

Business Development of Soy-Blend Scented Candle that Prioritise Performance and Safety “LLUSCENT”

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Abstract

Throughout the year, scented candles have recently increased in popularity by providing users with unique fragrances and experience. This research conducted a quantitative research using the purposive sampling method targeting women aged 17 to 45 years old that settles in Jakarta, Bogor, Depok and Tangerang (JABODETABEK), Indonesia, with a monthly spending above 3 million rupiah to further understand customer preferences for candles. Using a confidence interval of 95% and a margin error of 6%, a sample size of 278 respondents was achieved using the Slovin's formula. The study further revealed that consumers prioritize three main aspects in scented candles which are consistent fragrance release, wide fragrance dispersal, and minimalist product design. Amongst the findings of consumers' priorities, natural based candles were not included. This study gives insightful information about consumer preferences for premium scented candles within the Jabodetabek region. The obtained data have a major role in creating premium scented candles that synchronize with consumer expectations, benefitting to the success of scented candle businesses.

Keyword: scented candle; consumer preference; fragrance; business

1. Introduction

Ever since the COVID-19 tragedy, a survey by World Market Research stated that mental health is the second most important health issue in the world. Specifically in Indonesia, the caring of mental health gradually started to be part of the daily life of Indonesian citizens. A substantial number of 64% Indonesian citizens indicate a high level of awareness towards their own mental health (Debora Laksmi., 2023). Recent research by Center for Reproductive Health, University of Queensland, & Johns Bloomberg Hopkins School of Public Health in 2022 specifies that anxiety is the leading mental health case in Indonesia.

Although the pandemic disrupts the whole world, it can be considered as a blessing in disguise for some people. In the midst of mental health issues, pleasant ambient scent could be used as a countermeasure. A pleasing scent can help people by improving their mood and well-being (Haehner et al., 2016). As a result, the candle industry in Indonesia is observed to have a stable growth from the year 2020 until 2023. Following the stable growth, it is forecasted that the revenue will continue to increase by a total of 25% in the year 2029 (Statista, 2024).

In order to marginalize this opportunity, a newly established local business in Indonesia named LLUSCENT decides to enter the candle industry. LLUSCENT is a local business that operates within the home fragrance sector that offers scented candles as its core product. This business strives to be the top of mind brand in Indonesia by fulfilling the expectations of the market. At the same time, LLUSCENT will provide solutions for the market's concerns to obtain a substantial market share in the future. This research revolves around LLUSCENT with the purpose of analyzing and measuring the influence of consumer behavior towards purchase intention of scented candles. Therefore, this research will be answering: Does personalizing business models based on past consumer behavior lead to higher purchase intention in Indonesia?

2. Literature Review

2.1 Consumer Behavior towards Purchase Intention

A study on factors influencing customer purchase decision of popular candles by Amal George (2022) have a high relevancy towards this research. The study helps in understanding the factors that influence customers in their purchasing decisions, by observing all possible variables and the significance of those variables towards purchase decision. Amal George discovered that the marketing mix has a high significance towards purchase intention of scented candles. Additionally, the convenience to access product information, the frequency of purchase and the purpose of purchase are also variables that businesses should understand that affects purchase intention. Understanding consumers' purchase decision process is required to increase the chance of transaction.

2.2 Black Box Model

The Black Box Model is a consumer behavior model developed by Kotler and Armstrong (2014) to understand aspects that influence consumers. This model describes the way consumers think, make decisions or solve problems based on an external stimulus (Hermawan, 2021). The received stimuli will then be processed by internal influences which results on creating purchase decision. Knowing complex internal processes will help business owner to understand how consumers in two ways (Jisana, T. K., 2014). First, understanding

buyers' characteristics towards responding to a stimulus. Second, how the behavior affects the buyers' decision process. This model also shows that there is a relationship between external stimuli and consumers' internal thinking which gives rise to rational and active decision makers.

2.3 Purchase Intention

Purchase intention can be interpreted as how willing a consumer is to buy a product or service through a shop (Pavlou, 2003). According to Shah et. al (2012), purchase intention is the action taken after they have analyzed the reasons for buying a product or service. Apart from that, based on Kim & Ko (2012), buying interest is a combination of consumer interest and the possibility of buying the product. Thus, purchase interest or purchase decision is a consumer's desire to buy a product or service that they see through various media. Purchase interest arises when consumers conduct an analysis of a product or service. The results of this analysis will influence the possibility of transactions occurring.

