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Original Article

Retail Mix Strategies to Increase Foot Traffic and Purchase Conversion at METRO Department Store Resinda Park Karawang

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Abstract

In physical retail, the shift toward omnichannel shopping has made it increasingly important for department stores to not only attract visitors but also convert those visits into purchases, making the drivers of foot traffic and conversion rate a critical issue for retailers operating within shopping centers. This study analyzes the retail mix strategy affecting foot traffic and conversion rates at METRO Department Store, Resinda Park Mall, Karawang. The research model places store location, promotion, store atmosphere, and product as exogenous variables, foot traffic as a mediating variable, and conversion rate as the endogenous variable. A quantitative explanatory approach was applied to survey data from 200 respondents, analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) in SmartPLS. The measurement model indicates that all indicators have outer loadings above 0.70, Cronbach's alpha values above 0.85, composite reliability values above 0.89, and AVE values above 0.63, confirming adequate reliability and convergent validity. The structural model explains 51.9% of the variance in foot traffic and 73.0% of the variance in conversion rate. Bootstrapping results indicate that promotion, store atmosphere, and product significantly increase foot traffic, whereas store location has no significant effect. Foot traffic significantly affects conversion rate and mediates the effects of promotion, store atmosphere, and product on conversion rate. The findings suggest that METRO should prioritize promotional activation, engaging store atmosphere, and product assortment to increase visitor flow and purchase conversion.

Keywords: Conversion Rate, Foot Traffic, Promotion, Retail, Store Atmosphere.

1. Introduction

Shifts in consumer behavior require department stores to attract visitors and effectively convert them into buyers. Changes in retail consumer behavior are pushing department stores to not only attract visitors but also convert those visits into purchases. In physical retail, foot traffic is an important early indicator because it reflects the intensity of consumers entering the store area, while conversion rate describes the store's ability to convert visitors into buyers. Both are interrelated operational measures in managing store performance, especially for retailers located in shopping centers such as METRO Department Store Resinda Park Mall Karawang (Berman et al., 2017; Grewal et al., 2017).

Recent studies on consumer behavior show that physical stores remain relevant because they function as experiential spaces, places to evaluate products, and integration points between information search and the purchasing process. The phenomena of webrooming and omnichannel show that consumers can seek information from various channels, but purchase decisions can still occur in physical stores if store experience, promotion, and products are able to provide strong value (Flavián et al., 2020; Kleinlercher et al., 2020; Kusuda, 2021).

Building on these behavioral insights, theoretical perspectives further explain how store stimuli shape consumer entry and purchase decisions. Theoretically, consumer decisions to enter a store are influenced by a combination of location, promotion, store atmosphere, and product factors. Kotler (1973) introduced atmosphere as a spatial design that can affect buyer feelings, while Donovan and Rossiter (1982) explained that the store environment can trigger approach or avoidance responses. This thinking was reinforced by Baker et al. (2002); Bitner (1992); Roggeveen et al. (2020); and Turley and Milliman (2000), who showed that stimuli inside and outside the store are an important part of the retail customer journey.

Considering the issues described above, this study analyzes the effect of METRO store location, METRO promotion, METRO store atmosphere, and METRO products on conversion rate with foot traffic as a mediating variable. The research focus is directed at METRO Department Store Resinda Park Mall Karawang because department stores within shopping centers need to understand factors that not only attract visits but also increase purchase opportunities. This study is also expected to provide practical contributions to data-based retail strategy management as well as academic contributions to the study of foot traffic and conversion rate in the department store context.

2. Literature Review

2.1. Foot Traffic and Conversion Rate in Retail

Foot traffic refers to the flow or intensity of consumer visits to a store. In physical retail, high foot traffic indicates the store's ability to attract attention and encourage consumers to enter the sales area. Conversion rate indicates the proportion of visitors who make a purchase or show a tendency to complete a transaction. From the customer journey perspective, foot traffic can be understood as the visit and exploration stage, while conversion rate is at the purchase response stage (Lemon & Verhoef, 2016; Verhoef et al., 2009).

2.2. Store Location

Store location relates to ease of access, visibility, proximity to busy areas, and consumer convenience in finding the store. In the shopping behavior framework, location affects search costs and access costs. However, within a mall, the influence of location can weaken because tenants are typically arranged along standardized visit corridors that expose consumers to a similar level of accessibility, so the store's position becomes less of a differentiator and consumers are more responsive to in-store stimuli such as promotion, display, and product (Bell et al., 1998, 2018).

