

# Effects of Product Uniqueness on Re-purchase Intention: Case Study at KINI Capsule Hotel Jakarta

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**Abstract—**The interest of a traveler, especially the millennial generation has shifted in terms of accommodation. Accommodation is not just a temporary place to stay while they are traveling. The millennial generation, which is currently doing a large number of tourism activities, likes to look for new, spontaneous, unique, authentic and personal adventures. The type of accommodation chosen and preferred, especially unique one, will make the millennial traveler come back and stay there. This study aims to determine how much product uniqueness influences re-purchase intention. Case study was carried out at Kini Luxury Capsule Hotel Jakarta. Product Uniqueness indicators such as aesthetic and functional kits, perceived uniqueness, and general desire for unique products are proposed to have the effect on the indicators of re-purchase intention, namely referential interests, explorative interests and preferential interests. The data analysis technique used is multiple linear regressions. The results of the study indicate that product uniqueness has a significant effect on re-purchase intention. The Implications of this study is for hotel industry to do more innovations and creation to make a unique product in hotel to influence customer's desire to repurchase.

**Keywords**—product uniqueness; re-purchase intention; capsule hotel.

## I. INTRODUCTION

The city of Jakarta offers many tourist and business alternatives, which attract tourists to visit [1] [2]. The increasing number of tourists that came has caused the city to develop hotel business. With the latest shift in tourist motifs, hotel industry players must be able to highlight the uniqueness of their product in order to attract tourists to stay [3], and even to make a purchase (Re-purchase Intention). There are differences from each consumer in accepting and understanding a product. This difference is influenced by consumers' personal goals in owning a product (personal goal for product acquisition), services provided (Service), and other people's experiences (experience of other accesses) [3]. Indicators that can be used as a basis for evaluating consumers in accepting and understanding a product, especially in terms of product uniqueness, can be divided into three [4], namely:

### 1. Aesthetic and functional fit

This includes the extent to which products meet consumer's preferences in terms of design, colors, functions included, and physical compatibility [5].

### 2. Perceived Uniqueness

This includes the extent to which consumers feel that the product is different from other product in the same category [3]

### 3. General desire for unique products

Every consumer tries to have a rare item that has value because these items help individuals define themselves as "different from the others", especially for advertised products which are rare, unique and extraordinary [3]

Consumer buying interest is part of consumer behavior in choosing something [6]. Buying interest is shown by the initial interest in a product before consumers actually buy the product [7]. Consumer's satisfaction after a purchase can trigger a repeat purchase or re-purchase intention. Re-purchase intention is a purchase activity carried out more than once or several times. This activity can cause consumers to be loyal to the product so that consumers are willing to tell good things about the product [8]. This indicator of re-purchase intention activities can be identified through the following factors:

- a. Reference Interest, the tendency of someone to refer a product to someone else.
- b. Explorative interest, this interest describes the behavior of someone who is looking for products that are in demand and looking for information to support the positive traits of the product.
- c. Preferential Interest, is an interest that describes the main behavior of consumers who have a primary preference for the product. This preference can only be replaced if something happens to the preferred product. [9]

Capsule hotels in Jakarta are starting to be in great demand by travelers. Capsule hotels whose concept was originally developed in Japan, provide capsule-shaped rooms with a minimum room where only one guest can sleep and provide minimal comfort facilities such as a shower or television [10].

Kini Luxury Capsule Hotel is one of the capsule hotels in Jakarta. Capsule hotels that highlight the concept of Indonesian touch with the theme of 'A Minimalist Luxury Capsule with The Touch of Indonesia', have 17 unique capsules available to accommodate tourists who come to Jakarta. In our observations, guests who stayed at this hotel look like they are really enjoying the accommodations, although the service was minimal.

The purpose of this study is to find out whether there is influence of product uniqueness towards the purchase of guests' intentions coming to Kini Luxury Capsule Hotel Jakarta.

## II. RESEARCH METHODOLOGY

The object of this study consisted of independent variables, which is Product Uniqueness as variable X, with Aesthetic indicators and Functional Fit (X1), Perceived Uniqueness (X2), and General Desire for Unique Product (X3), and dependent variables which is Re-purchase Intention (Y), with indicators of referential interest, explorative interest and Preferential interest. This research was conducted at Kini Luxury Capsule Hotel Jakarta. This study uses descriptive research design because this study describes the phenomenon and examines the relationship of the variables that exist [11]. This study also distributed one-time structured or single cross-sectional research design to a number of respondents who became consumers or guests at Kini Luxury Capsule Hotel. The population in this study were all guests who stayed at Kini Luxury Capsule Hotel. Respondents from this study were all guests who had stayed at Kini Luxury Capsule Hotel more than once. Thus, the sampling technique used was purposive sampling, which is the selection of samples with certain criteria [12]. The data collection techniques implemented in this study are: observation, interview, questionnaire distribution and literature study. The data analysis technique used is multiple linear regression analysis to determine the effect of product uniqueness on re-purchase case study intention at Kini Luxury Capsule Hotel, Jakarta. The primary data collected from 193 respondents was processed with the SPSS 25 program.

