THE EFFECT OF BRAND IMAGE, PRODUCT QUALITY AND PRICE TOWARD PURCHASE DECISION
(Empirical Study On Consumer CV. Rown Division in Surakarta)

JOURNAL PUBLICATION

Submitted In Partial Fulfillment of The Requirement In Order to Obtain a Bachelor degree in Economics Department of Management Dual Degree at the Faculty of Economics
Muhammadiyah University of Surakarta

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2016
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ABSTRACT

The main purpose of this research is to analyze brand image, product quality and price which determines customer decision to buy the product of CV Rown Division Surakarta. The population in this research is the whole customer of CV Rown Division Surakarta. This research is a quantitative research using factor analysis. Samples taken as research object are 100 respondents who have purchased the product on the CV Rown Division Surakarta and data was taken by questionnaire. Instrument test used validity test and reliability test.

The analysis of data using multiple linear regression validated by the data normality test, multicolinearity test, heteroscedasticity test, determination test, F test and t test. As for processing the data were analyzed with SPSS 21.00 for Windows.

The result of the research shows positive and significant effects of brand image ($X_1$), Product quality ($X_2$) and price ($X_3$) on Purchase decision ($Y$) at CV Rown Division Surakarta.

**Keywords:** brand image, product quality, price, and purchase decision.

ABSTRAK

Tujuan dari penilitian ini untuk menganalisis citra merek, kualitas produk, dan harga terhadap keputusan pembelian pada produk CV Rown Division Surakarta. Populasi dalam penelitian ini yaitu seluruh konsumen yang membeli produk di CV Rown Division Surakarta. Penelitian ini adalah penelitian kuantitatif dengan menggunakan analisis faktor. Sampel yang dijadikan objek penelitian sebanyak 100 responden yang telah melakukan pembelian produk di CV Rown Division Surakarta dan dilakukan pengambilan data melalui kuesioner. Uji instrumen menggunakan uji validitas dan reliabilitas.

Untuk analisis data menggunakan regresi linier berganda yang diperkuat dengan uji normalitas data, uji multikolineritas, uji heteroskedastisitas, uji determinasi, uji F serta uji t. Sedangkan untuk pengolahan data dianalisis dengan alat bantu SPSS 21.00 untuk Windows.

Hasil penelitian menunjukan adanya pengaruh signifikan antara citra merek ($X_1$), kualitas produk ($X_2$) dan harga ($X_3$) terhadap keputusan pembelian ($Y$) di CV Rown Division Surakarta.

**Kata kunci :** Citra merek, Kualitas produk, Harga, dan Keputusan pembelian.
INTRODUCTION

Globalizations era and free trade cause business competition growing competitively. Facing nowadays business condition, every company must use its best strategy and resource to survive and thrive in doing business. Businessmen compete to create creative and innovative products to meet the demand of customers. By doing so, the company’s products will be purchased by the customer after the buying decision being made, the company expects most customers to frequently buy the company’s product or to create loyal customers, in order to reach their sales target, and the company must keep its customers satisfaction. Because by fulfilling customers satisfaction, the customers will be loyal. The main goal of all companies is to win the market competition. Because by winning the competition, the company has customers to buy the product and eventually raise the profit.

According to Kotler (2002), the purchase decision is an act of consumers to buy or not toward a product. Of the various factors that influence consumers to purchase a product or service, the consumer always consider quality, price and product that are already known by the public.

The company must implement the right strategy to create excellent products compared to competitors product. Implementing a right strategy to grow demand is not an easy task. The Sales concept believe that consumer being left without companies sales strategy will buy the products less regularly of frequently (Kotler, 2005). According to Kotler (2005) sales marketing is not about finding a right consumer but to find a product that fits to consumers needs.

Society as consumers nowadays are more selective and careful to choose a product. The customers view to a product have a strong connection with the quality of the product itself, quality is a main factor of the customers buying consideration before deciding to buy a product. Product quality is the key for some consumers in choosing a product to meet the needs and wants. Quality is the companies main base in marketing their products. A high quality product that meets a consumers expectation, wish, and needs could create a huge impact to a company, consumers will buy the products more frequently and regularly and loyal to the companies product.
Kotler and Armstrong (2008) stated that quality of a product is a strategic and potential tool to win the market competition. Therefore only company with high quality products that are more likely to grow steadily in long term compared to other companies. Aside of product quality, brand image is also the main factor that influences buying decision. Setiadi (2003) stated that brand image is built based on personal impression, thought or an experience that is experienced by someone toward a product and subsequently will create a loyal customer based on satisfaction.