2.3. Promotion

Promotion serves as a marketing stimulus that gives consumers an incentive to visit, try, and buy. Promotion can provide utilitarian benefits, such as price savings, as well as hedonic benefits, such as the pleasure of obtaining an attractive offer. In modern retail, promotion also functions as a trigger of urgency and a differentiator of store appeal compared to other tenants within the mall (Chandon et al., 2000; Pantano et al., 2020).

2.4. Store Atmosphere

Store atmosphere is the overall condition of the store, formed from aspects of layout, lighting, music, cleanliness, color, visual merchandising, and spatial comfort. Stimulus-organism-response theory explains that environmental stimuli can affect consumer emotions and approach behavior. Building on the atmospherics and servicescape concepts introduced earlier (Bitner, 1992; Donovan & Rossiter, 1982; Kotler, 1973) a good store atmosphere can

make consumers more comfortable, explore products longer, and be more encouraged to make a purchase (Roggeveen et al., 2020; Vilnai-Yavetz et al., 2021).

2.5. Product Assortment

The products offered by department stores include variations in category, brand, quality, stock availability, and price suitability to consumer needs. Relevant assortment can increase the perceived value of the store and strengthen consumers' reasons to visit. In fashion retail and department stores, product becomes the core of the shopping experience because consumers evaluate stores based on the completeness of choices, quality, display, and the product's ability to meet lifestyle needs (Broniarczyk et al., 1998; Eger et al., 2021).

2.6. Research Model and Hypotheses

This study uses a mediation model with four exogenous variables, namely METRO store location, METRO promotion, METRO store atmosphere, and METRO product. Foot traffic is positioned as a mediating variable as store visits are a process that lies between retail stimuli and conversion rate. Conversion rate is the endogenous variable as it describes the store's success in turning interest and visits into purchase tendencies. The hypotheses tested are as follows:

H1: METRO store location has a positive effect on foot traffic.
H2: METRO promotion has a positive effect on foot traffic.
H3: METRO store atmosphere has a positive effect on foot traffic.
H4: METRO product has a positive effect on foot traffic.
H5: Foot traffic has a positive effect on conversion rate.
H6: METRO store location has a positive effect on conversion rate.
H7: METRO promotion has a positive effect on conversion rate.
H8: METRO store atmosphere has a positive effect on conversion rate.
H9: METRO product has a positive effect on conversion rate.
H10: Foot traffic mediates the effect of METRO store location on conversion rate.
H11: Foot traffic mediates the effect of METRO promotion on conversion rate.
H12: Foot traffic mediates the effect of METRO store atmosphere on conversion rate.
H13: Foot traffic mediates the effect of METRO product on conversion rate.

Before testing the model, the research variables were mapped into operational definitions with clear measurement indicators, as summarized in Table 1.

Table 1. Variable Operationalization

Variable	Position	Code	Measurement focus
METRO Store Location	X1	X1.1-X1.5	Accessibility, visibility, ease of finding, store position, and location convenience.
METRO Promotion	X2	X2.1-X2.5	Discounts, campaigns, events, promotional information, and promotional program appeal.
METRO Store Atmosphere	X3	X3.1-X3.5	Layout, lighting, display, spatial comfort, and store ambiance.
METRO Product	X4	X4.1-X4.5	Product variation, quality, brand, availability, and product suitability.
Foot Traffic	M	M.1-M.5	Visit intensity, interest in entering the store, exploration duration, and drive to return.
Conversion Rate	Y	Y.1-Y.5	Purchase tendency, purchase realization, transaction effectiveness, and repeat purchase.

Source: Adapted from the research instrument, 2026

According to Table 1, the research model consists of four exogenous variables, one mediating variable, and one endogenous variable. This mapping clarifies that foot traffic is not only a variable influenced by location, promotion, atmosphere, and product, but also becomes the pathway between retail stimuli and conversion rate.

2.7. Retail Mix Strategy

Retail mix strategy is a combination of marketing elements used by retailers to create value for customers and improve store performance. According to Berman et al. (2018), retail mix includes strategic decisions such as store location, product, promotion, price, service, and store atmosphere that mutually support the formation of the shopping experience. In this study, retail mix strategy is represented by four main dimensions, namely store location, promotion, store atmosphere, and product, whose effects on foot traffic and conversion rate are analyzed. Thus, retail mix becomes the conceptual framework that explains how a combination of retail stimuli can increase the number of customer visits and drive purchases.