3. Material and Method

3.1 Design Study

To start the research process, an adequate and relevant sample is needed. The research population is determined by LLUSCENT's market segmentation. In this case, the population used in this study were women ranging from the age of 17 - 45 years old who live in Jakarta, Bogor, Depok, Tangerang and Bekasi. Specifically, citizens with a socio-economic status of B until A2 who uses scented candle products. In this research method, Google Form media will be used for the target population spread throughout the JABODETABEK area. In determining the sample size, the Slovin formula is needed to obtain a small sample that can represent the entire population of the targeted market (Aloysius, 2021). Considering that the purpose of this research is to carry out validation, a confidence interval of 95% is used with a margin of error of 6% is deemed enough. After carrying out Slovin's calculations, it was found that the number of samples needed are 278 respondents.

The sampling technique employed is a non-probability sampling technique, specifically purposive sampling. This approach could ensure high quality and relevant samples due to the samples being selected based on the established criteria (Campbell et al., 2020). This research will be carried out using the Google Form platform, and will be distributed through online media. Screening questions are implemented at the beginning of the questionnaire to prevent any possible sampling errors.

Regarding the questionnaire, it will be distributed to predetermined respondents to assess the consumer behavior in purchasing scented candles. This survey will be carried out by including several questions on each variable to be studied using a likert scale and multiple question format. In the likert scale questions, researchers used 5 levels, which are: (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree, and (5) Strongly Agree. The process of data collecting is held for a month in December 2023.

3.2 Data Analysis

After collecting the needed data, the data will then be processed and presented in a descriptive form. Descriptive statistics is needed to obtain a general trend and information of

each variable studied so that it provides useful information (Lesmana, T. et al., 2020). Descriptive statistics function to describe or provide an overview of the object being studied through sample or population data (Aguss, R.M. et al., 2020). In this case, researchers carried out analysis of frequency and mean.

After processing the data and presenting it in a simpler form, a more in-depth analysis will be carried out to see the relationship between variables and other findings. To answer the research question, researchers utilized independent t-tests along with one-way ANOVA tests as the main method to analyze the data. All mentioned methods were used to see whether there was a real difference in purchasing intention between groups that had no relationship. That way, researchers can determine which group should be prioritized by looking at the average purchase intention of the groups.

