



Effect of Packaging Design on Repurchase Intention to the Politeknik IT&B Medan Using E-Commerce Applications

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Received: 28 September 2021 **Accepted:** 13 December 2021 **Published:** 16 January 2022

Abstract: *This study aims to determine and analyze effect of packaging design on repurchase intention to the Politeknik IT&B Medan using e-commerce applications. This type of research is descriptive quantitative and survey research methods. This research is conducted on the Politeknik IT&B Medan students using e-commerce applications in the Politeknik IT&B Medan. The sample of this study is a population of 47 respondents or the Politeknik IT&B Medan students, Department of Business Administration, semester 2 and 4. The data analysis method use simple linear regression with partial test (t) and coefficient of determination (R^2). The results show that packaging design has a positive and significant effect to the Politeknik IT&B Medan using e-commerce applications. Packaging design can explain the repurchase intention variable by 64.1% and the remaining 35.9% is explain by other variables not examined in this study.*

Keywords: *Packaging Design, Repurchase Intention, Using E-Commerce Applications.*

1. INTRODUCTION

The company develops a marketing strategy about its products by making a number of decisions regarding product attributes, branding, packaging, labeling, and product support services. Product attributes here include the quality, features, style, and design that the company wants to offer. This is done so that consumers can be interested in the products offered by the company and are interested in buying the company's products. In addition, product attributes are also useful for differentiating similar products and giving a deep impression to consumers so that consumers will



have brand awareness of a product that is already embedded in their minds. Walgren et al. (1995) states that a brand that is known by buyers will generate interest in making purchasing decisions. The impact of the symbol of a product gives meaning in consumer decision making because symbols and images are important in advertising and have an influence on interest in buying. At this time, competition in the business world is not just brand competition but also packaging design competition, where companies are competing to be able to create unique, attractive and memorable packaging designs so that they can make an impression on consumers' minds.

Kertajaya (2004) stated that technology has changed the function of packaging. In the past people said packaging protects what it sells whereas now packaging sells what it protects. Intense competition in business will create individual customers between products, because competition will make consumers confident in choosing and buying products against certain brands through good packaging design. To convince these consumers to be able to make purchases, a good packaging design strategy and good product marketing are needed. One of the goals is to seize the market and attract consumers to buy their products through attractive packaging designs so that they can be of interest to consumers.

The advancement of the digital technology era supports an increasingly modern way of consumer shopping. This is in accordance with various events that exist in today's society, one of which is offline shopping which has turned into online shopping. Offline shopping is a buying and selling activity carried out directly by sellers and buyers. Online shopping is currently one of the options for buying a product that consumers need, because along with increasingly sophisticated technology it can make it easier for everyone to access all forms of information from the desired product online. With online shopping, it can make shopping easier. Starting with the emergence of a marketplace to social media which is also a place to market and offer products as well as buying and selling interactions. The benefits of online shopping include shopping activities that are easier, more practical, require small capital, together with other jobs, easy transactions, and secure transactions.

Marketplace development in Indonesia is currently growing rapidly, as evidenced by the emergence of various kinds of marketplace applications that have significant advantages. Marketplace is defined as a provider of internet-based online media (web-based) as a place to conduct business activities and transactions between buyers and sellers. Buyers can find as many sellers as possible according to their needs and criteria, so that they get according to market prices.

In line with the rapid development of the company and the increasing needs of consumers as well as the large number of people's requests for e-commerce applications, they are trying to compete with other companies to provide better packaging designs than before. That way, e-commerce companies will maintain their position as a leading and trusted provider of electronic goods and services so that consumers will have repurchase intentions.

This study aims to determine and analyze effect of packaging design on repurchase intention to Politeknik IT&B Medan using e-commerce applications.



Literature review

Packaging Design

Klimchuk and Krasovec (2007) define that packaging design is a creative business that links form, structure, color material, imagery, typography, and design elements with product information so that products can be marketed and apply to wrapping, protecting, shipping, issuing, storing, and distinguishing a product that can ultimately communicate the personality or function of the consumer product in a unique way.

According to Kotler (2003), there are 7 (seven) product design indicators, namely:

a.Characteristics are characteristics that support the basic functions of the product. Most products can be offered with several features. Product features are a competitive tool for differentiated company products. Some companies are very innovative in adding new features to their products. One of the key success factors of Japanese companies is that they are constantly improving certain features of products such as watches, cars, calculators and others. The introduction of new characteristics is considered one of the most effective ways of competing.

b.Performance, which refers to the level of the main characteristics of the product when operating. Buyers of expensive products usually compare the performance (appearance/performance) of different brands. Buyers are usually willing to pay more for better performance as long as the excess price does not exceed perceived value.

c.Quality of conformity is the degree to which product design and operating characteristics are close to the target standard. Quality of conformity is the degree of conformity and compliance with all units produced against the promised target specifications. It is called conformance because of its specifications.

d.Durability is a measure of the expected operating time of a particular product. For example, Volvo advertises its cars as having the highest service life to justify its higher price. Buyers are willing to pay more for a more durable product.

e.Testability (reliability) is a measure of the probability that a product will not function incorrectly or fail within a certain period of time. Buyers are willing to pay more for products with a higher reputation for reliability. They want to avoid costs due to breakdowns and time to repair.

f.Ease of repair (repairability) is a measure of the ease of repair of a product that malfunctions or damages. The ideal ease of repair will exist if the user can repair the product at low or no cost and without taking too long.

g.Model (Style) which describes how far a product looks and is pleasing to consumers. Models provide superior product specificity characteristics that are difficult to imitate. For example, many car buyers pay more for Jaguar cars because of their extraordinary appearance even though Jaguar itself is not very good in terms of reliability.

