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UNDERSTANDING PURCHASE MOTIVES TO INCREASE REVENUE GROWTH: A STUDY OF NANOSTORES IN INDONESIA

Abstract

The occurrence of the Covid-19 pandemic has resulted in consumers being reluctant to go far to shop, so nanostores are a choice. There are thousands of nanostores in Indonesia. However, not all nanostores are in demand by consumers, some nanostores are abandoned because they cannot adapt to consumer needs. This study aims to find factors and dimensions of purchase motives that can be used to increase sales and revenue of nanostores. The study used an explanatory survey method. The survey was conducted on 210 nanostore consumers in the city of Bandung, Indonesia. The research data were analyzed using confirmatory factor analysis. The study results obtained three dimensions of consumer buying motives in nanostores: product attributes, self-orientation, and service guarantee. These are dimensions that consist of 12 factors and the majority of factors tend to be based on rationality or things related to healthy logic. To increase their revenue and growth, it is recommended that nanostore entrepreneurs understand consumer buying motives according to community conditions.

Keywords

Covid-19, nanostores, product attributes, self-orientation, service guarantees, revenue

JEL Classification

M21, M31, E26

INTRODUCTION

Indonesia has a population of 270.2 million and has several large, densely populated cities (BPS, 2020). In these cities, various retail outlets operate, such as hypermarkets, supermarkets, modern retail, and nanostores. In developing countries, the number of nanostores is the most widespread among other retails (Boulaksil & Belkora, 2017). Indonesia as one of the developing countries that has small retail or nanostores in almost all of its cities. Several studies have proven the important role of small businesses in the economy, including nanostores. However, there are limited studies that discuss this issue. The exact data on the number of nanostores in Indonesia is still unknown. It is estimated that there are thousands of nanostores in Indonesia, which makes nanostores the most widespread shops among other existing retailers.

The majority of nanostores in Indonesia are located in strategic places and close to consumers. Nanostores sell people's daily needs. Since this study was carried out during the increase in Covid-19 pandemic cases, this paper is focused on nanostores within the Covid-19 pandemic condition. The behavior of consumers who are reluctant to go far to shop and tend to avoid crowds is a form of anticipation of the spread of Covid-19. Therefore, nanostores around the residence become an option. However, not all nanostores become consumer



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choices. There are many causes, including the inability of nanostore entrepreneurs to adapt to the Covid-19 pandemic situation. Some nanostore entrepreneurs remain with the old behavior and do not apply health protocols aimed to mitigate the spread of Covid-19. As a result, consumers leave such a nanostore and switch to another store. Therefore, many new nanostores have emerged that can seize opportunities by meeting consumer needs, such as providing services with health standards. Nanoshops like this are preferred and attract more consumers. In other words, in this pandemic era, nanostore consumers pay attention to not only the price and quality of goods but also the motive for health safety.

As long as, purchase motifs have been widely studied in large retail and modern retail and have not been studied in nanostore. For this reason, in-depth research from various aspects of nanostore retail is needed. Nanostore entrepreneurs who know their consumers' buying motives accurately, will be able to provide the right merchandise and services according to consumer tastes. This will be able to increase revenue and determine the growth of the company. This paper provides answers to these problems. The purpose of this study is to understand consumer buying motives, factors, and dimensions that can be used by nanostore entrepreneurs in increasing their revenue growth.

1. LITERATURE REVIEW

Nanostores and community economic growth. The economic growth of a country cannot be separated from the economic actors of its community. There are several groups of economic actors, namely: large business groups, medium business groups, small and micro business groups. The government of Indonesia recognizes the medium, small, and micro-business groups by the abbreviation "MSMEs/Micro Small Medium Enterprises". MSMEs are dominated by the micro business group (BPS, 2020). This group includes nanostore class retail. Data also shows that 60% of Indonesia's GDP comes from MSMEs (UMKM Indonesia, 2020). Based on the data from UMKM Indonesia (2020), 99.9% of businesses in Indonesia are small, medium, and micro-business groups. 98.7% of these businesses (62.1 million) are non-formal businesses, which means that only 0.1% of the number is large businesses operating in Indonesia. Susanto and Meiryani (2019) concluded that MSMEs play an important role in Indonesia's economic growth. This means that Indonesia's economic growth is highly dependent on the development of this business group, including the nanostore business group.