3. Methods

3.1. Research Approach and Design

This study uses a quantitative approach with an explanatory design. This design was chosen because the study examines causal relationships between variables based on a predetermined conceptual model. A survey approach was used because it can measure respondent perceptions of store location, promotion, store atmosphere, product, foot traffic, and conversion rate in a structured manner.

3.2. Population, Sample, and Data Collection

Data for this study were obtained from 200 respondents who were aware of or had visited METRO Department Store at Resinda Park Mall Karawang. The research instrument was designed using a five-point Likert scale, with responses ranging from strongly disagree to strongly agree. PLS-SEM analysis can be applied to predictive models with latent constructs and multiple indicators. A sample of 200 respondents meets the recommended threshold for PLS-SEM analysis (Hair et al., 2019; Hair Jr et al., 2021).

3.3. Data Analysis Technique

Partial Least Squares-Structural Equation Modeling (PLS-SEM) was used for this analysis because it is suitable for predictive models, has latent constructs, and tests mediation pathways. Model evaluation was conducted in two stages: outer model (measurement) and inner model (structural). Outer and inner model evaluation was carried out in two stages of model analysis. Outer evaluation assesses reliability, loading, convergent validity, discriminant validity, and indicator multicollinearity. In the inner model, R-square, f-square, Q-square, model fit coefficient, and indirect effects are assessed (Hair et al., 2019, 2022; Hair Jr et al., 2021; Henseler et al., 2015).

4. Results and Discussion

4.1. Research Results

4.1.1. Respondent Profile

Respondent characteristics are used to understand the composition of the sample before the PLS-SEM model results are interpreted. Table 2 presents the respondent profile based on age, domicile, gender, most recent education, and current occupation.

Table 2. Respondent Profile

Characteristic	Category	Frequency	%
Age	< 20 years	13	6.50
	20-25 years	90	45.00
	26-30 years	67	33.50
	31-35 years	22	11.00
	36-40 years	6	3.00
	> 40 years	2	1.00
Domicile	Karawang	181	90.50
	Outside Karawang/other	19	9.50
Gender	Male	56	28.00
	Female	144	72.00
Most recent education	Diploma (D1/D2/D3)	37	18.50
	Master's (S2)	8	4.00
	Bachelor's (S1)	64	32.00
	Senior High School/Vocational Equivalent	91	45.50
Current occupation	Student	47	23.50
	Retail worker/sales/beauty/cashier	61	30.50
	Employee/Staff	27	13.50
	Professional/educator/healthcare worker	19	9.50
	Entrepreneur/Business owner	14	7.00
	Freelance	10	5.00
	Other	22	11.00

Source: Processed data, 2026

Most respondents are aged 20-25 (45.00%) or 26-30 (33.50%), reflecting the young productive age group typical of shopping center visitors. Respondents are predominantly domiciled in Karawang (90.50%) and female (72.00%), with Senior High School/Vocational and Bachelor's degree as the dominant educational backgrounds, giving the sample a reasonably diverse profile of potential department store consumers.

4.1.2. Outer Model Evaluation

Outer loading is used to assess the validity of reflective indicators. If an indicator's loading is above 0.70, the indicator is considered good. This is because it indicates that the indicator adequately represents the latent construct being measured (Hair et al., 2019, 2022; Hair Jr et al., 2021).

Table 3. Outer Loadings Results

Indicator	Construct	Outer Loading	T Statistics	P Values
M.1	Foot Traffic	0.842	36.931	<0.001
M.2		0.874	44.631	<0.001
M.3		0.781	24.090	<0.001
M.4		0.808	22.374	<0.001
M.5		0.833	34.680	<0.001
X1.1	METRO Store Location	0.813	22.702	<0.001
X1.2		0.794	23.061	<0.001
X1.3		0.807	27.692	<0.001
X1.4		0.855	32.018	<0.001
X1.5		0.841	27.763	<0.001
X2.1	METRO Promotion	0.813	30.039	<0.001
X2.2		0.757	22.286	<0.001
X2.3		0.839	32.297	<0.001
X2.4		0.819	24.679	<0.001
X2.5		0.750	17.912	<0.001
X3.1	METRO Store Atmosphere	0.826	30.950	<0.001
X3.2		0.862	33.612	<0.001
X3.3		0.887	47.385	<0.001
X3.4		0.865	36.866	<0.001
X3.5		0.830	27.496	<0.001
X4.1	METRO Product	0.804	25.025	<0.001
X4.2		0.848	37.131	<0.001
X4.3		0.827	27.774	<0.001
X4.4		0.819	25.444	<0.001
X4.5		0.832	28.695	<0.001
Y.1	Conversion Rate	0.822	31.638	<0.001
Y.2		0.838	25.839	<0.001
Y.3		0.837	27.144	<0.001
Y.4		0.869	31.054	<0.001
Y.5		0.842	28.356	<0.001

Source: Processed data, 2026

Looking at the Table 3, all indicators load above 0.70 with p-values < 0.001. The highest loading is X3.3 (0.887, store atmosphere) and the lowest is X2.5 (0.750, promotion), confirming that all items have adequate indicator validity for the measurement model.

