

# The Influence of Brand Image on Purchase Decisions at PT Putra Raja Kemenangan Medan

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## Abstract

PT. Putra Raja Kemenangan Medan is a company engaged in the export of wallet bird nests located in the city of Medan. However, there was a decline in sales from 2019-2022. The purpose of this research is to find out whether there is an influence of brand image on purchasing decisions at PT. Putra Raja Kemenangan Medan. This type of research is quantitative research. The population in this study was 8950 consumers and using the Slovin formula obtained a sample of 99 respondents. Based on the results of research through the coefficient of determination test, the Adjusted R Square value obtained is 0.361, meaning that the Purchase Decision variable can be explained by the Brand Image variable of 36.1% while the remaining 63.9% is influenced by other factors originating from outside the model. This research includes service quality and customer satisfaction. Based on the partial test, it is concluded that brand image influences purchase decisions.

**Keyword:** Brand Image, Purchase Decision

## 1. INTRODUCTION

In this modern era, many products and various kinds of quality have emerged that are oriented towards different visions, missions and goals, starting from companies that run a profit-oriented business to companies that are non-profit oriented. From this phenomenon, tough and intense competition will emerge. Science and technology always develop and advance in accordance with the times and human thinking. With this development, it will guarantee that it will improve product quality, which is one of the goals of purchasing decisions.

According to (Yanti et al., 2023) One of the efforts that needs to be applied to products so that they are easy to recognize and stick in consumers' minds is by creating a good brand image for the products produced. Therefore, consumer attitudes and actions towards a brand image are one of the important elements that encourage consumers to buy a product. According to (Rosmayanti, 2023) Brand Image is a view of the value of a product that a company provides to customers regarding the beliefs that are formed and inherent in the minds of customers towards a particular brand. Brand image describes the feelings that consumers and businesses have towards the entire organization and individual products or product lines (Yolanda et al., 2022). Brand Image that must be maintained in order to face competition in this era of globalization (Siahaan et al., 2021).

PT. Putra Raja Kemenangan Medan is a company engaged in the export of wallet bird nests located in the city of Medan. However, there was a decline in sales from 2019-2022.

**Table 1.** Sales Data for 2019-2022

| Year | Sales         |
|------|---------------|
| 2019 | 1.586.301.480 |
| 2020 | 905.614.510   |
| 2021 | 1.158.010.450 |
| 2022 | 1.452.038.100 |

Source: PT. Putra Raja Kemenangan Medan (2019 – 2022)

Based on the table above, it can be concluded that there was a decline in sales from 2019-2022, this was due to PT. Putra Raja Kemenangan Medan is still not that well-known compared to other similar companies, which makes consumers prefer companies that are well-known. The packaging of the bird's nest wallet that will be sold is thinner than other companies, so many consumers complain about the product and the quality of the product is lacking if compared to other companies, resulting in decreased purchasing decisions at PT. Putra Raja Kemenangan Medan. This information was obtained from two customers with the initials F and S. According to previous research by (Fahrezi & Sukaesih, 2023) and (Darmansah & Yosepha, 2020) say that service quality have influences on purchasing decisions but according to previous research by (Wowor et al., 2021) and (Wicaksono et al., 2019) say that service quality not have influences on purchasing decisions.

### Brand Image

According to (Rohmanuddin & Suprayoho, 2022) Brand image is a perspective or thought or way of seeing someone regarding the identity of a brand based on various assumptions and experiences as long as someone uses the brand repeatedly. According to (Tjiptono, 2019) brand image has several indicators as follows: (1) Brand Personality; (2) Brand Value; (3) Brand Consumer Relation; (4) User Image

### Purchasing Decision

According to (Mahiri, 2020) decision purchasing is a selection of two or more alternative choices, in other words, alternative choices must be available to someone when making a decision. According to (Indrasari, 2019) There are five indicators of purchasing decisions as follows: (1) Product Choice; (2) Brand Choice; (3) Dealer Choice; (4) Purchase Timing; (5) Purchase Amount