In some countries, nanostores have various names, such as changarro (Mexico), hanoout (Morocco), warung, small shops, or grocery stalls from Indonesia (Chaniago, 2020;

Dholakia et al., 2018; Fransoo et al., 2017; Kumar et al., 2015). Nanostore sells daily necessities. It is a routine activity for consumers to shop for their needs, with limited funds and low risk (Thirumalai & Sinha, 2009). Nanostore is defined as a small retail store that sells various consumer's primary needs such as eggs, sugar, flour, rice, soap, cooking oil, etc. (Boulaksil et al., 2019; Chaniago, 2020). Physically, nanostores have an area of < 50 m² (Chaniago, 2020). The characteristics of nanostores are: they tend to be located in strategic places (turns, roadsides, or in front of housing), managed directly by the owner, and use simple technology to serve their customers. The merchandise sold by nanostores is not much different from modern retail, only with lesser quantity. Some nanostores provide an opportunity for their customers to pay with credit (Boulaksil et al., 2019).

The Indonesian constitution groups nanostores into non-formal businesses. It is called a non-formal business because it is quite easy to establish it. It does not require official government legality, and anyone can easily run this business. Becoming a nanostore entrepreneur is an easy choice to make a living and avoid being unemployed. It is estimated that there are thousands of nanostores, spread from urban to rural areas, and they are the largest retailers in Indonesia. In densely populated areas, the number of nanostores is higher. This means that the development of the number of nanostores follows the development of the population in a region.

Purchase motives in the Covid-19 period. Understanding consumer motivation in making purchases is essential. Misunderstanding can harm sales. Jin and Kim (2003) stated that the purchase motive is a driver of behavior that encourages consumers to go to the market to satisfy their needs. Individuals with a purchase motive will be driven to fulfill their needs by buying goods from specific retailers. The consumer buys profit (Martenson, 2018) and expects to get a lot of benefits from the transaction. Researchers reminded that consumers buy because of the need for the benefits of using goods (utilitarian) and non-utilitarian, such as empathy, hedonic behavior, compassion, and personal appreciation (Babin & Darden, 1996; Hibbert et al., 2005; Kaur & Singh, 2007; Miranda, 2009; Thøgersen et al., 2015). Nielsen et al. (1998) concluded that consumers buy products because of product attributes and personal values that exist within consumers. Consumer personal values are closely related to consumer culture. Culture is also a determinant of consumers in choosing goods. Different cultures allow consumers to buy the same goods for different reasons (Thøgersen et al., 2015). According to Sudaryanto et al. (2021), culture determines a person's decision to make a purchase. It is crucial to understand consumer culture to predict consumer needs and increase sales. Bianchi et al. (2020) and Yamoah et al. (2016) found that consumers buy because of social responsibility and self-satisfaction. Meanwhile, Barska and Wojciechowska-Solis (2018) concluded that consumers' motives for shopping are curiosity, looking for high-quality products, and trying new foods. Phillips et al. (2014) and Bukhari et al. (2020) reminded that religious values also motivate someone to make a purchase. Purchase motives can be grouped into function, economy, environment, and others. Zoll et al. (2018) divided buying motives into self-oriented, community-oriented, and social-political motives. Kempen et al. (2011), Hibbert et al. (2005), and Lotz et al. (1999) clarified that the purchase motive consists of internal and external motives, such as helping people because they want to get a spiritual reward. Similarly, Yavas (2001) conclude that consumers' motives to buy are due to external factors, such as price, politeness of personnel, store cleanliness, and quality of goods. Meanwhile, Zhou and Wong (2008) concluded that the purchase motive comes from internal factors, such

