

ANALYSIS OF FACTORS INFLUENCING REPURCHASE DECISION AT RULYPRINT PRINTING SERVICES

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Abstract-The purpose of this thesis research is to find out what factors influence consumer repurchase decisions at Rulyprint printing. The research method used is confirmatory factor analysis to test and confirm a group of latent variables assumed at the beginning of the study. The sampling technique used non-probability sampling with a saturated sample of 53 respondents where the entire population was used as a sample in this study. From the results of the study, it was confirmed that five factors were formed that influenced consumer repurchase decisions at Rulyprint printing. The first factor is consumer perception with five indicators in it, namely attitudes, motives, interests, experiences, and expectations. The second factor is service quality with five indicators that influence tangibility, reliability, responsiveness, assurance, and empathy. The third factor is perceived value with four indicators, namely performance, value for money, emotional value, and social value. The fourth factor is trust with three influencing indicators, namely ability, benevolence, and integrity. Finally, the fifth factor is switching cost with three indicators, namely procedural switching cost, financial switching cost, and relational switching cost. The first factor has the highest influence with a percentage of 36.136%, the second factor is 13.638%, the third factor is 10.100%, the fourth factor is 6.062%, and the fifth factor is 5.161%. These factors have a total variance of 71.097%.

Keywords: Consumer Perception, Service Quality, Perceived Value, Trust, Switching Cost.

1. Introduction

Printing is an industry or company that carries out the mass production process by transferring writing or images to print media such as paper with a special machine. Ruly print is one of the *offset printing companies* located in the city of Lawang and has been established since 1993. Since it was first pioneered, this business began to grow until at one point the company experienced a decrease in the number of *customers* every year. This situation causes the company, even though it is 30 years old, has experience stagnant conditions and is still on an MSME scale. Data taken over the past 5 years shows that the number of Ruly print customers tends to decrease. For Ruly print to compete with many competitors and the declining conditions experienced in business, interviews were conducted with Ruly print pre-survey owners by giving questionnaires to 30 people who had used Ruly print printing services. The results were that as many as 26.7% of customers chose problems related to service quality points, 20% of customers chose problems related to *switching cost* points and perceptions, and as many as 16.7% chose problems related to trust points and value obtained. Based on this phenomenon, research was conducted on the Analysis of Factors that Influence Repurchase Decisions at Ruly print Printing Services.

2. Literature Review

2.1 Previous Research

Research by Tian et al., (2022) shows that the results of food quality, brand image, quality information, and promotional efforts have a positive effect on product satisfaction, brand trust, and perceived value (value) thus directing consumers to repurchase intention. Research by Jamaluddin (2020) found that price, service quality, location, and personality influenced consumers' re-decision to buy products while stimulus variables were found not to significantly influence consumers' decisions to repurchase products.

2.2 Theoretical Foundation

2.2.1 Decision making theory

Decision making or decision making is a process carried out by someone starting from selecting from various possibilities, implementing, and evaluating the selected actions to achieve the goals of the organization (Sola, 2018). This series of processes will certainly be closely related to the level of rationality because decisions are not based on chance and are influenced by factors both internal and external.

2.2.2 Repurchase Decision

Hellier et al. (2015) say that repurchase intention is a person's assessment to buy back a product or service from the same company taking into account their situation and possible circumstances. Then Peter & Olson (2002) said that repurchase decision or repurchase decision is the activity of buying products or services that are repeated more than once. While the decision to repurchase according to Kotler & Armstrong (2018) is a person's choice and readiness to repurchase a product based on experience that has been learned by consumers.

2.2.3 Factors Influencing Repurchase Decision

Many factors can influence consumers to repurchase (repurchase intention) a particular product or service. These factors include: value, expected switching cost, service quality, perceived value, trust, and consumer perception (Anim A., & Indiani, 2020; Lianto A., 2018; Hellier et al., 2003; Robbins & Judge, 2013).

