

THE ANALYSIS OF PRODUCT PACKAGING DESIGN TO INCREASE THE SALES VALUE

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ABSTRACT

In the business, it is often happened competition which can not be resisted in every sector. Many products foods , beverages and also fabric clothes and other kinds of products compete in the market . In the food industry and fabric clothes there are many kinds of packaging with very good design . This is very interesting to be made for our research because customers consumes a lot of products in their daily life. Many industries from factories until small UKM compete in the same products. That makes the competition getting higher and higher. All foods and snacks need wraps or packages to keep the product safe and secure until arrive in the customers. That will need packaging design with many variations to interest public customers to buy the products. This research purpose is to know the influence of packaging design to increase the sales value. We are doing research in cheese stick products with the brand Sujuu and fabric painting products from yuliart collections both are located in Surabaya. The research method that we use is descriptive qualitative with SWOT analysis. The result that can be shown from the data and from the SWOT analysis of the research showed that there are strenght, weakness, opportunity, and threaten of the products that can be made for facing the hard competition in the market .There is a significant difference in the profit gain by comparing the product Sujuu and clothes painting yuliart collections in normal package with plastic wrap only and with good interesting design package to are chosen by the producers.

Key words : packaging design, sales value, SWOT analysis

INTRODUCTION

The more intense competition in world trade around the world today and it is becoming incredibly global, makes the more effort to sell our products . In selling food and drink and products of paintings is becoming our attention for more critical customers in choosing product to buy. Therefore we are demanded to be innovative in selling our products. All products eventually will be demanded to be wanted by the customers. Many various efforts can be done, one of them is by using attractive products packaging which we are doing in this research by SWOT analysis to the effects on product sales which is using new well design packaging compared with not well design packaging (using plastic wrap). Producer of Sujuu Cheese Stick that is located in Surabaya is our selected producer to be done in our research because we are interested in the difference profits gain by using attractive various packaging while on paintings products of Yuliart Collection we choose for its unique packaging. The titles we use is THE ANALYSIS OF PRODUCT PACKAGING DESIGN TO INCREASE THE SALES VALUE

RESEARCH METHODS

Our research timeline starts from January 2017 until January 2018. The location of the producers of Sujuu Cheese Stick and Yuliart Collection Paintings Products are at Jalan Sutorejo Tengah 13/29 Surabaya. The researchers want to know the increasing number of earnings sales of Sujuu cheese stick products which is very different after it is packed in attractive paper box rather than packed by

ordinary plastic wrap, while the painting products which are packed by plastic wrap comparing with by paper box. Therefore we are also curious about the strenght, weakness, opportunity and threat on Sujuu cheese stick products and Yuliart Collection by attractive packaging design which we have done research by SWOT analysis.

Data that we obtain is primary data from producers in every 3 month periods from January 2017 until January 2018.

Method used in this research is descriptive methods. According to Hermawan Warsito (2000:267), descriptive research is limited at attempt to reveal problem and condition , therefore only function as facts reveal. An effort to describe an ongoing condition in the current time based on the facts gained which in this case is data obtained from direct respondents.

To analyse data in this research , we are using SWOT analysis at marketing management also qualitative method to analyse earnings sales of Sujuu Cheese Stick and Yuliart Collection Paintings Products.

LITERATURE REVIEW

Packaging Design

Product needs packaging to maintain its products in order not to ruin fast and last longer. Packaging product aims is to maintain its product to stay fit and attractive to be bought. To avoid damage and ruin of products in delivery is also a consideration in packaging a product before it is sold to the costumers. According to Gary Armstrong and Kotler in their book of Marketing an Introduction (2011:235) Packaging is the activities of designing and producing the container or wrapper for a product. Packaging involves designing and producing the container or wrapper for a product. And it will include a shipping package necessary to store, identify and deliver the products . labelling printed information appearing on or with the package is also part of packaging. . Packages have to attract customers attention and describe the content of product also.