as perceived motivation, prestige, and social value. Purchase motives can also be grouped into rational and irrational motives (Dharmmesta & Handoko, 2016; Miranda, 2009). The rational purchase motive of consumers pays more attention to price, quality, function, durability of goods, and the warranty provided by the seller. Irrational buying motives are also called emotional motives, such as pleasure, pride, appearance, wanting to get recognition from society, and others. Referring to the findings of various researches on purchase motives, there are many reasons and variants of purchase motives. Purchase motives are the basis for consumers to buy something. Purchasing motive is defined as a condition in which a person purchases goods to meet needs, get rational and emotional satisfaction. Purchase motives play a role in encouraging consumers to make transactions at all retailers, including nanostores.

However, the motive for this purchase may change due to the situation. During the Covid-19 pandemic, many companies were affected, even to the point of not operating (Krisna, 2021). These symptoms can be seen in the number of layoffs of employees and changes in consumer behavior.

Evidence of purchase motives and factors that cause consumers to shop are widely studied in large retail and modern retails such as research by Hibbert et al. (2005), Nielsen et al. (1998), and Thøgersen et al. (2015). Purchase motives are rarely disclosed for nanostore-class retailers, even though their quantity is the highest among other business units.

The ability of entrepreneurs' nanostore to understand purchase motives in various situations, including the Covid-19 pandemic situation, can be used as a tool to increase company turnover and revenue. A person's intelligence in reading what is needed by the community allows it to be used to improve the company's economy. Based on the literature review, a research hypothesis on consumer purchasing motives at nanostores was developed:

- H1: *There are several factors determining consumer purchase motives at nanostores.*
- H2: *Product attributes, service guarantees, and self-orientation are positively correlated.*

2. METHODS

This study uses an explanatory survey method, carried out in April-June 2021 in Bandung, Indonesia. At that time, Indonesia was amid the Covid-19 pandemic. Many companies were affected and stopped their activities. As a result, the unemployment rate increases, and economic growth decreases. The 2020 Indonesian government document reported that for the second quarter the Indonesia's economic growth fell by 5.32% (Rizal, 2021). Amid a bad financial situation, this study was conducted at a nanostore in Bandung. Bandung is one of the big cities in Indonesia. It is the city of tourism and trade and is densely populated. The density level is 14,608 people/km (BPS, 2021). The population is 2,444,160 people at night, and during the day, the number increases to 200%.

This is due to the influx of residents around the city of Bandung who work and carry out other activities in Bandung. The population of this study is all residents of Bandung city who are already working or have an income, a total of 1,183,192 people (BPS, 2021). The sample was taken as many as 210 people spread over the research area. The samples were picked randomly. Data collection in the field used a questionnaire distributed to nano-store consumers via Google form.

The data were analyzed using factor analysis with the help of SPSS software. The results of this analysis obtained a grouping of respondents' answers. Then, the model was tested using CFA (Confirmatory Factor Analysis) using AMOS 23 software. The factors and symbols employed are shown in Table 1.

Table 1. Measuring components and symbols

Source: Authors' elaboration.