3. Research Framework

Analysis Model

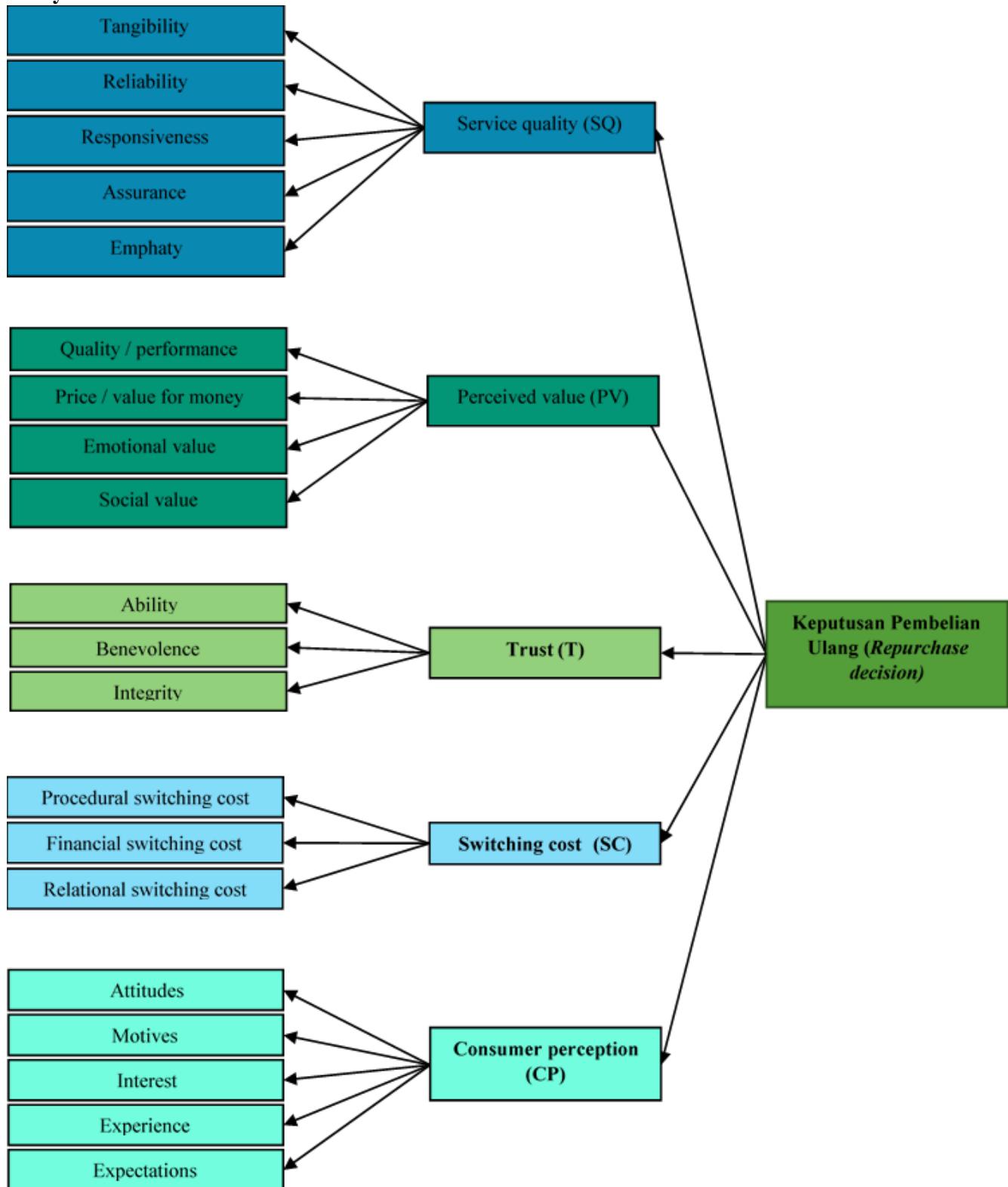


Figure 3.1 Analysis Model

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4. Research Methods

4.1 Research Design

This study used quantitative methods. The research will be conducted online on consumers who have experienced ordering at Ruly print Printing more than once. The number of samples in this study is the same as the population, which is 53 people. Research instruments were measured by the Likert scale.

4.2 Variable Operational Definition

Table 4.1 Operational Definitions of Variables

| No | Variable | Definition | Indicators | Source |
|----|--------------------------|---|---|--|
| 1 | Service quality (SQ) | Service quality is a form of perception, and consumer expectations of the standard of service provided by a company | - Tangibility (SQ1) - Reliability (SQ2) - Responsiveness (SQ3) - Assurance (SQ4) - Emphaty (SQ5) | |
| 2 | Perceived value (PV) | Perceived value is an overall assessment of consumers between services or products received and those that must be issued by consumers | - Quality / performance (PV1) - Price / value for money (PV2) - Emotional value (PV3) - Social value (PV4) | |
| 3 | Trust (T) | The desire of consumers to take risks because they feel confident in a company's products or services | - Ability (T1) - Benevolence (T2) - Integrity (T3) | Anim A., & Indiani, 2020; Lianto A., 2018; Hellier et al., 2003; Robbins & Judge, 2013 |
| 4 | Switching cost (SC) | Switching cost is a cost both financially, emotionally, and effort that must be incurred by consumers when moving to another company's products or services | - Procedural switching cost (SC1) - Financial switching cost (SC2) - Relational switching cost (SC3) | |
| 5 | Consumer perception (CP) | Consumer perception is the process by which consumers organize and interpret what is perceived into something meaningful and believed by them. | - Attitudes (CP1) - Motives (CP2) - Interest (CP3) - Experiences (CP4) - Expectations (CP5) | |

