

Consumers' Perception of Leather Bag Products of Sukaregang-Garut Regency in 2020

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ABSTRACT

Sukaregang region, Garut Regency of West Java Province, is one of the centers of the leather industry, which is marked by the proliferation of leather products such as bags, jackets, shoes, and others. The leather jackets of Sukaregang have been well-known and penetrated international markets such as Singapore, Malaysia, Taiwan, Japan, and other countries. Meanwhile, leather bags of Sukaregang have not been able to penetrate the international market and are even less competitive with domestic leather bags. Sukaregang region has much potential of Micro, Small, and Medium Enterprises (MSMEs), which can be maximally developed so that MSMEs of leather bags in Sukaregang can contribute to the progress of the economy in Garut Regency. For this reason, research on consumer's perceptions of product quality, design, price, brand, and promotion of Sukaregang leather bags was conducted. The research results are expected to provide input to improve the quality, design, price, brand, and promotion of Sukaregang leather bags. From several previous studies, the product quality, design, price, brand, and promotion influence consumers in purchasing decisions for a product. This research used an explanatory research approach to around 297 respondents using an accidental sampling technique. The data were collected using online questionnaires. They were processed using SPSS and Microsoft Excel and then analysed using descriptive statistics to obtain consumers' perceptions of Sukaregang leather bags. The result of this research shows that the quality, design, and brand of Sukaregang leather bags are considered good, while the price and promotion are fair and affordable. These results can be an input for the entrepreneurs of Sukaregang leather bags to increase their production and look for other factors that cause Sukaregang leather bags are unable to compete with other bag products, both in domestic and international markets.

Keywords: perception, quality, design, price, brand, promotion

1. INTRODUCTION

The Sukaregang leather industry center in Garut Regency has much potential for Micro, Small, and Medium Enterprise (MSMEs) that can be maximally developed to contribute to the economic progress in Garut Regency.

There are various kinds of leather products produced in Sukaregang, such as jackets, bags, shoes, and sandals. The leather jackets have been popular and penetrated international markets such as Singapore, Malaysia, Taiwan, Japan, and other countries. Meanwhile, the leather bags have not been able to compete in the international market, and even they are still unable to compete with leather bag products from other regions in Indonesia.

The increase or decrease in sales of a product is caused by several factors, including competitors and consumers. The requirement that must be fulfilled by a company to achieve success in the competition is achieving its goal to get and retain consumers. To achieve this goal, every company must strive to produce and deliver goods and services that consumers want at a reasonable price. The company must be able to understand its survival as an organization that meets the needs and requests of consumers, depending on consumer behaviour [1].

It is required to conduct a research which aims to describe the consumers' perceptions of product design, quality, price, brand, and promotion of Sukaregang leather bags. Thus, leather products from Sukaregang Garut do not only target the local market but it also able to penetrate the international market in the future as what has been dreamt by leather craftsmen in Sukaregang Garut [2]

1.1 Related Work

Variables of product design, quality, price, brand, and promotion are the essential factors that become consumers' considerations in choosing a product. The results of several previous studies showed that brand, price, and promotion of a product influence consumers' buying decision [3]. Brand and price have a positive and significant influence on the purchase of OPPO smartphones in Kendari. The higher the brand image in consumers' minds, the higher the consumer's decision to buy [4].

Another research showed that product quality has the strongest influence compared to price and brand image variables [5]. Product quality, price, and promotion also can increase the purchase of Nitchi products at PT Jaya Swarasa Agung, Central Jakarta [6]. Moreover, product design has a great influence on purchasing toys because it can increase promotional value and consumer desire to buy. The design of the product includes the colors and typography of the brand. [7]. The contribution of the three independent variables of product design, promotion, and brand image to purchasing decisions for Nike shoes is 25.4%, while the remaining 74.6% is influenced by other factors [8]. Achidah revealed that promotion, price, and product design have a significant effect partially and simultaneously on purchasing decisions for Mio GT motorbikes [9]. Amanah stated that purchasing decisions are influenced by the price and completeness of the product simultaneously [10]. Shamount stated that a significant relationship between price discounts, free samples, and buy one get one in purchasing decisions. Promotion plays an important role in stimulating consumers to buy the products offered and increase store profits [11]. Al-Salamini obtained a positive relationship between price and consumer purchasing decisions. This study also showed no significant difference in response between each group (age, gender, marital status, and monthly salary) [12].

