

INFLUENCE OF ATTRIBUTES PRODUCTS ON CONSUMER PURCHASING DECISION OF SHIFOO

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ABSTRACT

Food businesses in Indonesia, especially in the segment of packaged food and soft drinks have progressed very rapidly. The attributes of a product plays an important role in deciding a consumers' purchasing decisions. Studies in the influence of attributes of a product in consumers' purchasing decisions will be reflected through ShiFoo, a business that specializes in food products such as frozen food and ready to eat food. The purpose of this study is to determine the effect of attributes product on consumer purchasing decision of ShiFoo. Attributes products used are brand, labels, packaging, and complementary services. The sample used was ShiFoo's repetition consumer from April to September 2015. The data collection technique used was a questionnaire. Factor analysis is used as a means of data analysis in this study. The data obtained were analyzed using validity and reliability test, multiple linear regression analysis, the correlation coefficient and the coefficient of determination, the classic assumption test, and hypothesis testing.

Keywords : Attributes Product, Brand, Label, Packaging, Complimentary Service, Consumer Purchasing Decision.

INTRODUCTION

Food businesses in Indonesia, especially in the segment of packaged food and soft drinks have progressed very rapidly. Euromonitor estimates that the average growth per year of packaged foods and soft drinks market during 2013 – 2017 will soar above 10%, the highest growth in the food and beverage industry. Overall, packaged food during this period will grow an average of 2.6% per year. The Association of Indonesian Food and Beverage (GAPMMI) estimate the total value of sales of food and beverage products in 2015 will reach 1 trillion. Increase in population and growth in middle class income communities, project improvement in the economy with increase in purchasing power, as well as rapid growth in modern retail outlets will control the demand for food and beverage industry. Kotler (2008) states purchasing by consumers is influenced by attributes of a product. Attributes of a product is an important component which ensures that the product can meet the needs and desires that are desired by the buyer. Based on the current research, it is important for a business owner to know and improve the attributes of a product to increase sales and expand the business.

LITERATURE REVIEW

Swasta (2008) states that product is complex in nature, whether tangible or intangible, including packaging, color, price, prestige of companies and retailers, it is bought by the buyer to satisfy their needs and desires. Attributes of a product are attributes that can be tangible or intangible in it which includes color, packaging, prestige retailers and service of the plant, as well as retailers that may be accepted by the buyer as something that can satisfy peoples' desire (Stanton, 2007). Consumer's behavior is the behavior of a person in searching, purchasing, using, evaluating and disposing of product and services or ideas which are expected to satisfy their needs (Schiffman, 2008). Consumer purchasing decision is a step in the buyer's decision process in which consumers actually buy. Purchasing decisions consists of 5 stages: recognition of needs, information research, evaluation of alternative, purchasing decision and post-purchasing behavior (Kotler, 2001).

The first study was conducted by Akpoyomare et al. (2012) entitled "The Influence of Product Attributes on Consumer Purchase Decision in the Nigerian Food and Beverages Industry: A Study of Lagos Metropolis". This study aims to determine the influence of general product attributes on product purchasing decisions of food and beverages in Nigeria.

The method used is descriptive research. The population used in this study was 2 food and beverage companies in Nigeria, Cadbury Nigeria Plc and Nestle Nigeria Plc. Statistical analysis were used from the Pearson correlation analysis.

Based on test results, it was concluded that the attributes of food products and beverages has a significant correlation to consumer purchasing decision with niai correlation of 0639 ($p < 0.0005$). The coefficient of determination is generated by 41%, which shows the close relationship between attributes of food products and beverages with the purchasing decision.

The second study was conducted by Cahyo (2013), entitled "Effect of Product Attribute Decision Against Purchase (Survey on Consumer Cigarette Gudang Garam International Residents Sobo Village Sub City Banyuwangi Banyuwangi)". This study aims to determine the joint and partial effect of variable product attributes towards purchasing decisions.

