

Increase the Attractiveness of Local Fruits to the Buying Intention of Hedonic Consumers in Bali



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Abstract

In order to improve the competitiveness of local fruits in Bali in particular and Indonesia in general against imported fruits, especially for hedonic consumers, appropriate strategies and policies are needed in the development and strengthening of the market. So the purpose of this research was: 1). To know the influence of labeling to the buying intention of local fruit on hedonic consumers in Bali. 2) To know the influence of brand image to consumer buying intention of local fruit on hedonic consumers in Bali. 3). To know the influence of packaging on the buying intention of local fruit on the hedonic consumer in Bali. This research was conducted on local and imported fruit consumers in Bali. The research location is in fruit shops, supermarkets and traditional markets that sell local and imported fruits in Bali Province. This data is obtained by using survey method, that is by distributing questionnaires to the respondents. Data were analyzed by using multiple linear regression analysis methods by using SPSS program version 20.0 for windows. The result of SPSS test shows that labeling has a positive and significant influence on consumer buying intention ($B = 0.257$; $t = 3.208$; $p < 0,05$), brand image have positive and significant influence on consumer buying intention ($B = 0.550$; $t = 8.507$; $p < 0.05$), while packaging has a positive but not significant effect on consumer buying intention ($B = 0.055$; $t = 0.576$, $p < 0.05$), and its Adjusted R Square Value of 0.454 which means that labeling, brand image, and packaging able to explain variation of consumer buying intention variable equal to 45.4% and the rest equal to 54.6% explained by other variables outside model. These results show that Hypotheses 1 and 2 are supported, whereas hypothesis 3 is not supported. Hypothesis 3 is not supported means the packaging variable has no influence on consumer buying intention.

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**1. Introduction**

Fruits have become international trade commodities. Currently Indonesia has a chance to play a role in the world market, but on the other hand, Indonesia's domestic market is also becoming more open to fruits commodity market from abroad. Unfortunately, Indonesia's fruit commodity trade balance is still not satisfactory because the total volume and value of exports are much lower than the volume and value of imports. In the current era of globalization, the entry of imported fruits, making local fruit shift/decrease its competitiveness, where people and businesses that require fruit prefer the use of imported fruits. In supermarkets, fruit shops, even in traditional markets, imported fruits such as grapes, sweet oranges, red apples, and others shift domestic fruits such as bark, banana, mango, oranges, local apples and others. Whereas in terms of appearance, taste and price of some types of local fruit products are no less competitive when compared with imported products or products from outside Bali. Even many local fruits do not exist elsewhere that make local fruits unique and have more selling value when compared to imported fruits.

Fruit is a highly prospective horticulture sub-sector developed in Bali. The need for fruit for the consumption of the tourism sector, the fulfillment of population needs and for religious ritual activities in Bali is quite high. The amount of local fruit development potential is supported by increasing welfare, public awareness of the importance of consuming fruit, the fulfillment of tourism needs, culture and aesthetics and the high demand for fruit in domestic and export markets. In addition, local fruit production has enormous export potential especially exotic tropical products, such as mangosteen, *salak*, mango, banana, and others. Local fruits have good prospects to be developed in line with the needs of religious rituals especially in Bali, efforts to increase consumption in the country, protection/protection for domestic consumption, especially for businesses that use fruit consumption.

Seeing the decline in local fruit consumption is quite worrying then made Local Regulation No. 3 of 2013 About Local Fruit Protection in Bali which aims to protect local fruit from the onslaught of imported fruits. However, although the government tries to protect local fruits by issuing Local Regulation No. 3 of 2013 on Local Fruit Protection in Bali it has not been able to increase the consumption of local fruits in Bali.

Consumers of imported fruits are upper middle class and high-income people. With the increase in income and living standards of society, the number of imports will continue to increase, especially if the productivity, quality, and continuity of the availability of national fruits products are not improved. With the opening of import traffic, the current trade of fruits in the country is also enlivened by subtropical fruits. The wide range of fruit available in the market provides many choices for consumers, tailored to their purchasing power and tastes. In accordance with the theory of needs (Maslow) along with the increasing income then the needs and desires of consumers will increase as well. This causes many consumers to get caught up in the lifestyle of hedonism. The lifestyle of hedonism is a view of life which considers that the pleasures and pleasures of matter are the purposes of life. This hedonistic lifestyle should be utilized by local fruit marketers to be able to sell their products better, the way is by spoiling customers, providing better service to customers or by improving the quality and also the appearance of the product so as to raise the prestige of consumers in consuming the product.

