

The Effect of Product Knowledge, Price, and Product Design on Batik Banyuwangi Repurchase Intention

Cempaka Paramita¹, Gusti Ayu Wulandari², Vanya Pinkan Maridelana³,
Rosa Nuril Safitri⁴, Yuliani Anas Malik⁵

University of Jember^{1,2,3,4,5}

Kalimantan Street 37, Jember, 68121, Indonesia

Correspondence Email: cempaka.feb@unej.ac.id

ORCID ID: <https://orcid.org/0000-0001-9469-3300>

ARTICLE INFORMATION

ABSTRACT

Publication Information

Research Article

HOW TO CITE

Amran, Y., & Nisa. (2021). CSR in the Covid-19 situation in Indonesia. *Journal of International Conference Proceedings*, 9(1), 23-31.

DOI:

<https://doi.org/10.32535/jicp.v4i2.1246>

Copyright@ year owned by Author(s).

Published by JICP



This is an open-access article.

License: Attribution-Noncommercial-Share Alike (CC BY-NC-SA)

Received: 11 September 2021

Accepted: 12 October 2021

Published: 16 November 2021

Batik is one of the most famous arts of Indonesia's cultural heritage, which has thousand of motifs and pattern originating from different regions. Each region has its own Batik motif, including Banyuwangi. Banyuwangi is one of the regents in East Java, Indonesia. Banyuwangi has 21 unique batik motifs that are recognized locally as well as around the world. The objective of this study is to examine the effect of product knowledge, price, and product design on repurchase intention of Batik Banyuwangi. The sample consisted of 114 respondents. This sample was selected using a non-probability sampling method, i.e., purposive sampling. Research data was collected using both online and offline surveys. Multiple linear regression analysis was used to analyze the data. The results show that product knowledge, price, and product design have a significant partial impact on Batik Banyuwangi's repurchase intentions.

Keywords: Batik Banyuwangi, Product Knowledge, Price, Product Design, Repurchase Intention

JEL Classification: M10, M30, M31

INTRODUCTION

Batik is one of the most famous and precious arts from Indonesia. As the nation's cultural heritage, Indonesian Batik has thousands of unique motifs originating from different regions from 34 provinces. The motifs and patterns of Batik represent the unique character of a region, including Batik Banyuwangi. Banyuwangi is a region located in East Java, Indonesia. Banyuwangi has 21 unique Batik motifs that have been recognized nationally, where represent a theme of flora and fauna as natural elements of regional symbolism.

The Batik business in Banyuwangi is a home-based creative industry from the Banyuwangi community itself. One of its main goals is to improve the economy and support the small and medium enterprises (SMEs) in Banyuwangi. Eventually, the continuation of these businesses is being affected by the repurchasing interest in their consumers. According to Sukmawati and Suyono (2012), purchasing interest is part of the behavioural component in consuming a product. Repurchase intention is generated from the behaviour of consumers who have made previous purchases, such as purchases of Batik products in the form of cloth, clothes, wallets, bags, sandals, scarves, accessories, or any product that is the same as before.

One of the factors affecting consumer's repurchase intention is product knowledge. According to Zeithaml (2006), product knowledge is an intrinsic indication that is essential for evaluating a product. Meanwhile, price also plays a crucial effect as considered by consumers. The price of Batik varies depend on the manufacturing process (printed method or handmade writing method) and design of the product. Consumers purchase Batik according to their purchasing power. Before buying the products, consumers may identify the price that is satisfying for their budget and personal interest. The Batik business owners in Banyuwangi are necessary to evolve the Batik design. A well-designed Batik will make customer satisfy. Customer satisfaction, then, can lead to repurchase intention. Based on these elaborated phenomena, this study aims to analyze the effect of product knowledge, price, and product design on consumer repurchase intention of Batik Banyuwangi.