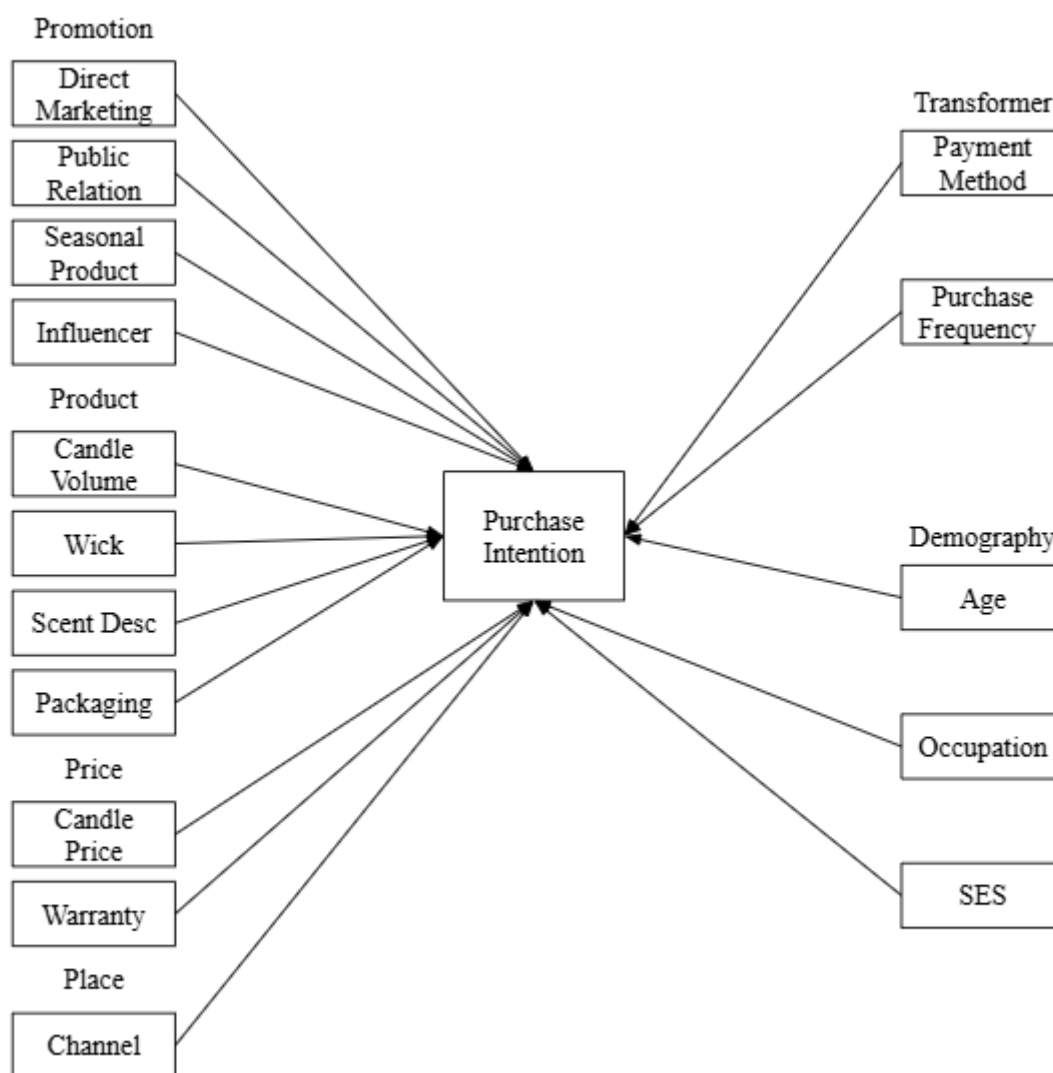


Figure 1. Research Model

Before proceeding, researchers conducted a pilot test beforehand to validate the questions. This test includes a KMO and Bartlett's Test (validity) test and assessing Cronbach alpha (reliability). This pilot test was carried out on 40 research subjects using the same method for

data collection later on. The pilot test participants are also predetermined based on LLUSCENT’s target market. To validate the methodology, researchers invited participants to report any discrepancies they identified during the pilot test.

4. Result

The validity test in this research was carried out on 40 respondents who met the sample criteria. The results of the validity test can be categorized as valid if the results of the Kaiser-Meyer-Olkin (KMO) coefficient are greater than 0.6 and if Bartlett's test significance value is below 0.05 (Wu et al., 2023). This validity test was carried out with the help of SPSS version 26. The results of the validity test can be seen in Table 1. Looking at the results of the validity test, it can be concluded that the variables used are valid. The variables used are suitable for further analysis of the sample intended by the researcher.

Table 1. Validity Test

KMO and Bartlett’s Test	
KMO Measure of Sampling Adequacy	0.823
Bartlett’s Test of Sphericity	
Approx. Chi-Square	102.777
df	15
Sig.	<0.000

The reliability test was carried out by looking at Cronbach's Alpha value on the variables used in quantitative research. An instrument or variable in quantitative research is reliable if the value obtained is greater than 0.60 (Priyatno, 2013). The test results carried out with the help of SPSS version 26 can be seen in Table 2. The results show that both tested variables are reliable because they have a value greater than 0.60. This shows that there is consistency in the answers to the variables tested. In this way, these two variables are worthy of further analysis in quantitative research.

Table 2. Reliability Test

Reliability Test	
Variable	Cronbach’s Alpha
Customer Value	0.637
Purchase Intention	0.880

After distributing the questionnaire online and obtaining 278 respondents, researchers carried out data analysis according to needs. Table 3 presents the demographic characteristics of the respondents who contributed to this research. Based on the table below, it can be seen that all respondents have met the established criteria. It was discovered that most of the respondents were in the age range of 17 - 25 years, students, and had an average expenditure of IDR 3,000,000 - IDR 5,000,000 per month.

Table 3. Demographic

Variable	Description	Frequency	Percentage(%)
Gender	Female	278	100
Age	17 - 25	134	48.2
	26 - 35	81	29.1
	36 - 45	63	22.7
Residence	Greater Jakarta Area (JABODETABEK)	278	100
Occupation	University student	116	41.7
	Employee	63	22.7
	Entrepreneur	50	18
	Housewife	38	13.7
	Student	6	2.2
	Others	5	1.7
Total Monthly Expenditure	Rp3.000.000 - Rp5.000.000	133	47.8
	Rp5.000.001 - Rp7.500.000	105	37.8
	>Rp7.500.000	40	14.4

Furthermore, as the data analysis proceeds, Figure 2 indicates all variables that are proven to have a significant difference in purchasing interest. It is recognized through this research that the mean difference in some variables is only based on chance, unable to represent a whole population. There are a total of 6 variables that do not show any statistical difference.

