

## The Influence of Packaging, Price, and Promotion Strategies on Product Purchasing Decisions in The Indo Jaya Tempeh Industry

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### ABSTRACT

*This study aims to determine what is achieved in this study is to determine and analyze the effect of packaging, price, and promotion strategy on purchasing decisions for Tempe Indo Jaya products in Sendang Mulyasari Village, the effect of plastic Packaging on purchasing decisions for Tempe Indo Jaya products, the effect of price on product purchasing decisions Tempe Indo Jaya and the influence of promotional strategies on purchasing decisions for Tempe Indo Jaya products. The method in this Research is a descriptive analysis performed to explain the effect of product attributes and product warranties on purchasing decisions. Multiple linear regression analysis was used to statistically test the effect of product attributes and warranties on purchasing decisions. Studies on Tempe Indo Jaya home industry. This analysis method is based on the results of a questionnaire on the variables of this study which have been converted by clarifying answers on a Likert scale. Data processing was carried out By using the SPSS version 25 program. The results of this study show that the Promotion Strategy has a positive and significant effect on purchasing decisions in the Tempe Indo Jaya Industry, Sendang Mulyasari Village, Tonggauna District. The better the Promotion Strategy, the better the decision to purchase.*

**Keywords:** *Purchasing Decision, Packaging, and price, Tempe Industry*

### Introduction

Production growth of the snack food industry is estimated to remain positive and even higher than the growth of the food and beverage sector. Product innovation and price adjustments in the market drive this. Of course, this high market growth attracts many players. It has an impact on increasing competition, and competition no longer only emphasizes product excellence and a lot of food brands offered to consumers, such as tempeh products, but on other things that can increase the perceived value of the benefits both rationally and emotionally, among others by designing unique Packaging [1].

Purchasing decision is a purchase decision-making process that includes determining what to buy or not to make a purchase, and the decision is obtained from previous activities. While according to [2], the purchase decision is the action of consumers to buy or not to the product. Packaging protects products from damage while transporting, storing, and selling products [3].

Price is the amount of money charged for a product or service or the value customers exchange to benefit from owning or using a product or service[4]. For consumers and teenagers, price is often the top priority in determining which products to use. With more and more product brands offered in the market, consumers will be more sensitive to price changes and turn to other brands offering lower prices. Consumers are now more selective in making their purchase decisions, and consumers will evaluate the brands they have purchased. Consumers also make repeated purchases of a bag of specific products or services that they are already familiar with, and even they do not hesitate to pay a high price to buy products and services. Creative producers will improve existing production facilities through product attributes and product guarantees on purchasing decision-making patterns so that consumers have consistency over products or Services offered and want to recommend them to other potential customers [5].

According to [6], Packaging is an extremist product element, an attribute related to the product but not part of the physical product itself. This study focused on structural elements of Packaging that had not been discussed in previous studies [7]. In this case, packaging elements are structural components of Packaging, namely size, manufacturing material, and packaging shape. These elements need to be known for their influence on purchasing decisions, and it is hoped that the results can increase knowledge about the importance of the role of security in marketing science and business practices [8].

In addition to Packaging, the right price policy is critical to increasing product competitiveness [9]. Companies must pay attention to product prices when competition is getting tighter because the size of the

price set will greatly influence consumers to buy products. Companies need to consider competitors' prices as a guideline in determining the selling price of their products so that their products remain competitive. Shoham and [10]. suggest seven main factors influencing purchasing decisions, including price attractiveness. The price of a product and service is the main determining factor of market demand. Pricing is the most crucial and difficult thing among the elements in the marketing mix because the price is the only element in the various elements of the marketing mix that will bring profit. At the same time, the company must keep the price of its products competitive with competitors [11].

Products produced by companies may be unable to find their buyers or enthusiasts. Therefore, in marketing their products or services, producers must need consumers about their products or services. One way manufacturers use marketing to increase product results is to determine what behavioural factors can influence consumer purchasing decisions by carrying out promotional strategies and improving product quality. Based on research [12] shows that the quality and promotion of a product will determine marketing success in attracting consumer purchase decisions. For successful product marketing, companies must maximize what consumers need and minimize the time the product enters the market [13].