Producer must realise the uses of packaging as introduction and attract customers to our product among the other products in the market. It is also mentioned in Armstrong and Kotler book that innovative packaging can give company an advantage over competitors.

SUJUU CHEESE STICKS (FIRST PACKAGING AND SECOND PACKAGING AFTER USING PLASTIC WRAP PACKAGING)



Figure 1. First Packaging



Figure 2. Second Packaging

FABRIC PAINTING (FIRST USING PLASTIC WRAP AND SECOND PACKAGING USING
CARTOON PAPER BOX)





Product Marketing

According to Kotler (2008:231), there are several strategies that must be done by market leading company which are :

1. Expanding The Total Market

According to Kotler (2008:231), strategy in expanding the total market is : The firm dominant normally gains the most when the total market expands in general, the market leader should look for new users, new uses and more usage of its product.

Several ways can be used by market leader in expanding total market, such as:

a. Finding New User

Each class of products has their capabilities to attract customers which does not know about the products or refuse to buy because of the price or lack of appearance or certain service of a product. Company can search new customers using three strategic moves:

- Market Penetration Strategy

Strategy used by company to search new customer which previously have been using competitor products.

- New Market Strategy

Strategy used by company to attract new customer which have not been familiar with the product or never used them before.

- Geographical Expansion Strategy

Strategy used by company to search new territory as marketing area of company product.

b. Finding New Use of the Product

Market can be expanded if company can find and introduce new use of the product. Company can obtain many uses and gain more profits.

Marketing and distribution.

Marketing and distribution means moving goods and services from producer to consumer/ customers. This began by searching things that costumers wants and availability of the products and/or services that can be sold with profits. According to Jauchn and Glueck (2007) it required market research, market identification, product development, consumer reaction testing, cost and production calculation, determination of purposes of distribution and services, and deciding ways of advertising and promotion.

SWOT Analysis

SWOT analysis is one of systematic way to know useful factors for good strategic formulation. SWOT comes from *Strength, Weakness, Opportunity and Threat*.

1. *Strength*

is resources, skill, or other relatively excellences compared to other competitor so that market needs the institution.

2. *Weakness*
is limit or lack of resources, skill or other serious capability which become obstacle for an organisation / institution
3. *Opportunity*
is a condition which provides opportunity in environment of organisation / institution.
4. *Threat*
is less / unfavourable condition for an organisation

The Research Results And Discussion

At the beginning, Sujuu Cheese Stick products are only packed in ordinary plastic wrap with total weight on 200 grams with the sale price Rp 30.000,- . Without brand logo, company logo, weight contents, etc. According to the producer, the product is easily ruined and unattractive for costumers to be bought. After changing with an attractive package it is proven to obtain more strength and durability of the products and also more attractive by designing packaging as attractive as possible with plastic wrap for food with paper box package weight 50 grams and also mentioned weight and PIRT outside the package with the sales price Rp 10.000,- until Rp 15.000,- at several stores and cafes. Look at design package from the product image.

After making more carefully designed package, it last longer and not easily crush and more attractive for the costumers to buy because the paper box is eye catching and attractive with red and yellow colour combination. After that the producer makes another design packaging with gold design packaging .

While for Yuliart Collection painting products it has higher sales power. By previous package from clear plastic usually only sold few, but by paper box packaging or gold packaging design is attracted more costumers to buy the products.

SWOT Analysis

SWOT (Strength, Weakness, Opportunity, Threat) analysis is meant to manifest our position right now and how to or what ways to achieve that position. SWOT analysis also can means as external and internal factors analysis, which are an abbreviation of strength, weakness, opportunity and threat of an organisation that must be faced for the survival of its business.

a. Analysis Internal Factors (Strength and Weakness Analysis)