Table 4. Construct Reliability and Validity Results

Construct	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Conversion Rate	0.897	0.898	0.924	0.709
Foot Traffic	0.886	0.892	0.916	0.686
METRO Store Location	0.880	0.883	0.913	0.676
METRO Product	0.884	0.889	0.915	0.682
METRO Promotion	0.855	0.856	0.896	0.634
METRO Store Atmosphere	0.907	0.910	0.931	0.730

Source: Processed data, 2026

Table 4 shows that all constructs exceed the reliability and convergent validity thresholds, with Cronbach's alpha above 0.85, composite reliability above 0.89, and AVE ranging from 0.634 (promotion) to 0.730 (store atmosphere). To test discriminant validity, the Fornell-Larcker criterion was applied first. According to this criterion, the square root of AVE on the diagonal must be greater than the correlation with other constructs (Fornell & Larcker, 1981).

Table 5. Fornell-Larcker Criterion

Construct	CR	FT	LT	PD	PR	SA
Conversion Rate	0.842					
Foot Traffic	0.750	0.828				
METRO Store Location	0.645	0.509	0.822			
METRO Product	0.750	0.683	0.638	0.826		
METRO Promotion	0.721	0.617	0.744	0.731	0.796	
METRO Store Atmosphere	0.773	0.663	0.701	0.794	0.729	0.854

Note: CR = Conversion Rate; FT = Foot Traffic; LT = Store Location; PD = Product; PR = Promotion; SA = Store Atmosphere.

Source: Processed data, 2026

Table 5 shows that the diagonal value for each construct exceeds its correlations with other constructs, confirming discriminant validity under the Fornell-Larcker criterion. Discriminant validity was also tested using the Heterotrait-Monotrait Ratio (HTMT). HTMT values are generally expected to be below 0.90, while the more conservative threshold of 0.85 can be used for constructs that are conceptually very close (Henseler et al., 2015; Hair et al., 2019).

Table 6. Heterotrait-Monotrait Ratio (HTMT)

Construct	CR	FT	LT	PD	PR	SA
Conversion Rate						
Foot Traffic	0.828					
METRO Store Location	0.723	0.555				
METRO Product	0.833	0.762	0.719			
METRO Promotion	0.821	0.700	0.855	0.835		
METRO Store Atmosphere	0.855	0.728	0.785	0.882	0.826	

Source: Processed data, 2026

Looking at the Table 6, most HTMT values fall below 0.90, though the ratios between store atmosphere and conversion rate (0.882) and between store atmosphere and product (0.855) are close to the conservative threshold and warrant caution in substantive interpretation. Indicator multicollinearity was evaluated through outer VIF. If the VIF value is below 5, indicators do not experience significant collinearity problems, so the measurement model estimation results can be interpreted more safely (Hair et al., 2019).

Table 7. Outer VIF Values

Indicator	Outer VIF
M.1	2.824
M.2	3.307
M.3	2.523
M.4	2.537
M.5	2.732
X1.1	1.999
X1.2	1.871
X1.3	2.118
X1.4	2.518
X1.5	2.185
X2.1	1.998
X2.2	1.840
X2.3	2.148
X2.4	2.048
X2.5	1.689
X3.1	2.201

Indicator	Outer VIF
X3.2	2.691
X3.3	3.063
X3.4	2.535
X3.5	2.229
X4.1	2.108
X4.2	2.472
X4.3	2.052
X4.4	2.375
X4.5	2.380
Y.1	2.132
Y.2	2.352
Y.3	2.441
Y.4	2.670
Y.5	2.319

Source: processed data, 2026.

Table 7 shows that all outer VIF values are below 5. The largest values are found in indicator M.2 at 3.307 and X3.3 at 3.063. There are no significant multicollinearity problems among the research indicators because all values remain within the acceptable threshold. Inner VIF is used to check collinearity among predictor variables in the structural model. This check is important because high collinearity can disrupt the stability of path coefficients in the inner model (Hair et al., 2019; 2021; 2022).

