THE INFLUENCE OF PRODUCT PACKAGING AND
SERVICE QUALITY ON CONSUMER PERCEPTION IN COFFEE SHOP
(CASE STUDY ON TWENTIES COFFEE SHOP)

PENGARUH KEMASAN PRODUK DAN KUALITAS PELAYANAN TERHADAP PERSEPSI KONSUMEN PADA COFFEE SHOP (STUDI KASUS PADA COFFEE SHOP TWENTIES)

By:
Mario Adriel Titah[1]
James D. D. Massie[2]
Maria V. J. Tielung[3]

[123]International Business Administration, Management Department
Faculty of Economics and Business,
Sam Ratulangi University, Manado

E-mail:
[1]mariotitah@gmail.com
[2]jamesmassie@unsrat.ac.id
[3]mariatielung@unsrat.ac.id

Abstract: Improving the quality of customer service and product menu package design is a priority to focus on coffee shops. This study aims to analyze consumer perceptions of the product and service packages of Twenties coffee shops in Manado. This research is a type of quantitative research, which uses data obtained through questionnaires. The population of this research is people in Manado who have experience in the coffee industry, where the sample size is taken from 100 respondents who also have experience with coffee shops. The results of this study found that there is a positive relationship between product packaging and consumer perceptions. Mechanism of quality service has a significant effect on the level of consumer perception. Meanwhile, there is a positive influence that occurs between service quality and consumer perceptions where research finds that service quality increases consumer perceptions.

Keywords: consumer perception, product package, service quality, coffee shop

Abstrak: *Peningkatan kualitas layanan pelanggan dan desain paket produk menu menjadi prioritas untuk difokuskan pada coffee shop. Penelitian ini bertujuan untuk menganalisis persepsi konsumen terhadap paket produk dan pelayanan kedai kopi Twenties di Manado. Penelitian ini merupakan jenis penelitian kuantitatif, yang menggunakan data yang diperoleh melalui kuesioner. Populasi penelitian ini adalah masyarakat di Manado yang memiliki pengalaman di bidang kopi, dimana ukuran sampel diambil dari 100 responden yang juga memiliki pengalaman dengan kedai kopi. Hasil dari penelitian ini menemukan bahwa ada hubungan positif antara kemasan produk dengan persepsi konsumen. Mekanisme quality service berpengaruh signifikan terhadap tingkat persepsi konsumen. Sementara itu terdapat pengaruh positif yang terjadi antara kualitas pelayanan dengan persepsi konsumen dimana penelitian menemukan bahwa kualitas pelayanan meningkatkan persepsi konsumen.*

Kata Kunci*: persepsi konsumen, kemasan produk, kualitas layanan, kedai kopi*

INTRODUCTION

Research Background

Serving coffee today is more than just brewing coffee grounds with hot water and then adding sugar or milk but coffee can also be served in various ways. Along with the development of various coffee making techniques, coffee sales also increased. Among young people in Indonesia, consuming coffee has also become a trend. The presence of this coffee shop is considered to be the most suitable with the current trend and lifestyle of urbanites so that the coffee shop business is a promising business.

Packaging becomes useful tool to convenience marketers to capture the customer attraction and get competitive advantage or competitors. Color of packaging is important because of this part is differentiate to other

company products. Draskovic, Temperley, and Pavičić (2009) are in supportive to this by stating that the communicational dimensions of the packaging being the factor affecting consumers and in the meantime influencing their buying behavior. Quality service where the role of good service quality is very important and very influential, without the existence of proper service the product will be less attractive to consumers. There are various determinants of service quality like accessibility, tangibility, responsiveness, reliability, security, competence (Parasuraman, Zeithaml, and Berry, 1985). Consumer perceptions is very important for marketers in an effort to form the right perception. The formation of the right perception in consumers causes them to have an impression and give the right judgment.

The coffee shop Twenties began to gain momentum in the middle of 2021, along with the proliferation of coffee shops. The advantages of Twenties Coffee Shop are the cafe atmosphere and the quality of food and drinks. Twenties uses premium materials and uses a modern minimalist theme. In addition, the concept of working cafe is also provided following the millennial era and providing an instagramable concept to attract the attention of customers.