Dimension	Indicators	Symbol	Source
Product Attribute	Price according to purchasing power	F1	Kim and Hong (2019); Nielsen et al. (1998); Choi et al. (2020)
	Price as desired	F2	Kim and Hong (2019); Nielsen et al. (1998); Choi et al. (2020)
	Conformity of product function with needs	F3	De Ferran and Grunert (2007); Kim and Hong (2019); Nielsen et al. (1998)
	High product function	F4	Zoll et al. (2018); Hibbert et al. (2005); Miranda (2009); Babin and Darden (1996); Thøgersen et al. (2015); Nielsen et al. (1998)
	Quality according to price	F5	Ginon et al. (2014); Nielsen et al. (1998)
	Merchandise quality	F6	Ginon et al. (2014); Nielsen et al. (1998); Barska and Wojciechowska-Solis (2018)
	Expiry date	F7	
	Good stuff for sale	F8	Ginon et al. (2014)
	Warranty	F9	
	Exchangeability of items	F10	
Internal	Merchandise cleanliness	F11	Ginon et al. (2014); Kraus (2015)
	Packaging availability	F12	
	Proud to be a customer	F13	
Irrational	Proud to buy from a famous shop	F14	Zoll et al. (2018); Dharmmesta and Handoko (2016); Miranda (2009)
	Desire to help	F15	Hibbert et al. (2005); Miranda (2009); Babin and Darden (1996); Thøgersen et al. (2015); Bianchi et al. (2020); Hibbert et al. (2005); Lotz et al. (1999); Dharmmesta and Handoko (2016); Miranda (2009); Nielsen et al. (1998)
	Feeling well served	F16	Nielsen et al. (1998); Bianchi et al. (2020); Hibbert et al. (2005); Lotz et al. (1999); Dharmmesta and Handoko (2016); Miranda (2009)
	Desire to be praised	F17	Hibbert et al. (2005); Miranda (2009); Babin and Darden (1996); Thøgersen et al. (2015); Bianchi et al. (2020); Lotz et al. (1999)
Hedonist	Desire to be respected	F18	Hibbert et al. (2005); Miranda (2009); Babin and Darden (1996); Thøgersen et al. (2015); Bianchi et al. (2020); Lotz et al. (1999); Dharmmesta and Handoko (2016); Miranda (2009); Kaur and Singh (2007)

3. RESULTS

The majority of respondents are female (68%), the most monthly income of respondents < 200 USD, relatively young age 18-25 years (65%), work as employees and entrepreneurs with the majority of high school education levels, as shown in Table 2.

Table 2. Sample characteristics of consumer purchase motives (N = 210)

Demographic	Frequency	Percent
Gender		
Male	67	32
Female	142	68
Average income of respondents (USD)		
< 200	119	57
> 200 – 350	45	21
> 350	46	22
Average age of respondents (Years)		
18 – 25	137	65
26 – 35	22	10
36 – 45	31	15
46 – 55	20	10
Occupation		
Employee	67	32
Businessman	45	21
Others	98	47
Level of education		
Graduate Degree	82	39
High School	128	61

Table 2 provides information that consumers of nanostores are mostly low-income, productive age and most of them are women. While Table 3 describes a descriptive analysis of the product attributes dimensions.

Table 3. Mean score for product attributes

Indicators	Mean	Standard deviation
1 Price according to purchasing power	4.2524	0.6401
2 Price as desired	4.0857	0.6794
3 Conformity of product function with needs	4.2238	0.6652
4 Quality according to price	3.9762	0.6878
5 Merchandise quality	3.8429	0.6980
Average	4.0762	0.6741

Note: 5 = extremely important, 4 = very important, 3 = mildly important, 2 = not very important, 1 = unimportant.

The average respondent gave a score of > 4 on each product attribute item with a standard deviation of < 1 or less than 20%. This means that product attributes are considered important in determin-

ing consumer buying motives at nanostores.

Table 4 obtained that the average score of respondents' answers about self-orientation is close to 3 (2.9365) and the standard deviation is > 1. This means that there is a diversity of respondents' opinions about self-orientation and this is an important criterion in determining their shopping motives at nanostores.

Table 4. Mean score for self-orientation

Indicators	Mean	Standard deviation
1 Proud to be a customer	3.2190	0.94824
2 Proud to buy from a famous shop	3.0238	0.94053
3 Desire to be praised	2.5667	1.12723
Average	2.9365	1.0053

Note: 5 = extremely important, 4 = very important, 3 = mildly important, 2 = not very important, 1 = unimportant.

Table 5 shows the average service guarantee score, the average is > 3 and the standard deviation is < 1. This means that respondents agree that service guarantees are sufficient to determine their motives for shopping at nanostores.