- **Strength**
Strength is resources, skill or other excellences toward other competitor and handled market.
Based on observation made the strength of Sujuu Stick Cheese and Yulliant Collection producer are:
 1. Conducting product innovation by packaging with attractive design package
 2. Including product weight inside package and including PIRT for Sujuu cheese stick products and for paintings product only by packed it more attractively by transparent package box so that the paintings can still be seen perfectly.
 3. Producer always upgrade their knowledge by attending packaging exhibition and see competitors chance in similar market and their innovation.
 4. Have reseller in several places for both products.
 5. Have employees and use application delivery agents for local delivery.
 6. Use delivery service agents such as JNE, Wahana, JT for delivery out of town.
 7. Online marketing and join exhibition so the products do not need too much cost for promotions.
- **Weakness**
Is obstacle or lack of resources, skill and capability which are blocking effective work of producer :
 1. For out of town delivery sometimes the product are returned to producer because it is crushed / ruined for out of town delivery service is reckless for Sujuu cheese stick products while for painting products it is double packed for avoiding damaging.
 2. Replacing crushed products with new products so the costumers will be still satisfied with the service. (it is lost in the profit)

3. Producer management is still conducting a simple way of management in the family.
 4. High cost of packaging which must be bought first because it must be bought in large number.(usually in hundreds or thousands)
- b. External Factor Analysis (Opportunity and Threat Analysis)
- Opportunity
Opportunity means a beneficial situation which is expected from producer environment.
The opportunities that they have are:
 1. Recently taste and packaging of the products are creating big opportunity to increase Sujuu cheese stick product sales while for paintings product it is also adding better image and performance to increase the product sales price.
 2. Sujuu cheese stick products are becoming favourite snacks among children, young and old people because it is soft and not containing any preservative and healthy products. While on painting products is really helped by new product variant which is increasing earnings sales.
 3. To beat the competition small community business (UKM) are more competitive in the market because it speaks about quality.
 4. Create employment for local delivery couriers.
 5. Becoming sponsor for charity and seminars by giving away products for winner of the occasions.
 6. Conducting online game prized to attract more Sujuu costumers as one of ways to implement cheap and effective promotions event.
 - Threat
 1. In reality soon there will be food product competitors with more attractive packaging from foreign country which is aggressively coming to our market. They are not necessary tasty but have more sophisticated packaging therefore must be considerate as our main competitors. While for the painting products it has no problem because of its unique.
 2. The sales price is very competitive because most competitors are big factory producers which have big capital while for painting products it has no problems.
 3. The incoming of foreign snack products to Indonesia due to MEA. For paintings products there are no problems at all.

To analyse data that we obtain which are earnings data in three months periods from year 2017 until 2018. We can see the tables below:

