



Triggers for Decreasing Coffee Purchase Decisions Caused by the Inability of Different Packaging Designs, Narrow Parking Area And Slow In Responding To Complaints

Nur Ikhsan Umam¹, Nasib^{*2}, Debora Tambunan³, Ahmad Rivai⁴, Zulia Rifda Daulay⁵

¹²³⁴Universitas Mahkota Tricom Unggul, Jl. Pematang Pasir, Tj. Mulia Hilir, Kec. Medan Deli, Medan City,

⁵Politeknik Unggul LP3M, Jl. Iskandar Muda No.mor 3, Merdeka, Kec. Medan Baru, Kota Medan, Sumatera Utara 20156

E-mail: nasibwibowo02@gmail.com

ABSTRACT

Companies will seek to gain a competitive advantage through improving client purchase decisions. Market changes necessitate a quick response. To meet the company's objectives, all sorts of criticism and suggestions must be properly managed. The goal of this research is to see how packaging design, location, and service quality influence purchasing decisions. This form of study is known as causal research (cause and effect). The research sample consisted of 78 customers from Medan coffee shops. Questionnaires were used to collect data, which was then evaluated utilizing research instrument testing and data analysis procedures such as multiple linear regression analysis. The study's findings show that the location and quality of service have a favorable and significant impact on coffee shop purchases in Medan. While the style of the container has little bearing on enhancing purchasing decisions in Medan coffee shops.

Keywords:

Packaging Design, Location, Service, Purchase Decision

1. Introduction

The company will strive to continuously improve the purchasing decisions of its customers [1]. Purchasing decisions start from the customer's ability to recognize existing problems. Next, look for various sources of information about the product, choose alternative information obtained, decide to choose a particular brand to evaluate post-purchase [2]. Purchasing decisions, especially for coffee beverage products, will certainly be greatly influenced by various factors, not only from the company but also to the individual or the customer himself [3]. Usually, environmental influences in the form of culture, social class, personality, family to the situation will also make customers consider making a purchase [4].

The packaging of a product is certainly a consideration for some customers in determining whether to choose a product [5]. The coffee packaging design in the form of bright colors will make a customer interested in looking further [6]. Many coffee shop entrepreneurs continue to see comparisons between their products and those of other brands. The use of attractive packaging is one of the efforts of business actors to increase their sales volume [7]. Then the packaging of a product will be a differentiating identity between the company's products and competitors [8]. In designing this attractive packaging, it will be linked to the local wisdom that exists in an area [9]. The use of attractive packaging will help companies save costs in introducing products to the market [10]. The packaging of a product should be managed properly so that it becomes a competitive advantage of a product [11]. This will certainly make the company able to compete with competing brands [12]. So that the risk of business failure will be smaller [13].

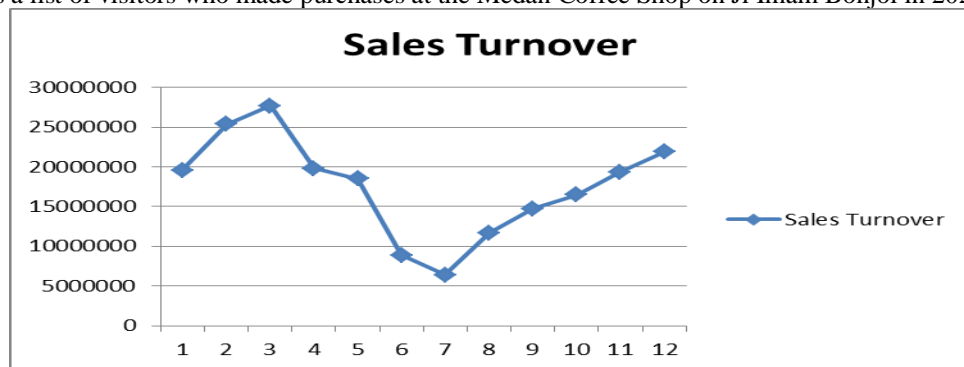
Various marketing operations aimed at expediting and facilitating the transportation or distribution of products and services from producers to customers are referred to as location [14]. The company must determine where the right location for product activities is a product that will be produced by considering various risks that will increase company profits [15]. Generally, various considerations must be considered by companies in determining the location, including access, visibility, traffic, parking areas, expansion, competitive environment to command regulations [16].