Based on the description explained in the previous paragraphs, it is necessary to research public perceptions of product design, quality, price, brand, and promotion of Sukaregang leather bags.

1.2 Our Contribution

The results of this research can be an input for the entrepreneurs or craftsman of Sukaregang leather bags to increase their production and look for other factors that cause Sukaregang leather bags are not able to compete with other products, both in domestic and international markets.

1.3 Paper Structure

This paper is organized as follows. In introduction section, it discusses the background of the research, the related previous studies, and the research contribution. The next section focuses on the result and discussion of this current research. The last part is conclusion. It concludes the research results and provides recommendation for further researches.

2. RESULT AND DISCUSSION

2.1 Result

2.1.1 <u>Analysis of Respondents'</u> <u>Characteristics</u>

Table 1-4 describes the demographic profile of the respondents in this study consisting of the majority of women (75.42%), the majority of whom earn less than IDR 10,000,000 (83.84%), aged between 17-25 years (51.85%), and purchase intensity around 2-5 times (49.24%).

Table 1 Respondent Condition Based on Gender

Gender	Frequency	Percentage
Male	73	24.58 %
Female	224	75.42 %
Total	297	100 %

 Table 2 Respondent Condition Based on Age

Age	Frequency	Percentage
17-25 years old	154	51.85 %
26-35 years old	33	11.11 %
36-45 years old	27	9.09 %
46-55 years old	31	10.44 %
>55 years old	52	17.51 %
Total	297	100 %

Table 3 Respondent Condition Based on Income

Income	Frequency	Percentage
< IDR 1,000,000	78	26.26 %
< IDR 1000,000 -	107	36.03 %
IDR 5,000,000		
< IDR 5,000,000	64	21.55 %
-IDR 10,000,000		
>IDR 10,000,000	29	9.76 %
Not mentioned	19	6. 40 %
Total	297	100 %

 Table 4
 Respondent
 Condition
 Based
 on
 Purchase

 Intensity

Purchase Intensity	Frequency	Percentage
Once	43	32.58 %
Twice –five times	65	49.24 %
More than 5 times	24	18.18 %
Total	132	100 %

2.1.2 <u>Research Instrument Test</u>

Validity and reliability test items in the questionnaire have been tested.

2.1.3 <u>Descriptive Analysis</u>

The description of the data can be used to enrich the discussion. The data were collected through online questionnaires distributed to 297 participants. Their responses can show their behavior to each variable being studied in this research. From 297 participants, 132 people have already known and bought Sukaregang leather bags which mean that they are able to provide perceptions about Sukaregang leather bags product design, quality, prices, brand, and promotion.

In order to interpret the variables easily, the participants' responses were scored and categorized. Descriptive analysis was also carried out, referring to each variable under this research.

The following table shows the activities, outputs, and indicators of this current research.

ACTIVITY FLOW CHART	OUTPUTS	INDICATORS						
Focus on Consumers								
Literature Study & Focus Group Discussion	Variables for purchasing decisions	The variables and business relationships were identified						
Questionnaire Development	A valid and reliable questionnaire	The questionnaire was well understood by the respondents						
Data Collection	Perceptions and response data of consumers who shops for leather bags in Sukaregang	The amount of data collected were sufficient for analysis						
Data Analysis	Consumers' perceptions of leather bags from Sukaregang	Consumers' expectations and desires were identified						
Result Presentation and Discussion	Obtaining the consumers' perceptions of leather bag product design, quality, price, brand, and promotion	The research result can be used as an input for the entrepreneurs of Sukaregang leather bag to increase their production						

Figure 1 the activity, outputs, and indicators of the research

The description of each variable of this research is explained as follows.

a. Product Design Variable

The result of the field data on the consumers' statement about product design is presented in the following table.

