

SMEs Culinary Purchase Decisions Determine By Brand Image, Price, And Product Uniqueness

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Abstract.

The development of the culinary business is increasingly rapid, marked by the emergence of many increasingly varied food sellers. Many SMEs in the culinary business take advantage of practicality in consuming food and drinks. This research aims to determine consumer perceptions and the influence of brand image, price, and product uniqueness factors on purchasing decisions for SMEs products simultaneously or partially. The population and sample are 120 consumers taken by nonprobability sampling technique. The analytical method used in this research is descriptive and verification. The instrument test was carried out with validity and reliability. Research data analysis includes multiple linear regression analysis, multiple correlation analysis, and hypothesis testing. The research results show that simultaneously and partially the factors of brand image, price, and product uniqueness have a positive and significant effect on purchasing decisions.

Keywords: Brand image, price, product uniqueness, and purchasing decision.

I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play an important role in the national economy. The flexibility of SMEs was proven when the monetary crisis hit countries in Asia in 2007/2008, SMEs continued to exist and were able to maintain the continuity of their businesses. Despite several limitations, the number of SMEs continues to increase. The phenomenon that occurs, SMEs are found in many economic sectors, and their large contribution to the creation of jobs and household income ultimately contributes to national economic development, even in rural areas, SMEs also act as a very crucial driving force for economic development. and local communities. The existence of SMEs in Indonesia has given color to business diversity in the real sector and has proven that the community as subjects or actors can survive in changing environmental conditions. There are so many areas that MSMEs are involved in, it turns out that the positive impact they produce has a role that cannot be considered small. The increasing development of technology and information today requires the ability of SMEs to be more careful in business competition. Consumer needs and desires are always changing, and even tend to increase from time to time. SMEs need to conduct marketing research in their business to find out what products consumers need and want. SME products in the form of culinary are projected to still be one of the mainstay sectors supporting the economy at the local level. Processed food and beverage products are people's daily basic needs so there will always be demand for them, thus opening up very potential business opportunities (Salazar, 2017; Jose & Shanmugam, 2020); Saad et al., 2020). Apart from that, SMEs in this field can be started with relatively small capital, therefore the level of competition is at a high level. Jaeger et al. (2017); Singh et al. (2019); and Coghlan et al.

(2020) stated that SMEs need to conduct studies on the potential and uniqueness of their products which are the main considerations for consumers in making purchasing decisions, including brand image, price and product uniqueness. Today's consumers are very critical in choosing a product, therefore the demand for increasingly unique products makes companies compete to increase the uniqueness of their products to gain a competitive advantage and maintain the brand image of the products they produce (Healy et al., 2017; Farhikhteh et al., 2020; and Calderon et al., 2021). According to Achterberg et al. (2018); Weaven et al. (2021) and Zaridis et al. (2021) in making decisions consumers must go through the stages that consumers go through before making a purchase which include felt needs, activities before purchasing, behavior when using, and feelings after purchasing. Several factors can influence consumer purchasing

decisions, namely brand image, price, and product uniqueness. This opinion states that product quality is the characteristic of a product or service that supports its ability to satisfy customer needs (Caiazza, 2016; Ismail et al., 2019; and Asri et al., 2020). One of the important management decisions is setting the selling price because it affects the profits generated (Brink, 2018; Milanese et al., 2020). If the selling price is set too high, then the product is at risk of not being sold on the market.

On the other hand, if the selling price is set too low below the cost of production, this will be detrimental. Determining the selling price must be done correctly through careful calculations, and requires accurate cost information. Mistakes in identifying costs have the potential to cause the selling price calculation to be inaccurate. This will be detrimental to the company because the selling price is set too low, as a result, the profit generated will not be optimal. Identification of costs is crucial in determining the selling price. Unfortunately, MSMEs experience many obstacles at this point. SMEs players often have difficulty identifying costs in their business, both production costs and non-production costs (Villena Manzanara, 2019; Ying & Anuar, 2019; and Yew, 2020). One way to gain a competitive advantage is to create a unique product that cannot be compared or imitated by competitors. Product uniqueness is an added value that makes the product appear different compared to other competitors (Omar et al., 2020). According to Dressler & Paunovic (2021), product uniqueness can provide a competitive advantage over similar products, because it is difficult to make direct comparisons between one product and another. Unique products can create specific products that occupy a better bargaining position compared to competitors (You & Hon, 2021). The uniqueness of the product not only creates its advantages but also provides benefits to the company, including a) extending the product life cycle; b) making it easier for consumers to remember the product; c) making a product look better than competitors' products; d) make the selling value higher; and e) helps create a good image (Achterberg et al. (2018); Zauddin & Mukhtar, 2019; and Jasin, 2022).

II. METHODS

This study was designed using qualitative and quantitative methods, with descriptive and verification approaches. In this study, it was determined that consumers who bought culinary products in Bogor City with certain brands were the population, and the sample in this study used a probability sampling technique with a purposive sampling procedure. The sample size was determined as many as 100 for subjective reasons based on the theory which states that a decent sample size of between 30 and 500 is sufficient for most studies (Roscoe in Echdar, 2017). Questionnaires on the results of validity and reliability tests were used to obtain primary data, which were then analyzed using multiple linear regression analysis, multiple correlation, determination, and hypothesis testing.

