THE INFLUENCE OF BRAND IMAGE AND PRODUCT QUALITY ON PURCHASING DECISIONS AT PT. PUTRA RAJA KEMENANGAN MEDAN

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Abstract

The author's aim in conducting this research is to test and analyze the influence of brand image and product quality on purchasing decisions at PT. Putra Raja Kemenangan Medan which is address at JL. Villa Gading Mas II, Medan - North Sumatra. Based on the sales table, 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 Selamat Medan. The research population that will be used in the research is all consumers who have made purchases at PT. Putra Raja Kemenangan Medan in 2022 totaling 8950 and the number of samples taken in this study used the Slovin formula and obtained 99 samples. Based on the results of simultaneous hypothesis testing using the F-test, it is known that the Brand Image and Product Quality variables have Fcount (10.456) > Ftable (3.09) with a significance of 0.000 < 0.05 so it can be concluded that there is a significant influence between Brand Image and Product Quality simultaneously influence Purchase Decision at PT. Putra Raja Kemenangan Medan. Based on the results of the coefficient of determination, it is known that purchase decision can be explained by the Brand Image and Product Quality variables of 17.9%, while the remaining 82.1% is influenced by other factors outside this research. This indicates that the influence of Brand Image and Product Quality on Purchase Decision is quite low.

Keywords: Brand Image, Product Quality and Purchasing Decisions

1. INTRODUCTION

In this modern era, many products have emerged with various qualities that are oriented towards different visions, missions and goals, ranging from companies that run profit-oriented businesses to companies that are not profit-oriented. From this phenomenon, intense and intense competition will emerge. Science and technology always develop and advance in accordance with the times and human thinking. This development will guarantee that product quality will improve, which is one of the goals of purchasing decisions.

The company that is formed will form a management to achieve product quality goals. In the process of achieving product quality goals, there are several important factors that determine the achievement of these goals, one of which is Brand Image or what we usually know as brand image. To achieve these goals, leaders must be able to mobilize and direct employees or subordinates who work in the organization to achieve achievements which ultimately can achieve the desired goals.

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 (Yanti et al., 2023). Therefore, consumer attitudes and actions towards a brand image are one of the important elements that encourage consumers to buy a product. 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 (Rosmayanti, 2023). 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).

Managers who act as leaders in a company and are responsible for ensuring that the company's operational activities run smoothly. An effective company requires effective management assisted by relevant stakeholders. Leaders are key figures in effective company management and administration. Therefore, the importance of the leadership of a manager or leader is to increase the effectiveness of a company.

Brand image is the consumer's perception of the brand image of the product to be consumed or used. Measuring brand image can be done based on aspects of a brand, namely: Brand is easy to remember: This means that the brand elements chosen should be easy to remember and mention or pronounce. The symbols, logos, names used should be attractive, unique so that they attract people's attention to remember and consume them. Brand is easily recognized: Apart from the logo, a brand is known through the message and the way in which the product is packaged and presented to consumers which is called trade dress. Through intensive communication, a special form of product can attract attention and be easily recognized by consumers. So, trade dress is often the same as a trademark, namely a differentiation of products and services in the market that can be requested for legal protection. Good brand reputation: For companies, image means the public's perception of the company's identity. This perception is based on what the public knows or thinks about the company in question. The same company does not necessarily have the same image in front of people. The company's image

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becomes a guide for consumers. 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. PT. Putra Raja Kemenangan Medan is a company engaged in the export of bird's nest wallets located in the city of Medan. PT. Putra Raja Kemenangan Medan is located at Jalan. Villa Gading Mas II, Medan - North Sumatra. PT. Putra Raja Kemenangan Medan is open from 08:00 - 17:00 every Monday to Saturday. PT. Putra Raja Kemenangan Medan was founded in 2006 by Mr. Fajar Asila, thanks to the efforts and hard work of Mr. Fajar Asila, so that PT. The son of the King of Victory Medan can survive until now.

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 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 Selamat Medan. This information was obtained from two customers with the initials F and S.

After that, the author conducted research in which the quality of the products produced by the company was researched so that they met company standards. Based on the background above, researchers were encouraged to conduct research with the title "The influence of brand image and product quality on purchasing decisions at PT. Putra Raja Kemenangan Medan".

2. RESEARCH METHODS

2.1 Literature Review

Brand Image

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 (Rohmanuddin & Supravoho, 2022).

According to (Tjiptono, 2019) brand image has several indicators as follows:

- 1. Brand Personality.
- 2. Brand Value.
- 3. Brand Consumer Relation.
- 4. User Image.

Product Quality

According to (Kolter & Keller, 2019) Product quality is a product's ability to perform its functions, this ability includes durability, reliability, accuracy, which is obtained by the product as a whole.

According to (Kolter & Keller, 2019) product quality has several indicators as follows:

- 1. Form.
- 2. Features.
- 3. Performance.
- 4. Conformance.
- 5. Durabillity.
- 6. Reliabillity.
- 7. Repairbillity.

Purchasing Decision

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 (Mahiri, 2020).

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.

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Research Literature

As a consideration in this research, the results of relevant previous research conducted in 2020 by Ade Lisa, Student of Banda Aceh Economy Strata 1 with the title "The influence of brand image on purchasing decisions" will be included. The results of the research show that the brand image in Oppo Banda Aceh has its own unique characteristics for the company. The result from Ade Lisa Research is brand image have influence on purchase decision. The next previous research conducted in 2022 by Silfia Putri was on the company's brand image, the title of the research was "the influence of brand image on purchasing decisions for MS Glow skin care products". The research results show that brand image influences purchasing decisions. Previous research from Endah Permata Putri in 2020 with the title "The Influence of Brand Image, Product Quality, and Price on Interest in Buying Baby Clothes (Case Study of the Istana Bayi Store)" had research results that brand image, quality products and prices influence purchase decision.

