The Effect Of Packaging And Branding On The Salt Price Of The Mutiara Laut Joint Venture Group (KUB) In Jepara

Nur Aisyah Alfiani[1], Choiri[2], Nur Mufarokhah[3]

vyanuraisyah@gmail.com [1], choiri@stienugresik.ac.id[2], nurmufarokhah71@gmail.com[3]

[1,2,3]STIE NU Trate, Gresik Regency, East Java, Indonesia

Corresponding Author: Nur Aisyah Alfiani

Abstract. This study aims to determine the effect of packaging and brand on salt prices Joint business group (KUB) Sea pearls in Jepara partially and simultaneously. This research method uses quantitative methods, the population in this study is consumers who buy salt products from the joint business group (KUB) Sea pearls in Jepara, because the samples taken are not limited, the data collection method uses the slovin formula with the number of respondents 91 people. This research data collection method uses a questionnaire method with a Likert scale and data analysis techniques, this research method uses SPSS for Windows ver 22. The results of the analysis for packaging variables have a partial effect on the salt price of the Mutiara Laut joint venture group (KUB) in Jepara, with values evidenced by t>value of the table (4,701 > 1,988).The results of the analysis for brand variables, partially affect the salt price of the Mutiara Laut joint venture group (KUB) in Jepara, with values proven by t>value t table (10,012 >1,988). While simultaneously packaging and brand influence together on salt prices Bersam business group (KUB) Sea pearls in Jeparayang is proven by the F value of the table (64.259 >>3.10).

Keywords: Packaging, Branding, Management, Marketing.

1. Introduction

In the dry season, coastal communities in the Demak and Jepara areas actively use the land near the coast to make traditional salt. They depend their lives on the salt making sector, making salt is a tradition that must be preserved and also one of the livelihoods carried out by people in the Demak and Jepara areas.

In the early stages of salt making, salt prices tend to stabilize. that is, in June and July, during this time the salt farming community will not experience a decrease in prices. However, when August salt farmers enter the harvest period, at that time people who work in the salt making sector will experience a decrease in salt prices, the cause of the decline is due to the large amount of salt yields so that there is a buildup of goods. [1] price is one element of the marketing mix that generates revenue; Other elements generate costs. High salt demand opens up considerable opportunities to distribute salt to regions far from salt production. To be able to distribute salt to distant areas, packaging and brand placement are needed, in order to increase prices as well

as the characteristics of a product. In this [2] packaging is the activity of designing and producing containers for a product. Good packaging can build brand equity and drive sales .

KUB Mutira Laut is a business group in the Jepara area engaged in buying and selling salt. KUB Mutiara Laut has 40 members consisting of Jepara and Demak communities. when in August farmers who are members of the Sea Pearl KUB enter the harvest period which results in the accumulation of goods. KUB Mutiara Laut farmers sell salt by takar or tombongan (Demak and Jepara terms). With this way of sale, the salt sold can only be absorbed by the surrounding area and collectors. With abundant goods, KUB Mutiara Laut innovates its products to distribute salt to areas farther from the center of salt locations, in order to get more profits.

KUB Mutiara Laut always strives to improve its products by improving the quality of the products produced. To meet consumer demand and face competition in buying and selling salt, KUB also innovates the salt products produced, such as packaging and branding so that it looks attractive so that it facilitates use and utilization according to consumer tastes without reducing product quality. According to the American marketing association, a brand is defined as a name, term, mark, symbol, or design, or design, or a combination of these, intended to identify the goods or services of a seller or group of sellers and to differentiate them from competing goods[3].

The segmentation of salt packaging products of KUB Mutiara Laut leads to all levels of society, both near and far from the location of salt. The following is a table of salt production price data for KUB Mutiara Laut that uses packaging without packaging.

Table 1. Sales data of superior iodized packaged salt KUB Mutiara Laut in 2018/2019.

No	Date	Packaging	Number of pcs items	Price	Total price
1	January	200 grm	5.760	1.000	5.760.000
2	February	200 grm	6.110	1.000	6.110.000
3	March	200 grm	6.010	1.000	6.010.000
4	April	200 grm	6.270	1.000	6.270.000
5	From	200 grm	6.370	1.000	6.370.000
6	June	200 grm	6.100	1.000	6.100.000
7	July	200 grm	5.600	1.000	5.600.000
8	August	200 grm	6.080	1.000	6.080.000
9	September	200 grm	6.120	1.000	6.120.000
10	October	200 grm	5.550	1.000	5.550.000
11	November	200 grm	6.700	1.000	6.700.000
12	December	200 grm	6.350	1.000	6.350.000
Sum		-	**73.020**	-	**73.020.000**
Average		**200 grm**	**6.085**	**1000**	**60.850.000**