 Table 5 Score of respondents' responses to the statement items on product design variable

Items	5	4	3	2	1	Score
DP1	12	78	35	7	0	491
DP2	16	87	24	5	0	510
DP3	25	84	16	7	0	523
DP4	24	95	8	5	0	534
DP5	15	68	39	10	0	484
DP6	13	85	27	7	0	500
DP7	14	52	45	20	1	454
DP8	15	83	25	9	0	500
DP9	13	82	27	10	0	494
Total	147	714	246	80	1	4490
Total	(147x5)=735	(714x4)=2856	(246x3)=738	(80x2)=160	(1x1)=1	4490

In the variable of product design with nine items of statements, the total score is 4490. So, the score range for each category is determined as follows.

Score Range =
$$\frac{(132x9x5) - (132x9x1)}{5}$$

= $\frac{5940 - 1188}{5} = 950$

From the calculation, the length of the interval for each category is 950. It means that the total score of respondents' responses on nine items of statements about the product design is obtained in the following ranges.

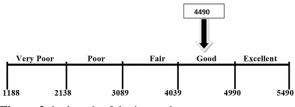


Figure 2 the length of the interval

From the total score of responses from 9 statements about the product design variable, it concludes that the product design is considered good.

b. Product Quality Variable

The result of the field data on the consumers' statement about product quality is presented in the following table.

 Table 6 Score of respondents' responses to the statement items on product quality variable

Items	5	4	3	2	1	Score
KP1	35	81	14	2	0	545
KP2	26	87	16	3	0	532
KP3	24	70	30	8	0	506
KP4	27	79	21	5	0	524
KP5	11	65	37	19	0	464
KP6	23	92	15	2	0	532
KP7	16	90	20	5	1	511
KP8	13	75	31	13	0	484
KP9	20	93	14	5	0	524
Total	195	732	198	62	1	4622
Total	(195x5)=975	(732x4)=2928	(198x3)=594	(62x2)=124	(1x1)=1	4022

In the variable of product quality with nine items of statements, the total score is 4622. So, the score range for each category is determined as follows.

Score Range =
$$\frac{(132x9x5) - (132x9x1)}{5}$$

= $\frac{5940 - 1188}{5} = 950$

From the calculation, the length of the interval for each category is 950. It means that the total score of respondents' responses on nine items of statements about the product quality is obtained in the following ranges.

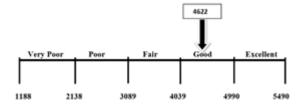


Figure 3 the length of the interval

From the total score of responses from 9 statements about the product quality variable, it concludes that the product quality is considered good.

c. Product Price Variable

The result of the field data on the consumers' statement about product price is presented in the following table.

 Table 7 Score of respondents' responses to statement items on product price variable.

Items	5	4	3	2	1	Score
H1	27	93	11	1	0	542
H2	20	80	27	5	0	511
H3	22	98	10	1	1	535
H4	19	66	30	15	2	481
H5	22	87	10	13	0	514
H6	21	95	16	0	0	533
H7	22	96	12	0	2	532
H8	17	79	31	4	1	503
H9	16	97	17	2	0	523
H10	14	51	48	17	2	454
	200	842	212	58	8	
Total	(200x5)=1000	(842x4)=3368	(212x3)=636	(58x2)=116	(8x1)=8	5128

In the variable of product price with ten items of statement from 132 respondents, the total score is 5128. So, the score range for each category is determined as follows.

Score Range =
$$\frac{(132x10x5) - (132x10x1)}{5}$$

= $\frac{6600 - 1320}{5}$ = 1056

From the calculation, the length of the interval for each category is 1056. It means that the total score of respondents' responses on ten items of statements about the product price is obtained in the following ranges.

