

The Effect of Brand Equity on Purchasing Decision of Samsung Smartphone by The Students of Economics Education Department at Mulawarman University in 2018

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Abstract— The purpose of this research is to determine how brand equity affecting the economics education students decisions in purchasing Samsung smartphones in 2018. This research is a descriptive quantitative research. The data collection techniques are observation, documentation, interviews and questionnaires. Data analysis techniques used are simple linear regression and hypothesis testing using 105 samples. The conclusion of data analysis is a simple regression function in the form of $Y = 9.591 + 0.371X$, which means that if brand equity increasing, the purchasing decision will increase and the brand equity variable on the purchasing decision has a positive effect. Based on the t-test using the IBM Statistical for Product and Service Solution (SPSS) program version 20, the value of t-count 10.453 is greater than t-table 1.983, indicating that the brand equity variable (X) has a significant effect on the purchasing decision of Samsung (Y) smartphones. In the other words, there is a significant effect of brand equity on the purchasing decision of Samsung smartphones. It means the alternative hypothesis (H_a) proposed "brand equity significantly affecting purchasing decisions of Samsung smartphone by the economics education students at Mulawarman University in 2018" is accepted.

Keywords—Brand Equity, Purchasing Decision

I. INTRODUCTION

A company which has a valuable, affordable price and good quality product than others will be able to attract many consumers [1]. So, the marketing effort that supports the success of the company must be based on the right marketing concept [16]. So, determine market strategy and marketing strategy that lead to the intended market goals [3]. Management is needed in this case so that a process runs effectively and efficiently. Besides the good management, a company must also have brand equity over its products [5]. The company must always try to satisfy consumers' desires [10]. A company must make an effort to maintain its products in the market by forming a strong product identity so that consumers can easily know and connect to the products [4]. Kotler and Keller define, "Brand equity as added value given to products and services" [7]. Brand equity is reflecting the way how

consumers think, feel and act on quality, price and probability given by the brand [9-13]. A brand must create strong, fun and unique association with the customers [14]. The stronger a brand is in the market, the easier it is for the company to get lots of customers and benefit from time to time [17].

The telecommunications industry is currently developing rapidly in advancing a mobile phone that does not only have the function of calling, sending or receiving SMS [19]. Many smartphone brands are sold in Indonesia such as Oppo, Samsung, Nokia, Asus, Lenovo, Xiaomi, LG, Vivo, Iphone, Coolpad and others. With many of these brands, the consumers will select smartphones selectively [8].

Students who are part of the community always follow the development of smartphones. The smartphones are used as their needs and uses not only for SMS and telephone but students also use smartphones as a tool to find information, lecturing materials or as entertainment [19]. So they need a smartphone that is able to meet their needs with an advanced technology that can increase their self-confidence [6].

The data of Smartphone Used by the Students of FKIP Economics Education Department in 2018

No.	Brand	2015	2016	2017	Total
1.	Iphone	5	3	3	11
2.	Lenovo	3	-	1	4
3.	Oppo	2	11	5	17
4.	Samsung	26	31	44	105
5.	Vivo	1	3	2	6
6.	Xiaomi	8	7	5	18
7.	Lainnya	8	6	14	26

Source : Primary Data, 2018

Based on observations of smartphone purchasing decisions toward the students of economics education in batch 2015-2017, it is turned out to be a variety of

smartphone brands on the market, there are 105 students who used Samsung's smartphone.

Based on the background above, the researchers write the title "The Effect of Brand Equity on the Purchasing Decision of Samsung Smartphones by The Students of the Economics Education Program in 2018.

II. METHODS

The type of research in this research is quantitative research. Quantitative research methods can be interpreted as a research method based on the philosophy of positivism, which is used to examine certain populations or samples, in the sampling technique generally conducted randomly, data collection using research instruments, quantitative data analysis [12-18]

Using nonprobability sampling technique with the technique used is purposive sampling, where this technique determines the sample with certain considerations [11]. So, this research uses 105 Samsung smartphone respondents or users from the batch 2015-2017. This research is using four data collection techniques, they are "(1) observation, (2) documentation, (3) questionnaire, and (4) interview" [15].