The quality of service that can provide solutions to customer complaints is certainly highly expected [17]. Quick response to problems felt by customers will create a positive impression [18]. Trying to make customers comfortable while in the store or room must be done for business units that want to continue to



progress and develop [19]. Furthermore, the complaint handling model must also be carried out properly by employees or company leaders [20]. Companies must pay attention to factors such as 1) maintain and pay attention, so that customers believe employees and operational systems can solve problems, and 2) maintain and pay attention, so customers believe employees and operational systems can solve problems. 2) Spontaneity, where staff expresses a desire to deal with customer problems on their initiative. 3) Problem-solving: Employees who deal directly with clients must be able to complete tasks according to predetermined standards, which can be in the form of training to improve services. 4) Remedial, in case of unfavorable events, workers should be available to plan special actions to alleviate the situation [21].

Medan Coffee is one of the many coffee shops found in the city of Medan. This coffee shop has its charm from other coffee shops. This can be seen from the location that is displayed, the atmosphere that creates comfort, the taste produced is also unusual because the coffee beans processed by Medan Coffee are coffee beans obtained directly from coffee farmers, as well as the friendliness of the barista service, as well as the unique ordering method. , the customer comes directly to the desired table and presses the button available on each table to call the waiter who will come to bring the menu directly to the destination table. This involves the customer directly interacting with the barista to select the coffee variant according to the customer's wishes. "Udah Ngopi Klen Woi" is the slogan of Medan Coffee. This slogan reflects the typical way of speaking of Medan people in everyday life. This is the main attraction to make Medan Coffee the choice of the people of Medan City to spend time hanging out at Medan Coffee with friends and family. The following is a list of visitors who made purchases at the Medan Coffee Shop on Jl Imam Bonjol in 2020.



Source: Medan Coffee 2021

Figure 1. List of Medan Coffee Shop Visitors in 2020

Based on the data above, it can be seen that the total turnover obtained by the Medan Coffee Shop in 2020 is quite high, worth Rp. 210,367,200, the highest turnover occurred in March of Rp. Rp27,678,400, but decreased from April to August, this was due to the outbreak of the coronavirus that entered Indonesia, causing a decrease in turnover in the food and beverage business, in September an increase in the total turnover of Rp14,735,600, and there was another increase in October to Rp16,489,300, in November it achieved a turnover of Rp19,350,900, and closed at the end of the year in December achieving a turnover of Rp21,890,500. Although there has been an increase in turnover since September, the figure obtained is still below the company's target of Rp. 35,000,000/month.

Medan Coffee has several variants of coffee originating from all over Indonesia, especially from the island of North Sumatra itself. Not only coffee that is ready to be enjoyed on the spot, but Kopi Medan also provides a variety of snacks as a companion to drinking coffee in the form of fried sweet potatoes, fried tempeh, empek-empek, fried tofu, mini mantau bread, and selected coffee beans from North Sumatra, especially in the form of ready-to-eat coffee beans. milled in packs of 250 grams. It doesn't stop there, Kopi Medan is also developing its marketing strategy by involving Grab Food and Go Food to reach customers who don't want to leave the house. This is also Kopi Medan's strategy in developing its marketing which also involves customers who book rooms at the Danau Toba International Hotel to get a 15% discount for all coffee menus, this is indirectly aimed at influencing customer purchasing decisions at Kopi Medan.

The customer's decision to purchase a product is an action that is commonly taken by each customer when deciding to purchase an item or service. The decision to buy or not to buy is part of the elements inherent in individual customers called behavior, which refers to real physical actions. The decision to buy or

not to buy is part of an element inherent in individual customers called behavior where it refers to real physical actions that can be seen and can be measured by others. Based on some of the definitions above, it can be concluded that the purchase decision is the selection of an option consisting of two or more choices and choosing one of them.