Table 8. Inner VIF Values

Construct	Conversion Rate	Foot Traffic	METRO Store Location	METRO Product	METRO Promotion	METRO Store Atmosphere
Conversion Rate						
Foot Traffic	2.081					
METRO Store Location	2.553	2.545				
METRO Product	3.381	3.118				
METRO Promotion	3.160	3.075				
METRO Store Atmosphere	3.538	3.379				

Source: Processed data, 2026

As in Table 8, all outer VIF values (highest: M.2 at 3.307) and inner VIF values (highest: store atmosphere to conversion rate at 3.538) remain below the threshold of 5, indicating no significant multicollinearity in either the measurement or structural model.

4.1.3. Inner Model Evaluation

Table 9. R-square Results

Endogenous Construct	R Square	R Square Adjusted
Conversion Rate	0.730	0.723
Foot Traffic	0.519	0.510

Source: Processed data, 2026

Table 9 shows that store location, promotion, store atmosphere, product, and foot traffic together explain 73.0% of the variance in conversion rate, while location, promotion, store atmosphere, and product explain 51.9% of the variance in foot traffic, both indicating adequate explanatory power for retail research. The f-square value is used to calculate the relative contribution of each exogenous construct to the endogenous construct. According to Cohen (1988) criteria, small, medium, and large effects are distinguished by values of 0.02, 0.15, and 0.35.

Table 10. f-square Results

Construct	Conversion Rate	Foot Traffic	METRO Store Location	METRO Product	METRO Promotion	METRO Store Atmosphere
Conversion Rate						
Foot Traffic	0.206					
METRO Store Location	0.009	0.003				
METRO Product	0.023	0.084				
METRO Promotion	0.027	0.027				
METRO Store Atmosphere	0.073	0.047				

Source: Processed data, 2026

Table 10 shows that foot traffic has the largest effect on conversion rate (f^2 = 0.206, medium). Among predictors of foot traffic, product contributes most (f^2 = 0.084), followed by store atmosphere (0.047) and promotion (0.027), while store location's contribution is negligible (0.003 to 0.009). Predictive relevance was tested using the blindfolding procedure through construct cross-validated redundancy. An endogenous construct is predictively relevant when the Q-square value is above zero (Hair Jr et al., 2021; Shmueli et al., 2019).

Table 11. Construct Cross-validated Redundancy

Construct	SSO	SSE	Q^2
Conversion Rate	1000.000	492.365	0.508
Foot Traffic	1000.000	653.988	0.346
METRO Store Location	1000.000	1000.000	-
METRO Product	1000.000	1000.000	-
METRO Promotion	1000.000	1000.000	-
METRO Store Atmosphere	1000.000	1000.000	-

Source: Processed data, 2026

Table 11 shows that the Q-square redundancy values for conversion rate (0.508) and foot traffic (0.346) are both above zero, confirming the model's predictive relevance, with conversion rate predicted more strongly than foot traffic. In addition to redundancy, cross-validated communality is used to examine the measurement model's ability to predict construct indicators. A Q-square communality value above zero supports predictive relevance at that measurement level.

Table 12. Construct Cross-validated Communality

Construct	SSO	SSE	Q^2
Conversion Rate	1000.000	445.621	0.554
Foot Traffic	1000.000	475.953	0.524
METRO Store Location	1000.000	492.706	0.507
METRO Product	1000.000	482.571	0.517
METRO Promotion	1000.000	554.029	0.446
METRO Store Atmosphere	1000.000	415.103	0.585

Source: Processed data, 2026

Table 12 shows that all constructs show positive Q-square communality values, ranging from 0.446 (promotion) to 0.585 (store atmosphere), supporting good predictive ability of the indicators within the model. These results support the conclusion that the indicators in each construct have good predictive ability within the PLS-SEM model. Model fit is also used to obtain additional information to assess model suitability descriptively. In PLS-SEM, a value below 0.08 generally indicates good model fit (Hair et al., 2019).

Table 13. Model Fit Summary

Fit Index	Saturated Model	Estimated Model
SRMR	0.068	0.068
d_ULS	2.130	2.130
d_G	0.905	0.905
Chi-Square	1024.692	1024.692
NFI	0.790	0.790
rms Theta	0.143	

Source: Processed data, 2026

Looking at the Table 13, SRMR (0.068) falls below the 0.08 threshold for both models, indicating good fit, though the NFI value of 0.790 suggests some room for improvement. Overall, the outer model, inner model, and predictive relevance result together support proceeding with interpretation.