## III. RESULTS AND CONCLUSION

Based on data, most of the respondents were male (117 respondents). The age of the largest respondents is between 21-30 years which is equal to 71 respondents. The last education of the biggest respondents was bachelor as many as 93 people. The types of occupation of the majority of respondents were 131 respondents and the intensity of the respondent's visit to Kini Luxury Capsule Hotel was 2 times, which was taken from 169 respondents.

### A. Aesthetic and functional kits have a significant effect on re-purchase intention

From the questionnaire that has been distributed to 193 respondents, it is found that aesthetic and functional kit

variables with the first indicator (the function of the hotel capsule as a place of accommodation that suffers from traveling needs) is reaching 47.2% of respondents or 91 people answered agree. Respondents felt that the accommodation function of the facilities provided from the single bed provided, the storage of goods, including the existing bathroom, was good. From the indicators of the capsule design of the hotel as a whole was also considered good by respondents. 52.8% or 102 respondents really liked the capsule design. The shape of a room like a capsule is felt by respondents as a unique room design. From the color indicator, 50.3% or 97 respondents rated the color of capsules at Kini Luxury Capsule Hotel as good. White dominates all capsules, including the storage of items. A green blend is made for the bathroom area, so the atmosphere feels fresher. The physical suitability indicators of the capsules were also assessed by respondents as well (52.3%). Narrow space is not a significant obstacle for respondents because most respondents are domestic tourists. The combination of the complete functions of accommodation, design, color and physical compatibility in Kini Luxury Capsule Hotel makes respondents want to come back again to stay at this capsule hotel. Based on the data from the primary data collected by researchers, aesthetic and functional kits have a significant effect on re-purchase intention.

### B. Perceived Uniqueness has a significant effect on re-purchase intention

In the perceived Uniqueness variable, the researcher proposed three indicators of the questions answered by respondents in the questionnaire shared. Opinion of respondents regarding 'I accept this capsule hotel design is a unique design', answered very agree by 47.7% of respondents or 92 people. This is because the design of capsule-shaped rooms is very different from the usual rooms in other hotels. As many as 57% or 110 respondents answered strongly agree on the statement that this capsule hotel is very different. This is because physically this capsule hotel is indeed smaller than the spacious side of the room, with the separation of private storage space, the use of shared bathrooms, as well as the pantry and restaurant and a special room for doing business-related work. It is also stated that 57.5% or 111 respondents answered strongly agree to the statement that overall capsule hotel design at Kini Luxury Hotel is very unique. The arrangement of all facilities, although only using small and limited space, is attempted by the hotel. So even though in terms of size Luxury Capsule Hotel looks small, but with an attractive layout and design all the needs of respondents can be equipped. Thus, respondents or guests who stay overnight are not reluctant to return to stay at this hotel, and even want to refer Kini Luxury Capsule hotel to their colleagues. Based on the data from the primary data collected by researchers, it can be seen that the Perceived Uniqueness has a significant effect on re-purchase intention.

### C. General desire for unique product has a significant effect on re-purchase intention.

In the variable of 'general desire for Unique products', the researcher gives the statement answered by the respondent as follows; 43% or 83 respondents answered strongly agreeing with the statement that 'I would feel happy if I stayed in a hotel

with a new concept'. This is considered to be a pride of the respondents, especially because many respondents like to travel and explore new places, both in Jakarta area or other cities. 35.2% or 68 respondents strongly agreed with the statement that 'I would be proud to live in a capsule hotel that my friend had never felt'. This is because respondents are mostly happy to give instructions to other friends who do not know about the existence of Luxury Capsule Hotels, so if they can give recommendations on this capsule hotel to their relatives or colleagues, it will be a matter of pride for the respondents. As many as 24.4% or 47 respondents stated strongly agree with the statement that staying at Kini Luxury Capsule Hotel was great. This is because the respondents were satisfied with the facilities and services provided by the Now Luxury Capsule Hotel so that respondents felt at home staying in this capsule hotel. As many as 27.5% or 53 respondents stated strongly agree that staying at Kini Luxury Capsule Hotel is a rare experience. This is due to the lack of capsule hotels similar to Kini Luxury Capsule Hotels in Jakarta, so this experience is a rare experience for respondents, and makes respondents want to go back to stay at this hotel again. Based on the data processing from the primary data collected by researchers, general desire for unique products has a significant effect on re-purchase intention.

#### D. Re-Purchase Intention or Intention to visit again

The table above shows that most referential interests of customers who stay at this hotel strongly agree to recommend this hotel to acquaintances or other people. The positive perception of referential interest in this hotel is shown by around 110 visitors or 57% of the total respondents. Whereas the explorative interests or the desire of customers to compare the uniqueness of this hotel product with other hotel products, it was shown by 104 visitors or 53.9% of the respondent population. Then, the desire of visitors or guests who have stayed at this hotel to choose this hotel rather than other hotel products based on the unique type of product has a ratio of 50.3% or around 97 people. Overall, it can be concluded that the biggest ratio of visitors who have stayed at this hotel will have high intensity to keep returning, even recommending this hotel product to others.

#### E. Implications of this Study

Based on the results of this study, product uniqueness influences consumers' desire to repurchase (Re-purchase Intention). Thus, the indicators that make the product unique and different must be considered. This is related to innovation and creation of hoteliers. In terms of aesthetical and functional kits, the perceived uniqueness and general desire for unique products must be considered because these factors are proven to influence consumers' desire to repurchase.

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