

HEDONIC VALUE AND UTILITARIAN VALUE IN FOOD TRUCK BUSINESS: A QUALITATIVE PERSPECTIVE

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Abstract

The culinary industry grows and develops because of the phenomenon of the growth and development of the street food business. One of the developments in the way food and beverage is served is selling via trucks or "mobile restaurants", better known as Food truck. The growth of the Food Truck business shows significant growth due to the increasing behavior of people's consumption of food and beverages offered by the Food Truck media. This research is a qualitative research. This study uses respondents who have made purchase transactions at the food truck business in Jambi City. At this qualitative stage, the themes and sub-themes of the research were obtained. The hedonic value theme has sub-themes in the form of fun, curiosity, entertainment, variety of product flavors, hygienic factors, creativity and innovation, as well as attracting attention. The utilitarian value theme has sub-themes in the form of time efficiency, affordable prices, practicality and strategic location. While on the purchasing decision theme, there are sub-themes in the form of convenience when buying, information from friends and family and product attributes as needed.

Keywords: Hedonic Value, Utilitarian Value, Purchasing Decision, Food Truck Business

Introduction

Based on data released by the Indonesian Ministry of Industry (KEMENPERIN) in 2018, it was stated that the food/food and beverage sector succeeded in contributing to the National Gross Domestic Product (GDP) of 6.43% of the total existing sectors. Given the popularity of the food business today, it is predicted that it will continue to grow. Especially when right now it is currently sure that the creative industry sector is being intensively promoted by the government. One of the sub-sectors is the culinary industry.

Over the past few decades, the food sector has continued to face constant and dynamic increasing competition. This competition involves people's lifestyles and eating habits that are increasingly dynamic (Alfiero et al., 2017). One result of this change in habits is the emergence of street food. According to the FAO, "Street foods are ready-to-eat foods and beverages prepared and/or sold by vendors or hawkers, especially in the streets and other similar places". One type of street food that is currently being developed is the way of selling through trucks or "walking restaurants", better known as Food truck.

In the United States the Food Truck business has grown over the last five years (Anenberg and Kung, 2015). There are over 35,000 active food truck in the US. More than 40,000 people work in the food truck industry. The average annual food truck industry growth before COVID-19 was 7.5%. The food truck market size in 2022 surpassed 1.2 billion dollars. In Indonesia itself, the Food Truck industry began to enter Indonesia in 2013. Since then, the Food Truck business has continued to grow and develop from year to year. To accommodate this business, there is the Indonesian Food Truck Association (AFTI) whose function is to form a network between food truck entrepreneurs throughout Indonesia. In this regard, the Food Truck business in Jambi City continues to grow and develop with various types of food and beverages on offer.

Arnold and Reynolds (2003) and Lim and Ang (2008) concluded that in general, a person's consumption behavior is based on two factors, namely entertainment factors and emotional values or hedonic values, as well as instrumental factors and rational values or utilitarian values. Then, (S. Lee & Kim, 2018) added that hedonic values are more experiential, while utilitarian values involve suppressing information and highlighting the consumption process itself. Meanwhile, on the other side Overby and Lee (2006) assert that hedonic values refer to the overall assessment of the experience against benefits and sacrifices received, such as joy and pleasure, whereas utilitarian values consider the overall assessment of functional benefits and tradeoffs, such as economic value and time-saving judgments. In the case of choosing a food truck as an alternative to choosing food, most customers also use hedonic and utilitarian values in determining purchasing decisions (Mohd Ramly et al., 2019).

In this regard, research on hedonic values and utilitarian values in the food business was conducted by, among others, (Ghali, 2020) in Tunisia which states that hedonic and utilitarian values have a significant influence on customer desire to buy olive oil products. Utilitarian values have a greater influence, especially in giving consumers thoughts about the value of organic food is better for health. Supporting this statement, research (C.-H. Lee & Wu, 2017) added that the utilitarian value has a greater impact than the hedonic value on customer satisfaction, but the hedonic factor contributes to the possibility of customers making unplanned buying.