It means, the company must be able to create a brand that is attractive and easy to remember, and describe the benefit of the product in accordance with the wishes and needs of consumers. Customers perception of a good brand image will be considered by consumers to make purchases. In buying a product, consumers certainly conforms to economic circumstances. With a variety of considerations, the consumer decides to buy the goods according to the needs and the prices offered. Price is the amount of money required to get a combination of products and services (Private, 2008). Adjustment of prices in the market is not easy because it must conforms the ongoing economic situation.

Business competition is becoming very competitive in practice, both with similar businesses or other businesses. In the clothing business there is an unlimited and tight where there are lots of brands from a variety of manufacturers, product qualities and the variety of the offered prices, research development is chosen Rown Division as the focus of the research. Rown Division is a clothing company that was founded in 2007, and is the one of largest clothing company in Solo, Central Java, and has now started to spread to the rest of Indonesia.

The objectives to be obtained in this study is: 1). To analyze the effect of brand image of the product to purchase decision, 2) To analyze the effect of the quality of the product to purchase decision, 3) To analyze the effect of the price of the product to purchase decisions.

LITERATURE REVIEW
Purchase Decision
According to Kotler (2002), Purchase decision is an act of consumers to want to buy the product or not. Of the various factors that influence consumers to purchase a product or service, a
consumer considers quality, price and products is already known by the public. Factors that influence buying decisions, according to Slamet Mulyana (2009): Culture, social class, small reference group, family, experience, personality, attitude and beliefs.

**Brand Image**
Brand image is a collection of perceptions concerning a brand that exists in human mind (Ouwersoot and Tudorica, 2001). Meanwhile, according to Keller, 1998: 93 "Brand image can be defined as a perception about a brand as reflected by the brand association held in consumer memory". This means that brand image is the perception of the brand represented by brand associations in consumer memory. According to Keller (1993: 3) the factors that make up a the brand image is: 1) Strength of Brand Association, 2) Profit Association of Brand (Favourability of brand association), 2) Uniqueness Of Brand Association.

**Product Quality**
Products are things that are important to consumers and serve as the basis for making a purchase decision. According to Kotler and Armstrong (2005) Product is anything that can be offered to the market to get attention, to be purchased, to be used or to be consumed which can satisfy the wants or needs. Conceptually product is a subjective understanding of top manufacturers as something to offer as an attempt to achieve organizational goals through fulfilling the needs and activities of consumers, in accordance with the competence and capacity of the organization as well as the purchasing power of the market.

**Price**
According to Kotler (2001: 439) price is the amount of money charged for a product or service, or the amount of the exchange rate of the consumer on the benefits for owning or using a product or service. Monroe (1990) states that price is economical sacrifices made by customers to acquire products or services. In addition price is one of the important factors for consumers in making a decision to purchase or not.

**RESEARCH METHOD**
The type of research used in this study is a survey research. According to Singarimbun (in Singarimbun and Effendi, 2006: 4) survey research is research that takes a sample of the population and the use of a
questionnaire as a data collection tool that principal.

The population in this study are all consumers who purchase products directly in stores of Rown Division Surakarta. The sample is part of the number and characteristics possessed by this population (Sugiyono, 2014: 63). The sample in this study is a part of customer Rown Division who buy directly in the store of Rown Division Surakarta.

The sampling method used in this research is non probability sampling method, because the studied population number and identity of the members of the population is not known, other than that in doing sampling accidental sampling (convenience sampling).

The Method of collecting data used in this study is distributing questionnaires to the respondents. By distributing a questionnaire to measure respondents' perceptions of the respondents used a Likert Scale, the questions in the questionnaire were made using a 1-5 scale to represent the opinions of respondent. Furthermore will be explained a test instrument as follows: Validity analysis with the formula.

\[
r_{xy} = \frac{N \sum xy - (\sum x)(\sum y)}{\sqrt{\left[ N \sum x^2 - (\sum x)^2 \right] \left[ N \sum y^2 - (\sum y)^2 \right]}}
\]

And reliability analysis with the formula

\[
r_{11} = \left( \frac{k}{k-1} \right) \left( 1 - \frac{\sum e_i^2}{\sum y} \right)
\]

Before performing data analysis in this study, it is necessary for the requirements that must be met first. Classical assumption test is done to determine the presence absence of irregularities in the regression model, this test covers: Normality test, multicollinearity test, Heteroscedasticity test. As for test data analysis using multiple linear regression test, coefficient determination, test the accuracy of parameter estimators (t test).