The method used is explanatory research study (explanation), the study was designed to clarify the causal relationship that occurs between variable cigarette product attributes Gudang Garam International with consumer purchasing decisions. The population used in this study is a resident of the surrounding area, Krajan village and Sutri Sobo village who are consumers of Gudang Garam International brand cigarettes in the city of Banyuwangi with a total sample of 735 households in the neighborhood Krajan and 385 heads of families in the neighborhood Sutri. Based on the results, a test performed by multiple linear regression analysis showed that together the independent variables consist of Rasa (X1), Aroma (X2), Texture (X3), Brand (X4), Price (X5), Label (X6), Packaging (X7) have a significant influence on the purchase decision (Y). Rated R-Square produced for 0453, which showed that the Rasa (X1), Aroma (X2), Texture (X3), Brand (X4), Price (X5), Label (X6), Packaging (X7) can give effect to consumer purchasing decisions by 45.3%. The results also showed that each of the independent variables have a positive influence on purchasing decisions. Pain has the greatest impact on consumer purchasing decisions with a beta of 1.225. This means that the products (in particular tobacco products) attributes of taste is a factor which is preferred by consumers.

The third study was conducted by Widodo (2010) entitled "The Relationship between Product Attribute Buying Decision against Tea in Packages (Studied on Consumers in Kota Bekasi)." This study aims to determine the effect of product attributes, Price (X1), Sweetness (X2), Freshness (X3), Clarity Permit MOH (X4) and Brand (X5) in purchasing decisions on bottled tea beverages.

This type of research is an explanatory research. The statistical analysis used is multiple linear regression analysis using software Eviews. The population used in this study was a sample size of 60 people who lived in the city of Bekasi.

Based on the test results, it can be concluded that the attributes of price and brand has a significant influence on consumer decisions in the purchase of bottled tea product, while attributes such as flavor, freshness, clarity MOH license have no significant effect. R-Square is generated for 0692 which indicates that the attribute Price (X1), Sweetness (X2), freshness (X3), Clarity Permit MOH (X4) and Brand (X5) has the effect of 69.2% on purchasing decisions to buy bottled tea drinks.

The fourth study was conducted by Narjono (2012), entitled "Product Attributes as Basic Purchasing Decision Milk". This study aims to determine the effect that product attributes such as Brand, Quality, Packaging and Pricing on purchasing decisions in Citra Supermarket milk Dancow Singosari Malang.

This type of research is quantitative with a survey method. The statistical analysis used is multiple linear regression analysis. The population used in this study is consumers who buy the milk brand Dancow 1+, 3+, 5+, toddlers and datita in Citra Supermarket in Singosari sub-district, Malang district, with a total sample of 100 people.

The test results showed that the attributes of Brand, Quality, Packaging and Price had a significant influence on consumer decisions in the purchase of dairy products, Dancow. Brand is an attribute that has a dominant influence on consumer purchasing decisions. R-Square generated at 0678 indicate that the attributes Brand, Quality, Packaging and Pricing can influence purchasing decisions in Citra Supermarket milk Dancow Singosari Malang by 67.8%, while the rest are influenced by other variables.

The fifth study was conducted by the Son (2013) entitled "The Effect of Features, Complementary services and Warranty of the phone purchasing decision (Case Study on Students S1 Faculty of Economics and Business, University of Udayana)". This study aims to determine the effect of product attributes which are features, complementary services and warranty on purchasing decision.

This type of research is quantitative. The statistical analysis used is multiple linear regression analysis. The population used in this study is Udayana University students with a total sample of 180 people.

The test result indicates that the attributes, features, complementary services and warranty shows a significant purchasing decisions in the purchasing of phone in Denpasar. Warranty is an attribute that has a dominant influence in consumer purchasing decisions. R-Square generated at 0677 indicates that the attributes of features, complementary services and warranty may influence purchasing decisions phone in Denpasar Bali by 67.7%, while the rest are influenced by other variables.

Attributes of a product can be divided into 5 parts: brand, packaging, labelling, complimentary service, and assurance (Fandy, 2008). Brand is a name, term, sign, symbol, design, color, motion or combination of attributes of other products that are expected to provide identity and differentiation against other products. Label is part of a product that convey information about the product and sales, a label can be part of the packaging or on a label (identifier) which is included in the product. Packaging is part of a product related to the design and manufacture of container or wrapper for a product. Complimentary services include product information, nutrition fact, consulting, ordering and others (Tjiptono, 2008).

