## THE INFLUENCE OF PACKAGING DESIGN, BRAND IMAGE AND SERVICE QUALITY ON CONSUMER PURCHASE INTENTION (CASE STUDY: UNIVERSITY STUDENT CUSTOMERS OF MAXX COFFE MANADO)

PENGARUH DESAIN KEMASAN, CITRA MEREK, DAN KUALITAS PELAYANAN TERHADAP INTENSI PEMBELIAN PELANGGAN (STUDI KASUS: PELANGGAN MAHASISWA DARI MAXX COFFEE MANADO)

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## ABSTRACT

What makes all the coffee shops different are the marketing strategy, brand image and service quality. Package design is how creative and innovative the company to design the package of the product to get attention of the consumer. Brand image is the current view of the customers about the brand it self, meanwhile service quality is an assessment of how well the delivered service conforms to the customers expectation. The aims of this research is to know if there is a influence of packaging design, brand image, and service quality toward consumer purchase intention. This research used a multiple linear regression analysis The result from this research shown that the Packaging Design and service quality have significantly influence consumer purchase intention to university student in Manado City to purchase the products. Brand image is not significantly influence. Most of university student really think about the product price and the location of the cafe which mean its easier to reach. The consumer also pay an attention on the sevice at Maxx Coffee Manado, which is the employees' attitude, how good they served the consumer, and how they make the consumer want to stay at Maxx Coffee longer.

Keywords: packaging design, brand image, service quality

#### ABSTRAK

Apa yang membuat cafe berbeda adalah strategi pemasaran, citra merek, dan kualitas pelayanan. Desain kemasan adalah sebagaimana kreatif dan inovatif perusahaan untuk mendesain kemasan produk untuk mendapatkan perhatian pelanggan. Citra merek adalah pandangan konsumen terhadap merek tersebut, sedangkan kualitas pelayanan adalah penilaian tentang seberapa baik layanan yang disampaikan sesuai dengan harapan pelanggan. Tujuan dari penelitian ini adalah untuk mengetahui apakah ada pengaruh dari desain kemasan, citra merek, dan kualitas pelayanan terhadap intensi pembelian konsumen. Penelitian ini menggunakan analisi regresi linier. Hasil dari penelitioan ini menunjukan bahwa desain kemasan dan kualitas pelayanan memiliki pengaruh yang signifikan terhadap intensi pembelian pelanggan mahasiswa untuk membeli produk tersebut. Citra merek tidak mempengaruhi secara siknifikan. Kebanyakan pelanggan mahasiswa benar-benar berpikir tentang harga dan lokasi cafe yang mudah untuk dijangkau. Konsumen juga memperhatikan pelayanan di Maxx Coffe Manado, yang mana sikap pegawai, bagaimana mereka melayani konsumen, dan bagaimana mereka membuat konsumen ingin berada di Maxx Coffe.

Kata kunci: desain merek, citra merek, kualitas pelayanan

## 1. INTRODUCTION

## **Research Background**

The coffee house is a cafe that uses the concept of ethnic Indonesia so as to provide a different feel, and this could be an attraction for Coffee Houses (Sg. N.M; Wardhana A. 2014). Nowadays, there are so many coffee shops in Manado. The customers sometimes are confused in choosing which one to visit since all the coffee shops that exist are quite the same. What makes all the coffee shops different is the brand image and service quality. Those are the few things that differentiate one coffee shop to another. It all depends on the customers to decide which one they want to visit.

Maxx Coffee beverages are created with Indonesia's freshest and fines beans including the mandheling Toraja, Flores, Kintamani, and Java among others. Maxx Coffee is collaborated with coffee farmers from Aceh to Papua to deliver impeccably high-quality coffee. With first class quality coffee machine, in addition to the finest beans and perfected brewing technique, Maxx Coffee easily produces distinctive shots of espresso that concocts the perfect coffee drinking experience, exclusively for coffee lovers and aficionados alike.

In earlier 2015, Maxx Coffee opened the very first branch in Manado which is located at Lippo Plaza Mall Kairagi Manado. The location is near the Politeknik Manado State University so it's actually become college students' favorite place to hang out. In the end of 2015, Maxx Coffee opened their new outlet located in Arya Duta Hotel GF at Piere Tendean Street because of its strategic location which was one factor that led to this growing business, which is located in one of the city's business district, Manado boulevard area where most of the shopping malls in Manado was established along the Piere Tendean (Boulevard).