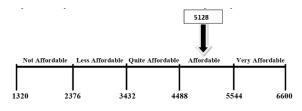


Figure 4 the length of the interval

From the total score of responses from 10 statements about the product price variable, it concludes that the product price is considered affordable. d. Brand Variable

The result of the field data obtained on the statements about the product brand is as follows:

 Table 8 Score of respondents' responses to the statement items on product brand variable

Item	5	4	3	2	1	Score
M1	36	76	18	1	1	541
M2	24	92	16	0	0	536
M3	14	78	34	6	0	496
M4	12	37	54	27	2	426
M5	7	42	51	26	6	414
M6	10	76	36	10	0	482
M7	7	44	64	16	1	436
Total	110	445	273	86	10	3331
	(110x5)=550	(445x4)=1780	(273x3)=819	(86x2)=172	(10x1)=10	

In the variable of product brand with seven items of statement from 132 respondents, the total score is 3331. It means that the score range for each category is determined as follows.

Score Range
$$= \frac{(132x7x5) - (132x7x1)}{5}$$
$$= \frac{4620 - 924}{5} = 739$$

From the calculation, the length of the interval for each category is 739. It means that the total score of respondents' responses on seven items of statements about the product brand is obtained in the following ranges:

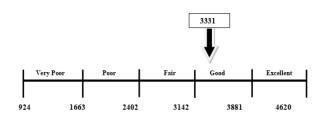


Figure 5 the length of the interval

From the total score of responses, from concludes concluded that the product brand is considered good.

e. Promotion Variable

The result of the field data obtained on the statements about the product brand is as follows:

Item	5	4	3	2	1	Score
CP1	7	27	62	34	2	399
CP2	6	52	45	28	1	430
CP3	23	86	14	9	0	519
CP4	10	47	57	18	0	445
CP5	10	44	59	17	2	439
Total	56	256	237	106	5	2232
	(56x5)=280	(256x4)=1024	(237x3)=711	(106x2)=212	(5x1)=5	

 Table 9 Score of respondents' responses to the statement

 items on product promotion variable

The variable of product promotion methods with five items of statement from 132 out of 297 is 2232. It means that the score range for each category is determined as follows.

Score Range
$$= \frac{(132x5x5) - (132x5x1)}{5}$$
$$= \frac{3300 - 660}{5} = 528$$

The length of the interval for each category is 528. It means that the total score of respondents' responses on five items of statements about the product promotion is obtained the following ranges:

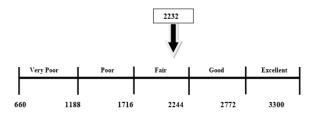


Figure 6 the length of the interval

From the total score of responses from five statements about the product promotion variable, it concludes that the product quality is considered fair.

2.2 Discussion

The data show that consumer' perception of Sukaregang leather bag design and quality is considered good, consumer perception of of Sukaregang leather bag price is considered to be consistent with the quality and design of the products, consumer perception of the Sukaregang leather bag brand is considered good, while the consumer perception of the Sukaregang leather bag promotion is considered fair. These results indicate that consumer perceptions of the Sukaregang Garut leather bag product based on quality, product design, and price are in line with the expectations of the Sukaregang Garut leather bag craftsmen. Meanwhile, consumer perceptions of the brands and promotion is considered fair. Practical implication for Sukaregang leather bag craftsmen to improve their business is to innovate the brand so that it is easily recognized by people as well as to innovate ways of promotion so that leather bag products from Sukaregang do not only target the local market but also the international market.

3. CONCLUSION

From the analysis, the research result shows that:

- 1. consumers' perception of Sukaregang leather bag design is considered good,
- consumers' perception of Sukaregang leather bag quality is considered good,
- 3. consumers' perception of Sukaregang leather bag price is considered affordable,
- 4. consumers' perception of Sukaregang leather bag brand is considered good,
- 5. consumers' perception of Sukaregang leather bag promotion is considered fair.

Although this research has made an important contribution, this research still has limitations. Thus, it requires further research by conducting direct field surveys, in addition to distributing questionnaires as well as direct interviews with consumers who are shopping at the Sukaregang leather industry centre in Garut Regency. In addition, this study only includes a small number of respondents who at the time of data collection were ready to fill out the questionnaire. The small number of respondents compared to people who wear leather bags can cause bias or a large margin of error. Likewise, the profile of respondents, for example, seen from the monthly income, most of the respondents have income of less than IDR 10,000,000, which means further research is needed to see a description of the consumers' perception whose income is above IDR 10,000,000.00

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