

Implementation of Location Planning in Improving the Success of Local Retail Business: a Case Study of Citra Shoes, Solok City

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This study aims to analyze the implementation of location planning in increasing the success of local retail businesses using a case study of Citra Shoes in Solok City. The research method used is a descriptive qualitative approach, which aims to describe in depth the phenomena occurring in the field. Data collection techniques were carried out through direct observation, interviews with owners and customers, and documentation related to business activities. The results of the study indicate that strategic location selection has a significant influence on increasing the number of customers and sales turnover. Locations that are easily accessible, clearly visible from main roads, and located in areas with high traffic levels tend to attract more consumers. In addition, proximity to centers of economic activity such as markets, offices, and public facilities also contribute to business success. Careful location planning allows businesses to maximize existing market potential. Thus, it can be concluded that the right location strategy is one of the important keys to increasing the competitiveness and sustainability of local retail businesses amidst increasingly fierce competition.

Keywords: Location planning, retail business, business strategy, business success

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1. Introduction

The business world is currently experiencing rapid growth, particularly in the micro, small, and medium enterprise (MSME) sector. The MSME sector has become a key pillar of the Indonesian economy due to its ability to absorb labor, increase incomes, and promote economic equality. MSMEs have the advantages of flexibility, adaptability to market changes, and broad reach, both in cities and regions. In this context, retail businesses are one of the fastest-growing types of MSMEs, as they play a direct role as a link between producers and consumers. Retail businesses facilitate the distribution of goods directly to end consumers, thereby influencing consumption patterns, customer satisfaction levels, and local economic growth.[1].

Retail businesses, both small and medium-sized, make a significant contribution to the economy by creating jobs, providing products needed by the community, and increasing economic mobility. In this modern era, competition in the retail business is increasingly fierce due to the emergence of many business players, both local and national and international retailers. The success of a retail business depends not only on product quality but also on the business strategy implemented, including marketing strategies, human resource management, customer service, and location management. The right business strategy can be a determining factor in the competitiveness of a retail business in facing increasingly complex competition.[2].

One of the most important business strategies for a successful retail business is location selection. Location is a strategic asset because it influences a business's ability to reach consumers, increase visibility, and drive sales growth. A good location allows consumers to easily access the store, view the products offered, and conduct transactions conveniently. Conversely, a less strategic location can reduce the number of visitors, reduce turnover, and even lead to business failure. Selecting the right location becomes even more crucial

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as competition in the retail sector intensifies, as a strategic location can create a competitive advantage that is difficult for competitors to imitate.[3].

A strategic business location typically has several important characteristics. First, the location must be easily accessible to consumers, both by private vehicle and public transportation. Second, the location must have high visibility to attract the attention of passersby. Third, the location must be close to centers of economic activity, such as shopping centers, markets, or business districts, to ensure easy access for the target market. Fourth, the location must consider traffic density, so that the number of people passing by the location can increase transaction opportunities. Finally, a strategic location must also consider the competition in the surrounding area, allowing the business to determine the appropriate market position and pricing strategy.[4].

In the context of Solok City, the development of local retail businesses shows a positive growth trend. The city is home to a number of local retailers selling a variety of products, from everyday necessities to fashion items such as shoes, clothing, and accessories. One prominent example of a retail business is Citra Shoes, a local shoe store that sells a wide variety of shoes for men, women, and children. Citra Shoes' presence provides additional choices for local consumers while also creating jobs for the surrounding community. These types of retail businesses play a vital role in strengthening the local economy, as the majority of profits remain within the local community.[5].

Increasingly fierce competition in the retail sector requires businesses to be more careful in selecting their business locations. For Citra Shoes, the location selection strategy is carried out by considering various factors, including accessibility, visibility, traffic density, and proximity to community centers. The selected location is in an easily accessible area, clearly visible from the main road, and near a busy center or market. With such a location, Citra Shoes can reach more consumers, increase the number of store visitors, and drive sales growth. Selecting the right location also helps Citra Shoes build a strong business image and increase customer loyalty.