The brand image of Maxx Coffee is well known as Indonesia's brand and establish in Indonesia since 2015. Even though their brand is new, they already have 65 outlets in 60 cities in all across Indonesia. Maxx Coffee is a part of one of the biggest company in Indonesia which is Lippo Group. The service quality of Maxx Coffee is good and the way they place their outlets is smart. They not only provide hot and cold beverages, but they also provide side dish like good taste of pastries and cakes. They also have a skill full Barista to serve you the best taste of coffee.

#### **Research Hypotheses**

The objectives of this research are to identify the significant effect of:

- 1. To know the significant effect on Packaging Design, Brand Image, Service Quality affect Consumer Purchase Intention at Maxx Coffee Manado simultaneously.
- 2. To know the significant effect of Packaging Design on Consumer Purchase Intention at Maxx Coffee Manado partially.
- 3. To know the significant effect of Brand Image on Consumer Purchase Intention at Maxx Coffee Manado partially.
- 4. To know the significant effect of Service Quality on Consumer Purchase Intention at Maxx Coffee Manado partially.

#### **Theoretical Framework**

#### Marketing

According to the American Marketing Association (AMA) Marketing is the social process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.

## Product

According to Ferrell (2005), the product is the core of the marketing mix strategy in which retailers can offer consumers symbolic and experiential attributes to differentiate products from competitors. However, it is also concerned with what the product means to the consumer. Attributes of a company" sproducts, including brand name, quality, newness, and complexity, can affect consumer behaviour. The physical appearance of the product, packaging, and labeling information can also influence whether consumers notice a product in-store, examine it, and purchase it.

## **Packaging Design**

Packaging refers to the container or wrapper that holds a product or group of products. Packaging become the strong elements to attract the people from the product that the company offer. Packaging acts multidimensional functions. It offers knowledge about the product and organization, a technique to communicate with consumers and safeguard to the quality of product (Silayoi & Speece, 2007).

## **Brand Image**

According to the Arslan and Altuna (2010) the product brand image is negatively affected by the brand expansion, but the negative effect is being reduced by the relation between the original and expansion brands. The great fall in the brand image will be occurred due to the brand expansion if the supposed image and quality of the original brand are superior.

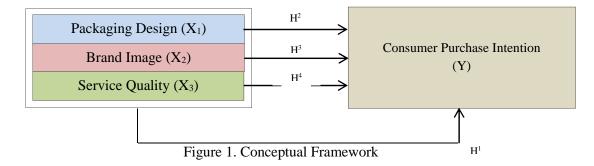
#### **Service Quality**

Sevice quality can be seen as one of the components that need to be realized by the company, as it has influence to bring new customers and old customers can reduce the chances for another enterprising move. Quality of service is defined as the level of the expected benefits and control over the level of excellence to meet the customer (Tjiptono, 2008: 85). In other word quality service can be define as an effort to fulfill the needs and desires consumers and delivery accuracy in balancing the expectations consumer (Sigit R D, 2014).

#### **Consumer Purchase Intention**

Consumers purchase intention is a process activity purchase there were only one phase of the overall process consumer purchases (Nurgiyantoro. S. 2014). It can be measured by using interest, attending, and information. Interest is consumers' feelings towards a brand that influences them to purchase. Attending is the attendance of consumers in exhibitions and other supporting events that influence them to purchase. Information is any additional knowledge and facts about the brand gathered by the consumers and make them consider to purchase it.

#### **Conceptual Framework**



## **Research Hypotheses**

The hypotheses of this research are:

- H<sub>0</sub>: Packaging Design, Brand Image, Service Quality have not give a significant effect on Consumer Purchase Intention at Maxx Coffee Manado simultaneously and partially.
- H<sub>1</sub>: Packaging Design, Brand Image, Service Quality have significant effect on Consumer Purchase Intention at Maxx Coffee Manado simultaneously.
- H<sub>2</sub>: Packaging Design have significant effect on Consumer Purchase Intention at Maxx Coffee Manado partially.
- H<sub>3</sub>: Brand Image have significant effect on Consumer Purchase Intention at Maxx Coffee Manado partially
- H<sub>4</sub>: Service Quality have significant effect on Consumer Purchase Intention at Maxx Coffee Manado partially.