Currently, the Medan Coffee Shop has carried out marketing activities as described above, namely designing unique packaging to become the identity of Medan Coffee, opening an outlet in a very strategic location, namely at the Lake Toba International Hotel palate which is located at Jl Imam Bonjol so that it is easily accessible by all. layers of society, and provide the best service to customers, both new customers and loyal customers, all of this is done by the company to increase sales, but marketing activities will still experience obstacles in their implementation, in 2020 the company experienced a decline in sales, one of which was caused by the covid 19 virus that also hit Indonesia.

2. Method

The explanatory approach was chosen in this study where the main objective is to examine the cause-and-effect relationship between two or more phenomena [22]. The population in this study are customers at the Medan Coffee Shop. The sampling technique used was accidental sampling, where 78 respondents were used as respondents in data collection. Furthermore, the questionnaire is a data collection tool that was selected using a Likert model measurement scale. Data analysis includes research instrument tests in the form of validity and reliability tests, multiple linear regression analysis, t test, f test and coefficient of determination.

3. Result and Discussion

Result

Research Instrument Test Results

Table 1.
Validity Test Results of Independent and Bound Variables

Variable	Item	Corrected Item (r hitung)	r tabel	Information
Packaging Design (X1)	X1.1	0,255	0,185	Valid
	X1.2	0,290	0,185	Valid
	X1.3	0,255	0,185	Valid
	X1.4	0,255	0,185	Valid
	X1.5	0,255	0,185	Valid
	X1.6	0,445	0,185	Valid
	X1.7	0,702	0,185	Valid
	X1.8	0,522	0,185	Valid
	X1.9	0,702	0,185	Valid
	X1.10	0,409	0,185	Valid
Location (X2)	X2.1	0,487	0,185	Valid
	X2.2	0,769	0,185	Valid
	X2.3	0,431	0,185	Valid
	X2.4	0,447	0,185	Valid

	X2.5	0,769	0,185	Valid
	X2.6	0,453	0,185	Valid
	X2.7	0,271	0,185	Valid
	X2.8	0,389	0,185	Valid
	X2.9	0,328	0,185	Valid
Service Quality (X3)	X3.1	0,487	0,185	Valid
	X3.2	0,205	0,185	Valid
	X3.3	0,392	0,185	Valid
	X3.4	0,348	0,185	Valid
	X3.5	0,442	0,185	Valid
	X3.6	0,252	0,185	Valid
	X3.7	0,403	0,185	Valid
	X3.8	0,361	0,185	Valid
	X3.9	0,280	0,185	Valid
Purchase Decision (Y)	Y.1	0,675	0,196	Valid
	Y.2	0,675	0,196	Valid
	Y.3	0,421	0,196	Valid
	Y.4	0,489	0,196	Valid
	Y.5	0,572	0,196	Valid

From the data above, it can be seen that starting from the independent and dependent variables, all of them have $r_{hitung} > r_{table}$, so it can be said that all the questions are valid. From the data above, there is no $r_{hitung} < r_{table}$ or it is not valid. So all questions are acceptable.

Table 2
Reliability Test Results

Variable	Nilai <i>Cronbach Alpha</i>
Packaging Design (X1)	0.95
Location (X2)	0.958
Service Quality (X3)	0.951
Purchase Decision (Y)	0.965

Based on the table above, it is known that the Cronbach Alpha value for all independent and dependent variables is greater than 0.6 the reliable limit of rejection. So it can be stated that all the independent and dependent variables are reliable.

Multiple Linear Regression Analysis Results

Based on the results of calculations using SPSS Version 22, multiple regression equations can be made as follows:

$$Y = 10.027 - 0.215 X_1 + 0.206X_2 + 0.188X_3 + e$$

1. A constant value (α) of 10,027 indicates that the variables of packaging design, location, and service quality are considered constant or equal to (0) hence, the purchase decision (Y) has a negative value.
2. The regression coefficient (X1) of -0.215 states that the packaging design variable has no positive and insignificant effect on the purchasing decisions of Medan Coffee Shop customers. This means that the quality of service increases or is better, so it does not affect customers in making decisions in making purchases by -0.215 units.
3. The regression coefficient (X2) of 0.206 states that the location variable has a positive and significant effect on purchasing decisions. This can be seen if the price increases, then the number of buyers decreases, on the other hand, if the price decreases or is not too expensive, then there is an increase in purchases. Price influences the customer's purchase decision by 0.206 units.
4. The regression coefficient (X3) is 0.188 which states that service quality has a positive and significant effect on customers in making purchasing decisions. Which is the increasing number or variety of products or menu variants that are sold, it will affect customers in making purchases or an increase in the number of customers by 0.188 units.