Research Objectives
1. To identify and analyze the product package variable influence consumer perception of coffee shop Twenties in Manado.
2. To identify and analyze the service quality variable influence consumer perception of coffee shop Twenties in Manado.
3. To identify the simultaneous influence of product packaging and service quality on customer perception of coffee shop Twenties in Manado

THEORITICAL FRAMEWORK

Marketing
Marketing is a process of planning and executing the perception, pricing, promoting and distribution of ideas, good and services to create exchange that satisfy individual and organizational goals (Kotler, 2008). McDaniel, Wildmana, and Anderson (2011) argue that marketing is activity, set of institutions, and process for creating, communicating, delivering, and exchanging offerings that have value for customers, client, partners, and society at large.

Consumer Buying Behaviour
According to Kotler (2008) said that consumers can say one thing but may do another thing. Solomon (2013) claimed that marketers can influence consumers' behavior. There are some factors that influence consumers' behavior. The controllable factors are product, price, place and promotion.

Consumer Perception
Perception is the process by which people choose, organize, and interpret information in order to form a meaningful picture of the world. Perception as a process by which in that process the individual selects, organizes and interprets stimuli into something meaningful (Huriyati, 2005). Machfoedz (2005:41) stated that perception is the process of selecting, compiling and interpreting information to gain meaning.

Product Packaging
Packaging includes the sub elements such as price, product, place and promotion which work with marketing tools (Cutler, 2011). According to Brody (2000), a package is the item or entity that is used to encase goods where packaging is more towards the practice or principle of packing or generating packages by integrating physical elements or concepts through the availability of technology.

Service Quality
According to Tjiptono and Chandra (2012: 157), defining service quality is a measure of how good the level of service that can be provided is in accordance with customer expectations. Service quality is an important tool to measure customer satisfaction (Kadir, Rahmani, and Masinaei, 2011).

Previous Research

Hussain et al. (2015) evaluated the influence of packaging over consumer buying behavior (consumer perception and purchase intention), and to observe how these factors effect consumer's decision of purchasing a product. The objective of this research is to find out those elements behind the success of product packaging. The target population for this research is the different places of the Pakistan. For getting the response 120 quantities questions were distributed and by using of the SPSS software to revile research result interpreting on the correlation ad regression analysis were made. The research finds out the intended variables and claims that it is beneficial for all type of organizations.

Yamak (2020) investigated the service quality considerations of coffeehouse chains as perceived by the customers; namely customer expectations, loyalty, reasons of preference over coffee house brands, and service attributes of the coffee house brands in Turkey. Data are collected from a sample in several popular shopping malls in different parts of Istanbul that shelters coffeehouses of all of the brands included in this study through a survey questionnaire. The sample is chosen randomly and the survey is conducted mostly at weekends. The brands included in this survey are the five top global brands and one domestic brand. Results give evidence that further study may expose more revealing findings about customer satisfaction and commitment in coffee house brands

Ampuero and Vila (2006) discussed the need to understand consumer perceptions in order to correctly design product packing and to achieve the desired position in the minds of consumers. Data collection was divided into two phases. The first, (based on designers' opinions), to determine the key graphic variables in the design of packaging. The second, (based on consumers' opinions), to associate each packaging with a positioning strategy. The seven product-positioning strategies selected were represented from the consumers' standpoint using multidimensional scaling. Four maps were obtained related to: alternative packaging colours; alternative packaging typography; alternative packaging graphical forms; alternative packaging images. Each positioning strategy appears associated with particular packaging dimensions.
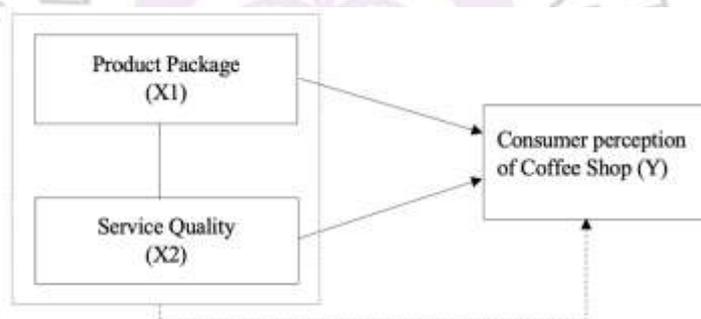
Conceptual Framework

Figure 1. Conceptual Framework
Source: Literature Review

Research Hypothesis

H1 : Product Package have a positive and significant influence on Consumer Perception
H2 : Service Quality have a positive and significant influence on Consumer Perception
H3 : Product Packaging and Service Quality have a positive and significant influence on Consumer Perception

RESEARCH METHOD

Research Approach

This research is quantitative type of research, which uses data obtained through questionnaires and uses multiple regression test as the analytical tool. Sekaran (2003) defines causal study or research as a study in which the researcher wants to investigate the cause of one or more problems.