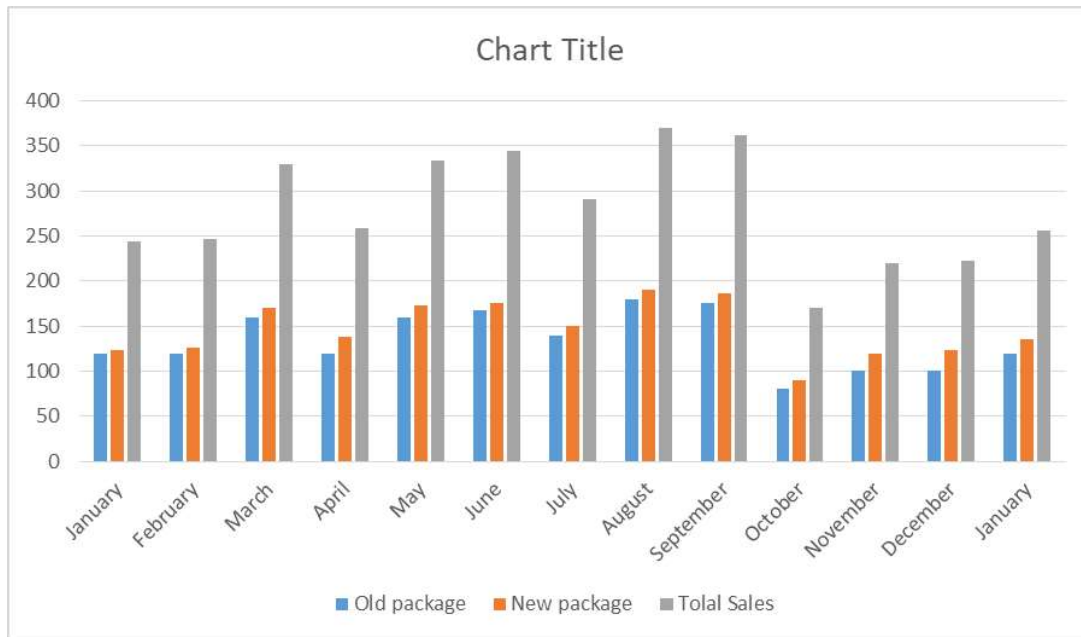


Figure 1. Diagram 1

Table 1. Sales Data on Sujuu Cheese Stick products old and new packaging January 2017 until January 2018

| Year 2017-2018 | Old package 200gr total divided into 4 for new package | New package 50 gr in paper box | Total Sales |
|----------------|--|--------------------------------|-------------|
| January | 30/ pcs 200gram /old equal as 120 pcs/ new | 124 pcs | 244 pcs |
| February | 30/120 pcs | 126 pcs | 246 pcs |
| March | 40/160 pcs | 170 pcs | 330 pcs |
| April | 30 / 120 pcs | 138 pcs | 258 pcs |
| May | 40/160 pcs | 173 pcs | 333 pcs |
| June | 42/168 pcs | 176 pcs | 344 pcs |
| July | 35 / 140 pcs | 150 pcs | 290 pcs |
| August | 45/180 pcs | 190 pcs | 370 pcs |
| September | 44/176 pcs | 186 pcs | 362 pcs |
| October | 20/ 80 pcs | 90 pcs | 170 pcs |
| November | 25/100 pcs | 120 pcs | 220 pcs |
| Desember | 25/100 pcs | 123 pcs | 223 pcs |
| January 2018 | 30/120 pcs | 136 pcs | 256 pcs |
| Total | 1744 Bks | 1902 pcs | 3646 pcs |

Source : Primary Sales Data of Sujuu Cheese Stick.

Table 2. Sales Data on Paintings Products Sales old and new package January 2017 until January 2018

| Year 2017-2018 | Old package ordinary plastic | New package in paper box or transparent tube | Total Sales |
|----------------|------------------------------|--|-------------|
| January 2017 | 3 pieces | 6 pieces | 9 pieces |
| February | 3 pieces | 5 pieces | 8 pieces |

| | | | |
|--------------|-----------|-----------|------------|
| March | 4 pieces | 8 pieces | 12 pieces |
| April | 3 pieces | 7 pieces | 10 pieces |
| May | 3 pieces | 6 pieces | 9 pieces |
| June | 4 pieces | 6 pieces | 10 pieces |
| July | 2 pieces | 6 pieces | 8 pieces |
| August | 3 pieces | 6 pieces | 9 pieces |
| September | 3 pieces | 5 pieces | 8 pieces |
| October | 2 pieces | 5 pieces | 7 pieces |
| November | 2 pieces | 7 pieces | 9 pieces |
| December | 3 pieces | 8 pieces | 11 pieces |
| January 2018 | 3 pieces | 10 pieces | 13 pieces |
| Total | 38 pieces | 79 pieces | 117 pieces |