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4.3 Data Analysis

Factor analysis is divided into two, namely exploratory factor analysis (EFA) and confirmatory factor analysis (CFA). In this study, the analysis used is confirmatory, namely analysis by testing pre-existing theories to prove whether the theory reflects the indicators or not (Budiasutti D. & Bandur A., 2019: 172).

5. Result and Discussion

5.1 Description of Respondent Characteristics

The number of female respondents was higher with 29 people or 54.7%. The highest respondent in the second age category is 36-49 years with a total of 28 people or 52.8%. The highest chose to have used the service on Ruly print > 5 times with 37 respondents and a percentage of 69.8%.

5.2 Description of Research Variables

The average respondent of the *overall service quality* variable is very much in agreement with the statement given. The average respondent of the *perceived value variable* as a whole is very much in agreement with the statement given. The average respondent of the trust variable as a whole is very much in agreement with the statement given. The average respondent of the *switching cost* variable as a whole agrees with the statement given. The average respondent of the *overall consumer perception* variable is very much in agreement with the statement given.

5.3 Factor Analysis

Table 5.1 Communalities Table

| Variable | | Initial | Extraction |
|---------------------------|-----|---------|------------|
| Tangibility | SC1 | 1000 | 0,792 |
| Reliability | SC2 | 1000 | 0,570 |
| Responsiveness | SC3 | 1000 | 0,678 |
| Assurance | SC4 | 1000 | 0,638 |
| Emphaty | SC5 | 1000 | 0,789 |
| Quality / Performance | PV1 | 1000 | 0,823 |
| Price / Value for money | PV2 | 1000 | 0,578 |
| Emotional Value | PV3 | 1000 | 0,800 |
| Social Value | PV4 | 1000 | 0,602 |
| Ability | T1 | 1000 | 0,693 |
| Benevolence | T2 | 1000 | 0,830 |
| Integrity | T3 | 1000 | 0,720 |
| Procedural switching cost | SC1 | 1000 | 0,643 |
| Financial switching cost | SC2 | 1000 | 0,704 |
| Relational switching cost | SC3 | 1000 | 0,663 |
| Attitudes | CP1 | 1000 | 0,569 |
| Motives | CP2 | 1000 | 0,687 |
| Interest | CP3 | 1000 | 0,847 |
| Experience | CP4 | 1000 | 0,792 |
| Expectation | CP5 | 1000 | 0,800 |

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All values in the *extraction* column are > 0.50, so it can be said that all indicators have a strong relationship with the factors formed and qualified.

5.3.1 Rotated Component Matrix

Table 5.2 Rotated Component Matrix Result

| Indicators | Component | | | | |
|------------|-----------|------|------|------|------|
| | 1 | 2 | 3 | 4 | 5 |
| SQ1 | | .864 | | | |
| SQ2 | | .616 | | | |
| SQ3 | | .702 | | | |
| SQ4 | | .531 | | | |
| SQ5 | | .800 | | | |
| PV1 | | | .879 | | |
| PV2 | | | .550 | | |
| PV3 | | | .758 | | |
| PV4 | | | .526 | | |
| T1 | | | | .798 | |
| T2 | | | | .735 | |
| T3 | | | | .556 | |
| SC1 | | | | | .750 |
| SC2 | | | | | .737 |
| SC3 | | | | | .775 |
| CP1 | .624 | | | | |
| CP2 | .635 | | | | |
| CP3 | .900 | | | | |
| CP4 | .870 | | | | |
| CP5 | .837 | | | | |

Processed by Researchers (2023)

The following factors are generated:

1. Line *component* the first is called factor *Consumer Perception*. In it, there are 5 variables that group together, namely CP1 (*attitude*), CP2 (*motives*), CP3 (*interest*), CP4 (*experience*), CP5 (*expectations*)
2. Line *component* the second is called factor *service quality*. In it are incorporated 5 variables that group, namely SQ1 (*tangibility*), SQ2 (*Reliability*), SQ3 (*responsiveness*), SQ4 (*assurance*), and SQ5 (*empathy*).
3. Line *component* the third is called factor *Trust* or trust. In it, 3 variables group together, namely T1 (*ability*), T2 (*Benevolence*), and T3 (*Integrity*).
4. Line *component* the fourth is called factor *perceived value*. It contains 4 variables that group together, namely PV1 (*quality/performance*), PV2 (*price/ value for money*), PV3 (*emotional value*), and PV4 (*Social Value*).

