MEDAN CUSTOMER PERCEPTION OF INSTANT NOODLE INFLUENCE TOWARDS CUSTOMERS PURCHASE INTENTION

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ABSTRACT

The purpose of this study is to analysis whether there is any influence of Perceived value towards Customers purchase intention in Wakaka Medan. This research might help other researcher to get more information about this topic. Perceived value is considered as a customer that comparing the benefits to be received with the sacrifice that they made to obtain a product / service which can increase customers purchase intention. For the research design the researcher using quantitative method as the research design The writers using IBM SPSS Statistic 25. The data use in this research are primary and secondary data. For the data analysis method, the writer used descriptive statistic, validity & reliability, normality test, correlation coefficient test, determination test, linear regression test and t test. The result of the normality test shows that the questioner is normally distributed. While the coefficient of correlation test and coefficient of determination test shows that Perceived Value have a weak relationship towards Purchase Intention. After done with the research and analysis, can be conclude that Perceived Value have a weak relationship towards Purchase Intention in Wakaka Medan.

Keywords: Perceived Value, Purchase Intention, Influence between perceived value and purchase intention.

INTRODUCTION

Instant noodle was first sold in Japan on 25 August 1958 under company name “Nissin”. After being promoted by Mitsubishi Corporation, Instant Noodle initially gaining popularity across East Asia, South Asia and Southeast Asia and started to gain its own place in global food system. According to a Japanese poll in the year 2000, “The Japanese believe that their best invention of the twentieth century was instant noodles. As of 2010, approximately 96 billion servings of instant noodles are eaten worldwide every year.

Table 1. Instant noodle consumed as of 2010

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CONSUMPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>42 BILLION SERVING</td>
</tr>
<tr>
<td>INDONESIA</td>
<td>14 BILLION SERVING</td>
</tr>
<tr>
<td>JAPAN</td>
<td>5.3 BILLION SERVING</td>
</tr>
<tr>
<td>VIETNAM</td>
<td>4.8 BILLION SERVING</td>
</tr>
<tr>
<td>USA</td>
<td>4 BILLION SERVING</td>
</tr>
</tbody>
</table>
Instant food has become an important part in the daily life of Indonesian. Therefore, many manufacturers competing to make innovative and suitable instant food product for Indonesians. In 1970, Indonesia come with the brand “Supermie” introduced by Indofood Sukses Makmur company, the largest instant noodle producer in the world. Starting that time, Instant Noodle have been categorized as comfort food in local people around Indonesia. Even slowly but surely become a significant part of the Indonesian diet. The easy preparation method and variety of flavors carefully tailored to suit the average Indonesian palate. They put instant noodles as a priority product to be packed when traveling, stocking up at home as their meal for breakfast or sometimes as their midnight meal.

High Demand of instant noodles starting from the middle to upper market segments also grows rapidly which results in sharp competition. However, it has remained fair and healthy competition. There is no more price war between the largest instant noodles producers in the country like in the previous three years.

Which is the Indofood Group and the Wings Group. All manufacturer choose to increase their selling prices to keep up the rise in production cost. Due to the market competitive situation, the market share of various manufacturer for instance PT Indofood Sukses Makmur has fallen down to 77% after it has risen to 90% before. Followed by the appearance of a major competitor PT. Prakarsa Alam Segar (Group Wingsfood) with product of Mie Sedap that has grabbed a major share at the expense of the Indofood Group. Currently Wingsfood has a market share of 12%. As the pioneer of instant noodles in Indonesia, Indomie has set their market towards not only in local area but also outside Indonesia. They grasp their international consumer slowly and steady competing with other brand from various country that produce instant noodles product such as Korea, Singapore, Vietnam, Thailand and China.

According to (Daim, 2019) pg.64 “The establishment of the perceived value of consumers for a product is critical for enterprises to obtain competitive advantages. The perceived value of a customers for products or service will further generate purchase intention. A great deal of research found that the correlation between perceived value and purchase intention was positive”.