t-test results

Partially the test results using SPSS are as follows:

1. The t-count of the packaging design variable is -1.631, < t table 1.9991. Then the alternative hypothesis is rejected and the null hypothesis is accepted. This means that partially the packaging design does not affect purchasing decisions by customers at the Medan Coffee Shop.
2. t-count of the location variable is 2.252 > t table 1.991. Then the null hypothesis is rejected and the alternative hypothesis is accepted. This means that there is a positive and significant impact on purchasing decisions by customers at the Medan Coffee Shop.
3. t-count is 2.116 > t table 1.991, which means that the null hypothesis is rejected and the alternative hypothesis is accepted. So, there is a partially significant effect between service quality on purchasing decisions at the Medan Coffee Shop.

F . Test Results

With a significance level of 5% or 0.05 and the F table formula ($df_1 = k-1 = 4 - 1 = 3$ and $df_2 = n-k = 78-4 = 74$) then the F table is obtained 2,699. Based on the ANOVA test or the f test from the SPSS output, it can be seen that the calculated F is $7.441 > 2.699$ (table F value) and the probability is $0.000 < 0.05$. More precisely, because $F_{\text{arithmetic}} > F_{\text{table}}$ ($7.441 > 2.699$) then H_0 is rejected. and H_a is accepted, which means that there is a simultaneous significant effect between packaging design, location, and service quality on customer purchasing decisions at the Medan Coffee Shop.

Coefficient of Determination

Based on the table above, the amount of Adjusted R square is 0.207 or 20.7%. These results indicate that the variables of packaging design, location, and service quality affect the purchasing decision variable (Y). While the remaining 73.1% of the value of purchasing decisions is influenced or explained by other factors not examined in this study.

Discussion

Influence of Packaging Design on Purchase Decision

Based on the results of the data analysis that has been carried out, it can be stated that this packaging design does not influence improving customer purchasing decisions at the Medan Coffee Shop. Attractive packaging is not as long as it can encourage a customer to make a purchase. However, for products that already have a good image, packaging development can increase a sweet impression for customers [23]. Furthermore,



product packaging must prioritize clean environmental issues [24]. The goal is that the development of this product packaging design can be accepted by the wider community. However, in the case of the Medan Coffee Shop, the customer does not care about the good or attractive packaging design, which affects the purchasing decision at the Medan coffee shop more to other factors such as price and promotion.

Influence of Location on Purchase Decision

The results of data processing show that location has a big influence on a customer in deciding to enjoy a cup of coffee. A strategic location is the main consideration for a customer in deciding to buy or not to enjoy coffee drinks [25]. The Medan Coffee Shop has a strategic location so many customers choose to relax, either waiting for colleagues or just looking for a new atmosphere due to the effects of their workload. A strategic location can encourage customers not to switch to another coffee shop [26]. A location that offers convenience for customers will certainly create a positive experience for repeat visits in the future [27]. For this reason, growing a good impression through choosing the right location is needed by customers [28][29].

The Influence of Service Quality on Purchase Decisions

Based on the results of a partial analysis of service quality variables influence the purchase decision of a customer at the Medan Coffee Shop. Previous research studies have also stated that good service will make customers not switch to other products or services [30]. Continue to improve services which will certainly be able to encourage customers to decide to choose the company's products [31]. So try not to make mistakes, especially when customers order coffee according to what they ask for this will have an impact on a good impression [32][33][34]. The goal is for customers to feel comfortable overall both from the quality of the existing coffee and the service they get to earn their loyalty to the Medan coffee shop [35][36].

4. Conclusion

Based on the results and discussion, it is shown that the packaging design does not influence purchasing decisions at the Medan Coffee Shop. While the location and quality of this service have a positive and significant impact on purchasing decisions. However, the independent variables have the most dominant influence in influencing coffee purchasing decisions.

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