Besides location, other factors influencing the success of a retail business are product quality and customer service. A diverse, high-quality product offering tailored to consumer needs is a key draw for customers. Meanwhile, good customer service, including friendly staff, prompt service, and after-sales policies, enhances customer satisfaction. However, product and service quality alone are insufficient if the business location lacks accessibility and visibility. This demonstrates that retail business success is the result of a combination of various strategic factors, with location being a key determinant.

In the context of this research, it is important to analyze the implementation of location planning as a strategy to increase the success of local retail businesses. Location planning implementation includes identifying potential areas, analyzing traffic and demographics, considering competition, and evaluating supporting facilities. With a systematic approach, businesses can determine optimal locations, reduce the risk of failure, and maximize growth opportunities. This process also allows businesses to adapt location strategies to local market characteristics, thus more effectively attracting consumers and increasing sales.[6].

Furthermore, choosing the right location not only impacts increased revenue but also the long-term growth of a retail business. A strategic location helps build brand awareness, increase customer loyalty, and expand market share. In the long term, a well-located retail business can maintain a competitive advantage, face new competition, and create sustainable growth. Therefore, location planning is not just an initial decision, but part of a sustainable business strategy.[7].

Beyond commercial aspects, business location also influences social and economic interactions in the surrounding environment. A strategic retail location can boost local economic activity, attract visitors to the area, and positively impact other businesses in the surrounding area. In the context of Solok City, Citra Shoes' presence in a busy area contributes to regional development, increasing economic transactions, and supporting the growth of other MSMEs. Therefore, the choice of business location impacts not only the business itself but also the community and the local economy as a whole.[8].

Based on this description, this research is crucial for understanding how location planning implementation can improve the success of local retail businesses. Focusing on Citra Shoes as a case study provides a concrete picture of effective location strategies, the determining factors for success, and the impact of location on business growth. This research is expected to serve as a reference for other MSMEs in planning their business locations, while also providing insights for the government and policymakers to support the sustainable development of local retail businesses.[9].

Overall, the development of retail businesses in Solok City demonstrates that location is a key factor in success. The combination of strategic locations, quality products, excellent customer service, and appropriate business strategies enable local retailers to survive, thrive, and compete effectively. With a good understanding of location planning, businesses can maximize market potential, increase revenue, and create positive economic growth for local communities. This research is crucial as a basis for strategic decision-making for retailers seeking success amidst increasingly competitive markets.

2. Method

Types of research

This research uses a descriptive qualitative approach, which aims to describe phenomena in depth without relying solely on quantitative data. This approach allows researchers to analyze the practices, strategies, experiences, and perceptions of business actors contextually. The research focuses on the implementation of location planning at Citra Shoes, allowing for a comprehensive understanding of the factors influencing the success of retail businesses in Solok City. The qualitative descriptive method provides researchers with the flexibility to explain the causal relationships between location, marketing strategy, and sales results. Furthermore, this approach facilitates an understanding of the local social, economic, and cultural contexts that influence location selection decisions. Qualitative analysis also allows researchers to identify challenges and opportunities that may not be apparent through quantitative data. Thus, this research provides a comprehensive overview of how strategic location plays a role in the success of local retail businesses, while highlighting the internal and external factors that influence the effectiveness of these location strategies.[10].

Research Location

This research was conducted on Citra Shoes, a local retailer in Solok City, sells shoes for a variety of customers, from men to women to children. The store location was chosen because it is located in the center of community activity, close to a main road, and has high traffic density, making it relevant to assess the influence of location on business performance. The selection of the research location took into account strategic factors that can provide a real picture of consumer interaction with the store, business visibility, and accessibility. This case study allows researchers to directly examine how location plays a role in attracting customers, increasing transactions, and building loyalty. Furthermore, the selected location provides a unique economic and social context in Solok City, allowing the analysis to accurately capture local market dynamics. Thus, the research location serves as a representative data collection center and can

provide in-depth understanding of the implementation of location strategies in improving retail business success.

