

Analysis of Brand Image and Promotions and their Effect on Purchase Decisions

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Abstract—*The large number of ready-to-drink packaged tea brands on the market encourages companies to compete for potential consumers through a variety of appropriate strategies. In addition to trying to create a brand image, companies are capable of doing other things such as changing the packaging, evaluating the products, and doing attractive promotions. Along with the competition occurring in the ready-to-drink packaged tea industry, companies are required to make changes to increase company assets by improving the company's brand image, and by aggressively doing some promotions. This study used causal quantitative research design. Data was collected using questionnaires and analyzed using multiple linear regression. The results showed that brand image and promotions simultaneously influenced the purchase decisions, brand image partially not significantly influenced the purchase decisions, promotions partially influenced the purchase decisions of frestea in Singaraja.*

Keywords—*brand image; promotions; purchase decisions*

I. INTRODUCTION

People must be super smart in utilizing the time in this era because time is money. Even when it comes to eating and drinking, they must be able to use the best possible time. For this reason, many people eventually start consuming instant and practical foods and drinks more. One of the illustrations is in order to drink tea, a person must first boil water to brew it in the past. It, of course, requires more time and is not practical. Therefore, many people turn to packaged or instant tea that is already widely available in stores. Aside from being practical, many people turn to ready-to-drink packaged tea because it has many flavors offered such as jasmine tea, green tea, apple tea, strawberry tea, and many others. Instant tea can also be served cold from the fridge, which certainly can bring freshness when it is consumed.

The fact that so many ready-to-drink instant tea brands are sold on the market will encourage companies to compete for

potential customers through a variety of appropriate strategies. Besides trying to create a brand image, companies can do other things by changing packaging, evaluating products, and doing attractive promotions. Another strategy that can be done is to do promotions. Unique and interesting promotions will certainly make consumers curious to try these products. Promotion is a type of communication that provides an explanation and reassures prospective consumers about goods and services with the aim of gaining attention, educating, reminding and convincing prospective consumers that, in the end, will influence the consumer's decision to buy the promoted products [1]. The marketing strategy itself consists of integrated marketing elements (4P: product, price, promotion, place) that always develops in line with company movements and changes in the marketing environment and changes in consumer behavior. Consumer behavior has very broad implications for the formulation of marketing strategies. It is because the marketing strategy involves two main activities, including the selection of markets that will be targeted by marketing, as well as the formulation and preparation of an appropriate combination of marketing mix so that the needs of consumers can be satisfactorily fulfilled. Product planning produced by the company must be really in accordance with consumer needs. In addition, the products must reflect good quality. It aims to match the company's objectives—the products are acceptable and in accordance with consumers' needs and can satisfy consumers.

Products are the central point of marketing activities. The success of a company can be identified from the responses shown by consumers. Through good marketing activities, companies can achieve quality perceptions of consumers. The perception of good quality will also have an impact on the brand image of a product. If the brand image is positive, then consumers will certainly make repeated purchases. But on the contrary, if the brand image is negative, then consumers are certainly reluctant to buy back the product. A strong brand

image can provide several major advantages for a company [2]. One of them is the creation of competitive advantage. Products that have a good brand image tend to be more easily accepted by consumers. The better the image of a brand, the higher the consumers' decision to make a purchase.

Frestea is a brand of ready-to-drink teabeverage produced by Coca-Cola Amatil Indonesia, Bekasi 17520-Indonesia. For two years during 2015-2017, *Frestea* continued to experience a decline in the ranking of top brand awards. There was a decrease in market share from *Frestea* from year to year, 2015-2017. In 2015, *Frestea*'s market share was 15.20% and in 2016 it decreased by 8.00% to 8.10%. Then in 2017, *Frestea*'s market share decreased by 0.90% until it finally became 6.30%.

With the competition occurring in the instant tea beverages industry, companies are required to make changes to improve company assets by improving the company's brand image, and by aggressively carrying out promotions. In the end, it will bring a positive impact for the company's future running because by making a good marketing strategy, consumers will be interested in purchasing products that will have an impact on customer satisfaction.

II. LITERATURE REVIEW

A. Brand Image

Image is a set of beliefs, ideas, and impressions possessed by someone against an object [3]. Developing a strong image requires creativity and hard work. Images cannot be implanted in people's minds overnight or spread through the mass media. Instead, the image must be conveyed through every means of communication available and disseminated continuously. To successfully obtain and retain customers, companies must make every effort to display products with a positive brand image in the eyes of consumers. Displaying products that have a positive brand image can enhance consumer confidence in their products and encourage consumers to be loyal to these products.