LITERATURE REVIEW

Repurchase Intention

The tendency of customers to conduct repeat buying on the identical product is known as repurchase intention (Pradhita, 2016). Repurchase intention is also defined as an expression of commitment and loyalty (Tabrani *et al.*, 2018). Referring to Korir *et al.* (2012) repurchase intention is a subjective and complicated process of decision making. A different strategy can affect a customer differently, depending on the cultural, personal, nor psychological aspects.

Product Knowledge

Product knowledge is consumers who perceive a particular product, including previous experience when using the product (Lin, 2007). Product knowledge is also known as various types of belief, meaning, and knowledge recorded in consumers' memories from their experiences (Peter and Olson, 2010). The higher the product knowledge of the consumers, can increase the ability in choosing products that meet their expectations.

According to Kristanti (2019), Suparna and Wayni (2014), and Ernawati (2019), product knowledge has a significant effect on repurchase intention. Therefore, this study formulates the following hypothesis:

H1: Product knowledge affects repurchase intention of Batik Banyuwangi

Price

According to Kotler and Keller (2016: 324), price can be defined as the amount of money charged to a product (good or service), or the amount of monetary value that has been exchanged by customers to gain benefits and owning or consuming a product. Price is such an important thing where an affordable price can affect customers to buy the products (Tendur *et al.*, 2021). Price is such an important thing which has a significant effect on consumer purchasing decision (Nasution and Putri, 2019; Mukaromah *et al.* (2019).

Previous research conducted by Filbert and Anthony (2018) showed that price has a significant effect on intention to repurchase. Therefore, the formulated hypothesis in this study is as follows:

H2: Price affects repurchase intention of Batik Banyuwangi

Product Design

According to Kotler and Keller (2016: 396), product design is defined as the totality of features that can influence a product's appearance, taste, and function based on needs of the customers. Product design is also known as a concept which bigger than a style (Kotler and Armstrong, 2014: 254). Style is just shows the appearance of the product, but it can be interesting or boring as well.

Abidin (2019) and Ni'mah (2018), in their previous studies, state that the product design has a significant effect on repurchase intention. Therefore, the third hypothesis is as follows:

H3: Product design affects repurchase intention of Batik Banyuwangi

RESEARCH METHOD

This research is explanatory research aiming to explain the causal relationship between the independent variables, i.e., product knowledge, price, and product design, on the dependent variable, i.e., repurchase intention, through hypothesis testing.

Population and Sample

The population of the study was the consumers who have purchased Batik Banyuwangi. The sampling method used was the non-probability sampling, i.e., purposive sampling. The sampling criteria in this study consisted the followings:

1. Respondents aged minimum of 18 years old who are considered to have stable emotions in making purchase decisions and can give sufficient answer for the research questionnaires (Hartono, 2004:27).
2. The consumers have purchased Batik Banyuwangi more than two times.

The total sample consisted of 114 respondents. Research data was collected by distributing offline and online questionnaires to the respondents. Questionnaires that were distributed directly are presented in written questions on paper that are distributed to Batik Banyuwangi consumers, while online questionnaires were distributed via Google Forms.

Data Analysis Method

Research data were analyzed using multiple linear regression. The classical assumption tests used were the multicollinearity test and also the heteroscedasticity test. The t-test was then implemented to determine the partial relationship between the independent variable and the dependent variable, assuming that the other independent variables

were considered constant.

RESULTS

Instrument Test

Validity Test

Product moment person method was performed to test the validity of the statement item on the questionnaire. According to Table 1, it can be seen that each statement item in the questionnaire has an $r_{statistics} \geq r_{table}$ with a significant value of $\leq 5\%$ (0.05). Therefore, it can be concluded that every statement in this research questionnaire is valid and can be used as a data collection tool.