In addition to offering tempeh products with quality packaging and pricing, the ability of MSMEs to communicate products to consumers through promotional activities is also essential. concluded that a company must promote product features and persuade consumers to buy. It can be known that the promotions and sales promotion tools carried out by UMKM are only minimal such as banners and nameplate pamphlets.

This Indo Jaya tempeh cottage industry is located in Sendang Mulyasari Village, Tongauna District, Konawe Regency, which Mr Gatot Suprianto himself manages. Based on the description above, the list is interested in raising the title "The Influence of Packaging, Price and Promotion Strategy on the Purchase Decision of Tempeh Products in the Indo Jaya Tempeh Industry [14]–[18].

## Research Methods

### Population and Sample

The population is an area of objects or subjects with specific qualities and characteristics determined by researchers to be studied and concluded [7]. The population in this study includes all consumers who buy tempeh products in the Indo Jaya Industry, which amounts to 35 people/respondents who make purchases at Tempe Indo Jaya, Sendang Mulyasari Village, Tongauna District, Konawe Regency.

According to Sugiyono (2011: 81), samples are part of the number and characteristics possessed by the population. Because the number of the population is unknown, limited by time and the energy possessed, the number taken must be able to represent the population in the study. The sampling technique used in this study is using Sampling. Random Sampling is a sampling technique based on chance. That is, anyone who happens to meet the researcher can be used as a sample if the person who happens to be met is suitable as a sample of data. The suggestions about sample size for Research, according to [2], are as follows:

- 1.If the study is descriptive, then the minimum sample is 10% of the population
- 2.If the Research is correlational, your mini-sample is 30 subjects
- 3.If it is an experimental study, the minimum sample is 15 subjects per group.

In this study, researchers took a sample of 35 respondents, as suggested by [3], sample minimum. This is 10% of the population, so 35 times by 10% = 35 respondents.

### Data Collection Methods

The data collection methods in this study are:

- a.Documentation that records or retrieves data that has been documented.
- b.The questionnaire is a data collection technique that provides a set of questions or written questions for respondents to answer.
- c.The interview is a technique of collecting and answering by conducting questions and answers directly to people who are considered to be able to provide the data needed.

### Data Measurement Methods

The data measurement method is an opportunity used as a reference to determine the length of the short interval in the measuring instrument so that the measuring instrument can be used in measurement and will produce quantitative data. To measure the influence of perception, product attributes, and product quality on purchasing decisions, a questionnaire was used by attaching 13 pieces per question consisting of 10 pieces per question of independent variables (Packaging, price, and marketing strategy) and three questions of the dependent variable (purchase decision). Categories answer statements using the Likert scale, which is then scored to create a category for each variable.

## Results and Discussion

### **The Influence of Packaging, Price, and Promotional Strategy on Purchasing Decisions in the Tempe Industry Indo Jaya Sendang Mulyasari Village**

Attractive Packaging has a competitive advantage so that prices arise that are by the purchasing ability of a consumer in conducting market competition by providing promotional strategies that support gaining consumer interest in purchasing decision-making. [3] said That suitable Packaging, prices, and strategies and consumers' high interest in buying a product would increase purchasing decisions on tempe furniture in the temple industry indo jaya kelurahan sendang mulyasari. This product that has good Packaging, price, and promotional strategies tends to be more readily accepted by consumers

Based on the results of each distribution of variable respondents' answers, it can be obtained with  $H_0$  rejected, meaning that there is an influence on Packaging, Price, and Promotion Strategy simultaneously affecting purchasing decisions at Sendang Mulyasari Unaaha.

The results of this study align with previous Research by [8] in his Research entitled: the influence of Packaging, price, and Promotion on the purchasing decision process of Consumers of lung chips MSMEs Sukorejo Kendal.