Brand image has been defined as the consumer's mental picture of the offering [4]. It includes symbolic meanings that consumers associate with the specific attributes of the product or service [5]. It is seen as the representation of a brand in the consumer's mind that is linked to an offering [4], or a set of perceptions about a brand the consumer forms as reflected by brand associations.

Brand image is a group of brand associations that are formed and embedded in the minds of consumers. Consumers who are accustomed to using certain brands tend to have consistency in brand image. Brand image is the perception and belief carried out by consumers, as reflected in the association that occurs in consumers' memory [3]. Measuring brand image can be done based on brand aspects as follows: (a) Strength. The strength of the brand here refers to the physical attributes of the brand so that it can be considered as an advantage compared to other brands because it is not found in other brands. Things included in a group of strengths are the functioning of all facilities brought by the product, the physical appearance of the product, the price of the product,

the appearance of supporting facilities of the product, as well as the broad market scope of the product. (b) Uniqueness. Uniqueness is the ability to distinguish a brand among other brands. This impression arises from the attributes of these products which become the differentiator or differentiation with other products. Included in this group are variations in the appearance or name of a brand that is easy to remember and pronounce as well as the physical appearance of the product itself. (c) Excellence. Included in this excellence group are the ease of mentioning/pronouncing the brand of the product, the ability of the brand to remain remembered by customers which helps a lot in making it famous and becoming favorite products in the community, as well as the compatibility between brand impressions in the minds of customers with the image desired by the company for the concerned brand [6].

B. Promotion

A company, in marketing its products, needs to design and disseminate information about its presence, availability, product characteristics, and conditions, as well as the benefits that the customers obtain from the products offered by the company. Promotion strategy is an attempt to introduce products to the market. The concept used to introduce a product is the promotion mix—activities that combine product excellence and persuade consumers to buy. Promotion is one of the variables in the marketing mix that is very important to be carried out by companies in marketing products. Promotion not only serves as a communication tool between companies and consumers but also as a tool to influence consumers in the purchase or use of products according to their needs and desires [7]. Promotions are all types of marketing activities aimed at driving demand. Promotion is a one-way flow of information or persuasion created to direct a person or organization to actions that create an exchange in marketing.

Promotion is one of the success determinants of a marketing program. Whatever the quality of a product, if consumers have never heard of it and are not sure that the product will be useful for them, they will not buy it [8]. In essence, promotion is a form of marketing communication. The main purpose of promotion is to inform, influence and persuade, and remind target customers about the company and its marketing mix. In detail, the three promotional objectives can be described as follows:

- (1) Informing, can consist of: (a) informing the market about the existence of a new product, (b) introducing new ways of using a product, (c) communicating price changes to the market, (d) explaining how a product works, (e) informing services provided by the company, (f) correcting the wrong impression, (g) reducing the buyers' fear or concern, and (h) building the company's image.
- (2) Persuading targeted customers to (a) form brand choices, (b) switch choices to specific brands, (c) change customer perceptions of product attributes, (d) encourage buyers to shop at the moment, and (e) encourage buyers to receive visits sales force.

- (3) Reminding, can consist of: (a) reminding the buyer that the product in question is needed in the near future, (b) reminding the buyer of the places that sell the company's products, (c) making the buyer keep in mind even though there is no advertising campaign, (d) keeping buyers' first memories of a certain product directly leads to the image of the company's product.

C. Consumer Behavior

Marketers need reliable information about their customers and special skills to analyze and interpret that information. This need contributes to the development of consumers' behavior as a specific field of study in marketing. In addition, the term consumer behavior refers to the behavior exhibited by individuals in buying and using goods and services [9].

Consumer behavior is a concept that studies how individuals, groups and organizations choose, buy, use products (goods or services) that can provide satisfaction, needs, and desires. Consumers who are satisfied will be loyal to the goods or services. Consumer behavior is an action that is directly involved to get, consume, and spend a product or service, including the decision process that precedes and follows this action [10]. Consumer behavior as the purchasing behavior of the last consumers—both individuals and households who buy products for personal consumption [11].

D. Factors That Affect Consumer Behavior

The decision to buy is on the consumers' hand. Consumers will use various criteria for buying certain products and brands. It is important for marketers to be able to understand what the criteria are for consumers in buying certain products and brands.

The following is a description of the factors that influence consumer behavior that marketers need to understand.