Population, Sample and Sampling Technique

The population in this research are the people in Manado who had experience in Twenties coffee shop. The sampling method used is non-probability sampling because the size of the population is unknown (Abdillah

M. A. Titah., J. D. D. Massie., M. V. J. Tielung

and Hartono, 2015). While the type of sampling used is purposive sampling. Purposive Sampling is a sampling technique with certain considerations, where researchers have made certain criteria based on the characteristics of the subject that will be used as research samples. The criteria used in the selection of the sample are:
1. Respondents are people who live in the city of Manado
2. Respondents are from 17 years old
3. Respondents who have purchased Twenties coffee shop more than 2 times

Data Collection Method
The primary data in this study were obtained using a research instrument, in the form a questionnaire and secondary data obtained using library research.

Operation Definition of Research Variables
1. Product Packaging (X1): Packaging includes the sub elements such as price, product, place and promotion which work with marketing tools
2. Service Quality (X2): measure of how good the level of service that can be provided is in accordance with customer expectations.
3. Consumer Perception (Y): Perception is defined as a broad imagination that people create in their mind and interpret that imagination as a bigger meaningful picture.

Data Analysis Method
Validity and Reliability Test
Validity Test is used to measure whether or not a questionnaire is valid (Ghozali, 2006). One questionnaire is declared valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. Reliability testing in this study will use the Cronbach Alpha formula. A questionnaire is said to be reliable 4 tis gives a value of > 0.6.

Multiple Linear Regression Analysis
Multiple linear regression is used to model the relationship between one numerical outcome or response or dependent variable (Y), and multiple (multiple) explanatory or independent or predictor or regression variables (X). The multiple regression model formula in this study is shown below:

$$Y = \alpha + \beta 1 X 1 + \beta 2 X 2 + \mu$$

Where:
Y   = Repurchase Intention
X1   = Service Quality
X2   = Product Packaging
$\beta 1$ = Regression coefficient of Service Quality variable
$\beta 2$ = Regression coefficient of Product Packaging variable
α = Constant, when all independent variables = 0
μ = Error term

RESULT AND DISCUSSION

Result
Validity Test
All the total value for each indicator for independent variables and dependent variables is above 0.196. It means all the indicators are valid.

Reliability Test
Table 1. Reliability Test Result

Variables	Cronbach's Alpha	Result
Product Packaging (X1)	0.736	Reliable
Service Quality (X2)	0.729	Reliable
Consumer Perception (Y)	0.665	Reliable

Source: Data Processed (2022)

Based on the results of the reliability test above, it can be seen that each item of the questionnaire statement managed to get a Cronbach'ch Alpha value above 0.6 so that it can be said that the questionnaire used in the study was reliable.
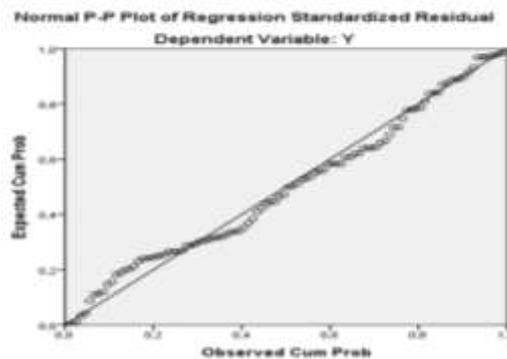
Classical Assumption Test

Figure 1. Normality Test
Source: Data Processed (2022)

From the figure shows that data (points) spread out around the diagonal line.

Table 2. Multicollinearity Test

	Coefficients^a	
	Collinearity Statistics	
Model	**Tolerance**	**VIF**
1 (Constant)		
Product package	.568	1.760
Service quality	.480	2.085

a. Dependent
b. Variable : Consumer Perception
Source: Data Processed (2022)

Based on the results of the table above, the independent variable has a Tolerance Value > 0.100 and a VIF < 10, so the assumption of multicollinearity has been met or there are no symptoms of multicollinearity.