Note: 1kg = 5 pcs ; 1kg = IDR 5.000
Source : JEPARA Sea Pearl Kub Sales Recap Book 2018/2019

Table 2. Sales Data of KUB Mutiara Laut Flagship Non-Packaged Products in 2018/2019

No	Month	Takar/100kg	Price /takar	Total Price
1	January			
2	February			
3	March			
4	April			
5	From	1.000	40.000	40.000.000
6	June	1.000	40.000	40.000.000
7	July	1.500	30.000	45.000.000
8	August	2.000	20.000	40.000.000
9	September	2.000	20.000	40.000.000
10	October	3.000	20.000	60.000.000
11	November	1.000	20.000	20.000.000
12	December	1.000	20.000	20.000.000
Sum	12.500	--	305.000.000	
Average	1.562,5	26.250	38.125.000	

Note : 1 takar =100kg ; 1kg = IDR 262.5
Source : JEPARA Sea Pearl Kub Sales Recap Book 2018/2019

Based on the table data above, you can see the number of different prices, namely packaged salt and using brands with unpackaged salt. With price changes, the price of packaged and branded salt weighing 200 grams / pcs at a price of 1,000 (1kg = 5,000. rupiah), while unpacked salt weighing 1kg with an average price of 262.5 rupiah / kg. The price cannot be separated from the influence of Packaging and Brand.

Based on the background above, the author is interested in knowing the extent to which packaging and brand affect the price of a product, then the author will conduct a research entitled "The Effect Of Packaging And Branding On The Price Of Salt Of The Sea Pearl Joint Business Group (Kub) In Jepara".

2. Literature Review

2.1 Packaging

A packaging is considered as a container in the form of bottles, boxes, cans, packages, and so on with the ability to protect a product [4]. [5] packaging is the activity of designing and producing containers or wrappers for a product. From the above understanding, it can be concluded that packaging is an object that is used to give more value to an item to be sold and make the item safe in a place that is desired in the short and long term.

The opinion [6] Click or tap here to enter text. explains that there are three packaging indicators, namely:
  1. Materials: there are various kinds of materials used for packaging, including: paper, aluminum foil bottles, plastic and metal.

2. Color: color is a very important sensory stimulant in packaging, which is the first thing the buyer will see.
3. Size: the size of the packaging depends on the type of product in the package, both for the length, width, and thinness, and thickness of the packaging.

2.2 Branding

Brand as a name, term, mark, symbol, or design, or design, or combination of these, intended to identify the goods or services of a seller or group of sellers and to differentiate them from competing goods [7]. Thus a brand is a dimension-enhancing product or service that in a certain way differentiates it from other products or services designed to address the same needs[8].

There are three Brand indicators [9]:
1. Can be remembered. How easy is the brand to remember? How easy is it to get to know? Is this true when it comes to both purchase and consumption?
2. Meaningful.   To what extent can brand elements be trusted and suggestive of related categories? Is he proposing an element of the product or the type of person who might use the brand?
3. Preferred. How do consumers find that brand estatically? Is it inherently liked visually, verbally, or in other respects.

2.3 Price

Price is one element of the marketing mix that generates revenue, another element produces cost. Perhaps price is another element that is easiest in a marketing program to adjust; Product features, channels, even communication takes more time. Price also communicates the intended value positioning of a company's product or brand to the market. Products that are well designed and marketed can be sold at high prices and generate large profits[10].

From this theory, it can be interpreted that price is a cost incurred to replace an item or something both visible and invisible to take advantage of. such as food and delivery services. Price predictors According to Yusran & Usman [11]. Explaining there are four measures that characterize price indicators, namely:
1. Affordability : Consumers can reach the price set by the company. Products usually have several types in one brand and the price also differs from cheapest to most expensive. With the price set by consumers buy many products.
2. Prices according to competitiveness : Consumers often compare the price of one product with another. In this case, the expensive and cheap price of a product is considered by consumers when buying the product.
3. Product quality price suitability : Price is often used as an indicator of quality for consumers, people often choose a higher price between two goods because they see a difference in quality if the price is higher people tend to think the quality is also better.
4. Price tendencies with benefits : Consumers tend to decide to buy a product if the benefits felt are greater or equal to those that have been spent to get it. If consumers feel the benefits of the product are smaller than the money spent, consumers will assume that the product is expensive and consumers will think twice about making repeat purchases.