III. RESULT AND DISCUSSION

SMEs products in the form of food and drinks which are the object of this research are specific home products and are typical in the city of Bogor, including cungring, fried bean sprouts, laksa, beer pletok, soto mie, and nutmeg syrup. Consumer assessments of the brand image of SMEs culinary products in the form of processed food and drinks are explained in the following table.

Table 1. Consumer Responses to the Brand Image of SMEs Culinary Products.

No	Statement	Score	Criteria	Interpretation
1	Does not appear to use preservatives	4,01	Good	consumers are very smart when it comes to purchasing because they can differentiate between dyes and natural colors.
2	The product meets expectations	4,08	Good	because the product is made from natural ingredients which are good for health
3	The manufacturer makes innovations	3.97	Good	the manufacturer makes changes to the quality and packaging that is marketed.
4	The brand has been known for a long time	4,05	Good	the type and brand of the product have been known for a long time
5	The product has its image	3,96	Good	the product is a quality culinary specialty
6	Easy-to-pronounce brand	4,04	Good	meaningful product brand that is easy to pronounce and remember

7	The brand is easy to remember	4,11	Good	quality product, affordable price, and often purchased, so it is not easy to forget
8	The brand gives the impression	3,84	Good	The product is an iconic culinary delight
9	The product is nutritious		Good	The product has good protein, vitamin, and mineral content for health
Average		3,96	Good	product brand image has become an icon because of its uniqueness, affordable price, easy to remember, nutritious, and healthy

Based on the table above it can be stated that the average consumer response to the brand image variable is 3.96, including in the high category. This means that it is included in the brand image category that is considered good, based on an assessment of the elements of uniqueness, affordable price, easy to remember, nutritious, and healthy. Consumer assessments of the prices of SMEs culinary products in the form of processed food and drinks are explained in the following table.

Table 2. Consumer Responses to Prices of SMEs Culinary Products

No	Statement	Score	Criteria	Interpretation
1	Affordable product prices	4,20	Very good	affordable product and all levels of society can buy it
2	Price varies according to product size	4,18	Good	product price varies according to product size, and this makes it easier for consumers to buy according to taste
3	Product price meets expectations	4,12	Good	product price meets expectations and is comparable to the taste
4	Product price meets expectations of quality	4,18	Good	product price following product quality
5	Product prices can compete	4,18	Good	product price can win the competition because of its uniqueness
6	Price is more economical	4,09	Good	product price is more economical so consumers want to buy again
7	Product price following standards	4,08	Good	price following market standards
8	Product price following benefits	4,10	Good	price can provide benefits following the quality of the product itself
Average		4.14	Good	the price that has been set is affordable for all in the community and by consumer tastes

Based on the table above, it can be stated that the average consumer response to the price variable is 4.14, which is included in the high category. This means that it is included in prices that are considered affordable, based on an assessment of the elements of uniqueness, standards, variants, benefits, and tastes. Consumer assessments of the uniqueness of SMEs culinary products in the form of processed food and drinks are explained in the following table.

Table 3. Consumer Responses to the Uniqueness of SMEs Culinary Products

No	Statement	Score	Criteria	Interpretation
1	Product durability	4,08	Good	product has good durability and does not break easily
2	Products made from quality materials	4,30	Very Good	products made from quality and natural raw materials, and through good processing
3	Products widely imitated	4,17	Good	products have their uniqueness and market, giving rise to the urge to make imitations
4	Product Appearance	4,25	Very Good	the product uses natural ingredients, giving rise to an attractive color, aroma, and impression
5	Product Presentation	4,10	Good	The product is presented well, including using traditional packaging
6	The product complies with halal standards	4,13	Good	product complies with halal standards because it uses natural ingredients with the correct process
7	Product taste	4,24	Very Good	The taste of the product is very liked so it gives the impression of repurchasing
8	Ease of buying	4,16	Good	products are easy to buy, because many are sold in strategic places, and can even be purchased online
Average		4,17	Good	products are judged to be unique based on color, taste, aroma, appearance, convenience, and halal

Based on the table above, it can be stated that the average consumer response to the uniqueness variable is 4.17, which is included in the high category. This means it is included in a unique category, based on an assessment of the elements of color, taste, aroma, appearance, convenience, and halal. Consumer assessments of purchasing decisions for SMEs culinary products in the form of processed food and drinks are explained in the following table.