Table 5. Mean score for service guarantees

Indicators	Mean	Standard deviation
1 Expiry date	3.8095	0.77144
2 Warranty	2.9143	1.15840
3 Exchangeability of items	3.1952	1.13449
4 Merchandise cleanliness	3.6381	0.8818
Average	3.3893	0.9865

Note: 5 = extremely important, 4 = very important, 3 = mildly important, 2 = not very important, 1 = unimportant.

There were three repetitions of the factor analysis test. The results obtained three groups of respondents' answers, and 13 factors met the requirements, namely: Barlet Test < 0.5; MSA all > 0.5; KMO > 0.5; Component Transformation Matrix > 0.5 and Rotated Component Matrix consists of three groups, namely Component 1 consists of F1, F2, F3, F5, F6; Component 2 consists of F13, F14, F17, F18 and Component 3 consists of F7, F9, F10, F11. Factors with communalities values < 0.5, which dropped F4, F8, F12, F15, F16. Component 1 consists of factors related to product attributes, labeled with the dimension "product attributes". Component 2 tends to be more about service and guarantees, so this component is marked as the "service guarantee" dimension. Component 3 factors are related to the consumer's self-motivation,

so it is labeled the dimension of “self-orientation”. The results of the factor analysis test have shown that consumer purchasing motives at nanostores consist of three dimensions, namely: product attributes, service guarantees, and self-orientation. Referring to these findings, *H1* is accepted: there are several determinants of consumer buying motives in nanostores.

Furthermore, this study conducted a model test using CFA (Confirmatory Factor Analysis) with AMOS 21 software. The model test resulting in F18 loading factor < 0.5, and this factor was dropped. The model test was repeated by excluding F18. The results obtained information on all loading factors > 0.5 as shown in Table 6. Information in Table 6 shows all loading factors > 0.5. This means that it is qualified to analyze the model test with CFA. The results of the model test are presented in Table 7.

Table 6. Loading factor analysis

Source: Authors' elaboration.

Variables	Estimate
Self-Orientation ← Purchase-Motive	0.629
Product-Attributes ← Purchase-Motive	0.646
Service-Guarantee ← Purchase-Motive	1.102
F1 ← Product-Attributes	0.563
F2 ← Product-Attributes	0.557
F3 ← Product-Attributes	0.567
F5 ← Product-Attributes	0.760
F6 ← Product-Attributes	0.736
F13 ← Purchase-Motive	0.828
F14 ← Purchase-Motive	0.896
F17 ← Purchase-Motive	0.590
F7 ← Service-Guarantee	0.664
F9 ← Service-Guarantee	0.685
F10 ← Service-Guarantee	0.575
F11 ← Service-Guarantee	0.731