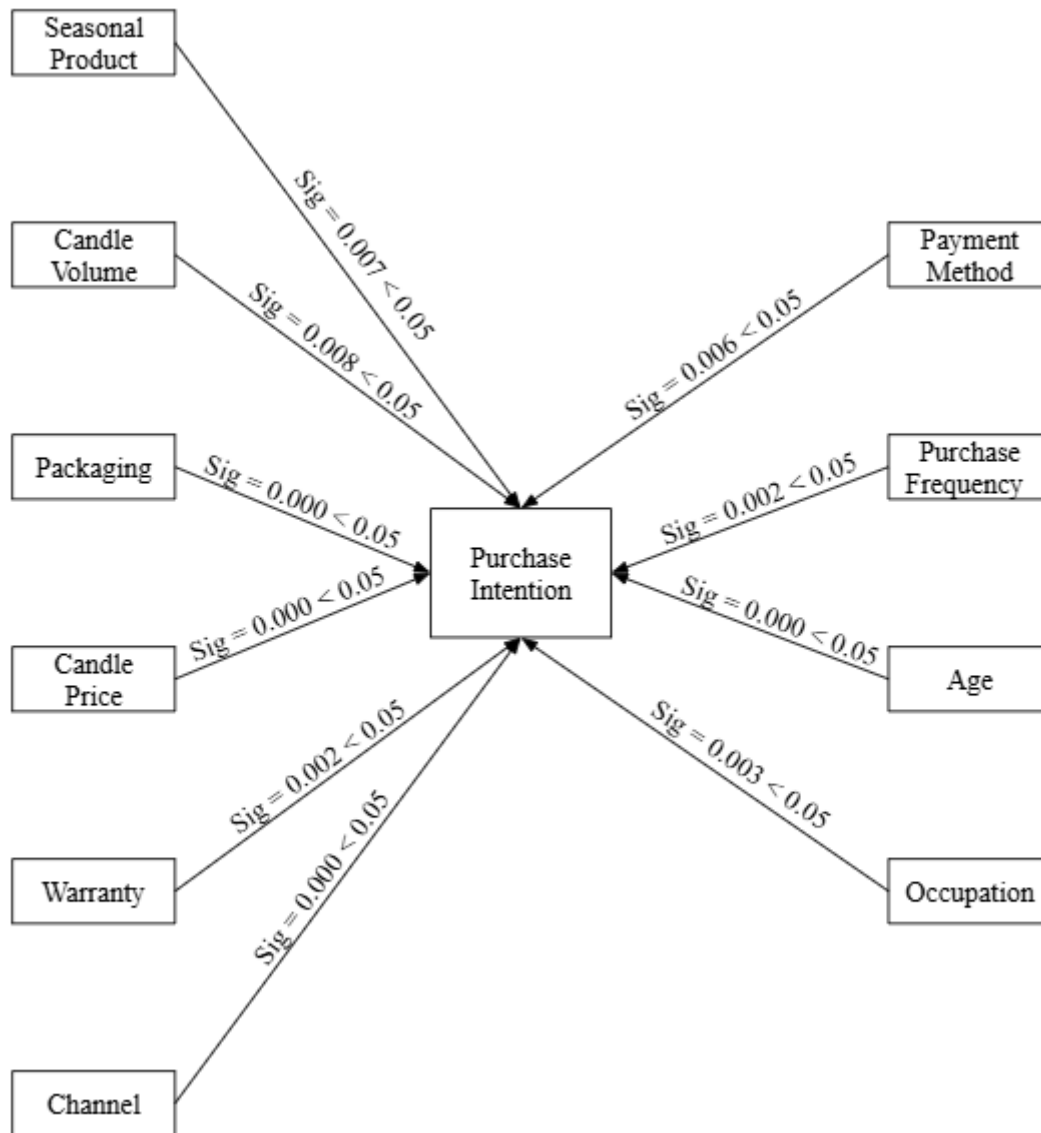


Figure 2. Significant Difference Variables

After recognizing variables with significant mean differences, it is important to further understand how each indicator on each variable affects purchase intention. Table 4 indicates how each indicators have its effect on customer’s purchase interest. In this research, the effect is measured using the mean score of purchase intention. A higher mean indicates that the chosen indicator has a higher influence on purchasing scented candles.