### **The Influence of Packaging on the Purchasing Decision Process in the Indo Jaya Tempeh Industry Sendang Mulyasari Village**

In a product, if the packaging design is excellent or attractive, it will affect the purchase decision-making process made by consumers. An attractive packaging design is one of the factors that become a consumer in making purchasing decisions. According to [9], said Packaging can be interpreted as an object that protects and secures the product of course that is in it and can provide a specific image to persuade its users. Developing a solid packaging design is one way to make consumers more interested in buying a product. This will influence consumers in making purchase decisions. The results showed that, based on respondents' answers, the packaging strategy variables' shape, size, and material dimensions had an excellent response to consumer purchasing decisions. All indicators in the packaging variable were assessed in agreement by respondents in this study. The most dominant statement item was "In my opinion, Tempeh products should be easy to grip." The lowest value in the distribution of the respondent's answer was "In my opinion, the packaging of Tempeh products needs to look longer than other brands." Overall, it can be concluded that Packaging affects purchasing decisions in the Tempe Industry of Indo Jaya, Sendang Mulyasari Village. Partially, this study resulted in the same conclusion as [10] research: The results showed that Packaging had a positive and significant effect on purchasing decisions. Thus, Packaging significantly affects purchasing decisions at Sendang Mulyasari Unaaha.

### **The Effect of Price on the Purchasing Decision Process in the Tempe Industry of Indo Jaya Sendang Mulyasari Village**

In making tempeh purchase decisions, consumers will compare the price of products with quality and the prices of other products with the same functional benefits. Price is the amount of money charged for a product or the sum of the value that consumers exchange for the benefits of owning or using the product [7]. Price is often made as a strategic move to beat competitors. In the mobile phone business, price is essential in purchasing. The ideal thing consumers want is to buy goods with good attributes such as brand, quality, design, features, satisfactory after-sales service, and affordable prices. The respondents' answers stated that the Price Acceptance, Price Evaluation, and Perceived Word dimensions of price variables have an excellent response to consumer purchasing decisions. All indicators in the price variable were assessed in agreement by respondents in this study. The most dominant statement is, "I buy tempeh products that are worth according to quality." While the smallest item is "I bought tempeh products according to the price with the quality of the product." Overall, it can be concluded that price affects tempeh purchasing decisions in the Indo Jay Tempeh Industry Sendang Mulyasari Village. The results of this study meaningfully support previous Research conducted by Muscamad (201:3), which concluded that price consistently influences purchasing decisions.

### **The Influence of Promotion Strategy on Purchasing Decisions in the Tempe Industry of Indo Jaya Sendang Mulyasari Village**

Promotion is essentially a marketing communication means marketing activities that seek to disseminate information, influence / persuade and or remind the target market of the company and its products to be willing to accept, buy and be loyal to the products offered by the company concerned. According to [9], company promotion aims to inform (Inform) customers about the company and its mix. After consumers know the new product, they are expected to be influenced and persuaded to switch to the product. And ultimately, the company reminds us that the product is still suitable for consumption. This is done because many attacks come from competitors.

Based on the respondents' answers, they stated that the Advertising, Sales Promotion, and Publicity dimensions of the Promotion strategy variables have an excellent response to consumer purchasing decisions. All indicators in the Promotion strategy variable were assessed in agreement by respondents in this study. The most dominant

statement item is "Tempeh product advertisements in mass media and electronic media are very interesting." The lowest value in the distribution of respondents' answers was "What is promoted from Tempeh products according to the quality of the products sold." Overall, it can be concluded that the promotion strategy affects purchasing decisions in the Indo Jaya Tempe Industry, Sendang Mulyasari Village.

The results of this study support research conducted by [10] conducting Research on the effect of price, promotion, Packaging, and service quality on sales levels in the U.D. Bambu Murni Magetan East Java consumers. This study's results show that the promotional strategy variable partially shows a positive and significant influence on the consumer purchase decision process.

## Conclusion

In this study, researchers intend to determine whether Packaging, price, and promotional strategies affect purchasing decisions. Known results obtained after testing are as follows:

1. Packaging, Price, and Promotion Strategy positively and significantly influence purchasing decisions in the Indo Jaya Tempe Industry, Sendang Mulyasari Village, Tonggauna District.
2. Packaging positively and significantly influences purchasing decisions in the Indo Jaya Tempe Industry, Sendang Mulyasari Village, Tonggauna District. The better the Packaging, the more decisions will be made in making purchases
3. Price positively and significantly effect purchasing decisions in the Indo Jaya Tempe Industry, Sendang Mul Yasari Village, Tonggauna District. The better the price, the more decisions will be made.
4. The Promotion Strategy has a positive and significant effect on purchasing decisions in the Indo Jaya Tempe Industry, Sendang Mulyasari Village, Tonggauna District. The better the Promotion Strategy, the more purchase decisions will be made.

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