H₁ : Brand has a positive influence on consumer purchasing decisions of ShiFoo.

H₂ : Label has a positive influence on consumer purchasing decisions of ShiFoo.

H₃ : Packaging has a positive influence on consumer purchasing decisions of ShiFoo.

H₄ : Complimentary service has a positive influence on consumer purchasing decisions of ShiFoo.

RESEARCH METHODS

The population in this research is a repetition consumer of ShiFoo from April to September 2015. Sampling in this study uses saturated sampling techniques. Sugiyono (2008) said that saturated sampling technique is applied when all members of the population are used as a sample in the study.

A preliminary survey on 30 respondents was held to check the validity and reliability of the measuring instrument used in this study. After the instrument check was completed, 75 respondents who passed the screening questions were surveyed.

Indicators that are used in this survey were chosen from previous studies using 5-point likert scale to measure responses from survey takers on each given statement. The following provides information about the sample: 62.7% are female; all respondents are repetition consumer of ShiFoo from April to September 2015. Age is distributed as follows: 10.7% are under 20 years old, 34.7% are between 21-30 years old, 28% are between 31-40 years old, and the rest are over 40 years old.

FINDINGS

Results among the entire research sample

Linear regression analysis was used to know the influence of brand, label, packaging and complimentary services on consumers' purchasing decision. The linear regression results showed (See Table 1) that the attributes of a product, the independent variables, accounts for 64.1 per cent of the variation in consumer purchasing decision. The consumers' purchasing decision was positively and insignificantly influenced by attributes of a product (Brand, Label, Packaging, and Complimentary Service). Based on the findings, it can be determined that H₁(brand), H₂(label), H₃(packaging) and H₄(complimentary service) were confirmed to have an effect in the consumers' purchasing decision.

Table 1. Linear Regression Results

	Coefficients			
	B	Beta	t	Sig.
Constant	.473		1.440	.154
Brand (X ₁)	.298	.340	3.671	.000
Label (X ₂)	.170	.166	2.003	.049
Packaging (X ₃)	.177	.214	2.246	.028
Complimentary Service (X ₄)	.211	.309	3.580	.001
R	.801 ^a			
R ²	.641		F	31.225
Adjusted R ²	.620		Sig.	.000

Source : Processed data.

DISCUSSION

The test on the influence of Brand variable (X_1) on consumers' purchasing decision (Y) shows that the T-test is equal to 3.671 with a significant value of 0.000 which is less than 0.05 ($\alpha = 5\%$). It can be concluded that the Brand (X_1) variable have a partial significant effect on consumer purchasing decisions (Y) in ShiFoo. Based on this result, it can be said that the first hypothesis, there is a significant influence of Brand to purchasing decision variables, is true.

As the definition of Brand (X_1) by Tjiptono (2008) where Brand (X_1) is a name, term, sign, symbol or symbol, design, or a combination of other product attributes that are expected to provide identity and differentiation against other similar products. Within a reasonable time, a brand with a high quality which can fulfill a customer's expectations will certainly be easily remembered and well perceived by consumers as it gives a good impression which in turn results in the rise of consumer purchasing decisions.

The results in this study supports the results researched by Cahyo (2013), "The Influence of Product Attribute Decision Against Purchase (Survey on Consumers of Cigarette Gudang Garam International Citizens Village Sobo Sub City Banyuwangi Banyuwangi)", as well as research by Widodo (2010) entitled " Relationship Between Product Attributes Buying Decision Against Tea in Packages (Study on Consumers In Kota Bekasi), which shows that, Brand, significantly influence consumer purchasing decisions. This shows that the better the brand of a product, the purchases made by consumers will increase significantly.

The test on the influence of Label variable (X_2) on consumer purchasing decision (Y) shows that the T-Test is equal to 2.003 with a significant value of 0.049 which is less than 0.05 ($\alpha = 5\%$). It can be concluded that the Label (X_2) variable have a partial significant effect on consumer purchasing decisions (Y) in ShiFoo. Based on this result, it can be said that the second hypothesis, there is a significant influence of Label to purchasing decision variables, is true.