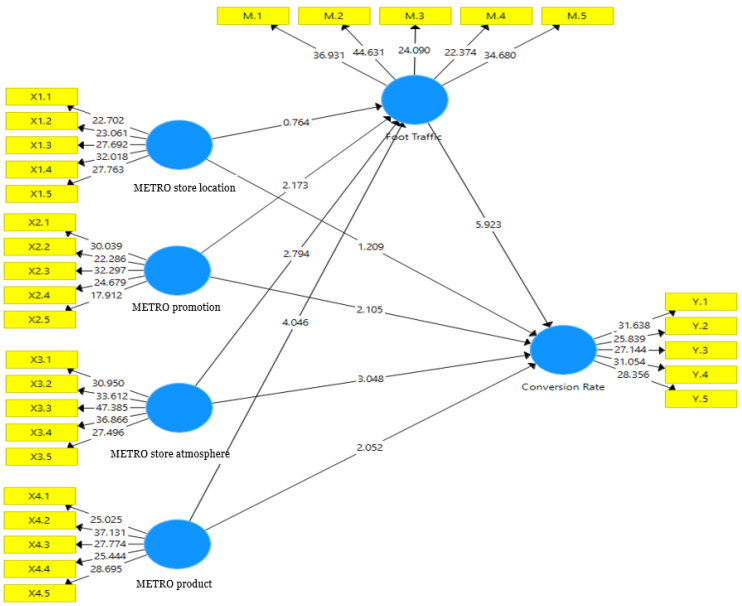

Figure 1. Bootstrapping Model Results
Source: SmartPLS bootstrapping output processed by the researcher, 2026.

The bootstrapping diagram (figure 1) shows strong t-statistics for most indicators and structural paths, with foot traffic to conversion rate as the strongest path and store location paths the weakest, consistent with the hypothesis test results below.

4.1.4. Hypothesis Testing

Hypothesis testing was carried out using bootstrapping at a significance level of 5%. If the path coefficient is positive and the p-value < 0.05, the hypothesis is supported. The following table summarizes the decisions for H1 through H13.

Table 14. Hypothesis Test Outcomes

Hypothesis	Statement	O	T Statistics	P Values	Decision
H1	METRO store location has a positive effect on foot traffic.	-0.061	0.764	0.446	Not supported
H2	METRO promotion has a positive effect on foot traffic.	0.201	2.173	0.030	Supported
H3	METRO store atmosphere has a positive effect on foot traffic.	0.276	2.794	0.005	Supported
H4	METRO product has a positive effect on foot traffic.	0.356	4.046	<0.001	Supported
H5	Foot traffic has a positive effect on conversion rate.	0.340	5.923	<0.001	Supported
H6	METRO store location has a positive effect on conversion rate.	0.080	1.209	0.227	Not supported
H7	METRO promotion has a positive effect on conversion rate.	0.152	2.105	0.036	Supported
H8	METRO store atmosphere has a positive effect on conversion rate.	0.265	3.048	0.002	Supported
H9	METRO product has a positive effect on conversion rate.	0.146	2.052	0.041	Supported
H10	Foot traffic mediates the effect of METRO store location on conversion rate.	-0.021	0.746	0.456	Not supported
H11	Foot traffic mediates the effect of METRO promotion on conversion rate.	0.068	2.002	0.046	Supported
H12	Foot traffic mediates the effect of METRO store atmosphere on conversion rate.	0.094	2.828	0.005	Supported
H13	Foot traffic mediates the effect of METRO product on conversion rate.	0.121	3.016	0.003	Supported

Source: Processed data, 2026

Table 14 shows that 10 of the 13 hypotheses are supported. Only H1, H6, and H10, all involving store location, are not supported, indicating that location has no significant direct effect on foot traffic or conversion rate and is not mediated by foot traffic. Promotion, store atmosphere, and product are consistently supported across their direct and mediated paths (H2 to H5, H7 to H9, H11 to H13), confirming these three variables as the more determining factors in the model.

4.1.5. Direct, Indirect, and Total Effects

Specific indirect effects are used to assess the mediating role of foot traffic. This test is important because the effect of exogenous variables on conversion rate does not always occur directly but can occur through the consumer visit process first (Hair et al., 2021).