Data collection technique

Research data was collected using three primary, complementary techniques. First, observation was used to assess store visibility, accessibility, customer activity, and interaction patterns between consumers and the store. Direct observations were conducted to obtain objective data on consumer behavior and the surrounding environment. Second, interviews were conducted with the owner, managers, and employees of Citra Shoes to understand strategic considerations in location selection, operational experiences, and challenges faced. These interviews allowed researchers to gain subjective perspectives not readily available through observation. Third, documentation included transaction records, location photographs, and other supporting documents that helped verify the data and complement the analysis. The combination of these three techniques ensured that the data collected was complete, accurate, and relevant, supporting a comprehensive analysis of location planning implementation and its impact on the success of local retail businesses.

3. Results And Discussion

Citra Shoes Overview

Citra Shoes is a local retailer specializing in shoes for men, women, and children. It offers a wide range of products, from casual and formal to athletic shoes, in a variety of styles, sizes, and colors. Its prices are competitive and tailored to the local community's affordability, reaching a broad market segment. Citra Shoes' primary customers come from Solok City and its surrounding areas, including students, workers, and the general public. The store's presence is a top choice due to its combination of quality products, affordable prices, and friendly, professional service. Citra Shoes also implements strategies to maintain customer satisfaction, including after-sales service, product warranties, and attractive regular promotions. Consistent product quality and service have earned Citra Shoes a strong reputation in the local retail market. This allows the store to retain loyal customers while attracting new ones. Furthermore, the business contributes to the local economy by providing jobs for the surrounding community and supporting the development of the MSME sector, thus extending its role beyond trade to a broader socio-economic impact in Solok City.