Table 1. Validity Test Results

Variable	Item	Rcount	Rtable	Sig	Result
Product Knowledge (X3)	X3.1	0,658	0,184	0	Valid
	X3.2	0,772	0,184	0	Valid
	X3.3	0,613	0,184	0	Valid
	X3.4	0,504	0,184	0	Valid
Price (X2)	X2.1	0,454	0,184	0	Valid
	X2.2	0,62	0,184	0	Valid
	X2.3	0,527	0,184	0	Valid
	X2.4	0,681	0,184	0	Valid
Product Design (X1)	X1.1	0,452	0,184	0	Valid
	X1.2	0,503	0,184	0	Valid
	X1.3	0,487	0,184	0	Valid
	X1.4	0,402	0,184	0	Valid
	X1.5	0,395	0,184	0	Valid
	X1.6	0,382	0,184	0	Valid
Repurchase Intention (Y)	Y1.1	0,723	0,184	0	Valid
	Y1.2	0,518	0,184	0	Valid
	Y1.3	0,639	0,184	0	Valid
	Y1.4	0,495	0,184	0	Valid

Reliability Test

The reliability test applied in this study refers to the Cronbach Alpha method. Table 2 presents that the Cronbach Alpha value for each variable is > 0.60 . This result means that the questionnaire in this study is reliable and appropriate to be used as a data collection tool.

Table 2. Reliability Test Results

Variable	Cronbach Alpha	Stipulation Cronbach Alpha	Result
Product Knowledge (X1)	0,644	0,60	Reliable
Price (X2)	0,662	0,60	Reliable
Product Design (X3)	0,609	0,60	Reliable
Repurchase Intention (Y)	0,762	0,60	Reliable

Data Normality Test

The data normality was analyzed from the Kolmogorov-Smirnov Z test result. The result showed that the value of Kolmogorov-Smirnov Z is 0.688 and the Asymp.Sig is 0.732 (table 3). Thereby, it is concluded that the data is normally distributed since the significant value is 0.732 or > 0.5 .

Table 3. Normality Test Results

		Unstandardized Residual
N		114
Normal Parameters	Mean	.0000000
	Std. Deviation	142.625.512
Most Extreme Differences	Absolute	.064
	Positive	.064
	Negative	-.048
Kolmogorov-Smirnov Z		.688
Asymp. Sig. (2-tailed)		.732

Classical Assumption Test

Multicollinearity Test

The objective of the multicollinearity test is to detect the strong correlation among independent variables in the model. A multicollinearity test was performed by calculating the Variance Inflation Factor (VIF). The VIF value should be more than 0.1 and less than 10. From Table 4, it can be seen that the VIF value of each independent variable is 0.1 and less than 10. These results then indicated that there was no multicollinearity among independent variables.

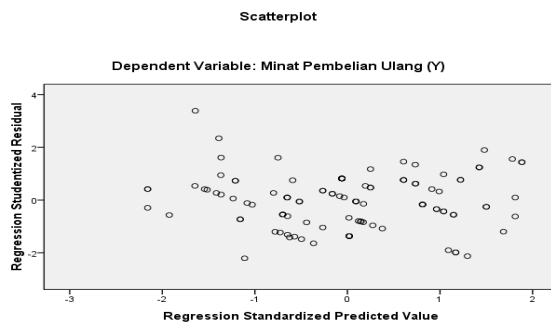
Table 4. Multicollinearity Test Results

Variable	Tolerance	VIF	Results
Product Knowledge (X1)	0.625	1.600	There is no multicollinearity
Price (X2)	0.635	1.576	There is no multicollinearity
Product Design (X3)	0.786	1.272	There is no multicollinearity.

Heteroscedasticity Test

A changing variance can become a problem for the regression model. The heteroscedasticity test is performed to check whether the residual of a regression has changing variance or not. The test in this study used a scatterplot graph based on decision making. If the points do not form a regular pattern, and scatter above and below the number 0 on the Y axis, then, it can be concluded that there is no heteroscedasticity (Ghozali, 2016:134). According to Figure 1, it can be seen that the points spread above and below the number 0 on the Y axis, and there is no regular pattern. Thus, in this study, it is concluded that there is no heteroscedasticity in the multiple linear regression model.