Data analysis techniques used in this research is regression analysis. Regression analysis is "a process of systematically estimating what is most likely to happen in the future based on past and present information so that errors can be minimized" [2-20]. The regression equation is $Y = a + bX + \varepsilon$. Hypothesis testing with t test, the calculated t value is obtained by using the help of SPSS version 20 software application. In order to show the direction, the degree of freedom If using one end is $df: \alpha, n - k$, but if using two ends the degree of freedom is $df: \alpha/2, n - k$.

Tests are needed to test the validity and reliability of the instruments. The technique for measuring questionnaire validity is by correlating between item scores with total scores. Instrument items are considered valid if the correlation coefficient $> r$ table with a significance level of 5%. For the r table value of 30 respondents using r table is found at 0.361. Based on the results of the first validity test, there are 4 items of brand equity statement and 1 item of purchasing decision statement that is invalid because it has a correlation coefficient value below r table (0.361) so that it is necessary to repair the instrument in the invalid statement and retest the respondent. Then the second validity test finds the correlation value is above of r table (0.361) and it is concluded that all items are valid statements. After testing the validity of the instrument, the reliability test is conducted by using IBM Statistical for Product and Service Solution (SPSS) program version 20.

According to Sugiyono the correlation reliability coefficient or good Cronbach alpha is above 0.6 [11]. The reliability test result is obtained the Cronbach alpha questionnaire variable X (brand equity) value is 0.891 and Y questionnaire value (purchase decision) is 0.822. Based on the Cronbach alpha, that value is greater than 0.6 so it can be concluded that all questionnaires in this research are reliable or consistent, so that they can be used as instruments in this research.

The reliability test results the Cronbach alpha questionnaire variable X (brand equity) value is 0.891 and Y questionnaire (purchase decision) is 0.822. Based on the Cronbach alpha, that value is greater than 0.6 or it can be concluded that all questionnaires in this research are reliable or consistent, so that they can be used as instruments in this research.

III. RESULT AND DISCUSSION

This research aims to determine whether brand equity has a significant effect on Samsung smartphone purchasing decisions made by the students of economics education department at Mulawarman University in 2018. Researchers choose 105 respondents from the Banggeris FKIP Campus as the object of research.

Based on the results of the analysis that has been done with the calculation process using the SPSS version 20, then the value of $a = 9.591$ and $b = 0.371$ and the result of regression equation is $Y = 9.591 + 0.371 X$. This means that if the value of brand equity (X) increasing it will increase purchasing decisions (Y). This shows that there is a positive effect between brand equity toward the purchasing decisions of Samsung smartphone by the students of the economics education department at Mulawarman University in 2018.

Furthermore, testing the hypothesis using t test and obtained t value of 10.453 while the value of t table with $dk n-2$, level of 5% is obtained at 1.983, this means that $t \text{ count} > t \text{ table}$ or $10.453 > 1.983$ so that H_a states "there is effect of brand equity on purchasing decisions of Samsung smartphone by economics education students at Mulawarman University in 2018" is **accepted** and H_o which states "there was no effect of brand equity on purchasing decision of Samsung smartphone by the economics education students at Mulawarman in 2018" is **rejected**.

IV. CONCLUSION

Based on the results of the research and discussions presented in the previous chapter, it can be concluded that the effect of brand equity on purchasing decisions of Samsung smartphone by the students of economics education department at Mulawarman University in 2018 is as follows:

The brand equity found in the students of economics education department at Mulawarman University in 2018 can be concluded that it has an average result of 113.8 or 75.85% which belongs to the good category. So, brand equity affects the students of economics education department at Mulawarman University in 2018 to make purchasing. The purchasing decisions by the students of economics education department at Mulawarman University in 2018 have an average score of 51.8 or 74.02% which included in a good category.

The result of the regression equation is $Y = 9.591 + 0.371 X$. This proves that if the value of brand equity (X) increases, it will increase the purchasing decision (Y). This points out that there is a significant effect between brand equity on Samsung smartphone purchasing

decisions by the students of economics education department at Mulawarman University in 2018.

Based on the hypothesis testing, the t-count value 10.453 is greater than t-table 1.983. It means that there is a significant effect of brand equity variables (X) on the purchasing decision variable (Y), H_a or the hypothesis proposed in this research is **accepted**.

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