Table 7. Model feasibility test index

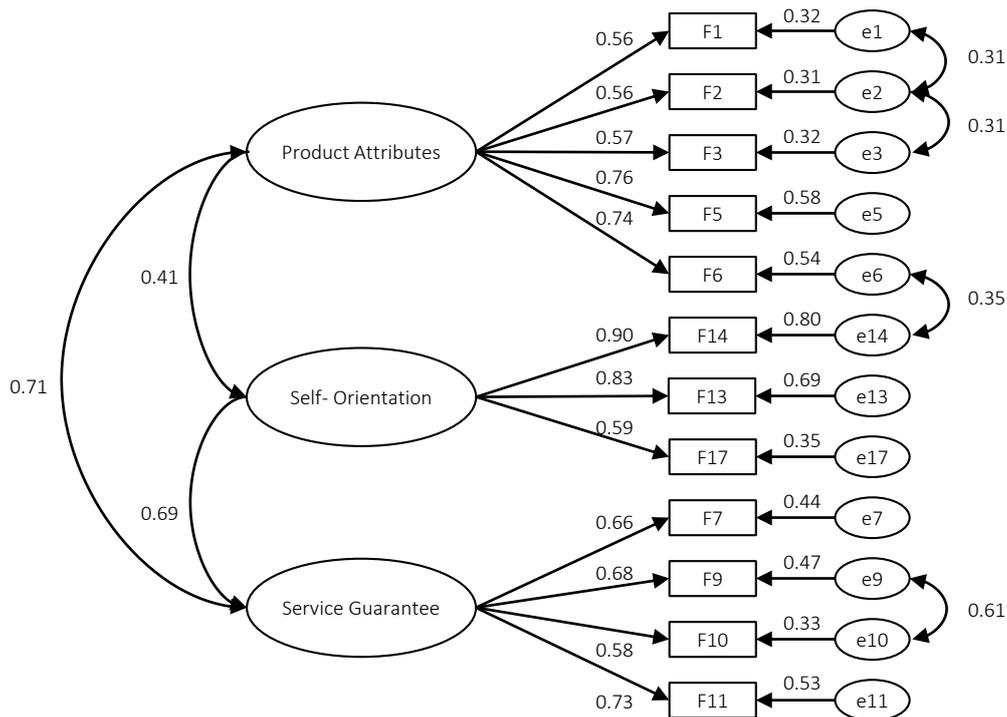
Source: Hair et al. (2010).

No	Criteria	Cut off Value	Model Result	Explanation
1	Chi-Square (χ^2)	Statistics Expected small (< table value)	88.587	A small value expected
2	χ^2 Signif. Probability	≥ 0.05	0	No difference between the data and the model
3	Cr	≤ 2.58	2.408	Normal data distribution
4	CMIN/DF	≤ 2.00	1.885	Good
5	GFI	≥ 0.90	0.926	Good
6	RMSEA	≤ 0.08	0.065	Good
7	AGFI	≥ 0.90	0.882	Marginal
8	TLI	≥ 0.90	0.945	Good
9	CFI	≥ 0.90	0.961	Good

Table 7 provides information that the model's feasibility test index shows the majority of the index value > Cut off Value. This means that the proposed model is acceptable, and the relationship between research factors is shown in Figure 1.

Based on Table 6, Table 7 and Figure 2 show that each dimension of purchase motive is proved to be positively correlated. This means that *H2* can be accepted: product attributes, service guarantees, and self-orientation are positively correlated.

Figure 1 shows that this study found three dimensions of consumer purchase motives at nanostores, such as product attributes, self-orientation, and service guarantees. Product attributes are a combination of five factors: F1, F2, F3, F5, and F6 (price match with purchasing power, price match with desire, quality according to price, merchandise quality). Service guarantee consists of factors F7, F9, F10, and F11 (product expiry date, product warranty, exchangeability of goods, goods cleanliness). Self-orientation combines F13, F14, and F17 (proud to be a customer, proud to shop at famous stores, desire to be praised as a consumer). Each dimension is correlating with others. The correlation of product attributes with self-orientation is 41%, product attributes with service guarantees is 71%, and the correlation between self-orientation and service guarantee is 79%. The biggest correlation between service assurance and the dimensions of product attributes and self-orientation is shown in Figure 1. Service assurance is a new finding of this study. It is a dimension of purchase motive.



Note: F1 = Price according to purchasing power, F2 = Price as desired, F3 = Conformity of product function with needs, F5 = Quality according to price, F6 = Merchandise quality, F7 = Expiry date, F9 = Warranty, F10 = Exchangeability of items, F11 = Merchandise cleanliness, F13 = Proud to be a customer, F14 = Proud to buy from a famous shop, F17 = Desire to be praised.