Figure 1. Heteroscedasticity Test Results



Multiple Linear Regression Analysis

Multiple linear regression analysis was employed in data analysis. The results are presented in Table 5 below:

Table 5. Multiple Linear Regression Results

Variable	R Square	Adjusted R Square	Coefficient	Sig.
	0,567	0,553		
Constant			0,175	0,907
Product Knowledge (X1)			0,457	0,000
Price (X2)			0,207	0,018
Product Design (X3)			0,168	0,011

According to Table 5, an equation can be generated as follows:

$$Y = 0.175 + 0.457X_1 + 0.207X_2 + 0.168X_3 + e$$

The result of Coefficient of determination (R^2) and t-test can be interpreted as follows:

- R Square (R^2)**
The value of R^2 generated from the multiple regression analysis is 0.567. The greater the R^2 , then, the greater the influence of independent variables on the dependent variable.
- Product Knowledge (X_1) on Repurchase Intention (Y)**
The significant level (α) of the Product Knowledge variable is 0.000 ($\alpha < 0.5$) and the coefficient is 0.475 which means that product knowledge significantly and positively affects repurchase intention. Therefore, H_1 of this study is accepted.
- Price (X_2) to Repurchase Intention (Y)**
The significant level (α) of the Price variable is 0.018 ($\alpha < 0.5$) and the coefficient is 0.207. This result shows that price has a positive and significant effect on repurchase intention. Therefore, H_2 of this study is accepted.
- Product Design (X_3) on Repurchase Intention (Y)**
The significant level (α) of the Product Design variable is 0.011 ($\alpha < 0.5$) and the coefficient is 0.207. This result indicates that product design has a positive and significant effect on repurchase intention. Thus, H_3 is accepted.

DISCUSSION

The Effect of Product Knowledge on Repurchase Intention

The results of multiple linear regression analysis for the first hypothesis (H_1) showed that Product Knowledge significantly affects Repurchase Intention ($\alpha = 0.000$). The

relationship established by the regression coefficient is positive, meaning the higher the consumer's product knowledge, the higher the repurchase intention. This result is similar the results of the previous study, such as research conducted by Anthony et al. (2018), stating that product knowledge has a positive and significant impact on repurchase intention.

Respondents' responses on the product knowledge variable (X_1) represented the agreement of the majority of respondents (79.9%) regarding the questioning items on the product knowledge variable. This result proves that Batik consumers understand product knowledge before purchasing, including product attributes, physical benefits, psychological benefits, and consumer values after using the product. Moreover, consumers prioritize product knowledge because they feel proud to participate in preserving Batik, especially when wearing Batik Banyuwangi. This phenomenon tends to increase consumer repurchase intention of Batik Banyuwangi. The owners of Batik business should provide comprehensive and detailed information about Batik to attract consumers to purchase Batik Banyuwangi in a repeated manner.

The Influence of Price on Repurchase Intention

The second hypothesis testing revealed that price had a significant effect on repurchase intention with the $\alpha = 0.018$. The relationship established by the regression coefficient is positive. The more affordable the price is, the higher consumers repurchase intention on Batik Banyuwangi (H_2 is accepted). This result is supported by previous studies by Hidayati (2015) and Nadia (2018) which stated that price positively and significantly affects consumers repurchase intention.

Respondent responses showed that most of them (72.2%) agree and strongly agree with questioning indicators on the price variable, including affordability of prices, suitability of prices with product quality, appropriateness of prices with benefits, and price competitiveness, which can lead to consumer repurchase intention in Batik Banyuwangi. Nevertheless, 2.85% of the respondents showed disagree and and 1.8% showed that they were strongly disagree in term of Batik pricing strategy. Consumers who disagree think that the price of Batik is not accordingly to the satisfaction obtained by consumers or is not accordingly to the economic capabilities of consumers. Price is a marketing element that generates sales revenue. The Batik business owner should understand the goals and sales targets in determining the Batik price. Therefore, the price offered should be worth it, or in line with the product quality and consumers purchasing power based on the segmenting, targetting, and the positioning of the product.