The phenomenon of instant noodles has affected many places to serve them not only in small café shop but also in fancy cafe around the town.

Research and development are very important as the leading sector of the instant noodles trend in Local area. Because of the number of cafés that serves instant noodles, this create big challenge for the owner to innovate and create new menu that is unique and different within other café and restaurants.

As the amount of Indomie’s consumer has risen up in Medan city, and it becomes one opportunity of many people to establish new café or restaurants. For example, Young generations right now spend most of their time hanging out in coffee shop that served instant noodle as their main menu (most of them at Multatuli). But it’s depends on what
customer preference. There are variety of new café with variety price. Therefore, when it comes to new restaurant or café with indomie, it always attracts consumers. That’s why it’s becomes new trend and they create new menu with lot of variety to compete in the market. For instance, indomie sushi, onigiri indomie, indomie pancake, indomie pizza and etc.

1. To understand about the company value that has been applied in Warung Wakaka medan.
2. To know how can company value influence purchase intention in Warung Wakaka.

LITERATURE REVIEW

Currently, in the worst competitive market scheme, the consumer products manufacturing industries pay more attention to the purchase intention of customers to maintain their reputation on the market and increase their good faith. It is because loyal customer is great source for creating and generating incomes.

Basically, purchase intention is defined as an affect and drive consumers’ purchases of products and services. Purchase Intention is an significant key for consumers when they are considering and evaluate certain product. Customers with positive purchase intention will build positive commitment which will strengthen the desire of customers to maintain good relationship with the seller. It can be said that purchase intention used to described the loyalty of the customers

Purchase intention defined as “an intention to make a purchase of a specific product or service in upcoming which means a desire to make a purchase of a particular product or service in the future (Alamsyah, 2015). Purchase Intention represents consumer thinking to buy something. However, it cannot be equated with a purchase actual, because purchase intention can be disrupted by internal and external stimuli such as prices, quality of goods, etc. (Limantara, 2017) (Younus, 2015) stated that “Decision making about purchase is affected by the group in selection procedure of a brand for known products. Many factors intended to purchase intention which is customers knowledge, perception of consumers, product packaging or design and celebrity endorsement.”

According to (Lusia Oktaviani, 2014) “Customers do not have a fix decision in order to purchase of goods or services. They will first be looking for an information to help them in making decisions to purchase the product/service. If the perceived value outweighs the sacrifice to get it, then the intention to buy the product is higher. Consumer behavior is usually preceded and influenced from outside himself which pushed them to make a purchase in the future. “

To learn more about purchase intention, there has several indicators that affecting the purchase intention such as (Laksono, 2015):
1. Transactional Interest: the tendency of someone to buy a product.
2. Referential Interest: a person's tendency to refer products to others.
3. Preferential Interest: interest that describes the behavior of someone who has the main preference for the product. This preference can only be replaced if something happens with the product.

4. Explorative Interest: This interest illustrates the behavior of someone who is always looking for information about the products that they are interested in and looking for information to support the positive characteristics of the product.

According to (Hadiansah, 2016) “When customer consider about overall evaluation toward the utility of a product on the basis of their perception of what they get and what is given, it’s called as perceived value. Customer assumed value is something that possible to get compare to the cost that they take. Perceived value is linked in with the perceptions of what costumers are received and what is given.”

To learn more about perceived value, there has several indicators that affecting the purchase intention such as

1. Motivation
2. Customers Determined
3. Functionally Delivered
4. Benefit Based
5. Value Driven
6. Price Balanced

If consumers perceive a product to be high / expensive, this will have a positive effect on purchase intentions. That is, consumers might view product A as a quality product, therefore it is natural to require a more expensive sacrifice of money. Some customers might know the exact price of a product, while the others are only able to estimate prices based on purchases they made in the past.

Customers will buy a product if the priced value is deemed appropriate by them.