Meanwhile, research on hedonic and utilitarian values in the Food Truck business was carried out by (Mohd Ramly et al., 2019, 2020) in Malaysia which states that hedonic and utilitarian values provide a significant relationship between customer satisfaction and customer intention to visit a food truck. Meanwhile, (Choi et al., 2020) stated that of the six identified food truck selection attributes (i.e., marketing/organization, food quality/value, service quality, dietary considerations, reputation, and experience), food quality/value ranked highest among food truck customer indicators the. The quality or value of this food is reflected in being health conscious, price oriented, taste oriented, and comfort oriented.

The phenomenon of the development of the food truck business is interesting to study considering that there is no research gap in the form of no research on Food truck seen from management and business science in Jambi City. So that this research is entitled **Hedonic Value and Utilitarian Value in Food Truck Business: A Qualitative Perspective.**

Methods

This research is a qualitative research. This qualitative stage is using respondents who have made purchase transactions at the food truck business in Jambi City. The information that has been obtained is then processed with the NVIVO 11 Pro software. At this qualitative stage, the themes and sub-themes of the research were obtained.

Results and Discussion

The qualitative stage of this research was carried out by tabulating the results of the questionnaire and then inputting it into the Nvivo Pro 11 software. Based on the results of the Nvivo calculation output, the following figure is shown:



Figure 1. Word Cloud

Based on the picture, it can be seen that the words that appear most often in the highest order in the questionnaire answered by respondents are: product, convenience, need, information, buying, efficiency, time and so on.

Then the Nvivo output results in the form of a project map, which can be seen in the following figure:

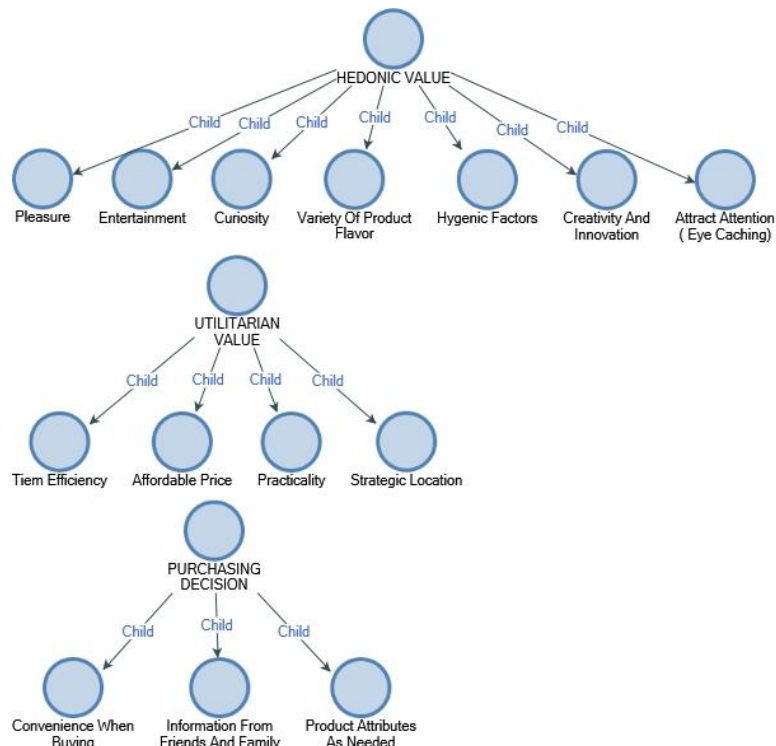


Figure 2. Project Map Purchasing Decision, Hedonic Value and Utilitarian Value

Based on the results of NVivo's output in the form of a hedonic value and utilitarian value project map in the food truck business, it can be concluded that the hedonic value variable consists of 7 indicators, these are: pleasure, curiosity, entertainment, variety of product flavors, hygiene factors, creativity and innovation, and attract attention (eye-catching). This means that the emotional value that arises from purchasing decisions in the Food Truck business is based on pleasure, curiosity, entertainment, variety of flavors from products sold by food truck, hygienic factors offered by food products in food truck, creativity and innovation, as well as the ability of the food truck to attract the attention of (eye-catching) customers and potential customers.