## **3. RESEARCH METHODOLODY**

#### Type of Research

This research is a causal type of research where it will investigate the influence of Product packaging, brand image and service quality. Causal research is used to esthabilish causes and affect relationship between the variables. this research use a quantitative method and multiple regression analysis. The quantitative methods are especially helpful with large complex problems. (Anderson.,et.al. 2008:6).

#### Place And Time Of Research

This research was conducted in Manado, North Sulawesi, Indonesia, during February – August.

#### **Population And Sample**

The population refers to the entire group of people, events, or things of interest that the researcher wishes to investigated (Sekaran, Bougie. 2014). The population of this research are the University Student who become the Customers of Maxx Coffee Manado. The sample of this research are Customers in Maxx Coffee Manado as many as 100 Customers or respondents.

#### **Data Collection Method**

This research data obtained from primary data. Primary data refer to information obtained firsthand by researcheron the variable of interest for specific purpose of study (Sekaran, Bougie. 2010:180).

## **Operational Definition and Measurement of Research Variables**

Table. 1 Operational Definition						
Variables	<b>Operational Definition</b>	Indicators				
Packaging Design (X1)	Packaging design on this research is how creative and innovative Maxx Coffee to design the package of the product and can help to draw attention of the Customers.	2.	Packaging Color Packaging Material Innovation			
Brand Image (X2)	Brand image is the current view of the customers about a brand.	2.	Perception Value Image			
Service Quality (X3)	An assessment of how well a delivered service conforms to the customer's expectations.	2.	Interaction Quality Environment Quality Outcome Quality			
Purchase Intention (Y)	A plan to purchase a particular good or service in thefuture.		Willingness To Purchases Recommendation Purchase Considering Purchase			

Source: Data Processed (2016)

## Data Analysis Method Validity and Reliability Test

To analyze the validity of questionnaires, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ough to be measured. Reability test is esthabilished by testing for both consistency and stability of the answer question. Alpha Cronbach is realiable coefficients that can indicate how good items in asset have positive correlation one another (Sekaran 2006:177).

## **Multiple Regression Analysis Model**

Multiple regression is a descriptive tool used too develop a self-weighting estimating equation by which to predict values for a dependent variable from the values of independent variables, to control confounding variables to better evaluate the contribution of other variables, ot to test and explain a causal theory. The formula of multiple regression models in this research is shown below :

 $y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$ 

- y : Consumer Purchase Intention
- a : Intercept
- 1- 4 : Regression Coefficient of Each Variable
- $X_1$  : Motivation
- X<sub>2</sub> : Perception
- X<sub>3</sub> : Attitude and Belief
- X<sub>4</sub> : Learning
- e : Error

## 4. RESULT AND DISCUSSION

#### **Result Validity and Reliability**

#### Validity Test

All the total values for each indicator for independent variables and dependent variables are above 0.3. It means all the indicators are valid.

Variables	Cronbach's Alpha
Packaging Design(X1)	.828
Brand Image (X2)	.707
Service Quality (X3)	.755
Consumer Purchase Intention	.786
	Packaging Design(X1) Brand Image (X2) Service Quality (X3)

Table	2.	Val	lidity	Test
Lanc		v a	unuty	I COL

Source: SPSS 22.00 (2016)

The table shows the Cronbach's Alpha values of all indicators are above 0.6(0.600), it means that all the variables in this research is considered reliable and can be used to retrieve data.