The Influence of Product Design on Repurchase Intention

The third hypothesis (H_3) tested the effect of product design on repurchase intention of Batik Banyuwangi. The result of the t-test indicated that product design positively and significantly affects repurchase intention as indicated by the coefficient value of 0.011 (H_3 is accepted). The result of H_3 is in line with a study conducted by Abidin (2019) that concluded that product design has positive influence on repurchase intention. This positive result implies that a better product design increase consumer interest in making a repeat purchase.

The overall result of the questionnaire revealed that the majority of respondents (75.5%) agree and strongly agree with the indicators of the product design variable. Consumers consider that the product design of the Batik Banyuwangi is impressive. It indicates that product design indicators, which includes shape, conformance quality, durability, reliability, ease of repair, and motifs, is considered crucial for consumers before making a repeat purchase. Furthermore, motif is a product design indicator that has the highest percentage among variables. 56.1% of respondents strongly agree that Batik

Banyuwangi is well-designed, and has unique motifs and patterns. Product design is the totality of the features that can have impact on product appearance and function for the consumers (Kotler and Keller, 2016: 396). The owners of the Batik business should compete to produce a well and sophisticated Batik design to attract more consumers. They should develop attractive and unique motifs or pattern designs to win market competition. The uniqueness of Batik design is expected to increase consumer's intention to repurchase Batik Banyuwangi.

CONCLUSION

Product knowledge has a positive and significant effect on repurchase intention of Batik Banyuwangi. The more consumers understand product and having good knowledge, the higher they will have intention to repurchase. Price has a positive and significant effect on repurchase intention towards Batik Banyuwangi. The more affordable the price, the higher the consumer's intention to repurchase. Moreover, product design has also significantly and positively affected repurchase intention of Batik Banyuwangi. This proves that the product design produced in Batik Banyuwangi can influence and attract consumers to make repeat purchases.

Increasing repurchase intention is very important to keep the loyalty of Batik consumers. Batik business owners should provide detailed product information to deepen consumer product knowledge. The Batik price should also be affordable and accordingly to consumers purchase power. Furthermore, Batik business owners in Banyuwangi should develop various unique motifs to appeal to more consumers.

LIMITATION

The variables used to predict repurchase intention are limited to product knowledge, price and product design, while many other variables can influence repurchase intention in Batik Banyuwangi. The future studies can also broaden research scope by adding more sample and focusing on Batik products from other regions or provinces in Indonesia.

ACKNOWLEDGMENT

The authors would like to thank all people who have contributed to this paper and also to the reviewers for their valuable comments to revise the paper.

DECLARATION OF CONFLICTING INTERESTS

Hereby the authors state that there are no potential conflicts of interests reported by the authors.

REFERENCES

- Abidin, Z. R. (2019). *Pengaruh Gaya Hidup, Persepsi Kualitas Produk, Desain Produk dan Promosi terhadap Minat Pembelian Ulang (Survey pada Pelanggan Sneakers Geoff Max yang Melakukan Pembelian Secara Online di Yogyakarta)*. (Doctoral Dissertation, Universitas Pembangunan Nasional Veteran Yogyakarta).
- Ernawati, S. (2019). Pengaruh Etnosentrisme dan Product Knowledge Terhadap Minat Beli Produk Tembe Me Donggo. *Jurnal Distribusi (Sekolah Tinggi Ilmu Ekonomi Universitas Mataram)*, 7(2), 215-230.
- Filbert, A., & Anthony, W. (2018). The Impact of Marketing Mix of 4Ps (Product, Price, Place, and Promotion) towards Repurchase Intention with Customer Satisfaction as the Mediator: In the Case of Uniqlo. *iBuss Management*, 6(2).
- Ghozali, I. (2016). *Aplikasi Analisis Multivariete Dengan Program IBM SPSS 23*. 8th Edition. Semarang: Universitas Diponegoro.

