

The Impression That I Get: The Influence of Brand Equity on Purchase Decisions

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ABSTRACT

This study aims to determine the effect of brand equity on purchasing decisions in which there are four variables: (1) the effect of brand awareness on purchasing decisions at PT. Sarana Sinar Sulawesi (SSS) in South Sulawesi Province. (2) The influence of brand association of purchasing decisions at PT. Sarana Sinar Sulawesi in South Sulawesi Province. (3) The effect of perceived quality on purchasing decisions at PT. Sarana Sinar Sulawesi (SSS) in South Sulawesi Province. The population in this study were all consumers of PT. Sarana Sinar Sulawesi in 2017, while the sample taken was 100 respondents. The data analysis technique used was multiple regression analysis using two statistical method tests, namely partial test (t test) and simultaneous test (f test). The results of this study indicate that multiple regression analysis, the regression equation $Y = 13.342 + 0.100X_1 + 0.295X_2 + 0.015X_3 + 0.198X_4 + 4.202$ is obtained. Based on statistical data analysis, all variables are valid and reliable. In the classical assumption test, it is stated that all indicators are normally distributed and there is a significant linear relationship between each independent variable and the dependent variable. The coefficient of determination test results shows that 74% of purchasing decisions at PT. Sarana Sinar Sulawesi is influenced by the variables examined in this study.

Keywords: Consumers behaviours; Brand Equity; Purchase Decisions.

INTRODUCTION

The level of competition in the industrial world is currently growing every year. The company's competition for consumers is no longer limited to product functional attributes such as the usability of a product, but has been associated with a brand that is able to provide an image of a product (Ramli, 2020). A brand is not just a name or differentiator between a product and other products, but a brand is also able to provide certain associations in the minds of consumers. A prestigious brand can be said to have strong brand equity. According to Haeruddin (2021), brand equity is a set of assets owned by the brand's customers, distribution channel members, and companies that enable a brand to gain strength, durability, and an advantage that can differentiate it from competing brands.

Brand equity is determined by four main elements, namely brand awareness, brand association, perceived quality, and brand loyalty (Aaker, 2013). Purchasing decisions are the stages that consumers go through in determining choices about products and services to be purchased or not (Kotler, 2007). Decision making itself is a process that consists of several stages. Purchase decision is an action taken by individuals as consumers in choosing a product. Purchase decisions are usually based on the brand image of a product rather than anything else.

METHOD

The sample size is determined by using the Slovin formula. It was calculated around 98, 8235294 which rounded up to 100. There are two ways to collect the data that will be needed to carry out the analysis in this study. Firstly, primary data collection which including observation and questionnaire (Sudaryono, 2016). Next is secondary data collection. Secondary data is obtained from data provided by the company or agency such as organizational structure and company history. It is also employed the multiple regression analysis in order to explore the relationship among variables. It can be seen as follows:

$$y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

y = consumer's purchase decision

a = Constant

b₁, b₂, b₃, b₄ = Regression Coefficient

X₁ = Brand Awareness

X₂ = Brand Association

X₃ = Perceived Quality

X₄ = Brand Loyalty

e = Standard Error

Hypothesis testing conducted in this study aims to determine the effect of the independent variable (brand equity) on the dependent variable (purchase decision). This test consists of t-test (partial test), F-test (simultaneous test) and analysis of the coefficient of determination (R²). The coefficient of determination is used to measure the influence of the independent variable on the dependent variable. If the value of R² is obtained close to 1, then the relationship of the independent variable to the dependent variable is getting stronger. Conversely, if the value of R² is obtained close to 0 then the relationship of the independent variable to the dependent variable is getting weaker (Sugiyono, 2013).

Variable Operational Measurement

Table 1
Measurement of Variables and Indicators

Variable (1)	Concepts (2)	Indicators (3)
X1 (Durianto, et al.)	<i>Brand Awareness</i>	<ol style="list-style-type: none"> 1. Brand recall 2. How well do consumers recognize the brand 3. Become an alternative brand when buying a product 4. Remembering the brand when using a competitor's product
X2 (Durianto, et al.)	<i>Brand Association</i>	<ol style="list-style-type: none"> 1. Product attributes (tangible and intangible) 2. Relative price 3. Usage
X3 (Durianto, et al.)	<i>Perceived Quality</i>	<ol style="list-style-type: none"> 1. Consistent quality brand 2. The product is good 3. Consistent performance 4. Product defects are rare
X4 (Aaker)	<i>Brand Loyalty</i>	<ol style="list-style-type: none"> 1. Brands make consumers feel loyal 2. Brand is the first choice 3. Brands are used regularly 4. Brands become recommendations
Y (Kotler)	<i>Buying Decision</i>	<ol style="list-style-type: none"> 1. Purpose in buying a product 2. Considerations in buying 3. Stability in a product 4. Recommendation to others 5. Repurchase

