

## Research Article

# Perception of Environmentally Friendly Packaging in Micro and Small Enterprises for Business Development

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### Abstract.

The use of environmentally friendly packaging for MSME business actors has become a trend for business activists in the MSME sector. Eco-friendly packaging has an indirect impact on the environment and in terms of the business itself. Darmabox, as one of the startups, is an environmentally friendly packaging manufacturer. The advantages of eco-friendly packaging offered by Darmabox are the main attraction in terms of shape and aesthetics. This study aimed to determine the perceptions of SMEs towards environmentally friendly packaging and the motives of SMEs in using environmentally friendly packaging. The method used in this research was qualitative phenomenology, which was conducted through interviews with Darmabox customers. The results of this study indicated that SMEs already have an understanding of environmentally friendly packaging. However, the biggest obstacle is related to the price of environmentally friendly packaging, which is relatively expensive compared to polymer-based packaging. The results of the study also showed that the motives of business actors in choosing environmentally friendly packaging are a form of support in encouraging marketing activities.

**Keywords:** aesthetics, environmentally friendly, packaging, shape, SMEs

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## 1. Introduction

Eco-friendly packaging is currently a trend and an important thing that every entrepreneur needs to pay attention to. In Indonesia, almost 70% of MSME food entrepreneurs have used environmentally friendly packaging, and 40% of entrepreneurs in other fields have also started using environmentally friendly packaging, considering that environmentally friendly packaging will easily decompose and not pollute the environment [1]. In its future development, environmentally friendly packaging will continue to be a trend that is increasingly favored by MSMEs, in Malang City, Darmabox is one of the businesses that sells environmentally friendly packaging.

Darmabox is a business of making Packaging Boxes made from “Corrugated boxes/cardboards” which are useful as product packaging as well as boxes for shipping

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a product. Box products from Darmabox are intended for home industry products and online shop products in Indonesia, especially for StartUps who have just started their business. so we decided to make a ready stock business model so that customers can buy in affordable quantities and also at more competitive prices. Darmabox has studied the behavior, and habits of the needs of the home industry or Online shop (StartUp) in Indonesia for product packaging. Darmabox strives to answer these packaging needs by serving purchases with a very affordable minimum order so that we can help start-ups to develop their business.

In addition to answering the need for quality cardboard packaging and at least an affordable purchase, the background for establishing a business is to answer the need and encourage the use of environmentally friendly packaging. At this time, researchers argue that the use of packaging with environmentally friendly materials has begun to be favored by business people in Indonesia. At this time the use of plastic materials as packaging is a big problem. So far, plastic material is still the choice because it has various advantages, plastic is considered to have a much lower production cost than other packaging materials, and is strong and durable [2]. Plastics that are molded into packaging account for 36% of all plastics currently produced. This causes plastic packaging to contribute 47% of all existing plastic waste [3]. The production and use of plastic materials continue to increase. It is estimated that around 6.3 billion tons of plastic were produced worldwide from 1950 to 2018, and single-use plastics accounted for the largest contribution to plastic production in the world [4].

To overcome the problem of packaging that uses plastic, now many companies in the packaging sector are creating packaging made from environmentally friendly materials. Green products or also known as ecological products or environmentally friendly products are products with safe, non-toxic, recyclable ingredients, and use environmentally friendly packaging to reduce negative impacts [5]. With the development of online-based SMEs, the need for packaging also increases. Unfortunately, most of them still use plastic as the main material. This of course will further increase environmental damage. To prevent more severe environmental damage, packaging companies offer solutions in the form of environmentally friendly packaging. This product is usually made of paper [6].

## 2. Methods

This study fully uses phenomenological qualitative methods [7]. By conducting semi-structured interviews to find data. Semi-structured interviews were conducted to gather information related to the perceptions of users of DARMA BOX eco-friendly packaging towards two types of main informants, namely business owners and MSME players as customers, not only that, Bahar Laksamana and Fahrizal who are still students at Bina Nusantara University as the interviewers. Semi-structured interviews were conducted with 3 business owners to find out the perceptions and factors of MSME players using environmentally friendly packaging, as well as the perceived benefits related to the DARMA BOX business [8].

While the interviews were conducted with 5 MSME actors using the purposive sampling method which aimed to find out the perceptions of MSME actors as consumers of DARMA BOX, not only that the interview was conducted 1 time for each informant at different times to question the perceptions of each actor MSMEs. Then the interview data was transcribed into written form and reduced, after which the data was processed with NVIVO 12 Plus using the word frequency feature, hierarchy diagrams, and concept maps used for the triangulation method. Data that has been completed is displayed for re-checking using the member-checking method, which means that the processed data is seen with facts that have been found in the field during observations and interviews.