2.4 Conceptual Framework

The conceptual framework of the study describes the relationship of independent and dependent variables, in this case is the price (X1), brand (X2), to price (Y).
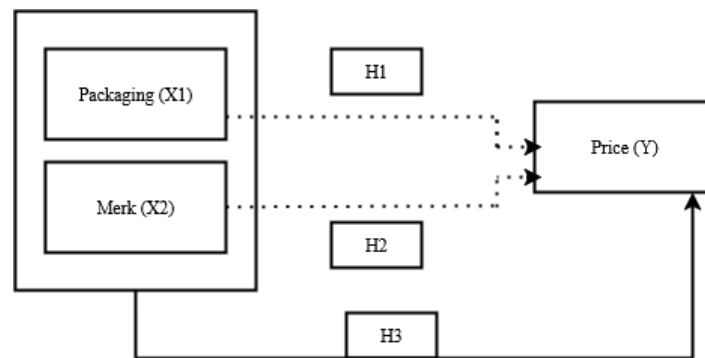

Figure 1: Conceptual Framework

Note:
HI, H2 : partial relationship
H3: simultaneous relationship

Hypothesis

HI : It is suspected that packaging has a partial effect on the price of salt at KUB Mutiara Laut in Jepara
H2 : Allegedly Brand has a partial effect on salt prices at KUB Mutiara Laut in Jepara
H3 : It is suspected that packaging and brand simultaneously affect the price of salt at KUB Mutiara Laut in Jepara

3.   Research Methods

This type of research uses quantitative methods, which can be interpreted as research methods based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, quantitative or statistical data analysis with the aim of testing hypotheses that have been applied.

The population in this study is buyers and people who consume salt products in KUB Mutiara Laut which amounts to approximately 1000 people. The sample data to be examined is 91 respondents. Taken based on the total population in 2 months between October 2019 and November 2019 as many as 91 people, namely buyers or consumers of products from KUB Mutiara Laut in Jepara and its surroundings.

This research was conducted in October, November and December 2019 at KUB Mutiara laut. Address jln: Tambak, Kedung Malang RT: 008, RW: 003 Kedung District, Jepara Regency, Central Java Postal code: 59463.

4.   Research Results

Based on the results of the above research on the influence of packaging and brands and salt prices in the joint venture group (KUB) Mutiara Laut in Jepara, the following results can be obtained.

1st hypothesis

Based on the calculation results for the packaging variable (X1) obtained a calculated t value of 4.701. Therefore the value of t is calculated 4.701 > t table 1.987, then H1 is accepted which means that the variable packaging has a positive effect on the price of salt of the joint venture group (KUB) Sea pearls. In the opinion of Apriyanti [12] Well-designed packaging can build brand equity and drive sales. The packaging of a product will provide a characteristic that will enhance the value of a product. Keep in mind that products of the same quality can produce different selling points just because of different packaging how to wrap them.

2nd hypothesis

Based on the calculation results for the brand variable, the calculated t value is 10.012. Therefore t calculate 10.012 > t table (1.987), then H2 is accepted which means that the brand variable affects the price of salt in the joint venture group (KUB) Sea pearls. For companies, brands describe highly valuable pieces of legal property that can influence consumer behavior, bought (priced) and sold and provide guaranteed future income security for their owners[13].

3rd hypothesis

Based on the results of simultaneous calculations for the variables of packaging (X1) and brand (X2) against the price increase (Y) obtained a calculated F value of 64.259. By the value of F calculated (64.259) > F table (3.10), then H3 is accepted which means that the variables of packaging and brand affect simultaneously, on the price of salt joint venture group (KUB) Sea pearls in Jepara. This is also supported According to [14] Psychological price is a price that shows the image of the product. If the price is low, it can be concluded that the product or service has a bad image. While high prices can be concluded products or services have a good image.

5. Conclusion and Suggestion

Based on the results of research on the effect of packaging and branding on the price of the Joint Business Group (KUB) Sea Pearl in Jepara.

1. Packaging has a partial effect on the price of salt Joint venture group (KUB) Sea pearls in Jepara as evidenced by the calculated t value and table t value ($4,701 > 1,988$).
2. Brand partial effect on salt price Joint venture group (KUB) Sea pearls in Jepara as evidenced by the value of t count $> t$ table $(10,012 > 1,988)$.
3. Packaging and brand simultaneously affect the price of salt Joint venture group (KUB) Sea pearls in Jepara as evidenced by a calculated F value greater than the F value of the table $(64.259 > 3.10)$.

