

## CHAPTER I

### INTRODUCTION

This introductory chapter aims to present an insight into the research area by briefly discussing the background of the study, problem identification, limitation, objective, benefit, and outline of study.

#### 1.1 Research Background

Consumers usually buy a product because of their needs. But, there are many other factor that affect the consumers. Packaging is one of the factor that affect the consumer. According to Ashaduzzaman and Mahbub (2016) packaging acts as the silent salesman for tangible product. Packaging is important, not just for save the quality of the product itself, it also can attract people to buy it. A good packaging can make a product have their characteristic, which it can be indicated easily by the consumer. Because of that, many organizations have tried to make an innovative packaging. A lot of consumers redesign their product packaging to be more innovative. Competitive environment has created the more importance of packaging and it makes a lot of company more concern on packaging on their product.

Such as Pocari Sweat, they also redesign their package since 2008. Pocari Sweat is an International brand which come from Japan. This Japanese sport drink manufactured by Otsuka Pharmaceutical already distributed into East Asia, Southeast Asia and Middle East. First time in Indonesia, Pocari Sweat produce on canned packaging, but right now they not just produce on canned packaging but also in bottle.



**Figure 1.1**

Package Redesign of Pocari Sweat

Source: [www.goapotik.com](http://www.goapotik.com)

Consumers have their own perceived value on every product. Perceived value is defined as the worth that a product or service has in the mind of the consumer. Every consumer can have a different perceived value even in the same product. Why do consumers have different perceived values of canned and bottle packaging while both offer the same product? Are there any differences in perceived value between both packaging types that affect purchase intention? Usually, consumers are unaware of the true cost of production for the products they buy; instead, they simply have an internal feeling for how much certain products are worth to them. To obtain a higher price for products, producers may pursue marketing strategies to create a higher perceived value for their products. This research would discover how the perceived value of consumers changes in the case of Pocari Sweat package redesign. It will help marketers to understand about the perceived value in terms of package redesign and hopefully they can formulate the best strategies to increase consumers' perceived value. Would perceived value on both packaging types affect purchase intention? If price sensitivity is used as a moderating variable, would perceived value on both packaging types

affect the purchase intention? Those type of questions had created author's intention to write this research.

## **1.2 Problem Identification**

This study will examine the effect of perceived values on product purchase intention in case of package redesign. There are several questions that we used as guidance to developing this study. From the explanation about the background above, so we can get the problem identification are:

1. Does perceived value has a significant impact on purchase intention of Pocari Sweat on canned packaging?
2. Does perceived value has a significant impact on purchase intention of Sweat on bottle packaging?
3. Does perceived value of Pocari Sweat on canned packaging has significant impact on purchase intention with price sensitivity as a moderating variable?
4. Does perceived value of Pocari Sweat on bottle packaging has significant impact on purchase intention with price sensitivity as a moderating variable?

## **1.3 Research Limitation**

The author would like to avoid the things that is not suitable for the research by limiting several purposes that will only matter in this research:

1. The respondents have already buy Pocari Sweat on canned and bottle packaging.
2. The questionnaire is distributed through online.

#### **1.4 Research Objective**

The purpose of this research are:

1. To analyze whether perceived value has significant impact on purchase intention of Pocari Sweat on canned packaging.
2. To analyze whether perceived value has significant impact on purchase intention of Pocari Sweat on bottle packaging.
3. To analyze whether perceived value of Pocari Sweat on canned packaging has significant impact on purchase intention with price sensitivity as a moderating variable.
4. To analyze whether perceived value of Pocari Sweat on bottle packaging has significant impact on purchase intention with price sensitivity as a moderating variable.

#### **1.5 Research Benefit**

The author hopes this research would be beneficial to several related parties:

##### **1. For Marketers**

This research helps marketer to understand the effects of consumer perceived value on product purchase intention in case of package redesign. Hopefully, marketers can formulated a better strategy based on our findings.

##### **2. For Author**

This research will improve the author's knowledge and experience to research about marketing aspect.

##### **3. For Other Parties**

Other parties can uses for extend their knowledge especially about marketing, and also can uses as the reference for further study.

## **1.6 Writing Structure**

The thesis divided into five chapters:

### **CHAPTER I: INTRODUCTION**

In this chapter will describe the contents such as: background, problem, identification, and research study

### **CHAPTER II: LITERATURE REVIEW**

This chapter describes theories related to research topic such as Perceived Value, Price Sensitivity, and Purchase Intention. Conceptual framework is also explained by developing the concept from the chosen literature review to be suitable for research. The table of previous researches is also written in this chapter. Moreover hypothesis was developed in this chapter.

### **CHAPTER III: RESEARCH METHODOLOGY**

This chapter aims to explain in detail the methods which will be employed for data collection and analysis.

### **CHAPTER IV: DATA ANALYSIS**

This chapter will what the result of this research is and will be describing about the discussion of it.

### **CHAPTER V: CONCLUSION AND MANAGERIAL IMPLICATIONS**

In this last chapter will be describing about the conclusion, managerial implications, limitations, and suggestion for future study.