Table 15. Specific Indirect Effects

Specific Indirect Effect	O	T Statistics	P Values
METRO Store Location -> Foot Traffic -> Conversion Rate	-0.021	0.746	0.456
METRO Product -> Foot Traffic -> Conversion Rate	0.121	3.016	0.003
METRO Promotion -> Foot Traffic -> Conversion Rate	0.068	2.002	0.046
METRO Store Atmosphere -> Foot Traffic -> Conversion Rate	0.094	2.828	0.005

Source: Processed data, 2026

Table 15 shows that Foot traffic mediates the effects of product, store atmosphere, and promotion on conversion rate, with product showing the strongest mediated effect (0.121), followed by store atmosphere (0.094) and promotion (0.068). Store location's mediated effect is not significant. Total effects show the overall effect of each variable on the endogenous construct, both through direct and indirect paths. This information helps determine which variable is overall the strongest driver of conversion rate.

Table 16. Total Effects

Total Effect	O	T Statistics	P Values
Foot Traffic -> Conversion Rate	0.340	5.923	<0.001
METRO Store Location -> Conversion Rate	0.059	0.789	0.431
METRO Store Location -> Foot Traffic	-0.061	0.764	0.446
METRO Product -> Conversion Rate	0.267	3.447	<0.001
METRO Product -> Foot Traffic	0.356	4.046	<0.001
METRO Promotion -> Conversion Rate	0.220	2.765	0.006
METRO Promotion -> Foot Traffic	0.201	2.173	0.030
METRO Store Atmosphere -> Conversion Rate	0.359	3.788	<0.001
METRO Store Atmosphere -> Foot Traffic	0.276	2.794	0.005

Source: Processed data, 2026

Looking at the Table 16, product has the largest total effect on conversion rate (0.267), followed by store atmosphere (0.254) and promotion (0.220), while foot traffic itself has a strong direct effect (0.340). Store location remains non-significant throughout, reinforcing that a more effective conversion strategy centers on strengthening product, atmosphere, promotion, and visitor flow management.

4.2. Discussion

Overall, the results of this study show that retail mix strategy plays a role in increasing foot traffic and conversion rate. Of the four retail mix dimensions tested, namely store location, promotion, store atmosphere, and product, only store location has no significant effect. In contrast, promotion, store atmosphere, and product are the retail mix elements most effective at attracting consumer visits while also increasing purchase opportunities. The results show that METRO store location does not affect foot traffic or conversion rate. Theoretically, location can influence shopping destination decisions because it relates to access costs and ease of reaching the store (Bell et al., 1998). However, in the context of a

department store located within a mall, store location becomes a relatively homogeneous baseline factor because consumers are already within the shopping center area. This finding can be explained through the omnichannel and mall-based retail perspective, that visit flow does not only come from the store's physical position, but also from the consumer's destination, tenant mix, promotional exposure, and store experience once consumers are already within the shopping center. Bell et al. (2018) study on physical showrooms in omnichannel retail also shows that the role of physical space does not always stand alone, but works together with experience and channel integration. This finding clarifies that METRO's location at Resinda Park Mall Karawang is not yet sufficient to be a differentiator if not accompanied by the appeal of promotion, atmosphere, and product.

METRO promotion is proven to have a positive and significant effect on foot traffic and conversion rate. This result supports Chandon et al. (2000) sales promotion theory, which explains that promotion provides utilitarian benefits in the form of savings and hedonic benefits in the form of the pleasure of obtaining an offer. Over the past five years, retail research has shown that promotion and value communication have become increasingly important because consumer behavior has become more selective following major changes brought about by the pandemic and digitalization (Pantano et al., 2020; Sheth, 2020). In the context of METRO, promotion that is clear, visible, and relevant can be a reason for consumers to enter the store, while promotion that matches consumer needs can turn a visit into a purchase. This also explains why promotion has both a direct effect on conversion rate and an indirect effect through foot traffic.

Store atmosphere is highly beneficial for foot traffic and conversion rate. This finding is very much in line with Kotler's (1973) atmospherics theory, Donovan and Rossiter's (1982) stimulus-organism-response model, and Bitner's (1992) servicescape concept, which emphasize that the physical condition of a store can affect consumer emotions and behavior. Roggeveen et al. (2020) recent study through the DAST Framework confirms that retail atmosphere is not only located inside the store but is also formed from touchpoints before, during, and after the visit. Vilnai-Yavetz et al. (2021) also show that atmospheric experience in malls can moderate responses to shopping and loyalty. In this study, store atmosphere also has a significant effect on foot traffic and conversion rate because layout, lighting, display, and spatial comfort can make consumers more interested in entering, spend more time exploring, and feel more confident in buying.