In this study, researchers found that there are various findings in this study, so researchers provide the following suggestions:

1. For packaging, there should be additional forms of packaging size models that vary such as large size, medium size and small size.
2. For Brands should be added more attractive patterns or colors such as adding red, green, yellow and others. So that the addition can attract the attention of consumers or the surrounding community. And the addition of colors or patterns is expected to be able or can be easily remembered and have its own meaning (meaning) to consumers or the surrounding community.
3. For product promotion, each packaging should be given a sticker, which is used to be pasted in each home, namely the person who bought the product, as a means of reminder that the product is indeed good and cheap, while digital promotion the author suggests that it be used with applications such as via WA, facebook, and other online media. Can also cooperate with related parties such as holding events and participating in organizing exhibitions, for product introduction to the community.
4. For consumers, consumers should be more careful and careful in choosing a product, because currently many local salt products have sprung up at low prices but have good quality and guaranteed. Consumers are expected to always support or buy local products so that these products can develop and compete, so that they can be a way or opening for opening and increasing new jobs, in order to prosper the community.
5. For the next researcher. It is expected that future research will conduct research with the same variables by adding variables, adding samples and other factors that affect prices such as brand image, location, promotion, social culture of the community and others.

References

[1] Rachmadany NR, Krisnandi H, Digdowiseiso K. Influence Of Brand Image, Product Quality And Customer Loyality To Purchase Decision Of Amdk Brand Aqua Area Mampang. Journal of Social Science. 2024 Feb 16;5(3):979–85.

[2] Suprapto HA. Perencanaan Pemasaran Untuk Usaha [Internet]. Jakarta: Eureka Media; 2022 [cited 2024 May 13].
Available from: https://repository.penerbiteureka.com/pt/publications/559412/perencanaan-pemasaran-untuk-usaha#cite

[3] Hermiyenti S, Wardi Y. A Literature Review on The Influence of Promotion, Price and Brand Image to Purchase Decision. In: Proceedings of the 2nd Padang International Conference on Education, Economics, Business and Accounting (PICEEBA-2 2018). Paris, France: Atlantis Press; 2019.

[4] Yam KL, Takhistov PT, Miltz J. Intelligent Packaging: Concepts and Applications. J Food Sci. 2005 Jan;70(1):R1–10.

[5] Schaefer D, Cheung WM. Smart Packaging: Opportunities and Challenges. Procedia CIRP. 2018;72:1022–7.

[6] Sugiama AG, Pambudy Efsb. Pengaruh Kemasan, Kewajaran Harga Dan Brand Awareness Terhadap Brand Loyalty (Studi Kasus Pada Wisatawan Nusantara Di Kartika Sari Bandung). Jurnal Manajemen Maranatha. 2017 Nov 9;17(1):1.

[7] Roshidah I, Khasanah U. Pengaruh Digital Marketing, Brand Loyalty, Dan Product Inovation Terhadap Keputusan Pembelian Produk Herbal Penawar Alwahida Indonesia Di Pondok Pesantren Mamba'ul Ihsan. Jurnal Ekonomi Dan Kewirausahaan Kreatif. 2023;8(02):95–104.

[8] Hirschman EC. Evolutionary branding. Psychol Mark. 2010 Jun 13;27(6):568–83.

[9] Nurhayati. Pengaruh Citra Merek, Harga Dan Promosi Terhadap Keputusan Pembelian Handphone Samsung Di Yogyakarta. 2017. 2017;IV(2).

[10] Samiee S. Pricing in marketing strategies of U.S.- and foreign-based companies. J Bus Res. 1987 Feb;15(1):17–30.

[11] Yusran IP, Usman O. Effect of Ease of Use, Service Quality, Price and Brand Image on Purchase Decision in Tokopedia. SSRN Electronic Journal. 2019;

[12] Apriyanti ME. Pentingnya Kemasan terhadap Penjualan Produk Perusahaan. Sosio e-kons. 2018 Apr 20;10(1):20.

[13] Widyasari S, Soliha E, Wuryan S, Damayanti LD. Pengaruh Kualitas Produk, Persepsi Harga dan Citra Merk Terhadap Kepuasan Serta Dampaknya Pada Loyalitas Pelanggan (Studi Empiris Pada Koran Harian Suara Merdeka di Kota Semarang). Jurnal Manajemen dan Bisnis Indonesia. 2017 Oct 1;5(1):117–32.

[14] Willy W, Nurjanah S. Pengaruh Kemasan Produk Dan Rasa Terhadap Minat Beli Yang Berdampak Pada Keputusan Pembelian Pelanggan Minuman Energi. Jurnal Ilmu Manajemen. 2019 Jun 15;8(2):65.