- Hartono, J. (2004). *Metodologi Penelitian Bisnis: Salah Kaprah dan Pengalaman-Pengalaman*. Yogyakarta: BPFE.
- Korir, J., Korir, K., Musyoki, J., & William, B. (2012). Determinants of Consumer Purchase Decisions in Zero-Rated Hotels in Eldoret Town Kenya. *International Journal of Business and Social Science*, 3(21), 158-163.
- Kotler, P. dan Armstrong, G. (2014). *Principles of Marketing*. 15th Ed. Terjemahan Bob Sabran. Jakarta: Erlangga.
- Kotler, P., & Keller, K. L. (2016). *Marketing Management*. 15th Edition. New Jersey: Pearson Prentice Hall.
- Kristanti, Y. (2019). Pengaruh Emotional Branding dan Product Knowledge Terhadap Purchase Intention Produk Elzatta Cabang Pasuruan. *Skripsi*. Mojokerto: Fakultas Ekonomi Universitas Islam Majapahit.
- Lin, N. H., & Lin, B. S. (2007). The effect of brand image and product knowledge on purchase intention moderated by price discount. *Journal of International Management Studies*, 2(2), 121-132.
- Mukaromah, A. L., Kusuma, I. G. N. A. E., & Anggraini, N. P. N. (2019). The Effect of Green Marketing, Brand Awareness, and Price Perception on Purchase Decision. *International Journal of Applied Business & International Management*, 4(3), 75-83.
- Nasution, A. E., & Putri, L. P. (2019). Comparison Analysis of Consumer Purchasing Decisions on Conventional and Syariah Mini Markets (Case Study on Alfamart and 212 Mart in Medan City). *Asia Pacific Journal of Management and Education*, 2(2), 1-13.
- Ni'mah, S. A. (2018). Pengaruh Harga dan Desain Produk Terhadap Keputusan Pembelian Batik (Studi Kasus Pada Konsumen Batik Sekar Jati Star di Kabupaten Jombang). *Skripsi*. Jember: Fakultas Ekonomi dan Bisnis Universitas Jember.
- Pradhita, A. (2016). The Influence of Brand Awareness on Repurchase Intention: The Mediating Role of Brand Loyalty and Perceived Quality (A Study on Ready to Drink Coffee's Customers in Malang). *Jurnal Ilmiah Mahasiswa FEB Universitas Brawijaya*, 4(1), 1-10.
- Peter, J. P., & Olson, J. C. (2010). *Consumer Behavior and Marketing Strategy*. USA: McGraw Hill.
- Sukmawati dan Suyono. (2012). *Pertimbangan Dalam Membeli Produk Barang Maupun Jasa*. Jakarta: Intidayu Press.
- Suparna, G. dan Wahyuni, N. L. G. (2014). *Pengaruh Brand Image dan Product Knowledge Terhadap Purchase Intention Produk Tas Tiruan di Kota Denpasar*. (Doctoral Dissertation, Udayana University).
- Tabrani, M., Amin, M., & Nizam, A. (2018). Trust, Commitment, Customer Intimacy and Customer Loyalty in Islamic Banking Relationships. *International Journal of Bank Marketing*, 36(5), 823-848.
- Tendur, S. T. T., Hutabarat, V. V., & Tumbelaka, S. S. (2021). Price Perception, Service Quality, and Customer Satisfaction (Empirical Study on Cafes at Tondano City). *International Journal of Tourism & Hospitality in Asia Pasific*, 4(3), 19-31.
- Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2006). *Services Marketing: Integrating Customer Focus Across the Firm*. 4th Ed. New York: McGraw-Hill.