Product at METRO is the strongest variable in shaping foot traffic and has the largest total effect on conversion rate. Theoretically, assortment and product quality are the core of retail value because consumers evaluate stores based on the store's ability to provide products that are relevant, varied, and available (Broniarczyk et al., 1998; Berman et al., 2018). In modern retail conditions, changes in consumer behavior make product relevance increasingly important because consumers can compare choices across online and offline channels before buying. Flavián et al. (2020) and Kleinlercher et al. (2020) show that webrooming and omnichannel keep physical stores important when products can be seen, tried, and validated instantly. The results show that a strong product offering can attract consumers to enter METRO, increase exploration, and ultimately increase conversion rate.

Many studies show that foot traffic has a positive and significant effect on conversion rate. In addition, foot traffic serves as a link between promotion, store atmosphere, and product with conversion rate. This finding supports the customer journey logic that a purchase does not occur suddenly but rather through the stages of awareness, visit, exploration, evaluation, and purchase (Lemon & Verhoef, 2016; Verhoef et al., 2009). In this study, foot traffic becomes the mechanism that explains how retail stimuli turn into conversion. This

means that promotion, atmosphere, and product need to first create consumer visits and engagement. After consumers enter and interact with the store, purchase opportunities increase. This result is also consistent with post-pandemic retail studies stating that physical stores must become experiential spaces, not merely places of transaction (Eger et al., 2021; Roggeveen et al., 2020; Sheth, 2020).

Managerially, this study's results provide three directions. First, METRO needs to make promotion a tool for attracting visits as well as strengthening purchase decisions, for example through category promotions, bundling, loyalty programs, and visual communication that is easy to understand. Second, store atmosphere needs to be continuously strengthened through layout, display, lighting, scent, music, and comfort in exploration areas so that visitors are encouraged to linger and try products. Third, product management needs to be directed toward categories relevant to Resinda Park Mall Karawang consumers, stock availability, brand variation, and the display of featured products. Location remains important as a baseline factor, but the results show that improving conversion rate is more effectively achieved through strengthening the stimuli that consumers experience directly inside the store.

5. Conclusion

This study indicates that retail mix strategy is an important factor in increasing foot traffic and conversion rate at METRO Department Store Resinda Park Mall Karawang. The results show that promotion, store atmosphere, and product are the retail mix dimensions with a positive and significant effect, while store location has no significant effect. This finding shows that the success of a retail strategy is determined more by how effectively the retail mix elements are managed than by store location alone.

This study concludes that METRO promotion, METRO store atmosphere, and METRO product have a positive and significant effect on foot traffic at METRO Department Store Resinda Park Mall Karawang. METRO store location has no significant effect on foot traffic. Foot traffic has a positive and significant effect on conversion rate. On the direct path to conversion rate, promotion, store atmosphere, and product have significant effects, while store location has no significant effect. Foot traffic is proven to mediate the effect of promotion, store atmosphere, and product on conversion rate, but does not mediate the effect of store location on conversion rate.

Based on the research results, it can be concluded that the implementation of retail mix strategy plays an important role in improving store performance through the optimization of foot traffic and purchase conversion at METRO Department Store Resinda Park Karawang. Empirical findings show that promotion, store atmosphere, and product assortment are the main determinants proven to significantly increase the number of visitors, which subsequently has a positive impact on conversion rate. In contrast, store location does not show a significant effect, which indicates that in an established shopping center, retail success is determined more by the quality of strategy implemented within the store compared to the physical location factor. Thus, foot traffic is proven to serve as the mediating mechanism that connects retail mix elements with increased purchase conversion.

Based on these findings, METRO Department Store is recommended to develop a retail mix strategy oriented toward the integrated creation of customer value and customer experience. The recommended strategy includes strengthening data-driven promotional campaigns and customer loyalty programs, developing store atmosphere through visual merchandising, store layout, lighting, and a more engaging shopping experience, and

optimizing product assortment through the curation of products relevant to local consumer preferences, exclusive products, and category management that is adaptive to market trends. In addition, the integration of omnichannel retailing strategy between digital channels and physical stores needs to be strengthened to increase promotional effectiveness and encourage store visits. This integrated retail mix implementation is expected to not only increase the number of visitors and purchase conversion rate, but also strengthen customer loyalty, increase profitability, and create sustainable competitive advantage for METRO Department Store amid the dynamics of the modern retail industry.

The practical implication of this study is the need for METRO Department Store to strengthen promotion strategy, shopping atmosphere, and product management as priorities for increasing the number of visits and conversion rate. This study is limited to cross-sectional data and a research location specific to a single department store. Future research can add variables such as service quality, visual merchandising, customer satisfaction, revisit intention, or actual sales data so that the relationship between foot traffic and conversion rate can be tested more comprehensively.

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