The framework of thinking can be seen in the picture below

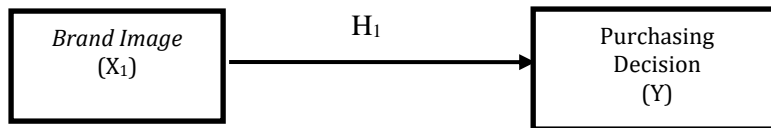


Figure 1. Theoretical Framework

The hypothesis in the research: H<sub>1</sub> There is an influence between service quality on purchasing decisions

## 2. RESEARCH METHODS

According to (I Made Laut Mertha, 2019), population is the total number consisting of objects or subjects that have certain characteristics and qualities determined by researchers to be studied and then conclusions drawn. The research population that will be used in the research is consumers in 2022, numbering 8,950.

Because the population used is 8,950 consumers, determining the sample size will use the Slovin sampling technique with a confidence level of 90% and an error rate of 10% where the Slovin formula results in 99 samples. The sampling method for this research uses a saturated sampling technique. Saturated sampling is a sampling technique when all members of the population are used as samples

Data analysis in this research consists of: The residual normality test is used to test whether the residual values resulting from the regression are normally distributed or not. A good regression model has residuals that are normally distributed (I Made Laut Mertha, 2019). Simple regression analysis aims to determine the influence of one variable on other variables (I Made Laut Mertha, 2019). The Z test is a statistical test where hypothesis testing is approximated by a normal distribution (I Made Laut Mertha, 2019). Determination analysis or also called R Square which is symbolized by R<sup>2</sup> is used to determine the magnitude of the influence of the independent variables (X) together on the dependent variable (Y) where the smaller the value of the coefficient of determination, this means the influence of the independent variable (X) on the dependent variable (Y) is getting weaker (I Made Laut Mertha, 2019).

## 3. RESULT AND DISCUSSION

### 3.1 Normality Test

The results of the normality test are as follows:

Table 2. Normality Test

|                                  |                | Unstandardized Residual |
|----------------------------------|----------------|-------------------------|
| N                                |                | 99                      |
| Normal Parameters <sup>a,b</sup> | Mean           | 38,7474747              |
|                                  | Std. Deviation | 1,66597461              |
| Most Extreme Differences         | Absolute       | ,048                    |
|                                  | Positive       | ,035                    |
|                                  | Negative       | -,048                   |
| Test Statistic                   |                | ,048                    |
| Asymp. Sig. (2-tailed)           |                | ,200 <sup>a</sup>       |

a. Test distribution is Normal.

b. Calculated from data.

Source: Processed data (2023)

Based on table above, all variables have a significant value greater than 0.05 so it can be concluded that the data is normally distributed.

### 3.2 Correlation Coefficient

The results of the Correlation Coefficient analysis are as follows:

Table 3. Correlation Coefficient Correlations

|                   |                     | Brand Image | Purchase Decision |
|-------------------|---------------------|-------------|-------------------|
| Brand Image       | Pearson Correlation | 1           | .361**            |
|                   | Sig. (2-tailed)     |             | .000              |
|                   | N                   | 99          | 99                |
| Purchase Decision | Pearson Correlation | .361**      | 1                 |
|                   | Sig. (2-tailed)     | .000        |                   |
|                   | N                   | 99          | 99                |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Based on table 3, it can be concluded that Brand Image has a correlation value of 0.361 so it is said to have a correlation between brand image and Purchase Decision with a medium level of relationship.

### 3.3 Simple Regression analysis

The results of the Simple Regression analysis are as follows:

**Table 4. Simple Regression analysis**

|       |             | Coefficients <sup>a</sup>   |            |                           |
|-------|-------------|-----------------------------|------------|---------------------------|
| Model |             | Unstandardized Coefficients |            | Standardized Coefficients |
|       |             | B                           | Std. Error | Beta                      |
| 1     | (Constant)  | 27,456                      | 2,981      |                           |
|       | Brand Image | 0,359                       | 0,094      | 0,361                     |

a. Dependent Variable: Purchase Decision

Source: Processed data (2023)

The following are the results of the multiple linear regression analysis test

$$\text{Purchase Decision} = 27,456 + 0,359 \text{ Brand Image} + e$$

So, it can be explained as follows:

1. Constant ( $\alpha$ ) = 27.456 shows a constant value, if the value of the independent variable (Brand Image) has a value of 0, then the Purchase Decision is fixed at 27.456.
2. The coefficient  $X_1(b_1) = 0,359$  This means that for every increase in Product Quality by 1 unit, Purchasing Decisions will increase by 0,359.