## 3. Results and Discussion

### 3.1. MSME perception of environmentally friendly packaging

#### 3.1.1. Environment

The word environment explains that good packaging is packaging that does not hurt the environment. Packaging should be able to continue to play a maximum role in fulfilling the function of the packaging itself without having to sacrifice the surrounding environment due to the difficulty of the packaging to be decomposed after use.

#### 3.1.2. Not using plastic

Informants stated that environmentally friendly packaging is identical to packaging that does not use plastic. This is because the use of plastic is very much against the

concept of being environmentally friendly. Packaging with plastic raw materials cannot represent an environmentally friendly image, because plastic packaging is very difficult to decompose and causes many negative impacts on the environment and health.

### 3.1.3. Friendly

The word friendly shows that the use of environmentally friendly packaging supports maintaining the ecosystem. The use of environmentally friendly packaging is very crucial for the industry, especially in giving an impact on environmental sustainability. The main contribution that a business can make is not only through profit and community empowerment. The existence of today's business must also be able to contribute, especially to the preservation of the environment and ecosystem.

### 3.1.4. Good

According to the informant, environmentally friendly packaging is considered to have something good in terms of function and design. The design of environmentally friendly packaging is considered to have characteristics that are more elegant and exclusive. Through the form of environmentally friendly packaging that can be designed as attractive as possible, it can attract and attract consumers. The use of environmentally friendly packaging, especially packaging made from paper, has also been carried out by brands from big companies, for example, ZARA, which is currently using shopping bag packaging made from kraft paper with a natural brown color. This kind of packaging is considered more elegant even with a simple appearance. The steps of large companies in using environmentally friendly packaging also influence and encourage the MSME industry to use environmentally friendly packaging. From the informant's explanation, information was obtained that the current trend of using environmentally friendly packaging is being of great interest, especially for MSME business activists. The shift in the use of packaging applications is currently focused on the use of packaging that is environmentally friendly and has an aesthetic side. This condition is also supported by the zero-waste movement which encourages the reduction of the use of plastic bags. Alternative use of environmentally friendly packaging is also a form of substitution for packaging materials.

### 3.1.5. Paper

Environmentally friendly packaging is identical to packaging that uses paper-based materials. This is because paper-based packaging is easier to decompose by the soil, so the use of paper-based packaging will not pollute the environment. Besides being easy to decompose by soil, paper packaging is also easier to recycle.

### 3.1.6. Expensive price

The use of environmentally friendly packaging also needs to be considered in terms of price. In general, the price of environmentally friendly packaging is still considered quite expensive. Compared to the selling price of plastic with a range of Rp. 5,000 – Rp. 12,000 with a total content of up to 100 sheets, while the environmentally friendly packaging is priced at a price range of Rp. 1,500 – Rp. 2,500 for each unit. The cost of packaging, of course, must also be considered by every entrepreneur. Apart from the costs offered, these costs are also the value of a package offered.

### 3.1.7. Now

Now it represents that currently, environmentally friendly packaging has begun to be attracted and used in various business sectors. The use of environmentally friendly packaging has begun to develop among MSMEs in Indonesia because environmentally friendly packaging is considered to be able to help increase the value of the product. In addition, public awareness that is starting to increase regarding environmental conservation is also one of the factors driving the use of environmentally friendly packaging.

### 3.1.8. Later value

According to the informant, environmentally friendly packaging is also a breakthrough and added value for business actors who have used it. Not only does it not pollute the environment, but also the materials used are not harmful to users, especially for health, so that with this environmentally friendly packaging is considered to have a different value and will also have an increasingly positive value in the community. Besides that, environmentally friendly packaging can be used as a means of promotion or green promotion so that it can increase consumer purchasing power for a product. The negative stigma of society towards the use of plastic is also one of the opportunities and values

that environmentally friendly packaging can offer to its users. By using environmentally friendly packaging, users will feel participating in protecting the environment.

### 3.2. Correlation of environmentally friendly packaging with producer products

Based on the results of research environmentally friendly packaging has a relationship and is closely related to the products used by MSME business actors, among others as follows:

#### 3.2.1. Safe eco-friendly packaging for food products

The eco-friendly packaging used is safe for food products and does not harm the health of both children and adults. Because compared to plastic or styrofoam packaging, environmentally friendly packaging or packaging with a base material of 48 paper is safer for use in food products. Please note that food products that are packaged using plastic packaging have a hazard to the health of the body. One of the negative impacts of using plastic in food is that it can interfere with the performance of the human body. This kind of disturbance can occur because Bisphenol A (BPA) is one of the compounds contained in plastic. So the content of BPA can interfere with the performance of the estrogen receptor. In addition, the content of addictive substances also has an effect on hormonal changes, cancer, nervous system disorders, heart disease, diabetes, and thyroid dysfunction, and can also cause births with multiple sex children. used anywhere and not only that but environmentally friendly packaging can also be recycled back into products that can be of high selling value and are also innovative. However, food products themselves, still need additional materials such as plastic, so you don't want to use plastic. Here is one of the answers from the informant.