Multiple Linear Regression Analysis
Table 3. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	**Std. Error**	**Beta**		
(Constant)	1.762	1.236		1.426	.157
X1	.569	.060	.576	9.547	.000
X2	.142	.050	.204	2.852	.005

a. Dependent Variable : Consumer Perception
Source: Data Processed (2022)

From a result in Table, a multiple regression equation can be drawn up as follows:

$$Y= 1.762 + 0.576 + 0.204 + e$$

This means that if all independent variables have a value of zero (0) then the value of the dependent variable is 1.762 or in other words the Consumer Perception (Y) will be constant at 1.762 if it is not influenced by Product Packaging (X_1), and Service Quality (X_2). The Product Packaging variable (X_1) has a positive effect on Consumer Perception (Y) of 0.569, this means that if the Product Packaging variable increases by one unit,

Impulse Buying will increase by 0.423. On the other hand, if the Product Package variable decreases, Consumer Perception also decreases with the assumption that the Product Packaging variable in other independent (X_2) = 0. The Service Quality variable (X2) has a positive effect on Consumer Perception (Y) of 0.142, this means that if the Service Quality variable increases by one unit then Consumer Perception will increase by 0.142. On the other hand, if the Service Quality variable decreases then Consumer Perception decreases with the assumption that the other variable independent (X_1) = 0.

Hypothesis Testing
Table 4. T-test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.762	1.236		1.426	.157
X1	.569	.060	.576	9.547	.000
X2	.142	.050	.204	2.852	.005

Dependent Variable: Consumer Perception
Source: Data Processed (2022)

1. From the analysis of table above we can see that the value of t-count (9.547) > t-table (1.984) with the value of significant is 0.000 < 0.05. The hypothesis there is a significant influence between product packages toward consumer perception. It mean there is partially influence between product packages toward consumer perception.
2. From the analysis of table above we can see that the value of t- count (2.852) > t-table (1.984) with the value of significant is 0.005 <0.05. The hypothesis there is a significant influence between service quality toward consumer perception. It means there is partially influence between service quality toward consumer perception.

Table 5. F-Test

		ANOVA*				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4685.758	3	1561.919	388.908	.000[b]
	Residual	385.552	96	4.016		
	Total	5071.310	99			

a. Predictors : (Constant), Product Package, Service quality
b. Dependent Variable : Consumer Perception
Source: Data Processed SPSS (2022)

Based on the data in the table above, it can be seen the significance value in the F test is 0.002 < 0.05, then the Fcount > Ftable is 388.908 > 3.09 which is obtained on the Service Quality (X1) and Product Quality (X2) variables. This shows that there is a significant influence of the independent variable simultaneously on the dependent variable, so that the Product Packaging (X1) and Service Quality (X2) variables influence the dependent variable consumer perception (Y) simultaneously.

Discussion
Influence of Product Package on Consumer Perception
Variable product package (X1) show that every addition to 1-unit variable of product package, it can cause an increase in consumer perception (Y) on Twenties coffee shop, this means that there is a positive effect occurs between product package with a consumer perception. These appropriate with the previous research by Hussain et al. (2015) that there is a positive relationship between product package and consumer perception. Obtaining consumer perception depends to a large extent on ensuring that coffee shop maintains high product package standards. Putting in place quality mechanism has significant effect on the level of consumer perception.

Influence of Service Quality on Consumer Perception

Variable service quality (X2) show that every addition to 1-unit variable of service quality, it can cause an increase in consumer perception (Y) on Twenties coffee shop, this means that there is a positive effect occurs between service quality with a consumer perception. According the previous research of Yamak (2020) that there is significant relationship between service quality with a consumer perception, and also within their research found out that the quality of service promotes customer perception.

Influence of Product Packaging and Service Quality on Consumer Perception

Variable Product Packaging (1) and Service Quality (X2) show that it can simultaneous can affect toward of consumer perception (Y) on Twenties coffee shop, this means that there is a positive effect occurs between poroduct packaging and service quality with a consumer perception. According to the value of F test is 388.908 > 1.53 and the significant value is 0.000 < 0.05, it can be said that independent variables like product package and service quality simultaneous can affect toward of consumer perception.

CONCLUSION AND RECOMMENDATION

Conclusion:
1. Product Packaging has an important role in influencing the Consumer Perception of Twenties Coffee Shop.
2. Service Quality has an important role in influencing the Consumer Perception of Twenties Coffee Shop.
3. Product Packaging and Service Quality has an important role in influencing the Consumer Perception of Twenties Coffee Shop.