However, the problems faced in the development of local fruits agribusiness are interrelated and highly complex that lead to the incontinence of the fruit supply, the low quality of local fruits, the least supply of quality fruits, the appearance and colors are less attractive, the packaging is not good, the level consumer perceptions of local fruits are quite low and the difficulty of marketing. This resulted in the low level of consumption of local fruit for hedonism consumers and the low local fruit products are absorbed into the tourism market. Until now, our fruit products with simple production techniques that produce products that are generally not standardized, have no quality assurance, physical appearance is less attractive, the packaging has not been done with optimal and also the absence of a special brand that makes consumer perceptions of local fruit become less positive. These factors cause local fruit products to be less competitive with imported products.

In relation to this matter so that local fruits produced in the area of Bali in particular and in Indonesia generally can compete with imported fruits especially for hedonism consumers needed strategies and policies in the development and strengthening of the market (create demand). Like, providing label or

labeling, establishing a positive local brand image (brand image) in the minds of consumers and better packaging can increase brand awareness and consumer perception of local fruit products.

2. Research Methods

Objects in this study are consumers who buy local fruits as well as imported fruit both in traditional markets, modern markets, fruit vendors and fruit shops throughout Bali. Sampling in this study using non-probability sampling method with purposive sampling technique that is using judgment researchers in selecting cases with specific goals (Neuman, 2006). This study uses primary data directly derived from the results of answers to questionnaires that have been filled by respondents research. This data is obtained by using survey method, that is by distributing questionnaires to the respondents. This survey technique is conducted as a primary data search step based on individual opinion. The questionnaire that will be distributed consists of two parts. The first part contains questions about the identity of respondents regarding age, education, and gender. The second part deals with the question items about the variables to be studied. Questionnaires in this study will be given directly by researchers to consumers of fruits in the study sites (self-administrated survey). The data will be processed using multiple regression analysis methods assisted by SPSS 20.0 for windows program.

Literature Review

Consumers consider several product attributes before making a decision in connection with a purchase (Schiffman & Kanuk, 2010). The consumer's view of the product is a collection of attributes that have many benefits to meet their needs (Assael, 2004). The created image is a representation of the various experiences used as the basis of consideration of the influence of consumers' perceptions of products on the same selection, on deviations or product advantages (Cannon, Perreault, & McCarthy, 2009). One of the product attributes that consumers consider before deciding to buy is a product label. According to Kotler (2001), a label carries a brand name or a lot of information. Before buying, consumers seek information and one source of information is obtained from labels primarily in nutrition (Caswell and Padberg, 1999). According to the FDA (Food and Drug Administration) (1998), product labels must contain at least brand name product, ingredient, manufacturer name and address, net weight and other nutritional facts about the product. If the product label is not exact or not clear to the consumer then there is a possibility that the consumer will not buy the type of product. Many companies use packaging and labeling as a tool to attract buyers to products and increase their sales (Butkeviciene et al., 2008).

According to Rundh (2005) packaging is a package that is able to attract consumers to certain brands, improve the image, and stimulate consumer perceptions of the product. Furthermore, the packaging conveys distinctive value to the product (Underwood, 2003; Silayoi & Speece, 2007), packaging works as an instrument for differentiation, and helps consumers to decide products from a variety of parallel products, packaging also stimulates customer buying behavior (Wells, Farley & Armstrong, 2007). To increase consumer buying intention, a product must have attractive packaging and labeling with clear product information. In making the decision making process consumer purchases will compare a product with other similar products. Consumers will evaluate product packaging based on the colors, shapes and brands or logos attached to labels that differentiate a product from its competitors. Good packaging and labeling will also add value to a product.

Keller (1993) defines that the brand image refers to a particular frame of reference in which the consumer associates a particular brand. A good image enhances the brand value in the eyes of the consumer by increasing the liking/liking taste and differentiating it from other competitors (Hsieh, Pan, and Setiono, 2004). Branding to a product has a very important role. This is because consumers will have the intention to buy a product that has a brand that has been known. Therefore it is very important to create the impression and also a positive brand image in the minds of consumers of a brand.