RESULT OF RESEARCH AND DISCUSSION

Description of The Data

Table IV.1

Characteristic of respondents by the gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Amount</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Woman</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015
Based on the table IV.1 it can be seen that the respondents who shopped at CV Rown Division that is 45% male and 55% female. This indicates that most respondents who buy products in Rown Division are women.

Table IV.5
Summary of the Validity of the Instrument to Variable Brand Image (X1)

<table>
<thead>
<tr>
<th>No Item</th>
<th>r_{count}</th>
<th>r_{table}</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1_1</td>
<td>0.812</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>X1_2</td>
<td>0.757</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>X1_3</td>
<td>0.719</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>X1_4</td>
<td>0.682</td>
<td>0.195</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

From the table IV.5 above, it can be said that the questions 1, 2, 3 and 4 about Brand Image variable (X1) is valid, because r_{count} > r_{table}.

Table IV.6 indicates that the questions 1, 2, 3 and 4 for the variable X2 are valid, because r_{count} > r_{table}.

Table IV.7
Summary of the validity instrument to variable price (X3)

<table>
<thead>
<tr>
<th>No Item</th>
<th>r_{count}</th>
<th>r_{table}</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>X3_1</td>
<td>0.794</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>X3_2</td>
<td>0.766</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>X3_3</td>
<td>0.750</td>
<td>0.195</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

Table IV.7 indicates that the questions 1, 2 and 3 for the variable X3 is valid, because r_{count} > r_{table}.

Table IV.8
Summary of the Validity Instrument for the Purchase Decision Variable (Y)

<table>
<thead>
<tr>
<th>No Item</th>
<th>r_{count}</th>
<th>r_{table}</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y_1</td>
<td>0.738</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>Y_2</td>
<td>0.676</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>Y_3</td>
<td>0.866</td>
<td>0.195</td>
<td>Valid</td>
</tr>
<tr>
<td>Y_4</td>
<td>0.866</td>
<td>0.195</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

Table IV.8 shows that the questions Variable Y are all valid, because r_{count} > r_{table}.
Table IV.9
Reliability result

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Alpha Cronbach</th>
<th>Criteria Nunnely</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image(X₁)</td>
<td>0,729</td>
<td>0,60</td>
<td>Reliable</td>
</tr>
<tr>
<td>Product Quality (X₂)</td>
<td>0,660</td>
<td>0,60</td>
<td>Reliable</td>
</tr>
<tr>
<td>Price (X₃)</td>
<td>0,648</td>
<td>0,60</td>
<td>Reliable</td>
</tr>
<tr>
<td>Purchase Decision (Y)</td>
<td>0,778</td>
<td>0,60</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

Table IV.9 indicates that variables Brand Image (X₁), Quality Products (X₂), Price (X₃) and Purchase Decision (Y) are reliable because it has value \( \alpha \) cronbach > 0,6 (Nunnely Criteria), so it can be used for further data processing.

CLASSIC ASSUMPTION TEST

Table IV.10 Normality Test Results of Each Variable

<table>
<thead>
<tr>
<th>Description</th>
<th>Kolmogorov - Smirnov</th>
<th>Asymp. Sign (2-tailed P)</th>
<th>P-Value</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unstandardized residual</td>
<td>0,699</td>
<td>0,712</td>
<td>P &gt; 0,05</td>
<td>Normal</td>
</tr>
</tbody>
</table>

Source: Processed data, 2015

From the results of test calculations Kolmogorov-Smironov it is known that p-value from Unstandardized residual was greater than \( \alpha \) (0,712>0,05), so overall the data is determined to have a normal distribution or have a normal distribution data.

Table IV.11
The Result of Multicollinearity Test

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Tolerance</th>
<th>VIF</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brand Image</td>
<td>0,349</td>
<td>2,864</td>
<td>Not occur Multicollinearity</td>
</tr>
<tr>
<td>2</td>
<td>Product Quality</td>
<td>0,364</td>
<td>2,751</td>
<td>Not occur Multicollinearity</td>
</tr>
<tr>
<td>3</td>
<td>Price</td>
<td>0,643</td>
<td>1,556</td>
<td>Not occur Multicollinearity</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

From the above table, it can be seen that the tolerance value Brand image, Product quality, and Price tolerance are more than 0,1 and VIF < 10, multicollinearity does not occur.
Table IV.12
Result Heteroscedasticity Test

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Sig. (P Value)</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image</td>
<td>0.220</td>
<td>Free Heteroskedasticity</td>
</tr>
<tr>
<td>Product Quality</td>
<td>0.545</td>
<td>Free Heteroskedasticity</td>
</tr>
<tr>
<td>Price</td>
<td>0.327</td>
<td>Free Heteroskedasticity</td>
</tr>
</tbody>
</table>

Source: Processed primary data, 2015

From the above table it can be seen that the probability value Brand image, Product quality, and the Price are more than 0.5 it means that they are free of heteroscedasticity.