- 1) Cultural factors: Culture, Sub-culture, Social class
 - a) Culture

Culture as the result of human creativity from one generation to the next which determines the form of behavior in his life as a member of society [12]. Culture as all values, thoughts, symbols that influence behavior, attitudes, and beliefs, as well as a person's habits and society [13]. Values can be considered as cultural meanings if everyone in society has the same understanding of those values.

b) Sub-culture

Sub-culture is defined as the different cultural groups that exist as segments that can be identified in certain wider and more complex societies [14].

c) Social Class

Social class will influence the type of product—brand consumed by consumers. Social class also affects the selection of consumers' shop, place of education, and place of vacation [13]. Social class is a group consisting of a number of people who have an equal position in society. The existence of social class will make people have certain preferences in choosing a product or service [12]. People will tend to select certain

products or services because they want others to see their choices reflect their social class, i.e. the choice of a Rolex watch showing that the person is bound to be in the upper social class.

- 2) Social factors: Reference groups, family, role, and status.
 - a). Reference groups

The reference group, Actual or imaginary individual or group conceived of having significant relevance upon the individual's evaluation, aspirations, or behavior [15]. Reference group as an individual or group of people that significantly affect a person's behavior [13]. A reference group is a group that serves as a reference for someone in purchasing and consumption decisions. Social class references affect someone's behavior because there is a feeling someone wants to be recognized as part of the membership. One of the real forms of the reference group is the use of western-themed clothing and accessories that support the appearance of a cowboy in a country music group.

b). Family

Family in a more dynamic sense. It is defined as individuals who can be described as members of the most basic social groups that live together and interact to satisfy personal needs together [14]. Family is a microenvironment, which is the environment that is closest to the consumer. Family is an environment where most consumers live and interact with other family members [13].

c). Role and status

A person participates in many groups throughout his life. The person's position in each group can be determined based on their role and status. The role includes activities that are expected to be carried out by someone. Each role produces status [11]. Roles and status are forms of others' evaluation of someone. For instance, a person who has a higher role and produces a higher status in an organization such as a top management position will tend to choose products that are more expensive than those in middle management.

- 3) Personal factors: age and life cycle stages, work and economic environment, self-concept and personality.
 - a) Age and life cycle stages

Humans have developments in their lives, changes in age go hand in hand with changes in needs and products they consume. Each buys different goods and services throughout his life. Taste for clothing, furniture, and recreation are also affected by age [11]. Thus, the decision to choose a product or service will be influenced by age and life cycle stage.

b) Work and Economic Environment

Work and the economic environment influence consumption patterns because they bring up different needs and abilities. Office workers will only require ordinary formal shoes and clothes. In contrast, company directors will buy expensive clothes, travel by airplane, and do other luxury things. Product choices are strongly influenced by one's economic situation: income that can be spent (level, stability,

time pattern), savings, debt, ability to borrow, and attitudes towards shopping or saving activities [11].

c) Self-concept

The self-concepts refer to the beliefs a person holds about his own attributes, and how he evaluates these qualities [15]. Each person has different personality characteristics that influence purchasing behavior. Personality is a unique human psychological trait to produce relatively consistent and long-lasting responses to environmental stimuli (Kotler and Keller, 2007).

d) Personality

Personality as a form of traits that exist in individuals that determine behavior a lot [12]. The consumers' personality is very much determined by their internal and external factors. Consumer personality will affect the perception and decision making in buying products or using services.

4) Psychological factors: motivation, perception, and learning

a) Motivation

Stated that motivation can be described as an incentive or impulse in individuals that encourage them to act [14]. This impulse is produced by a depressed state as a result of an unmet need. Raising motivation between individuals can be different because each individual has different needs and different points of view.

b) Perception

Perception as a process used by individuals to select, organize, and interpret information input to create a meaningful picture of the world. Perceptions can vary greatly between individuals with the same reality [11].

c) Learning

Learning involves one's behavior changing that arises from experience [11]. Learning as a relatively permanent change in behavior that results from experience [15].

E. Purchasing Behavior Model

Marketing and environmental stimuli affect consumer awareness. A set of psychological processes combines with certain consumer characteristics produce process and purchasing decisions. The job of the marketer is to understand what is happening in consumer awareness between the arrival of outside marketing stimuli and the final purchase decision. Four important psychological processes—motivation, perception, learning, and memory—fundamentally affect consumer responses to various marketing stimuli.

In companies and growing markets, observing consumers' behaviors and needs will be difficult, so their solution is by doing consumer research. Consumer research is widely carried out to examine the relationship between marketing stimuli and consumer responses.