Figure 1. Involving purchase motives in nanostore

4. DISCUSSION

To understand the purchase motives, data processing from respondents was carried out. The results found 12 factors that became the motives for consumer purchases at nanostores. 12 factors are grouped into three dimensions: product attributes, service assurance, and self-orientation (see Figure 1). 9 of the 12 factors have a relationship with the rational concept, and only three factors describe the irrational concept. This means that the majority of consumers' motives for shopping at nanostores are based on rationality, especially during the Covid-19 pandemic. The stigma that states that consumers shop because of "pity, social responsibility, generosity and others" is refuted. There is no evidence to support that consumers shop at nanostores because of social responsibility. This is proved by the dropping of questions about buying because they want to help, feel served, and want to be respected.

One of the factors in product attributes is price. Price is a consideration for consumers to shop at nanostores. Ginon et al. (2014), Kim and Hong

(2019), and Choi et al. (2020) also proved the same thing by concluding that price is a factor that also encourages consumers to buy. Price is the ability of consumers to pay for the value of the goods obtained. The higher the purchasing power of the people, the higher the ability of consumers to buy. In nanostores, consumers generally already know the price range of the goods to be purchased. They will adjust the number of purchases if there is a price increase. The price increase could have an impact on nanostore retails sales turnover. Therefore, determining the selling price of goods should consider various aspects such as people's purchasing power, economic growth, acquisition costs, profit margins, competitor prices, etc.

The dimensions of product attributes and service assurance are similar to the findings of Nielsen et al. (1998), Ginon et al. (2014), Thøgersen et al. (2015), Hibbert et al. (2005), and Bukhari et al. (2020) who concluded that product attributes and personal value desirability determine purchase motives. The dimensions of product attributes and service guarantees are motives based on common sense or rationality. This motif is a collection of

factors of price, quality, condition of goods, warranty of goods, and packaging of merchandise. Entrepreneurs need to realize that product attributes are always a consumer's attention in buying. Informing the price, quality of goods in attractive packaging can be a magnet for consumers to buy and in the end will increase business income.

Self-orientation is one of the motives for a consumer to shop at nanostores. Self-orientation consists of three factors: being proud to be a customer, being proud to buy at a famous store, and desire to get praise from others. Self-oriented motives tend to be carried out by consumers to fulfill their ego desires. The ego feels proud and wants to be praised. As well as the personal interests of the findings of Kaur and Singh (2007). Thus, this self-orientation is also the rationality of consumers in fulfilling their emotions. The culture adopted by consumers influences self-orientation. Different cultures allow different reasons even though the goods purchased are the same (Thøgersen et al., 2015). The dimensions of self-orientation in this study are in line with the emotional/irrational dimensions of Miranda (2009) and the internal motives of Hibbert et al. (2005). For consumers who have an upper-middle-income level, there is a tendency for their self-oriented value to be higher. They tend to be willing to pay more.

What nanostore entrepreneurs need to pay attention to is knowing and taking advantage of their consumers' buying motives. To find out the purchase motive, nanostore entrepreneurs need their knowledge, but nanostore entrepreneurs are weak in this regard and in terms of capital and technology. One of the reasons for this is because it is very rare for nanostore entrepreneurs to come from college graduates. They are mostly junior and senior high school graduates, whereas education is one of the media to improve human quality and grow the nation's economy (Ogunjobi et al., 2021). This weakness can be overcome if nanostore entrepreneurs want to read books and learn by self-taught. Self-taught means paying attention to what other retailers are doing and then trying it out, specifically cloning innovation from other modern retail and nanostore retailers. Innovation cloning is defined as the act of imitating people who have successfully adapted company goals to consumer needs (Bhatnagar & Gopaldaswamy,

2017; Sundström et al., 2020) such as product, technology, and service attributes. Cloning innovation is an easy and effective way to change according to consumer tastes. Nanostore entrepreneurs imitate and modify what is done by many interested retailers. Cloning innovation does not require knowledge and large costs for nanostore entrepreneurs.

During the Covid-19 pandemic, consumers prefer traders who implement health protocols, such as wearing masks, maintaining distance, wearing gloves, and providing hand sanitizer. This means that consumers ask traders to offer security guarantees from Covid-19. During the pandemic, traders implementing health protocols are a powerful medium to attract consumers. Health protocol is a form of service in the form of security guarantees to avoid Covid-19. Showing safety behavior to serve consumers is one form of service guarantee.