RESULT AND DISCUSSION

This study uses a Likert scale with the highest weight on questions is 5 and the lowest weight is 1. With a total of 100 people, then:

$$\text{Range} = \frac{\text{highest score} - \text{lowest score}}{\text{Score range}}$$

Where:

$$\text{Highest score: } 5 \times 100 = 500$$

$$\text{Lowest score : } 100 \times 1 = 100$$

$$\text{Range} = \frac{500 - 100}{5}$$

$$= 80$$

Score Range:

$$100 - 180 = \text{Very Low}$$

$$181 - 260 = \text{Low}$$

$$261 - 340 = \text{Enough}$$

$$341 - 420 = \text{Height}$$

421– 500 = Very High

Index Analysis

1. Analysis of Brand Awareness Variables

Based on the four indicators of the brand awareness variable in table X1 above, it can be seen that the highest index value of the respondents' answers from the four indicators of the brand awareness variable is indicator (3) of 452. This indicates that the SSS brand greatly influences consumers' choices or choices when choosing cup products. plastic cups. Then indicator (4) with an index value of 422 where this shows that many customers will still remember SSS brand products when using competing products. Then indicator (1), which indicates that the customer will recall the SSS brand if given a clue about the plastic cup product with an index value of 392, then indicator (2), which means that the customer knows more about the SSS brand with an index value of 358.

2. Analysis of Brand Association

Based on the three indicators of brand association variables in table X2 above, it shows that the highest index value of respondents' answers from the three indicators of brand association variables is indicator (3), which is 450 which indicates that the products produced by PT. Sarana Sinar Sulawesi is in accordance with the uses required by consumers. Then followed by indicator (2) of 432. This shows that the product of PT. Sarana Sinar Sulawesi has a price that is relatively in accordance with the quality of the products produced. Then the last indicator is indicator (1) with an index value of 386 which means the products produced by PT. Sarana Sinar Sulawesi has product attributes (tangible and intangible) that customers always remember.

3. Analysis of Perceived Quality Variables

Based on the four indicators of the quality perception variable in table X3 above, it shows that the highest index value of the respondents from the four indicators of the quality perception variable is indicator (2), where the product produced by PT. Sarana Sinar Sulawesi has good quality with an index value of 470, then indicator (1), product quality of PT. Sarana Sinar Sulawesi is in accordance with expectations and is consistent or does not change with an index value of 466, then indicator (4), the product produced by PT. Sarana Sinar Sulawesi rarely occurs product defects with an index value of 454, then indicator (3), the performance of services offered by PT. Sarana Sinar Sulawesi is in accordance with customer expectations and is consistent with the index value of 446.

4. Analysis of Brand Loyalty Variables

Based on the four indicators of the brand loyalty variable in the table above, it shows that the highest index value of the respondents' answers from the five indicators of the brand loyalty variable is indicator (2), when choosing a plastic cup product, the SSS brand will be the first choice with an index value of 424, then the indicator (3), where the customer will recommend the SSS brand to others with an index value of 423, then indicator (4), the customer will recommend the PT. Sarana Sinar Sulawesi brand to others with an index value of 396, and indicator (1) where the PT. Sarana Sinar Sulawesi brand makes customers feel loyal with index value 384.

5. Analysis of Purchase Decision Variables

Based on the five indicators of purchasing decision variables in table Y above, it shows that the highest index value of respondents' answers from the five indicators of purchasing decision variables is indicator (5), where customers will make repeat purchases at PT. Sarana Sinar Sulawesi with an index value of 470, then indicator (3), where the customer makes several considerations about product quality before making a purchase at PT. Sarana Sinar Sulawesi

with an index value of 468, then indicator (1), where customers make purchases at PT. Sarana Sinar Sulawesi because according to needs with an index value of 466, then indicator (4), customers will recommend PT. Sarana Sinar Sulawesi to other people who need a similar product with an index value of 446, and indicator (2), namely that the customer makes a purchase and considers the quality of the product before making a purchase at PT. Sarana Sinar Sulawesi with an index value of 362.

Result Analysis Method

1. Validity Test

In the Validity Test, it was explained that all statement items of brand awareness variables (X1), brand associations (X2), perceived quality (X3), brand loyalty (X4), and purchase decisions (Y) showed valid numbers. Where $r_{count} > r_{table}$.