#### **Classical Assumption Test Multicollinearity Test**

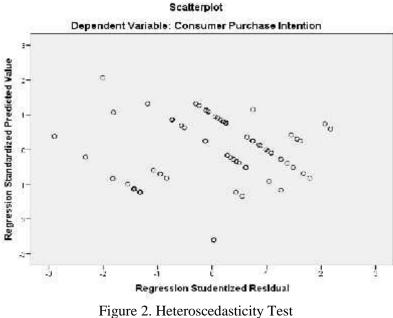
# **Table 3. Collienarity Statics Coefficients**<sup>a</sup>

Collinearity Statistics		
Tolerance	VIF	
,864	1,158	
,871	1,148	
,991	1,009	
	Tolerance ,864 ,871	

Source: SPSS 22.00 (2016)

Table 2 shown that the tolerance and VIF values. The tolerance value of Packaging Design is 0.864, brand image is 0.871, and service quality is 0.991, meaning the tolerance value of each variable is more than 0.1. The VIF value of Packaging Design is 1.158, brand image is 1.148, and service quality is 1.009, meaning the VIF value of each variable is less than 10. Since all the tolerance value is more than 0.1 and the VIF value is less than 10, so this research is free from multicollinearity.

## Heteroscedasticity



Source: SPSS 22.00 (2016)

Figure 2 shown that the dots is not created a specific pattern and also spread above and below 0 (zero). It proves that there is no heteroscedasticity in this regression model.

#### Normality

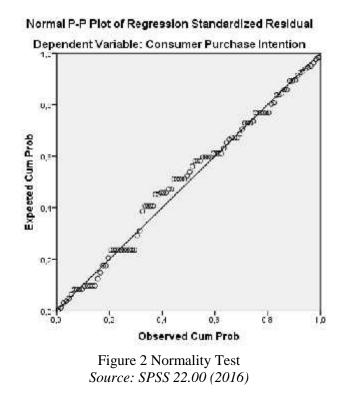


Figure 3 shown that the dots are speard in the direction of the diagonal lines, it shows that the distribution of the data in this research is normally distributed.

## **Multiple Regression Analysis**

	Coefficients <sup>a</sup>							
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Colline: Statist	
Μ	odel	В	Std. Error	Beta		0	Tolerance	VIF
1	(Constant)	1,119	,603		1,857	,066		
	Packaging Design	,533	,066	,634	8,078	,000	,864	1,158
	Brand Image	-,129	,078	-,129	-1,655	,101	,871	1,148
	Service Quality	,191	,077	,182	2,488	,015	,991	1,009

# Table 4. Multiple Regression Result Coefficiented

a. Dependent Variable: Consumer Purchase Intention

Source: SPSS 22.00 (2016)

The interpretation of the equation is :

- 1. Constant 1.119 shows the influence of Product packaging (X1), brand image (X2), service quality (X3) to the consumer purchase intention (Y). It means that if all the independent variables are zero, the customer purchase intention (Y) as dependent variable is predict to be 1.119.
- 2. 0.533 is the coefficient of Product packaging (X1) meaning if there is one unit increasing in X1 while other variables are constant then Y is predicted to increase by 0.533.
- 3. 0.129 is the coefficient of brand image (X2) meaning if there is one unit increasing in X2 while other variables are constant then Y is predicted to decrease by 0.129.
- 4. 0.191 is the coefficient of service quality (X3) meaning if there is one unit increasing in X3 while other variables are constant then Y is predicted to increase by 0.191.

## Table 5. Result of R and R2

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,699 <sup>a</sup>	,488	,472	,38574

a. Predictors: (Constant), Service Quality, Brand Image, Product Packaging

b. Dependent Variable: Consumer Purchase Intention

Source: SPSS 22.00 (2016)

R and R2/RSquare are use to see the relationship between independent and dependent variables. Table 4 shows that the R2 is 0,542 which mean the independet variable affecting the dependent variable with 54,2%.

## **Hypothesis Testing**

	Table 6. F-' AN	Test Out NOVA <sup>a</sup>	put		
Model	Sum of Squares	df	Mean Square	F	Sig.

1	Regression	13,639	3	4,546	30,553	,000 <sup>b</sup>	
	Residual	14,285	96	,149			
	Total	27,923	99				

#### Source: SPSS 22.00 (2016)

Table 5 Fcount is higher than Ftable, Fcount=30,553>Ftable=3,09, thus H0 is rejected and H1 is accepted. Independent variables packaging Design, brand image, and service quality are simultaneously influences significantly the consumer purchase intention as the dependent variable.

Table 7. T-Test					
e <b>Description</b>					
8 Accepted					
8 Rejected					
3 Accepted					

Table	7.	<b>T-Test</b>
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The Ttest is used to see the partial influence of each independent variable on the dependent variable. This test is done by comparing tcount with ttable with the level of significance is 45% (=0.05). If tcount> ttable then H0 is rejected and H1 is accepted and if tcount< ttable then H0 is accepted and H1 rejected.