Tjiptono (2008) suggests that the Label aims to provide information about the product. Emphasis on a product, Label is a function of the product in addition to the design, color, size and the packaging. From the form of the product label, consumers or buyers can differentiate between a product with another product. The more complete and the more informative the product information, the greater satisfaction the consumer will feel before purchasing the product.

The results of this study support the research by Cahyo (2013) with the title "The Influence of Product Attribute Decision Against Purchases (Survey on Consumer of Cigarette Gudang Garam International Citizens Village Sobo Sub City Banyuwangi Banyuwangi)", which shows that, Label, significantly influence consumer purchasing decisions. This shows that the more informative the label of a product, the purchases made by consumers will increase significantly.

The test of the influence of Packaging variable (X_3) on consumer purchasing decision (Y) show that the T-Test is equal to 2.246 with a significant value of 0.028 which is less than 0.05 ($\alpha = 5\%$). It can be concluded that the Packaging (X_3) variable have a partial significant effect on consumer purchasing decisions (Y) in ShiFoo. Based on this result, it can be said that the third hypothesis, there is a significant influence of Packaging to purchasing decision variables, is true. Attributes of a product in the form of Packaging is very important especially in food products. With a nice package, the content of the products can be maintained, besides, good packaging can prevent damage to the contents of the product. Moreover a package with a good design will be able to describe the features of the products, as proposed by Kotler (2008), which supports

that the design of a product is the whole feature that affects the appearance and function of products to meet consumer needs and desires.

This study supports the results of research by Cahyo (2013) with the title "The Influence of Product Attribute Decision Against Purchases (Survey on Consumers of Cigarette Gudang Garam International Citizens Village Sobo Sub City Banyuwangi Banyuwangi, which shows that, Packaging, significantly influence consumer purchasing decisions. In addition, this study also supports the research which was conducted by Narjono (2012), entitled "Product Attributes as Basic Purchasing Decision Milk", This shows that the more presentable the packaging of a product, the purchases made by consumers will increase significantly.

The test of the influence of Complimentary Services variable (X_4) on consumer purchasing decision (Y) show that the T-Test is equal to 3.580 with a significant value of 0.001 which is less than 0.05 ($\alpha = 5\%$). It can be concluded that the Complimentary Service (X_4) variable have a partial significant effect on consumer purchasing decisions (Y) in ShiFoo. Based on this result, it can be said that the fourth hypothesis, there is a significant influence of Complimentary Services to purchasing decision variables, is true.

Tjiptono (2008) believes that information on products, product consulting, ordering and others are complementary services for consumers. In purchasing products, especially food, it is very important for consumers to find information related to the product whether it is information about ways of presenting the product to be consumed, nutrient content, as well as complementary services such as telephone numbers for customer complaints.

The results support the research which was conducted by the Son (2013) entitled "The Effect features, complementary services and warranty on purchase decisions phone (Case Study on Students S1 Faculty of Economics and Business, University of Udayana)". In this study, it shows that, Complimentary Services significantly influence consumer purchasing decisions.

There are two limitations to this study. The first limitation is that this study only discusses the influence of product attributes such as brand, label, packaging, and complementary services to the purchasing decision. In management science, there are other factors that can influence purchasing decisions, thus those factors should also be considered. This study also was conducted only using frozen food. This brings up the second limitation which is, the data cannot be considered for other food products, other food industries should also be studied to find its similarities and differences to verify the results.

CONCLUSION

Attributes of a product influence and play an important role on ShiFoo consumer purchasing decision. Consumers are very aware with brands because nowadays there're so many online shops that sell a variation of food, that's why brand is the most important thing for them. Business owner will be more focused on improving the attributes of a product like brand, labels, packaging and complementary services. Attributes of a product are effective in providing a positive influence on purchasing decision.

Future studies can be done by focusing on another variable that can influence consumer purchasing decision process. Consumer loyalty and repeat consumer retention can also be checked with their relation to attitude towards a brand or company and buying decision that have been made.

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