Service assurance is the finding of this study and part of the purchase motive. A service guarantee is a combination of items regarding product expiration, warranties, exchangeable and clean goods. From the factors that make up service guarantee, it is defined as traders' actions that make consumers safe and comfortable in buying goods. The behavior of merchants is seen and digested by consumer logic, making consumers believe that it is safe to buy goods from the nanostore entrepreneur. Consumers see firsthand how traders' actions to maintain the cleanliness of goods, how they include and inform goods' expiry date, their willingness to exchange goods that are not purchased, and guarantee the quality of goods they sell. The three dimensions of purchase motives are correlated with each other (see Figure 1). The biggest correlation between service assurance and product attributes (71%) and service assurance with self-orientation (69%). The service guarantee dimension is a determinant of the purchase motive, or the success of nanostore entrepreneurs is determined by how seriously the factors in service guarantee are applied. The explanation that can be conveyed is that this study was carried out during the Covid-19 pandemic, the majority was female respondents and this is a picture of consumers during the outbreak, who prioritize health safety over other dimensions.

The characteristic of the nanostore is that all consumers receive direct service from merchants. Nanostores tend to attract more consumers when implementing health protocols. The average waiting time to get service is 5 minutes per customer, and the waiting queue is not long. Consumers are asked to wait while keeping their distance. This condition can be used as an attraction for nanostore consumers.

There is various creativity that nanostore entrepreneurs can implement in addition to understanding consumer buying motives. Traders try to know their consumers' characteristics, such as consumer names, habits of goods purchased, transportation used, places of residence, and others. It gives special attention that pleases and allows consumers to turn into customers. Attractive behaviors from traders that need to be maintained are: not stingy, flexible in selling prices, willing to give more in terms of goods, and willing to sell in credits for the short term. Boulaksil et al. (2019) and Chaniago (2020) have proven that the willingness to sell-in credits for a short time is favored by consumers. Nanostore gives credit only to certain customers, such as consumers that merchants have known for

a long time, honest consumers, who have income, and are predicted to be able to pay. Therefore, in this case, nanostore merchants have the criteria of providing short-term credit sales knowing the individual characteristics of their consumers.

The ability of nanostore entrepreneurs to understand purchase motives will make it easier for them to determine attractive merchandise and services for consumers. This will increase operating income. The ability to attract consumer interest is the key to success in expanding the company's revenue and revenue growth. Business activities that have many customers will not have financial difficulties. Although there are many challenges during the pandemic, financial business growth is possible if consumers can be increased. The data presented by the Government of Indonesia shows that non-formal business groups contribute 60% of GDP (BPS, 2020) and are the largest employers for the community (Nugroho et al., 2017). This means that a region's economic growth and a developing country such as Indonesia is determined mainly by how advanced its non-formal business group is. Nanostore economic growth is an illustration of the community economy in Indonesia.

CONCLUSION

Nanostore entrepreneurs need to understand the buying motives of their consumers, even though the situation is changing. The right understanding will make it easier to increase sales and business income. This study aims to find the determinants of consumer purchasing motives for nanostores and analyze their relationship. The results of the analysis are useful in filling the gap in understanding the purchasing motives of nanostore consumers during the Covid-19 pandemic in Indonesia.

The results of this study show that the purchase motives of nanostore consumers consist of product attributes, self-orientation, and service guarantees. These three dimensions of purchase motives can be used by nanostore entrepreneurs as a strategy to attract consumers.

The findings of this study provide important insights for entrepreneurs that service guarantees are a new dimension found in this paper and needed by consumers during the Covid-19 pandemic. Providing cleaning equipment and providing services that can prevent the spread of Covid-19 seems to be an important attraction for retail consumers.

AUTHOR CONTRIBUTIONS

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