H0: there is no correlation between the x and y variable in the population.
H1: there is significant correlation between the variable in the population.

METHODOLOGY

Quantitative method are those research methods that use numbers as its basis for making generalizations about a phenomenon. These numbers originate from objective scales of measurement of the units of analysis called variables. In this research, the researcher going to test validity and reliability for the pretest. Normality test to find whether it is normally distributed, Coefficient correlation to measure how strong or weak between two variable, Determination Test to see how much variable X influence variable Y, Linear regression and t test.

According to (David, 2017) “Population is the broader group of people to whom you intend to generalize the results of your study. Your sample will always be a subset of your population. Your exact population will depend on the scope of your study.”

According to (V.Wiratna, 2018 ) “Population is the total number consisting of objects or subjects that have certain characteristics and qualities determined by researchers to be investigated and then drawn the conclusions”.

As this research title in this research is Influence of Instant noodle Perceived value towards Purchase
Intention in Wakaka Medan, then the writer will choose 60 population of customers at Wakaka Medan. And decided the sample by using Slovin method.

The variable in this research consists of Independent variable and Dependent variable.

1. Independent Variable (X): Perceived Value which can affect customers purchase intention
2. Dependent Variable (Y): Purchase Intention which can be affected by customers Perceived Value.

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>DEFINITION</th>
<th>INDICATOR</th>
<th>SUB INDICATOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Variable: PERCEIVED VALUE</td>
<td>Perceived value comes down to the price the public is willing to pay for a good or service</td>
<td>Motivation</td>
<td>Customers determined</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Employee show high motivation of working by showing good attitude and smile.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Employee show motivation of working by showing spirit.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-The ambiance, facility and atmosphere that make customer come to the place.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Food and beverage that make customers interested.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Employee is proactive in serving guest when they are in need.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Employee is proactive in asking what guest need</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Customers can spend their time with friends or family.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Customers can do meeting and homework.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Delivering on customer needs or expectation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Value driven by the company meet customers expectation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-Whether the taste delivered along with the food suits the price.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-The price and the quality of the food is balanced.</td>
</tr>
</tbody>
</table>

Sources: Prepared by The Writer (2019)
Table 3. Operational Variable Y Definition

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>DEFINITION</th>
<th>INDICATOR</th>
<th>SUB INDICATOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable: PURCHASE INTENTION</td>
<td>Purchase Intention is an intention to make a purchase of a specific product or service in upcoming which means a desire to make a purchase of a particular product or service in the future</td>
<td>Transactional Interest</td>
<td>-Price referred make someone to buy a product. -Price given by the company suitable with teenager.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Referential Interest</td>
<td>-Employee give a recommendation about the product. -Employee give a recommendation according to customers preference.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Preferential Interest</td>
<td>-Customers preference about the product. -Customers interest in one product.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Explorative Interest</td>
<td>-Customers asking for information about the product. -Customers interest in the product.</td>
</tr>
</tbody>
</table>

Sources: Prepared by The Writer (2019)