5. Last line *component* the fifth is called factor *switching cost*. In this factor, 3 variables group together, namely SC1 (*procedural switching cost*), SC2 (*financial switching cost*), and SC3 (*rational switching cost*).

Discussion

1. The first factor is called the consumer perception factor. Where five indicators affect consumer perception, namely attitude or attitude (CP1), motives or motivation (CP2), interest or interest (CP3), experience or experience (CP4), and expectations or expectations. So, it is concluded that consumer perceptions formed from the experience of using services will convince their interest or interest in reusing this printing service. Their good perception in interpreting what they feel or think about Ruly print gives rise to strong stimuli to repurchase Ruly print printing.
2. The second factor is called the service quality factor. The five indicators that affect SERVQUAL are tangible or physical evidence (SQ1), reliability (SQ2), responsiveness (SQ3), assurance (SQ4), and empathy (SQ5). In printing services, a good level of service in the eyes of consumers is when it can be proven by producing good prints and responding to every question or need of the customer as a form of company attention and concern.
3. The perceived value factor includes four indicators, namely performance (PV1), value for money (PV2), emotional value (PV3), and social value or social value (PV4). The perceived value of this printing press leads to consumers' feelings of satisfaction with the benefits or results both in terms of products and emotionally provided by the company after incurring costs or other sacrifices.
4. The fourth factor is called the trust factor. Three indicators that affect trust are ability (T1), benevolence (T2), and integrity (T3). With a strong sense of trust in the minds of consumers towards the company, Ruly print will increase their chances of reordering without a long thought process beforehand.
5. Finally, the fifth factor is called the switching cost factor. Three indicators are procedural switching cost (SC1), financial switching cost or price value (SC2), and relational switching cost (SC3). This switching cost is related to the large number of printing houses that offer competitive services. The switching cost referred to here is how high the switching costs must be incurred by them either financially, process or emotionally if consumers move to another printing company. When viewed on the average of the variables, respondents agree with the statements given.

6. Conclusion and Suggestion

6.1 Conclusion

1. From the factor analysis test against 20 indicators, it was found that 5 factors were formed that influenced the decision to repurchase. The number of factors obtained is by the previous theory, no new factors are formed or missing a single factor, so it can be said that the theory used is confirmed and the naming of factors remains the same as the previous naming.
2. Through factor testing, a priority scale is obtained from which of these factors has the most influence on consumer repurchase decisions. The order is *Consumer Perception* with a percentage of 36,136%, *Service Quality* as much as, 13,638%, *perceived value* as big as 10,100%, *Trust* as big as 6,062%, and finally *switching cost* as big as 5,161%. When totaled, the five factors can explain the diversity of variation by 71.097%.
3. Each factor found that there was an indicator that most dominantly influenced repurchase decisions. The dominant level is seen from the value *Loading Factor* The biggest of these factors, namely:
 - a. The first factor is consumer perception is dominated by indicators of *interest* or interest (CP3) of 0.900.
 - b. The second factor is service quality is dominated by indicators *tangibility* or physical evidence (SQ1) of 0.864

- c. The third factor is the perceived value is dominated by indicators *Quality* or *Performance* (PV1) of 0.879
- d. The fourth factor is trust is dominated by indicators *ability* or an ability (T1) of 0.798
- e. The fifth factor is switching costs dominated by indicators *relational switching cost* (SC3) of 0.775

6.2 Suggestion

6.2.1 Advice for Companies

Therefore, it is recommended that Ruly print, especially to the second generation, pay more attention and strengthen the factors and indicators in it so that the level of *consumer repurchase* or *repeat orders* in Ruly print is higher. In addition, four other factors should also be considered for parallel application for both old and new consumers to further increase the influence of consumer repurchase decisions so that there is no decrease in the number of *customers* in the future.

6.2.2 Advice for Next Researchers

1. The advice for the next researcher is to research or translate other appropriate factors to find out more about what factors influence repurchases in addition to the factors already studied.
2. It is recommended for researchers to further expand the area of the object under study by choosing wider respondents such as researching several similar printing houses.
3. It would be more accurate if the researcher further added research by conducting direct interviews with several respondents or consumers to get more in-depth, detailed, and reliable results in real conditions.

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