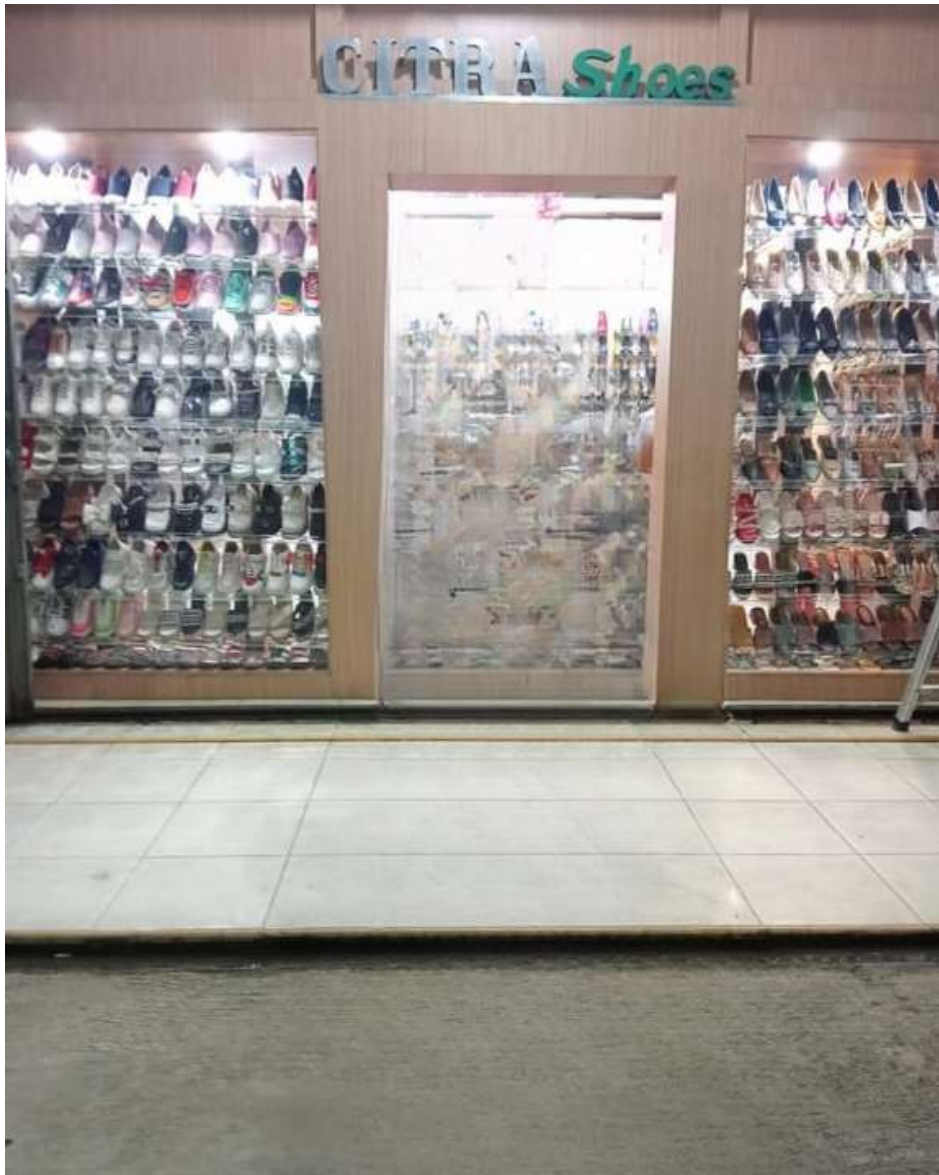


Figure 1. Citra Shoes Solok City

Implementation of Location Planning

Citra Shoes locates its stores in the center of community activity, near main roads, and is easily accessible by vehicles and pedestrians. This location selection is based on strategic considerations to ensure the store has high visibility, is easily seen by consumers, and is close to busy centers. With the right location, transaction opportunities increase because consumers can more easily visit the store. This location strategy also allows Citra Shoes to reach the maximum target market, expand consumer reach, and increase the frequency of visits. Furthermore, the location is selected with attention to the surrounding environment, security, and the availability of supporting facilities such as parking areas, lighting, and environmental comfort. Placing the store in a strategic location supports promotional effectiveness, builds brand image, and increases business competitiveness compared to other retailers in Solok City. The implementation of careful location planning also helps store owners in making decisions regarding expansion, store layout, and adjustments to marketing strategies, so that the business can grow sustainably and face market competition more effectively.

Determining Factors for Location Success

The success of Citra Shoes' location is influenced by several key, mutually supporting factors. First, high traffic density ensures that many potential customers pass by the store daily, increasing the chances of visits and transactions. Second, proximity to centers of economic activity, such as markets, shopping centers, and office areas, facilitates consumer access and attracts customers from various segments. Third, the availability of supporting facilities, including parking, security, and lighting, enhances visitor comfort, making them more likely to return. Fourth, the level of competition in the surrounding area influences pricing strategies, promotions, and product layout to maintain the store's competitiveness. This combination of factors allows Citra Shoes to reach more consumers, increase the number of transactions, and strengthen customer loyalty. With a strategic location, the store gains a competitive advantage over other retailers in Solok City. These factors not only impact sales performance but also brand image building, marketing strategy effectiveness, and sustainable business growth.

Impact of Location on Business Success

A strategic location significantly impacts the success of Citra Shoes. Easily accessible and clearly visible stores from the main road consistently increase the number of visitors, thus increasing sales turnover. A good location also strengthens brand awareness, makes the store more well-known in the community, and builds a reputation as a provider of quality shoes at affordable prices. With a strategic location, Citra Shoes can continuously reach new consumers, while existing customers remain loyal due to the convenience of access and a satisfying shopping experience. This positive impact supports consistent business growth, expands market reach, and increases competitiveness compared to other shoe stores in Solok City. Furthermore, a strategic location facilitates promotional activities, increases marketing effectiveness, and provides a competitive advantage that is difficult for competitors to imitate. Therefore, choosing the right location is a key factor in maintaining long-term business sustainability, encouraging business growth, and building a strong foundation for future business expansion and innovation.[11].

4. Conclusion

Location planning is a critical factor in the success of a retail business. A strategic location increases visibility, facilitates access, and ensures proximity to the target market. High traffic density and easy access increase customer numbers and sales turnover. With the right location, Citra Shoes can strengthen its brand, increase competitiveness, reach new customers, and retain loyal customers. In conclusion, a well-thought-out location strategy is key to the success of a local retail business. Selecting an optimal location not only improves business performance but also supports sustainable and stable business growth.

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