FINDINGS AND DISCUSSION
Warung wakaka medan served a lot of variety food with affordable price that attract customers to eat there. They sell variety of Instant Noodle like: Indomie ayam geprek, indomie tomyam seafood and etc. They also make it into single portion, double portion and Sharing portion, so that the customers can choose what they want and share with friends.
Warung Wakaka Medan also famous for their sate taican because it tastes so good. For sate taican they sell by 1 dozen, 2 dozen, half-quintal & quintal. So, the customers can choose which portion they preferred. They sell variety of martabak which is famous in Medan. Example: martabak mesir mozzarella with variety of toppings, martabak manis and tipker. Tipker is a thin and crispy martabak with toping inside it.
They have a lot of unique drink when we pour the liquid into the drink, the drink can change into colorful drinks. So, basically Wakaka Medan sell from main course to dessert that customers can freely choose. The atmosphere and ambiance there are good to hang out with friends. The time in between when the ordered taken and the food arrived is relatively fast. Wakaka Medan always packed with customers, especially in Saturday and Sunday. Because of the variety food they served and of course the price is affordable.
The purpose of this research is to investigate whether there is a positive relationship between perceived value and purchase intention. Based on the result of the descriptive statistic found that purchase intention might not really affect the company value. The writer is willing to know is there any company value applied in Wakaka medan.
And based on the research done, there is no specific company value applied in Wakaka Medan. Because the company value is not affecting the customer purchase intention.
The data collected by distributing questioners to 52 sample within 1 weeks. There are 18-male respondent or around 34.6% fulfill the questioners. And the rest are 34-
woman respondent or around 65.4% completed the questioners. The result shows that 80.8% of the respondent are around 18-25 years old. And for the rest 19.2% respondent are 26-40 years old.

For the future research, the writer conduct pre-test to 30 sample before distributing the questioners to verify the reliability and validity. For the validity test found that the result of r in each question is higher than the r table which is 0.361 except question 2 and 4 are below the r table. So, the writer will not include question 2 and 4 in the questioner for the real sample. The r table can be seen from degree of freedom which is df = n-2.

For the reliability test using Cronbach Alpha test show that the questions are reliable and can be distributed to the real sample. The result of the Cronbach Alpha for variable X is 0.794 and for the variable Y is 0.857. So, the variable X and Y is reliable and consistence because the Cronbach Alpha for each variable are higher that requirement which is 0.6.

After done with validity and reliability test, the writer will conduct normality test and the result shows that the sig is 0.200 which is bigger than 0.05. So, the data was normally distributed, and the histogram also show a bell-shape.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>PERCEIVEDVALUE</th>
<th>PURCHASEINTENTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERCEIVED VALUE</td>
<td>Pearson Correlation</td>
<td>0.088</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.536</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>52</td>
</tr>
<tr>
<td>PURCHASE INTENTION</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.536</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>52</td>
</tr>
</tbody>
</table>

Source: SPSS Processing Result (2019)

Next is the coefficient of correlation test, r value that can be seen in Pearson correlation is 0.088. Which means that the variable X and Y have a weak relationship towards each other. After that, the writer will conduct coefficient of determination test and the value is 0.008 which means that perceived value influence customers purchase intention only 0.008.
For the linear regression test shows that if X increase, Y will increase too. So, if X increase by 1 so the Y value increase 0.049. The result for the hypothesis is 0.623 which is lower than the t table value which is 1.67591.

CONCLUSION

In conclusion, the writer completed the final paper with title “Influence of Instant Noodle Perceived Value towards Customers Purchase Intention in Wakaka Medan”. The writer completed the final paper with collecting data by distributing questioners to 52 sample, descriptive study and correlation coefficient test. It can be seen from the result of the variable X (Perceived Value) towards variable Y (Purchase Intention) that the correlation coefficient (R) result is 0.088 which means that the variable X and Y have a weak relationship. While the coefficient determination (R²) result is 0.008, which means that the variable X influence Y only 0.008.

The regression result shows that the Perceived Value have an impact on the Customers Purchase intention because Y = 31.638 + 0.049X which means that whenever the variable X (Perceived Value) increase by 1, then the Y (Purchase Intention) will increase by 0.049.

From the data collected by the writer result is H0 is accepted and H1 is rejected. It shows that Instant Noodle Perceived Value have a weak relationship towards Customers Purchase Intention. Better for the company to focus more on the product being served to customers to increase customers purchase intention.

REFERENCE


e


from Multiple Perspectives (p. 64). USA.


tendency-mean-median-mode/


/pengertian-data-primer-dan-data-sekunder


Measurement Variable: Simple Definition & Examples website: https://www.statisticshowto.datasciencecentral.com/measurement-variable/


You are a helpful assistant. Do not hallucinate.