Source : Primary Sales Data of Paintings products Yuliart Collection

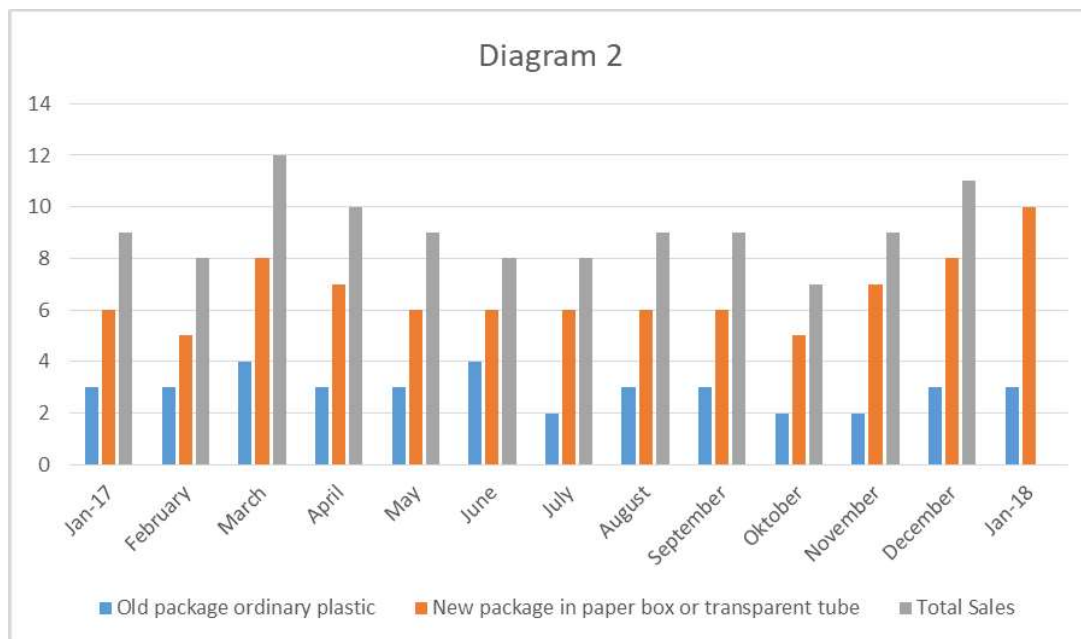


Figure 2. Diagram 2

We can see significant differences in sales by using ordinary plastic package and by 2 other attractive design packaging . For Sujuu and Yuliart Collection products it can be compared between products using ordinary plastic package and the ones using attractive package.

Based on the data from year 2017 until 2018 we can see that there is significant rise in earnings sales total of Sujuu cheese Stick products with attractive package by multiple profits than before. And also the same thing happens for Yuliart Collection painting products.

To complete our analysis we also review SWOT analysis as below:

Table 3. SWOT Matrix for Sujuu cheese stick and Yuliart painting collections

| | Strength (S) | Weakness (W) |
|------------------|---|--|
| Internal Factors | <ul style="list-style-type: none"> - Have product innovation with unique design and also packed with attractive package (Sujuu cheese stick and Paintings Products). - the package is including product weight at the package and also PIRT. (Sujuu cheese stick) | <ul style="list-style-type: none"> -For out of town delivery sometimes product are returned to producer again because it is crushed/ruined for delivery service out of town (Sujuu Snack) -Replacing crushed product |
| and | | |

| | | |
|--|---|---|
| <p>External Factors</p> | <p>-Producer always upgrade their knowledge by attending package exhibition and look for competitor chance in similar market and their innovations.(Sujuu cheese stick and painting products) - Have agents as product reseller at several cities all around Indonesia. (Sujuu cheese stick and painting products) -Have several delivery people for local delivery (Sujuu and paintings product) -Using delivery service for out of town delivery such as JNE,JT,Wahana etc (Sujuu cheese stick and painting products) - Online marketing and joining exhibition in order to keep low cost promotion. (Sujuu cheese stick and painting products)</p> | <p>with new products. (Sujuu snack) loss in profit -Producer management still conduct in simple way management in family (Sujuu snack) -High cost of package must be bought first because it needs to be ordered in large number hundreds or thousands (Sujuu cheese stick)</p> |
| <p>Opportunity (O) -. Currently taste and product package is really creating big opportunity to increase product sales (Sujuu cheese stick and painting products) - Cheese stick is highly liked by children, young and old people because it is soft and has no preservative. Healthy products. - To beat competition small community business will be more competitive in the market because it speaks taste, unique and quality products. (Sujuu cheese stick and painting products) - Create employments for delivery courier for local delivery (Sujuu cheese stick and painting products) - Low cost promotion for</p> | <p>Strategy S – O - Have product innovation by packaging in attractive design package.(Sujuu cheese stick and painting products) -it is Including weight products in the package and also including PIRT. -Producer always upgrade their knowledge by attending packaging exhibition and also look for competitor chance in similar market and their innovative. (Sujuu cheese stick and painting products) -Have agents as product reseller all around Indonesia (Sujuu cheese stick and painting products) -Have several people for delivery in town (Sujuu cheese stick and painting products) -Use delivery services for out of town delivery. Create employment (Sujuu cheese stick and painting product) - Online marketing and joining exhibition for low cost promotion (Sujuu cheese stick and painting</p> | <p>Strategy W – O - For delivery out of town products are repackaged by bubble wrap packaging which is proven to save the products from crushed. (Sujuu cheese stick) -Producer replaces crushed products with new ones by new delivery order (Sujuu cheese stick) -Producer management are still using simple way can be upgraded by joining small community business (UKM) training although is still be assisted by family member (Sujuu cheese stick and painting products) -High cost on first bought package because it has to be bought in large number that can be handled by family investment capital if it needs more investment capital they can have bank loan with low interest rates supporting small community business (UKM) program. (Sujuu cheese stick)</p> |