*"In terms of packaging, it looks like mine, it's simple, natural brown in color, and doesn't smell bad either. So basically what I think is if we see that we kiss is safe, it means that it is environmentally friendly, bro. Sometimes if we see what we feel against us, it's not friendly*

*sir".*

In addition to the information above, the researchers also found that environmentally friendly packaging is packaging that does not change the content or structure of food under various conditions, as explained by informant R3.

*“In my opinion, it is environmentally friendly that can be recycled, and can be used again. There is packaging for foods that are plastic. Then the name of the food gets hot, it will affect the mas if you use packaging like that. So what is safe for food, can continue to be used again. Then it’s cheaper too if it’s environmentally friendly”*

From this, it can be concluded that environmentally friendly packaging is safe for food products and does not pollute the environment. Based on research Mukhtar and Nurif explains that packaging must protect products against various possibilities that can cause damage to goods, for example, weather, sunlight, falls, piles, germs, insects, and others [9]. Damage caused by materials that are not environmentally friendly is when a package contaminates the content of a product or food because of the packaging material, for example, when plastic packaging contaminates food products due to high temperatures, then food packaging with pungent ink. In terms of the environment, good packaging does not pollute and can be decomposed properly. The trend in society lately is the concern about pollution, one of which is waste disposal. Meanwhile, the packaging is one of the biggest contributors to waste. An entrepreneur must be able to analyze the market and design products well to take advantage of the opportunities that exist. In addition to being a container, the packaging is also one of the factors that can be the attraction of a product to the consumer itself.

### **3.3. The function of environmentally friendly packaging as a means of promotion**

Based on the results of interviews, researchers found information that environmentally friendly packaging can be used as a promotional strategy, this is because using environmentally friendly packaging will create a positive impression and also good sympathy from consumers for a product.

*“If you use a box like that, it’s good to get, it’s environmentally friendly, you get luxury, and I’m happy now, using this box the level of unboxing is high, so without us asking the customer to make their unboxing video, it’s a promotion for us too. ”*

The explanation above explains that by utilizing the added value of environmentally friendly packaging, business actors can increase the selling value and attractiveness of a product. Environmentally friendly has been widely used by large companies as a marketing campaign for their products, this is because the issue of being environmentally friendly has always been a sensitive topic. Taking advantage of this sensitivity, many companies use it as a promotional strategy because it is considered very effective.

Based on research Ratnawati and Putranti researchers explain that increasing environmental problems have increased consumer interest in environmentally friendly products and packaging [10]. Eco-labels and environmentally friendly products are increasingly being promoted by companies. Researchers have studied the effect of environmentally friendly marketing strategies on consumer buying interest. Environmentally friendly marketing and branding techniques provide a positive perception among consumers. Consumers are willing to buy environmentally friendly products when companies educate them about their environmentally friendly products properly, but unfortunately, many companies have not been able to inform them properly [11].

### 3.3.1. In the future, all products use environmentally friendly packaging

Environmentally friendly packaging, which is currently being used by many business actors, will continue to be used by most food and beverage products, fashion, electronics, and others. According to the informant, if their product uses environmentally friendly packaging, it can provide added value as well as a luxurious and exclusive impression [12]. Products that are packaged in environmentally friendly packaging will also give a more positive image. Through the trend of using environmentally friendly packaging, it can indirectly provide understanding and encouragement in maintaining environmental balance. This can also have the opportunity to encourage people's lifestyles in determining preferences for the use of packaging for the sake of nature preservation. Here is one of the answers from informant R1

*"It seems that it will be shifted soon, maybe in 5 years, more people will use boxes than use plastic. If it has to do with environmentally friendly packaging with my product It's like adding value. It's like we have a shop but we don't just sell it, but there is a plus for the environment, so replacing plastic packaging is the same as being environmentally friendly. Then it looks more luxurious, many people like it."*

## 4. Conclusion

Based on these results, it can be concluded that environmentally friendly packaging has a greater opportunity in the future, this is because environmentally friendly packaging has its value and benefits for the environment. In addition, public awareness will also shift the habit of using plastic packaging to more environmentally friendly packaging. The same thing was conveyed by Santoso and Fitriani who stated that green packaging had a significant effect on consumer perceptions [11]. Environmentally friendly packaging



can provide an understanding that the packaging indirectly contributes to the safety of nature. In addition, green products also have better quality in terms of shape and material and can affect the image of a brand.

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