Repurchase Intention

Repurchase is a purchase activity that is carried out more than once or several times. Satisfaction obtained by a consumer, can encourage someone to make



a repeat purchase, be loyal to the product or loyal to the store where he bought the item so that consumers can tell good things to others. The importance of measuring customer repurchase interest is to find out the desire of customers to remain loyal or leave an item and service.

Dimensions of repurchase intention:

a. Transactional interest is the tendency of consumers to always repurchase the products they have consumed.

b. Referential interest is the willingness of consumers to recommend products that have been consumed to others.

c. Preferential interest is consumer behavior that makes the product that has been consumed the main choice.

d. Explorative interest is the desire of consumers to always seek information about the products they are interested in. According to Kotler (2003) in Kristyatmoko and Andjarwati (2013) the formation of buying interest lies in the effective stage after passing the consumer cognitive stage. Sumarwan (2011) argues that buying interest (intention) is a behavior that will be carried out by a consumer (likelihood or tendency).

2. RESEARCH METHODS

This type of research is descriptive quantitative and survey research methods. This type of research is descriptive quantitative. Quantitative descriptive research is a method of examining the status of a group of people, a system of thought, or a class of events in the present which aims to make a systematic, factual and accurate description, picture, or painting of facts, characteristics, and relationships between phenomenon under investigation (Pandiangan, 2015). This research is a survey research method, which is a study that takes a sample from a population by relying on a questionnaire as a data collection instrument (Pandiangan et al., 2022). A survey is a research method used for collecting data from a predefined group of respondents to gain information and insights into various topics of interest (Pandiangan et al., 2018). They can have multiple purposes, and researchers can conduct it in many ways depending on the methodology chosen and the study's goal (Pandiangan et al., 2021).

The population is a complete group of elements, which are usually people, objects, transactions, or events in which we are interested in studying or being the object of research (Pandiangan, 2018). This research is conducted on the Politeknik IT&B Medan students using e-commerce applications in the Politeknik IT&B Medan. The sample of this study is a population of 47 respondents or the Politeknik IT&B Medan students, Department of Business Administration, semester 2 and 4.

The data analysis method use simple linear regression with partial test (t) and coefficient of determination (R^2). Simple linear regression is a measuring tool that can also be used to measure the presence or absence of correlation between variables. If we have two or more variables then it is appropriate if we want to study how the variables are related or can be predicted (Tobing et al., 2018).



3. RESULT

General Description

The Politeknik IT&B Medan aims to produce competent graduates who are ready to work and able to compete in the world of work in the globalization era. The Politeknik IT&B Medan believes that what the Politeknik IT&B Medan students need are not only academic skills but also the intelligence and creative thinking of students, of course, they also need to be sharpened.

The Politeknik IT&B Medan provides the most different learning system with interesting extracurricular activities and keeps up with the times. The learning system at the Politeknik IT&B Medan emphasizes practical learning and is filled with fun activities such as extracurricular activities, seminars, outbound training, orientation based on team cohesiveness and character building, campus events such as halloween parties, christmas parties, charity, and others.

The vision of the Politeknik IT&B Medan is to become a higher education institution that excels in producing graduates with superior knowledge and skills, with professionalism and a global perspective reflected by our institution, and able to compete and face the challenges of their profession at the national and international levels. Meanwhile, the missions of the Politeknik IT&B Medan are:

1. Produce and develop human resources with sound moral and ethical principles.
2. Produce skilled workers who are qualified, entrepreneurial, independent, help maintain culture and the environment, are able to contribute to progress in the country's social and economic development.
3. Develop and institute customized professional education programs to meet current science and technology standards.
4. Provide education, teaching, research and community service by maintaining cooperation with various parties, both within and outside the country.
5. Maintain sustainable cooperation with government agencies, businesses, professional associations and communities, both local and national.

Hypothesis Test

Hypothesis testing in this study simple linear regression using the statistical package for social sciences (SPSS) program. Regression analysis aims to determine the effect of packaging design on repurchase intention. Hypothesis testing was carried out with a significance test at $\alpha=0.05$ for the partial test (t) and coefficient of determination (R^2).

Partial Test (t)

Table 1. Partial Test (t) Results

Coefficients^a

Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		



1	(Constant)	.884	4.957		.179	.850
	Packaging Design	.311	.175	.482	3.156	.000

a. Dependent Variable: Repurchase Intention

The results show that packaging design has a positive and significant effect to the Politeknik IT&B Medan using e-commerce applications.

Coefficient of Determination (R²)

Tabel 2. Coefficient of Determination (R²) Results

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.584 ^a	.614	.587	2.38544

a. Predictors: (Constant), Packaging Design

b. Dependent Variable: Repurchase Intention

Packaging design can explain the repurchase intention variable by 64.1% and the remaining 35.9% is explain by other variables not examined in this study.

4. CONCLUSION AND SUGGESTION

The results show that packaging design has a positive and significant effect to the Politeknik IT&B Medan using e-commerce applications. Packaging design can explain the repurchase intention variable by 64.1% and the remaining 35.9% is explain by other variables not examined in this study.

Based on the conclusions above, there are several suggestions that can be submitted by researchers are as follows:

1.It is hoped that the company will further improve the packaging design for consumers. Companies can do promotions by utilizing existing social media and distributing brochures to potential places. In addition, the company is expected to be able to foster good relationships with consumers, for example paying attention to consumers on their birthdays. This strategy is expected to be able to create positive perceptions from consumers of the company and of course will increase the intensity of consumers to talk about the advantages they get when buying e-commerce products and recommend them to other potential consumers.

2.Based on the results of the study, it is known that the effect of packaging design on repurchase intention is 64.1%. This shows that there are other factors that influence repurchase intention. It is hoped that further researchers will find out other factors that influence repurchase intention other than those contained in this study such as brand image.



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