### 3.4 Hypothesis Test

#### 3.4.1 Coefficient of Determination

The results of the coefficient Determination are as follows:

**Table 5. Coefficient Determination**

| Model Summary |                   |          |                   |                            |
|---------------|-------------------|----------|-------------------|----------------------------|
| Model         | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1             | .361 <sup>a</sup> | 0,131    | 0,122             | 3,699                      |

a. Predictors: (Constant), Brand Image

Source: Processed data (2023)

Based on Table 5, the results of the determinant coefficient test above, it can be seen that the R Square value obtained is 0.361, meaning that the Purchasing Decision variable can be explained by the brand image variable of 36.1% while the remaining 63.9% is influenced by other factors originating from outside the model this research such as customer satisfaction and consumer loyalty.

#### 3.4.2 Z Test

The results of z test such as:

$$Z = \frac{\frac{R}{1}}{\frac{1}{\sqrt{N-1}}}$$

$$Z = \frac{0,361}{\frac{1}{\sqrt{99-1}}}$$

$$Z = 3,574$$

The test results show that the price has a Zcount > Ztable value of 3.574 > 1.96. So, it can be concluded that Brand Image has an influence on Purchasing Decisions.

### 3.5 Discussion

Based on the results of the research that has been carried out, in this discussion the researcher will discuss the influence of Brand Image simultaneously on Purchasing Decisions at PT. Putra Raja Kemenangan.

#### The Influence of Brand Image on Purchasing Decisions

Based on the results of partial hypothesis testing using the t-test, it is known that the Brand Image variable has a Zcount > Ztable value of 3.574 > 1.96. So, it can be concluded that the first hypothesis is accepted which states that Brand Image has an influence on Purchasing Decisions. The results of this research are in line with previous research conducted by (Ambardi et al., 2023), where the research results show that the Brand Image variable has a positive and significant effect on purchasing decisions but it is not in line with previous research by (Dilasari & Zubadi, 2019) where the research results show that the Brand Image not have influence on purchasing decisions.

#### 4. CONCLUTION

Based on the research results and discussion, the author makes several conclusions, namely that Brand Image has an influence on Purchasing Decisions at PT. Putra Raja Kemenangan and based on the results of the coefficient of determination or R value or coefficient of determination obtained at 0.361, meaning that the Purchase Decision variable can be explained by the Brand Image variable of 36.1% while the remaining 63.9% is influenced by other factors originating from outside the model This research includes service quality and customer satisfaction. Suggestions that can be given to academics are From the results of the coefficient of determination it is known that the coefficient of determination value is 0.361, meaning that the Purchase Decision variable can be explained by the Brand Image variable of 36.1% while the remaining 63.9% is influenced by other factors originating from outside this research model such as service quality and customer satisfaction. So it can be concluded, the Brand Image given by PT. Putra Raja Kemenangan does not have much influence on purchasing decisions. For this reason, companies need to pay more attention to other factors outside of this research apart from Brand Image factors such as service quality and customer satisfaction, Adding Research Variables, for future researchers who research or continue this research, it is recommended to continue the research by looking for other variables that can influence purchasing decisions besides the influence of brand image, for example service quality and customer satisfaction variables, Increasing the number of respondents, due to limited time, energy and costs, this research only took 99 respondents as samples. Thus, it is hoped that future research will increase the number of respondents so that it can better represent the actual situation and there was 1 respondent who answered that he strongly disagreed with the statement I feel proud of the product from PT Putra Raja Kemenangan because of the product's distinctive characteristics, so it is hoped that we will focus more on displaying the distinctive characteristics of the product to be sold so that consumers will be able to pay attention to the distinctive characteristics of the product. the

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