| | | |
|--|--|--|
| its online marketing (Sujuu cheese stick and painting products) | products) | |
| <p>Threat (T)</p> <ul style="list-style-type: none"> - Incoming competitors soon from foreign country which has ordinary taste but more sophisticated packaging. (Sujuu cheese stick) -Very competitive price because most competitors are big factories with big capital (Sujuu) -Competitor in similar products from Indonesia and other countries due to MEA (Sujuu cheese stick) | <p>Strategy S – T</p> <ul style="list-style-type: none"> - Always have innovation on products and design packaging and different weight products to attract different customers to buy. (Sujuu cheese stick). Unique product innovation and variations on painting products. (painting products) - Customers are expected not only see the price which will be compared by the price of health they must burden by eating food which have preservative in it. (Sujuu competitors) - Expanding new market by new cheese product variants with innovation on cheese based products (Sujuu cheese stick) | <p>Strategy W – T</p> <ul style="list-style-type: none"> - Adding agents and reseller in several cities all around Indonesia (Sujuu cheese stick and painting products) - Increasing promotions to gain more costumers by joining exhibition from family show venues or other shows by carrying product samples to be tested. (Sujuu cheese stick and painting products) - Organizing quiz event regularly on national holidays or become sponsor on charity by giving away cheese stick products as presents for twitters or followers on BB online. (Sujuu) <p>Souvenir gift at seminars to endorse products so it can be known by more people. (Sujuu cheese stick and painting products)</p> |

CONCLUSIONS AND SUGGESTIONS

Conclusions

1. Based on SWOT analysis it is known that attractive packaging will attract more costumers to buy them. It is proven by sales earnings data which we obtain compared by original package made from ordinary plastic wrap.
2. Snack product sales are one of business field which is conducted by many people and gain more profits if it is run by focus and diligent people. Based on processed data by SWOT analysis we can conclude that Sujuu cheese stick product is a promising product if it is well managed. Writer can also conclude that it is needed to be identify its market segment which have been done recently that is needed to be maintained and to be upgraded. For Yuliart Collection painting product is more unique, therefore it more survive because it is handmade too.
3. In determining proper strategic management for producer, it needs to identify several internal and external factors to influence product sales at the market.

Suggestions

1. Become sponsor occasionally on charity because it got blessing in increasing earnings product sales and frequently conducting quiz moments with product prize so there are more people can taste Sujuu cheese stick products.
2. For painting products can be given as souvenir for seminars conferences and other occasions.
3. Product innovation with varied packaging will gain more profits with product specification for store, cafe, agents for food products such as Sujuu cheese stick.

4. For painting products can be deposited at exhibition and bazaar to be known by community and better sold online.
5. Frequently attending useful training so that it can repair business management more successfully.

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