2. Reliability Test

In the Reliability Test there is a Cronbach's Alpha value. In accordance with the reliability scale category in the table, the instrument used in this study is declared reliable because it shows a number greater than 0.60.

Data Analysis

From the table above, taking into account the numbers in the Unstandardized Coefficients Beta column, the multiple regression equation can be arranged as follows:

$$Y = 13.342 + 0.100X_1 + 0.295X_2 + 0.015X_3 + 0.198X_4 + 4.202$$

The regression equation model that can be written from these results in the form of standardized equations is as follows:

- a) The constant coefficient of 13,432 is positive, which indicates that if the independent variables, namely Brand Awareness, Brand Association, Quality Perception, and Brand Loyalty are constant, then the level of sales at PT. Sarana Sinar Sulawesi experienced an increase of 13,432.
- b) The regression coefficient of the brand awareness variable is 0.100, which means that brand awareness has a positive effect on purchasing decisions at PT. Sarana Sinar Sulawesi . This means that each increase in the level of brand awareness increases the purchase decision will increase by 0.100.
- c) The regression coefficient of the brand association variable of 0.295 means that the brand association has a positive effect on purchasing decisions where each brand association increases, then the purchase decision will increase by 0.295.
- d) The regression coefficient of the perceived quality variable of 0.015 means that perceived quality has a positive influence on purchasing decisions. This shows that the perception of quality increases, the purchase decision will increase by 0.015.
- e) Brand loyalty regression coefficient of 0.198 means that brand loyalty has a positive effect on purchasing decisions. This means that every time brand loyalty increases, the purchase decision will increase by 0.198.

Hypothesis Test

In the T Test (Partial Test), the following explanation can be obtained:

1. Brand Awareness
The results of testing with SPSS for brand awareness (X1) obtained a value of $t_{count} = 1.007$ with a significance value of $0.316 > 0.05$. This shows that brand awareness has no positive and insignificant effect on purchasing decisions at PT. Sarana Sinar Sulawesi.
2. Brand Association
The results of testing with SPSS for brand association (X2) obtained a value of $t_{count} = 2.173$ with a significance of $0.032 < 0.05$, with this the second hypothesis is accepted. This shows that brand associations have a positive and significant effect on purchasing decisions at PT. Sarana Sinar Sulawesi. It also shows that H2 is accepted and H0 is rejected.
3. Perceived Quality
The results of testing with SPSS for perceived quality (X3) obtained a value of $t_{count} = 0.111$ with a significance value of $0.912 > 0.05$. This shows that perceived quality has no positive and insignificant effect on purchasing decisions at PT. Sarana Sinar Sulawesi.
4. Brand Loyalty
The test results with SPSS for Brand Loyalty (X4) obtained the value of $t_{count} = 1.855$ with a significance value of $0.067 > 0.05$. This shows that brand loyalty has no positive and insignificant effect on purchasing decisions at PT. Sarana Sinar Sulawesi.

Moreover, the results of hypothesis testing obtained the value of $F_{count} = 1.898$ with a value of $sig = 0.117$. H0 is rejected if the value of $F_{count} > F_{table}$ or $sig < error\ level$. Table 23 shows that the results of calculated $F = 1.898 < 2.46$ with a significance of $0.117 > 0.05$ so this indicates that H0 is accepted and H1 is rejected. This shows that Brand Awareness, Brand Association, Quality Perception, and Brand Loyalty have no simultaneous influence on purchasing decisions (Arikunto, 2005). From the equation, it can be seen that the value of R square (R^2) is 0.074. This shows that 74% of purchasing decisions are influenced by brand awareness, brand association, perceived quality, and brand loyalty simultaneously. While the remaining 26% is influenced by variables not examined in this study.

Discussion

Based on the results of data processing, the variables of brand awareness, brand association, perceived quality, and brand loyalty altogether do not have a positive and insignificant effect on purchasing decisions. evidenced by the calculated F of 1.898 with a significance value (sig) of 0.117, where the calculated F value is smaller than the F table value of 2.46 and the sig value is greater than 0.05. This explains that, the four elements of brand equity do not affect consumer purchasing decisions simultaneously (Mpehle et al., 2021).

The results of the partial test (t test) between the brand awareness variables on purchasing decisions show the t count value of 1.007 with a significance of 0.316 which means that brand awareness has no positive and insignificant effect on purchasing decisions at PT. Sulawesi Rays Facility. These results indicate that the indicator of brand awareness does not have a major influence on purchasing decisions (Musa et al., 2018).