- 1. Table 6 shows that tcount is 8.078 and since the level of significant is 5% (0.05) then the ttable is 1.98, the result is tcount = 8.078>ttable = 1.98. Since the tcount is bigger than ttable then h0 is rejected and h1 is accepted. It means that variable packaging design is significantly influences consumer purchase intention.
- 2. Table 6 shows that tcount is -1.655 and since the level of significant is 5% (0.05) then the ttable is 1.98. the result is tcount = -1.655 < ttable = 1.98. Since the tcount is smaller than ttable then h0 is accepted and h1 is rejected. It means that variable brand image not significantly influences consumer purchase intention.
- 3. Table 6 shows that tcount is 2.488and since the level of significant is 5% (0.05) then the ttable is 1.98. the result is tcount = 2.488>ttable = 1.98. Since the tcount is bigger than ttable then h0 is rejected and h1 is accepted. It means that variable service quality significantly influences consumer purchase intention (Y).

#### Discussion

#### **Packaging Design and Consumer Purchase Intention**

The context of packaging design in this research is a factor that can attract the consumerat Maxx Coffee Manado. Thus, drive customer mind set to considering to buy a product at Maxx Coffee Manado and stay longer or not. The result shows that packaging design (X1) hassignificantly influence consumer purchase intention. Most of the consumer like to purchase a Maxx Coffee product because they love the product and also the location that easy to reach by the consumer. Most of respondents agree about the price that Maxx Coffee give to their products and its not become a problem for the consumer. Based on this research, the kind of packaging design did significantly influence the consumer to buying a product at Maxx Coffee Manado.

#### **Brand Image and Consumer Purchase Intention**

Source: SPSS 22.00 (2016)

The context of brand image in this research is a comprehensive symbol of brand attribute, name, package, reputation and advertising style, including perception, value, image as well as quality at Maxx Coffee Manado. Brand image is an overall perception of customers on a brand, resulting from customers' inferring from information relevant to the brand. In this research, most of the consumer didn't really care about that, but there's some consumer that looks for the quality of product.

#### Service Quality and Cunsomer Purchase Intention

The context of service quality on this research is about the interaction between the employee and consumer, the environtment, and the outcome service at Maxx Coffee Manado. The consumer agree that the employee at Maxx Coffee Manado have a good attitude, also the environtment that make the consumer feel comfortable to sit and enjoy their time at Maxx Coffee Manado. The consumer feel satisfied about the outcome service at Maxx Coffee Manado and like to come again.

## 4. CONCLUSION AND RECOMMENDATION

#### Conclusion

There are five conslusion can be purposed on this research, which are listed as follow:

- 1. Packaging design, brand image, and service quality give a simultaneous influence on consumer purchase intention at Maxx Coffee Manado.
- 2. Packaging design factors give a partial influence and also become the most significant influence on consumer purchase intention at Maxx Coffee Manado.
- 3. Brand image factors did not give a partial influence which mean the brand image did not give a significant influence on consumer purchase intention at Maxx Coffee Manado.
- 4. Service quality on psychological factors give a partial influence and also significantly influence the consumer purchase intention at Maxx Coffee Manado.

#### Recommendation

Based on the conclusions that have been put forward, there are several recommendations that can be concluded as follow:

- 1. Based on the research, the packaging design factors has the most significant influence on consumer purchase intention at Maxx Coffee Manado. Which mean, the university student nowadays seeking for something different and unique that can attract them to purchase the product like the product wrapper, colors, and all the elements about the product packaging. So Maxx Coffee Manado should kept improve their product and the packaging design also to attract customers.
- 2. The service quality also have a significant influence on consumer purchase intention at Maxx Coffee Manado. Thats mean, the consumer really pay an attention about the sevice at Maxx Coffee Manado, which is the employees' attitude, how they attract the consumer, how good they served the consumer, and how they make the consumer want to stay at Maxx Coffee longer. In this case, Maxx Coffee should keep the service as good as they can. The company should often talk to the employee and give some advice or a training for a better service.

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