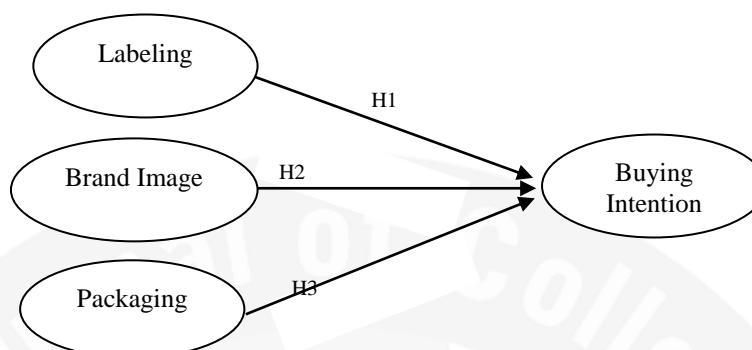
Hedonist consumers are consumers who are very concerned about the little things in a product that gives satisfaction to itself, more than just price. The hedonic value is associated with a sense of satisfaction enlivened by the experience of pleasure, entertainment, fantasies and pleasures (Holbrook, Hirschman, 1982; Babin et al., 1994). The hedonic value can be described as entertainment and construction exploration (Chandon et al., 2000; Turley, Milliman, 2000; Rintamaki et al., 2006). Exploration provides hedonic value when the customer evaluates the excitement of the product and (or) information search (Chandon et al., 2000, Rintamaki et al., 2006). In addition, the hedonic value is realized through entertainment as a reaction to aesthetic features (Rintamaki et al., 2006).

Hypotheses

Based on the background, theoretical basis or study, as well as empirical studies or previous research used in this study, it can be formulated hypothesis as follows.

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- H1 = Labeling has a positive and significant effect on consumer buying intention of local fruit
 H2 = Brand image has a positive and significant effect on consumer buying intention of local fruit
 H3 = Packaging has a positive and significant effect on consumer buying intention of local fruit



3. Results and Analysis

Respondents used in this study were 260 consumers who purchased local fruit and imported fruit in traditional markets, modern markets, fruit vendors and fruit shops throughout Bali. However, of the 260 questionnaires distributed, only 200 questionnaires returned. The majority of respondents are female (97.50%) and the rest are male (2.50%). The majority of respondents age ranged from 17-20 years old (32.50%) and 21-30 years (31.50%), followed by 31-40 years old (25%), responder aged 41-50 years (10%), and last 50 years (1%). The education level of respondents is dominated by S1 equal (41.50%), followed by Diploma (21%), SMA / SMK (18.50%), S2 (14.50%), SMP (2.50%), SD (1.50%) and S3 (0, 5%). For employment, majority of respondents work as students (38.50%), private employees (22.50%), entrepreneurs (22%), laborers (6%), traders (5.5%), civil servants (4%), and other professions (0.5%). The majority of respondents ranged from less than 1 million rupiah per month (45%), greater than 5 million rupiah (32%), ranging from 4-5 million rupiah (16.50%) and lastly between 1-3 million rupiah per month (6.5 %). Finally, for the frequency of purchase, the average respondent makes purchases as much as 1 to 3 times a month (52.50%) and the rest make purchases more than 3 times a month (47.50%).

The results of the open question tabulation on the questionnaire resulted in that most respondents made purchases of fruits in traditional markets (49%), followed by supermarket purchases (36.50%) and last in fruit stores (14.5%). The purpose of consumers in buying fruit is for consumption (47.50%), some are buying fruit for other purposes such as traditional/religious ceremony (38.50%), gift (9.50%), business needs (2%), resale (1.50 %) and for souvenirs (1%). In the purchase of fruit, most consumers cost as much as one hundred thousand to three hundred thousand rupiah (55%), but others cost more than three hundred thousand rupiah (41.50%), and less than one hundred thousand rupiah (3.50%). Most respondents chose imported fruits (60%) compared to local fruit (40%). According to consumers, local fruit prices (65%) are better than imported fruits (35%). Imported fruit flavor (63%) is better than local fruit flavor (37%). The appearance of imported fruit (67.5%) is considered more attractive than local fruit (32.5%).

4. Conclusion

This hypothesis was tested using multiple regression analysis. This test method is performed with the help of Statistical Package for the Social Science (SPSS) version 20.0. The results of hypothesis testing are as follows. Labeling has a positive and significant influence on consumer buying intention ($B = 0.257$; $t = 3.208$; $p < 0.05$). Brand image has a positive and significant impact on consumer buying intention ($B = 0.550$; $t = 8.507$; $p < 0.05$). While the packaging has a positive but not significant effect on consumer buying intention ($B = 0.055$, $t = 0.576$, $p < 0.05$), and Adjusted R Square Value of 0.454 which means that labeling, brand image, and packaging can explain variation variables consumer buying intention of 45.4% and the rest of 54.6% explained by other variables outside the model. These results show that Hypotheses 1 and 2 are supported, whereas hypothesis 3 is not supported. Hypothesis 3 is not supported means the packaging variable has no influence on consumer buying intention. This result is similar to the results of research conducted by [Mirabi et.al. \(2015\)](#), entitled A Study of Factors Affecting Customer Purchase Intention and [Bilal and Ali \(2013\)](#), entitled Factors Influencing Customer Purchase Intention toward

Private Brands, where both studies are equally yielding unsuccessful testing of the effect of packaging variables on consumer buying intention.

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