The results of the partial test (t test) between the brand association variables and the purchasing decision variables show a t-count value of 2.173 with a significance of 0.032 which means that brand associations have a positive and significant effect on purchasing decisions at PT. Sulawesi Rays Facility. These results prove that the product attributes created by PT. Sarana

Sinar Sulawesi is able to give a good impression to consumers. According to Duriyanto et al. (2004), associations are all impressions that arise in a person's mind related to his memory of a brand. The results of the partial test (t test) between the perceived quality variables on purchasing decisions show a t count value of 0.111 with a significance of 0.912 which indicates that perceived quality has no positive and insignificant effect on purchasing decisions at PT. Sulawesi Facilities. The results of the partial test (t test) between brand loyalty variables on purchasing decisions show a t-count value of 1.855 with a significance value of 0.067 which indicates that brand loyalty has no positive and significant effect on purchasing decisions at PT. Sarana Sinar Sulawesi. The results of the partial test (t test) between the brand loyalty variables on purchasing decisions show the t-count value of 1.855 with a significance value of 0.067. According to Duriyanto et al. (2004) brand loyalty is a measure of a consumer's relationship with a brand. This means that brand loyalty from PT. Sarana Sinar Sulawesi provides satisfaction for consumers who determine whether or not a consumer may switch from another product brand however, in this study brand loyalty has a negative and insignificant effect on purchasing decisions (Budiyanti and Patiro, 2015).

The research hypothesis asserts that brand loyalty has a significant effect on purchasing decisions. This is proven and in accordance with the work of Mardikaningsih and Putra (2021). Consumers who are loyal to a brand, will not have the intention to switch to another brand, because they already have confidence in this particular brand offered by PT. Sarana Sinar Sulawesi. This shows that any product created by competitors, they will not look for another (Haeruddin, 2021). With consumers who are loyal to the service offered by the brand of PT. Sarana Sinar Sulawesi, then it will be easier for consumers to make purchasing decisions, as they already committed to this particular brand and they have familiarity on it. The implication of this loyalty, can be in the form of price discounts or product discounts to loyal consumers with certain terms and conditions.

Based on the study results, it can be seen that with the existence of a quality brand, it will affect the purchasing decision-making process by consumers on the brand of PT. Sarana Sinar Sulawesi. Brands is playing a significant role in the emotional bond that is formed between consumers and companies through brands. Brands that are built by creating a mental structure related to the company in consumer memory will help consumers in helping make the buying decision process. This is in accordance with the work of Aaker (2013) and Haeruddin (2021). The decision to buy executed by the consumer is actually a collection of a number of structured decisions, one of which is the decision about the brand. A consumer must be able to make a decision about which brand to buy because each brand has its own differences. So, a product with a strong brand like PT. Sarana Sinar Sulawesi can create value added for customers that can influence customers in making the purchasing decision process for the product, so that customer satisfaction will increase when customers feel the product purchased has expected quality and positive brand associations. In addition, it can increase loyalty to the brand because it is perceived as quality.

CONCLUSION

Based on the results of the research and discussion above, the following conclusions can be drawn: 1) Based on simultaneous testing (Test F), the research results show that all elements of brand equity (Brand Awareness, Brand Association, Quality Perception, and Brand Loyalty) simultaneously do not have a significant effect on the dependent variable, namely purchasing decisions, 2) Based on a partial analysis (t test), it turns out that the results of the study prove that the independent variable that has the most influence on purchasing decisions from brand equity is the Brand Association. This can be seen from the t-count value which is greater than the t-count of other variables. The t value for brand association is 2.173 with a significance of 0.032. While

other variables, namely brand awareness, the t-count value is 1.007 and the significant value is 0.316. The perceived quality variable obtained a t-count value of 0.111 with a significance value of 0.912. And the brand loyalty variable obtained by the t-count value of 1.855 with a significance value of 0.067. From the results of the partial test, it can be concluded that the most dominant independent variable is the brand association variable.

Moreover, based on the study results, suggestions are proposed as a complement to the research results that can be given as follows: 1) The company must be able to maintain or even increase the brand equity assets owned by PT. Sarana Sinar Sulawesi. Brand equity can be increased by the way the company must know in more detail what the shortcomings of the products that consumers complain about so that companies can improve and continue to increase consumer confidence in the products they produce, 2) The company is expected to be able to continuously improve product quality and increase product variety through innovations in accordance with consumer needs and desires. Companies can vary the products offered by adding types of production goods, for example gallons of drinking water or plastic bottle packaging. Companies can also make tumbler glasses that are multifunctional and environmentally friendly, 3) The company expands its distribution network as much as possible and facilitates product distribution in remote areas in the province of South Sulawesi. One way that can be done to facilitate the distribution of production is by establishing a lot of cooperation with shops or businesses engaged in the same field in the area.

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