Table 4. Data Analysis Result

Variables	Indicators	Purchase Intention (Mean)	Percentage (%)
Seasonal Product Interest	Yes	4.11	81.3
	No	3.72	18.7
Candle Volume	Medium (100-200)	4.08	81.7

Variables	Indicators	Purchase Intention (Mean)	Percentage (%)
	grams)		
	Big (< 300 grams)	4.03	11.2
	Small (< 100 grams)	3.63	7.2
Packaging	Soft box	4.07	34.2
	Cylinder box	3.77	26.6
	Pedestal box	4.25	21.6
	Hard box	4.11	17.6
Price	Rp100.000 - Rp200.000	3.89	58.3
	Rp200.001 - Rp300.000	4.32	33.1
	<Rp100.000	3.86	6.5
	>Rp300.000	4.34	2.2
Warranty	Replacement	4.	69.1
	Money return	3.86	30.9
Purchase Channel	Online	4.15	52.2
	Offline	4.01	47.8
Payment Method	QRIS	4.00	57.9
	E-Wallet	4.29	19.4
	Bank transfer	3.97	16.2
	Card	3.82	5.4
	Cash	3.50	1.1
Purchase Frequency (A year)	1 - 2	3.91	50
	3 - 5	4.17	41.7
	6 or more	4.17	8.3
Age	17 - 25	3.84	48.2
	26 - 35	4.26	29.1

Variables	Indicators	Purchase Intention (Mean)	Percentage (%)
	36 - 45	4.17	22.7
Occupation	Tertiary education students	3.89	41.7
	Employee	4.13	22.7
	Entrepreneur	4.26	18
	Housewife	4.06	13.7
	Student	3.83	3.9

5. Discussion

This study reveals that effect of aspects in consumer behavior towards purchase intention may differ. Referring to research held by Amal George, this research works as complementary research to further observe which aspect could influence purchase intention the most. Other than that, this research is contextualized for Indonesian emerging business.

From a transaction perspective, it is known that QRIS and e-wallet payment methods were the most preferred methods to use. Interestingly, respondents who chose one of the two methods were also proven to have higher purchasing interest. Additionally, respondents have higher purchasing intentions for products with a new replacement warranty. The frequency of consumers' yearly purchases also directly changes the consumer's mindset in having more purchase intention.

Looking deeper at product preference, the results of the analysis indicated that respondents with a preference for doff jar have a higher average purchase interest. Other than that, respondents who chose soft boxes, pedestal boxes, and hard boxes also had high purchasing interest. The analysis results also show that medium-sized scented candles (100 - 200 grams) have higher purchasing interest than other sizes.

Researchers also found that respondents aged 26 - 35 years had a higher average buying interest than other age groups. The lowest purchasing interest is found in the 17 - 25-year age group. Of all the respondents' occupations, students and tertiary education students have the lowest purchase interest compared to other occupations.

6. Conclusion, Implication, and Recommendation

In conclusion, this research succeeded in identifying specific factors in consumer behavior that significantly influence purchasing intentions for scented candles in Indonesia. Additionally, this research provides valuable insights into consumer profiles and preferences. These findings could empower local businesses to develop targeted products and marketing strategies that suit the Indonesian market. Even if it serves as a valuable starting point, limitations still exist.

This research has a defined yet limited scope due to time and resource limitations. This study only targeted a specific market within one month. The information obtained would be

less accurate for different markets and different customers. Generalizing the findings would be a challenge. Due to the limited resources, this research focuses on depth instead of reaching a wider range of populations.

Not to mention, consumer behavior and purchasing habits are dynamic or could change rapidly within a period. Many factors are changing that could influence the market perception towards a product or a business in general. A short duration research is forced to neglect such dynamism that exist in the market. A sudden change in trend could also influence the research in a bad way. Obtained data could be invalid and unreliable as the market evolves.

To address these limitations and further enhance the quality of future research, some efforts can be implemented. To broaden the research findings, an alternative for not increasing the research duration is to use various approaches. Future research could try employing different consumer behavior models that might offer a general understanding of a wider population. If future researchers decide to extend the duration of research, conducting several pilot tests throughout the research could be beneficial. Pilot testing will ensure that the chosen methods remain relevant amid evolving markets.

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