Table 4. Consumer Responses to the Uniqueness of SMEs Culinary Products

No	Statement	Score	Criteria	Interpretation
1	Purchase products because of quality	3,94	Good	quality products based on shape, size, and taste
2	Purchase based on diversity	3,89	Good	products have various flavors and sizes
3	Purchase based on the uniqueness of packaging	3,93	Good	product has unique, attractive packaging
4	Purchase based on popularity	3,81	Good	product is popular and has gone viral on several social media platforms
5	Purchase because of convenience	3,79	Good	product is easy to find in various areas where consumers live
6	Purchasing based on strategic location	3,85	Good	many products are sold so that consumers do not have difficulty buying
7	Repeat purchases 3 times a week	3,83	Very Good	people like the product because it has become a daily food ingredient
8	Recommend products	3,81	Good	products are widely recommended through word of mouth and social media
9	Purchase more than 1 product in each transaction	3,46	Good	consumers on average buy more than 1 package
10	The amount of each purchase is according to the number of family members	3,26	Fairly Good	consumers buy products sometimes according to the number of family members
Average		3,75	Good	purchasing decisions in buying products based on quality, desire, satisfaction, and recommended as a food variety

Based on the table above it can be stated that the average consumer response to the purchasing decision variable is 3.75 included in the strong category. This means that it falls into the category of a tendency to buy products based on people's daily desires as a habit. Next, analysis of the results of data processing was carried out to find out how much influence the variables brand image, price, and product uniqueness had on purchasing decisions for SMEs culinary products, and the equation $Y = 19.337 + 0.845X_1 + 0.562X_2 + 0.381X_3 + \varepsilon$ was obtained. It can be explained that the constant value obtained is 19.337, meaning that when the brand image, price, and product uniqueness factors are ($X_1, X_2,$ and $X_4 = 0$), the purchasing decision is positive. The cultural factor coefficient (X_1) = 0.845, meaning that every time there is an increase in the brand image factor it will be followed by a strengthening of purchasing decisions (Y) assuming a fixed variable. The price factor regression coefficient (X_2) = 0.562, meaning that every time a change in the price factor occurs, it will be followed by a strengthening of purchasing decisions (Y) with the assumption of a fixed variable. This is because the product is included in the food category which has characteristics that are part of the primary needs and trends of the public. The regression coefficient for the product uniqueness factor (X_3) = 0.381, meaning that every time an increase in the product uniqueness factor occurs, it will be followed by a strengthening of purchasing decisions (Y) assuming a fixed variable. Multiple correlation coefficient analysis is used to determine the relationship between the variable factors of brand image, price, and product uniqueness on purchasing decisions.

From the calculations it is known that the R-value is 0.774 which shows the correlation or relationship between the variable factors of brand image, price, and product uniqueness on purchasing decisions which has a relatively strong correlation, so it can be stated that when the value of variable X increases it will be followed by an increase in the value of variable Y. Obtained of R Square is 0.600 or 60%, indicating that the percentage contribution of the influence of brand image, price and product uniqueness factors to purchasing decisions is 60%, while the remaining 40.5% is influenced by other variables not included in this research model including The marketing mix consists of product, price, distribution channels and promotion. To test the hypothesis, the F test statistic was used, which obtained a Fcount value of 4.47, namely Fcount of 47.947 and the Ftable value for $\alpha = 0.05$ with degrees of freedom $F(\alpha/2; nk-1)$ where $F(0.05; 2 = 0.025) : (100-4-1) = 95$ is 1.37, which in this case shows that Fcount is greater than Ftable ($47.947 > 1.37$). Thus, it can be

concluded that H_0 is rejected and H_a is accepted, meaning that with a 95% confidence level, the independent variables namely brand image (X1), price (X2), and product uniqueness (X3) have a positive and significant influence together (simultaneously) on the decision. purchase (Y).

The influence of the brand image factor (X1) on purchasing decisions (Y)

The brand image factor (x_1) with a t value of 8.211 is greater than the t table value (8.211 > 1.679) and a significance value of 0.036 is smaller than 0.05 (0.036 < 0, 05). Thus, H_a is accepted and H_0 is rejected, meaning that partially the brand image factor has a positive and significant effect on purchasing decisions.

The influence of the price factor (X2) on purchasing decisions (Y)

The price factor (X2) with a calculated t value of 6.203 is greater than the t table value (6.203 > 1.679) and a significance value of 0.002 is smaller than 0.05 (0.002 < 0.05). Thus, H_a is accepted and H_0 is rejected, meaning that partially the price factor has a positive and significant effect on purchasing decisions.

The influence of product uniqueness factors (X3) on purchasing decisions (Y)

The product uniqueness factor (X3) with a t value of 2.025 is greater than the t table value (2.025 > 1.679) and a significance value of 0.004 is smaller than 0.05 (0.030 < 0.05). Thus, H_a is accepted and H_0 is rejected, meaning that partially the product uniqueness factor has a positive and significant effect on purchasing decisions.

IV. CONCLUSION

Consumer perceptions of the brand image variable are in the high category, Consumer perception of the price variable is in the high category and consumer perception of the product uniqueness variable is in the high category. Consumer perceptions of purchasing decision variables include the interested category. The test results show that the factors of brand image, price, and product uniqueness simultaneously and partially have a positive and significant effect on purchasing decisions for SMEs culinary products. It is recommended that culinary products be introduced more intensively by improving the quality of the product's distinctive taste, unique menus, and direct promotions near the community. Further studies were carried out on other factors that could influence purchasing decisions such as the marketing mix consisting of product, price, distribution channels, and promotions.

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