F. Buying Decisions

Consumer purchasing decisions are defined as the final consumer purchasing decisions of individuals and households who are willing to buy goods and services for personal consumption [3]. Meanwhile, Consumer purchasing decision is about a choice of two or more alternative choices [16]. Consumer behavior can be defined as the activities of individuals who are directly involved in obtaining and using goods and services, including the decision-making process in the preparation and determination of these activities [17]. There are two important aspects of consumer behavior meaning: (1) the decision-making process, (2) physical activities which involve individuals in assessing, obtaining and using economic goods and services.

Studying consumer behavior will provide guidance for new product development, product features, prices, marketing channels, advertising messages, and other marketing mix elements. The starting point for understanding buyer behavior is stimulation of responses. Marketing and environmental stimuli begin to affect buyer awareness. The characteristics of the buyer and the decision-making process give rise to certain purchasing decisions. The job of the marketer is to understand what is happening in the awareness of the buyer from the presence of external stimuli to the emergence of buyer in buying decisions. Consumers' behavior will determine the decision-making process in their purchases. A process is an approach to problem adjustment which consists of five stages by consumers—information search, alternative assessment, making decisions, and post-purchase behavior.

III. METHOD

This research uses causal quantitative design. Causal research is a study that looks for a relationship between one variable with another variable that has a causal relationship [18]. Causal quantitative research design can be done by (1) formulating the problem, (2) reviewing the theory, (3) formulating hypotheses, (4) collecting data, (5) analyzing data, and (6) making conclusions and suggestions [18].

This research was conducted on consumers who shop and consume *Frestea* in Singaraja City. The observation targets are brand image, promotion, and purchasing decisions. The population used as the observation unit in this study are consumers who shop and consume *Frestea* in Singaraja. Because its consumer population is unknown in number, this study uses sample research using purposive sampling techniques, namely sampling techniques with certain criteria. The criteria in the sample selection are (1) respondents who are people who live in Singaraja, (2) respondents who know about *Frestea*, (3) respondents who have consumed *Frestea* with a minimum purchase of three times, and (4) respondents who have watched *Frestea*'s advertisement. Whereas, for the size of the research sample, Roscoe (Sekaran, 2006) states that the proper sample size in the study is in between 30 to 500. Therefore, the researcher decided to use the number of samples in this study as many as 100 respondents who were consumers of *Frestea* in Singaraja.

IV. RESULT AND DISCUSSION

This study aims to examine the variable of brand image and promotion to purchasing decisions. Based on the results of this research, it shows that there is an influence of brand image and significant simultaneous promotion of *Frestea* purchasing decisions in Singaraja.

However, the results of brand image research do not have a significant influence on purchasing decisions. The research findings are not in accordance with the opinion of the results of a study by Gilaninia and Mousavian that brand image has a significant influence on purchasing decisions. The insignificant results can be explained by the condition that *the* brand image perceived by consumers in Singaraja that *Frestea* serves to quench thirst, *Frestea* has an attractive physical appearance, *Frestea* is a memorable brand, *Frestea* is the most famous instant tea, *Frestea* is the most favored by the public, in fact, is unable to provide encouragement or motivation to the consumer's decision to make a purchase [19].

Meanwhile, the promotion has a contribution that can arouse the shopping passion of consumers by introducing its products through advertisements in mass media such as television. To attract consumers, *Frestea's* company needs to promote through discounts, provide incentives to consumers, build a corporate image by providing the best service to consumers, and provide detailed product information so that it can influence the likelihood of purchasing decisions. This finding is in line with the opinion of Buchari that the promotion is a type of communication that provides an explanation and reassures prospective consumers about goods and services with the aim of gaining attention, educating, reminding and convincing potential consumers to influence consumers' decisions to buy products [1].

V. CONCLUSION

The results showed that there was a significant simultaneous effect of brand image and promotion on *Frestea* purchasing decisions in Singaraja. Meanwhile, the results of brand image research do not have a significant influence on purchasing decisions. The research findings are not in accordance with the opinion concluded from the results of the study by Gilaninia and Mousavian that brand image has a significant influence on purchasing decisions [19]. On the other hand, the promotion has a contribution that can arouse consumers' desire in spending their money on the intended products which can increase the likelihood of purchasing decisions. Based on the results of the study, there is a positive and significant influence partially on the promotion of purchasing decisions. This finding is in line with the opinion of Buchari that promotion is a type of communication that provides an explanation and convincing prospective consumers about goods and services with the aim of getting attention, educating, reminding and convincing prospective consumers. In the end, it will influence consumers' decisions to buy products [1].

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