Meanwhile, the utilitarian value variable consists of 4 indicators, these are: time efficiency, affordable prices, practicality and strategic location. It can be defined that the rational factors that are owned by customers and potential food truck customers in making purchasing decisions are based on the time efficiency obtained when buying from a food truck, a more affordable price, the practical value offered by the product in a food truck and the location of the food truck. strategic trucks and easily accessible to buyers.

On the other hand, the purchasing decision variables consist of convenience when buying, information from friends or family and product attributes as needed. From this, it can be explained that the purchasing decisions of customers and prospective customers in the food truck business are seen in the convenience obtained when buying, the desire to provide information to friends or family and the product's ability to meet needs.

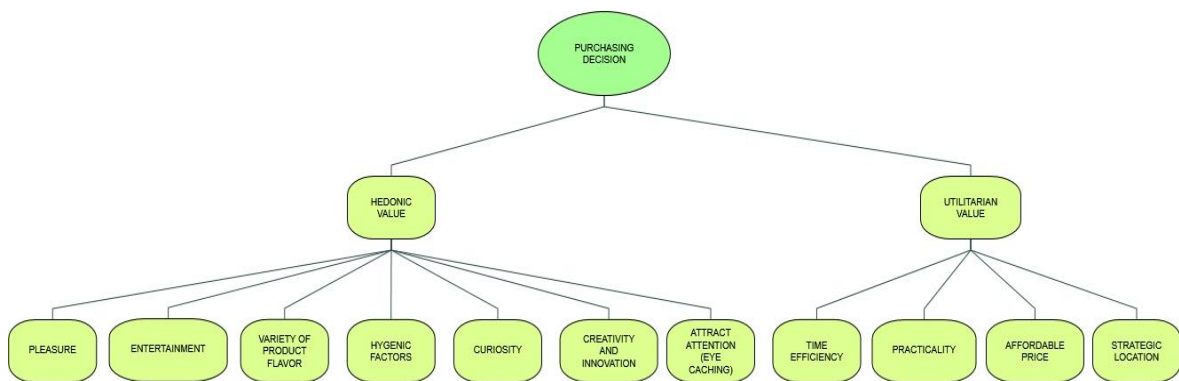


Figure 3. Mind Mapping Purchasing Decision, Hedonic Value and Utilitarian Value

This finding complements the research conducted Overby and Lee (2006), (Ghali, 2020) in Tunisia which states that hedonic and utilitarian values have a significant influence on customer desires. As well as research

(C.-H. Lee & Wu, 2017) which states that the utilitarian value has a greater impact than the hedonic value on customer satisfaction, but the hedonic value contributes to the customer in making unplanned buying.

These findings also support research (Mohd Ramly et al., 2019, 2020) on the food truck business in Malaysia which states that hedonic and utilitarian values provide a significant relationship between customer satisfaction and customer intention to visit a food truck. As well as completing research (Choi et al., 2020) states that the quality/value of food is the highest indicator considered by customers in deciding to purchase at a food truck.

Conclusion

Based on this explanation, the conclusion of this study is that there are 3 variables, namely hedonic value, utilitarian value and purchasing decisions in the food truck business. After calculating using NVIVO, the themes and sub-themes are obtained. The hedonic value theme has sub-themes in the form of fun, curiosity, entertainment, variety of product flavors, hygienic factors, creativity and innovation, as well as attracting attention. The utilitarian value theme has sub-themes in the form of time efficiency, affordable prices, practicality and strategic location. While on the purchasing decision theme, there are sub-themes in the form of convenience when buying, information from friends and family and product attributes as needed.

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