INFLUENCE OF ATTRIBUTES PRODUCTS
ON CONSUMER PURCHASING DECISION OF SHIFOO

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ABSTRACT

Food businesses in Indonesia, especially in the segment of packaged food and soft drinks have progressed very rapidly. The attributes of a product plays an important role in deciding a consumers’ purchasing decisions. Studies in the influence of attributes of a product in consumers’ purchasing decisions will be reflected through ShiFoo, a business that specializes in food products such as frozen food and ready to eat food. The purpose of this study is to determine the effect of attributes of a product on consumer purchasing decision of ShiFoo. Attributes used are brand, labels, packaging, and complementary services. The sample used was ShiFoo’s repetition consumer from April to September 2015. The data collection technique used was a questionnaire. Factor analysis is used as a means of data analysis in this study. The data obtained were analyzed using validity and reliability test, multiple linear regression analysis, the correlation coefficient and the coefficient of determination, the classic assumption test, and hypothesis testing.

Keywords: Attributes Product, Brand, Label, Packaging, Complimentary Service, Consumer Purchasing Decision.

INTRODUCTION

Food businesses in Indonesia, especially in the segment of packaged food and soft drinks have progressed very rapidly. Euromonitor estimates that the average growth per year of packaged foods and soft drinks market during 2013 – 2017 will soar above 10%, the highest growth in the food and beverage industry. Overall, packaged food during this period will grow an average of 2.6% per year. The Association of Indonesian Food and Beverage (GAPMMI) estimate the total value of sales of food and beverage products in 2015 will reach 1 trillion. Increase in population and growth in middle class income communities, project improvement in the economy with increase in purchasing power, as well as rapid growth in modern retail outlets will control the demand for food and beverage industry. Kotler (2008) states purchasing by consumers is influenced by attributes of a product. Attributes of a product is an important component which ensures that the product can meet the needs and desires that are desired by the buyer. Based on the current research, it is important for a business owner to know and improve the attributes of a product to increase sales and expand the business.