outer Loading	AVE	CR	Cronbach's Alpha
Management Resources	**X1**	0.764	0.531	0.849	0.778
	X2	0.752			
	X3	0.731			
	X4	0.734			
	X5	0.656			
Purchase Decision Making	**Y1**	0.771	0.515	0.913	0.894
	Y2	0.632			
	Y3	0.670			
	Y4	0.696			
	Y5	0.762			
	Y6	0.677			
	Y7	0.638			
	Y8	0.867			
	Y9	0.708			
	Y10	0.722			

Table 3 shows that, from the data processing, the value of outer loading, AVE, CR, and Cronbach's Alpha is satisfying for SEM-PLS model. The internal consistency and convergent validity for all items are fit. All outer loading value is greater than the cut-off value (0.50), AVE is greater than 0.50, CR is greater than 0.70, and the Cronbach's Alpha is greater than 0.60 (cut-off values). For the management resources AVE, values of 0.53, Composite Reliability (CR), values of 0.849. For the Purchase Decision Making AVE, the values of 0.515, Composite Reliability (CR) values of 0.913. These results show that these constructs have internal consistency and good convergent validity.

1. The discrimination validity, is measured from Cross Loading (L>Lothers) and criteria of Fornell Lacker(√AVEYi>Correlation Yi,Yj). The numbers were written in Bold in the Table 3 are loading factor which is symbolized by L.

Table 4. The cross loading result

	X	Y
X1	**(0.764)**	-0.279
X2	**(0.752)**	-0.115
X3	**(0.656)**	-0.117
X4	**(0.734)**	0.334
X5	**(0.731)**	0.179
Y3	0.125	**(0.771)**
Y4	0.297	**(0.632)**
Y5	-0.387	**(0.670)**
Y7	0.493	**(0.696)**
Y8	0.113	**(0.762)**
Y9	-0.296	**(0.677)**
Y10	0.096	**(0.638)**
Y12	-0.125	**(0.867)**
Y13	0.199	**(0.708)**
Y14	-0.481	**(0.722)**

In Table 4, it can be seen that each outer loading in the specified construct has a greater value than the outer loading in the other constructs. It is concluded that the discriminant validity of the SEM-PLS model is met.

Table 5. Correlation matrix results for *Fornell Lacker criteria*

	X	Y
X	**(0.728)**	0.678
Y	0.678	**(0.717)**

Furthermore, it can be seen in Table 5, for each row of the matrix, the AVE value of the construct is generated and has a value greater than the correlation values of the two different constructs. It is also concluded that the discriminant validity of the SEM-PLS model is met. Other results obtained from data processing are the results

of the structural model evaluation as measured by the coefficient of determination (R^2) and the magnitude and significance of the path coefficient. Table 6 shows the results of hypothesis testing in a direct relationship of several constructs. . From the formulated hypotheses, all hypotheses are significant with p-value < 0.05.

Table 6. The relationship path among the constructs

Hypothesized Paths	Estimate	P-value	Result
H1: X ->Y	0.691	<0.001***	Significant

Note: ***, **, and * denote the two-tail statistical significance at 1%, 5%, and 10% respectively

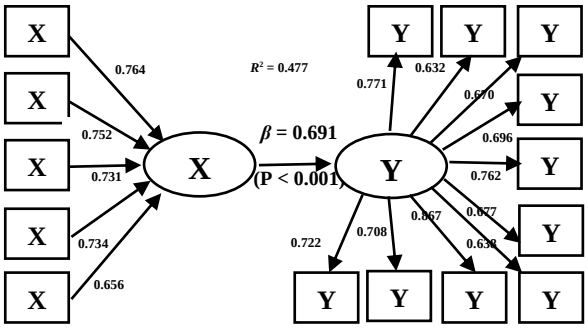

Figure 1. The path coefficient

$$\mathbf{Y = 0.691X + e,\ R^2 = 0.477}$$

The result of the coefficient of determination (R-Square, R2) is 0.477, means that the diversity of endogenous constructs (Y) can be explained by exogenous constructs (X) is 47.7% and the remaining 52.3% is explained by other constructs that are not included in which one, represented by a structural error. In the structural equation, the test results conclude that:

1. There is a significant direct effect of X on Y of 0.691. The higher the X value, the higher the Y value; On the other hand, the lower the X value, the lower the Y value.
2. There is a significant direct effect of X1 on Y of 0.764 * 0.691 = 0.527924. The higher the X1 value, the higher the Y value; On the other hand, the lower the X1 value, the lower the Y value.
3. There is a significant direct effect of X2 on Y of 0.752 * 0.691 = 0.519632. The higher the X2 value, the higher the Y value; On the other hand, the lower the X2 value, the lower the Y value.
4. There is a significant direct effect of X3 on Y of 0.731 * 0.691 = 0.505121. The higher the value of X3, the higher the value of Y; on the other hand, the lower the X5 value, the lower the Y value.
5. There is a significant direct effect of X4 on Y of 0.734 * 0.691 = 0.507194. The higher the X4 value, the higher the Y value; On the other hand, the lower the X4 value, the lower the Y value.
6. The direct effect of X5 which is significant on Y is 0.656 * 0.691 = 0.453296. The higher the X5 value, the higher the Y value; On the other hand, the lower the X5 value, the lower the Y value.

The fact that there is a significant direct effect of qualified souvenir artisan, X; supplier availability, X2 (men); good quality material, X3 (material); unique knitting mask design, X4; sales channel diversity, X5 (method); proved that that the management resource supports the business goal achievement, to convince customers in deciding to buy the knitting mask connector as souvenir. These findings align with the previous research (Wardani, 2017).

4. Conclusion and Recommendations

Previously, it was mentioned, the purpose of this study is to analyze the influence of management, human men, material, method, and market resources on purchase decisions making for the souvenir knitting mask connector. Based on the results of the study, it can be concluded that there is a direct influence of management resources, human resources or men, materials, methods on purchase decisions making in purchasing knitting mask connector. The higher the management resources, man, material, method; the purchase decision making in purchasing knitting mask connectors. This result shows that this research findings supports the previous finding, the management resource supports the business goal achievement (Wardani, 2017).

This finding shows that the higher the men, material, method (quality and or diversity), the higher the purchase decision making in purchasing souvenir - knitting mask connector. This imply that the knitting mask connector business providers have to take into consideration to in maintaining and enhancing the quality of souvenir artisan and availability of supplier (the human capitals/men). Furthermore, this business not only has to take into consideration the on the quality of the materials, but also the diversity of marketing method. Hence, this business can sustainably in providing the souvenir as a crucial component of the tourism development and recovery after the Covid-19 pandemic.

However, there are numerous limitations to this research. For instance, the number of respondents included in the sample of this research is limited, which affects the number of variables. The future research agenda should carefully address all of these restriction factors. Since social science constantly makes assumptions, different variables and sample sizes present opportunities for further study in an effort to broaden our understanding.

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