Recommendation:
1. Twenties coffee shop must improve the service, in term of time, if the customers ordering or need help to explain about menu so they does not have to wait for too long or confused to order.
2. Improvement also in product package by providing skills of employee or information in the package design to build up a high interest and good look by consumer.
3. Due the fact that the competition in coffee shop is getting tougher, it's recommended that Twenties should focus on customer perception about how to make them interest and provide their needs.
4. The power of word of mouth is too strong by consumer who have a good perception about their experience in coffee shop, make researcher need to recommend the Twenties to keep up the best quality service and product service to make consumer keep back and promote your coffee shop to friend and family.

REFERENCES

Abdillah, W., & Hartono, J. (2015). *Partial Least Square (PLS) – Alternative Structural Equation Modelling (SEM) dalam Penelitian Bisnis*. Yogyakarta: CV Andi Offset

Ampuero, O., & Vila, N. (2006). Consumer Perceptions of Product Packaging. *Journal of Consumer Marketing*, Vol. 23 No. 2, 100-112. Available at: https://www.researchgate.net/publication/235303347_Consumer_perception_of_product_packaging. Retrieved on: March 12, 2022

Brody, A. L. (2000). Food Packaging. Kirk-Othmer Encyclopedia of Chemical Technology, 1. Available at: https://onlinelibrary.wiley.com/doi/abs/10.1002/0471238961.0615150402181504.a01. Retrieved on: April 6, 2022

Cutler, A. (1999). *Principles of Marketing*. 2nd Edition. Bahaman Forouzandeh: Amooze Publishing

Draskovic, N., Temperley, J., & Pavičić, J. (2009). Comparative Perception(s) of Consumer Goods Packaging: Croatian Consumers' Perspective. *International Journal of Management Cases*, 11, 154-163. Available at: https://www.semanticscholar.org/paper/Comparative-Perception(s)-of-Consumer-Goods-Draskovic-Temperley/76dacc2001e20edb8b7e14d141d9a937ddbe8a55. Retrieved on: May 3, 2022

Ghozali, I. (2006). *Aplikasi Analisis Multivariate dengan Program SPSS*. Edisi Ke 4. Semarang: Badan Penerbit Universitas Diponegoro

Hurriyati, R. (2005). *Bauran Pemasaran dan Loyalitas Konsumen*. Bandung: Alfabeta

Hussain, S., Ali, S., Ibrahim, M., Noreen, A., & Ahmad, S. F. (2015). Impact of Product Packaging on Consumer Perception and Purchase Intention. *Journal of Marketing and Consumer Research*, Vol.10. Available at: https://core.ac.uk/download/pdf/234693879.pdf. Retrieved on: March 12, 2022

Yamak, K. O. (2020). Customer Perception of Service Quality in Coffeehouse Chains. *Journal of Asian Research*, Vol. 4, No. 1. Available at: https://www.researchgate.net/publication/339568988_Exploring_Customer_Perception_of_Service_Quality_in_Coffeehouse_Chains. Retrieved on: January 3, 2022

Kadir, H. A., Rahmani, N., & Masinaei, R. (2011). Impacts of Service Quality on Customer Satisfaction: Study of Online Banking and ATM Services in Malaysia. *International Journal of Trade, Economics and Finance*. 2. 1-9. Available at: https://www.researchgate.net/publication/284683290_Impacts_of_service_quality_on_customer_satisfaction_Study_of_Online_banking_and_ATM_services_in_Malaysia. Retrieved on: February 7, 2022

Kotler, P. (2008). *Manajemen Pemasaran*. Edisi Millenium diterjemahkan Benyamin Molan. Jakarta: PT. Prenhallindo

Machfoedz, M. (2005). *Pengantar Pemasaran Modern*. Yogyakarta: UPP AMP YKPN

Mcdaniel, M. A., Wildman, K. M., & Anderson, J. L. (2012). Using Quizzes to Enhance Summative-Assessment Performance in a Web-Based Class: An Experimental Study. *Journal of Applied Research in Memory and Cognition*, 1(1):18–26. Available at: https://www.researchgate.net/publication/257741683_Using_quizzes_to_enhance_summative-assessment_performance_in_a_Web-based_class_An_experimental_study. Retrieved on: March 12, 2022

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing,* Vol. 49, No. 4, 41-50. Available at: https://www.jstor.org/stable/1251430. Retrieved on: June 2, 2022

Sekaran, U. (2003). *Research Methods For Business: A Skill Building Approach*. New York-USA: John Wiley and Sons, Inc.

Solomon, M. R. (2013). *Consumer Behavior*, 10th Edition. |Pearson

Tjiptono, F., & Chandra, G. (2012). *Service, Quality & Satisfaction*. Jogyakarta: Andi Offset