DISCUSSION
From the results of research hypothesis test showed the result as follows:
1. Brand Image positively and significantly influences the purchase decision at CV Rown Division.

The analysis showed that the brand image significantly and positively influences purchasing decisions at CV Rown Division. Therefore the first hypothesis, stating that the brand image significantly influences purchasing decisions, is proved to be true. The results support the results of research conducted by Idris (2013), Wahyuini (2013), Anthony (2013), Jenny (2015) and Shah (2012) that stated brand image has positive and significant effect on purchase decision.

Creation of the impression of being one of the basic characteristics of the modern marketing orientation is through giving more attention as well as the creation of a strong brand. The implications is making the brand of a product creates the image of the product itself in the minds of consumer and make basic motivation for consumers to choose a product. If the value of consumer perceptions of brand image is higher, it further strengthens the urge of consumers to decide to buy the product. On the other hand, the lower the value the consumer perception of the brand image, then weaken the urge of consumers to decide to buy the product.

2. Product quality positively and significantly influences the purchase decision at CV Rown Division surakarta.

The analysis showed that the product quality has significant and positive influence on purchasing decisions at CV Rown Division.
Therefore, the second hypothesis which states that the quality of products significantly influences purchasing decisions, is proved to be true. The result of this research supports the results of researches conducted by Idris (2013), Doni (2013), Wahyuini (2013), Anthony (2013), Jenny (2015) and Grace (2013) that the product quality has significantly positive effect on purchase decision. If the value the consumer's perception of the quality of the product is higher, it strengthens the urge of consumers to decide to buy the product. The lower the value the consumer's perception of the quality of products, it weakens the urge of consumers to decide to buy the product.

3. Price positively and significantly influences the purchase decision at the CV Rown Division.

   The analysis showed that price positively and significantly influences purchasing decisions at CV Rown Division. Therefore the third hypothesis which states that price significantly influences purchasing decisions is proved to be true. The result supports the results of researches conducted by Idris (2013), Doni (2013), Wahyuini (2013), Anthony (2013), Jenny (2015) and Grace (2013) that price has positive and significant effect on purchase decision. If the value of consumer perceptions of price is, it further strengthens the impulse of consumers to decide to buy the product. The lower the value of consumer perceptions of price, then the weaker the impulse of consumers to decide to buy the product.

CONCLUSION

1. Based on the result of the t test obtained value of $t_{count}$ by Brand Image Variable is equal to 2,405, more than the value of $t_{table}$ = 1,98 so that Ho is rejected. It means that Brand Image significantly influences purchase decision.

2. Product Quality has the value of $t_{count}$ equal to 2,220, is more than the value of $t_{table}$ = 1,98 so that Ho is rejected. It means that Product Quality significantly influences Purchase Decision.

3. Variable of Price has the value of $t_{count}$ equal to 2,421 is greater than the value of $t_{table}$ = 1,98 so that Ho is rejected. It means that
Price significantly influences Purchase Decision.

From the calculation result, the value of coefficient determination (Adjusted $R^2$) is 0.482. This means that the independent variables in the model (brand image, product quality, and price) are able to explain the variation of change in Purchasing Decision at CV Rown Division as much as 48.2%, and 51.8% is explained by other variables outside the model.

**Research Limitations**

Filling questionnaires conducted directly at the store Rown Division, so the level of seriousness and focus on filling the questionnaire is limited, because consumers who initially came to the shop with the intention to shop but they have to fill out a questionnaire, which respondents may simply fill out a questionnaire carelessly and in a hurry. This study is limited to a variable of brand image, product quality, and the price in influencing purchasing decisions. Results of this study can not be generalized to all types of research, because only on the product of Rown Division.

**Recommendation**

CV Rown Division is expected to maintain brand image factors, improve product quality and attention to the price factor that aims to influence prospective consumers in making purchasing decisions at CV Rown Division Surakarta. For the next researchers it is expected to add independent variables such as distribution, Discounts and add research samples to further examine the variables of this research.

**REFERENCES**