2.2 Theoritical Framework

The framework for thinking in this research is as follows:

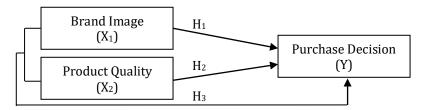


Figure 1. Theoretical Framework

A positive consumer image of a brand is more likely for consumers to make a purchase. A better brand is also the basis for building a positive corporate image. A strong brand can attract consumers to use it so this will increase the purchase decision (Machiforh, 2018).

A product is anything that can be offered to the market to gain attention, be bought, used, or consumed that can satisfy a desire or need. If someone wants to buy a product, then the benefit of the product comes first, then the factor of the purchase decision, whether to buy or not (Reformasianto & Puspitadewi, 2022).

2.3 Research Hypothesis

The hypothesis in this research is as follows:

H₁: There is an influence of brand image on purchasing decisions at PT. Putra Raja Kemenangan Medan.

H₂: There is an influence of product quality on purchasing decisions at PT. Putra Raja Kemenangan Medan.

H₃:There is an influence of brand image and product quality on purchasing decisions at PT. Putra Raja Kemenangan Medan.

2.4 Population and Sample

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 (Jaya, 2019). 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.

2.5 Data Analysis

Data analysis in this research consists of:

- 1. According to (Herlina, 2019), the validity test shows the level of validity of the measurement results of a questionnaire.
- 2. Reliability testing is used to determine the reliability or consistency of measuring instruments which usually use questionnaires. This means whether the measuring instrument will get consistent measurements if the measurements are repeated (Priyatno, 2018).
- 3. 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 (Jaya, 2019).
- 4. Multicollinearity is a condition where a regression model is found to have perfect or near perfect correlation between independent variables, where a good regression model does not necessarily have perfect or near perfect correlation between independent variables (Jaya, 2019).

- 5. Heteroscedasticity is a situation where in a regression model there is an inequality of variance from the residuals of one observation to another, where in a good regression model there is no heteroscedasticity (Jaya, 2019).
- 6. Multiple regression analysis aims to determine the influence of one variable on other variables (Jaya, 2019).
- 7. The Z test is a statistical test where hypothesis testing is approximated by a normal distribution (Jaya, 2019).
- 8. Determination analysis or also called R Square which is symbolized by R2 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 (Jaya, 2019).

3. RESULT AND DISCUSSION

3.1 Classic assumption test

3.1.1 Normality Test

The results of the normality test are as follows:

Table 2. Normality Test

Table 2. Normanty Test					
		Unstandardized Residual			
N		99			
Normal Parameters ^{a,b}	Mean	38,7474747			
	Std. Deviation	1,66597461			
Most Extreme Differences	Absolute	,048			
	Positive	,035			
	Negative	-,048			
Test Statistic		,048			
Asymp. Sig. (2-tailed)		,200a			

a. Test distribution is Normal.

Source: Processed data (2024)

In table 2. above, it can be seen that the results of the Kolmogorov-Smirnov normality test prove that the significant level value produced is greater than 0.05, namely 0.200, so it can be concluded that the normality statistical test is classified as having a normal distribution.

3.1.2 Multicollinearity test

The results of the multicollinearity test are as follows:

Table 3. Multicollinearity test

Model		Collinearity Statistics			
		Tolerance	VIF		
1	(Constant)				
	Brand Image	.902	1.109		
	Product Quality	.902	1.109		

a. Dependent Variabel: Purchase Decision

Source: Processed data (2024)

In table 3 below it can be seen that the correlation value for the Brand Image and Product Quality variables has a tolerance value (0.902) > 0.1 and a VIF value (1.109) < 10 so it can be concluded that the Brand Image and Product Quality variables do not have any symptoms of multicollinearity.

3.1.3 Heteroscedasticity Test

The results of the heteroscedasticity test are as follows:

Table 4. Heteroscedasticity test

Tuble 11 Heter osceausticity test						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
	(Constant)	-5,121	3,038		-1,686	0,095
1	Brand Image	0,095	0,059	0,166	1,601	0,113
	Product Quality	0,084	0,052	0,166	1,602	0,112

a. Dependent Variable: Abs_Res

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b. Calculated from data.

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Source: Processed data (2024)

In table 4 above, it is concluded that the significance of the Brand Image and Product Quality variables has a value greater than 0.05, so it can be concluded that there are no symptoms of heteroscedasticity.

3.2 Multiple Linear Regression Analysis

The results of the multiple linear regression are as follows:

Table 5. Multiple Linear Regression Analysis

	1 abre 5.1 ranspre 2.1116ar 116gr 6551611 1111411/515					
Model			andardized efficients	Standardized Coefficients		
		В	Std. Error	Beta		
1	(Constant)	17,937	4,951			
	Brand Image	0,285	0,096	0,288		
	Product Quality	0,203	0,085	0,232		

Dependent Variabel: Purchase Decision

Source: Processed data (2024)

Based on the equation above, it can be described as follows:

- 1. Constant (α) = 17.937 shows a constant value, if the value of the independent variable namely Brand Image and Product Quality, has a value of 0 then the Purchase Decision is fixed at 17.937.
- 2. The coefficient $X_1(b_1) = 0.285$ shows that the Brand Image (X_1) has a positive effect on purchase decisions of 0.285. This means that for every increase in Brand Image (X_1) by 1 unit, Purchasing Decisions will increase by 0.285.
- 3. The coefficient $X_2(b_2) = 0.203$ shows that the Product Quality (X_2) has a positive effect on purchase decisions of 0.203. This means that for every increase in Product Quality (X_2) by 1 unit, Purchase Decisions will increase by 0.203.

3.3 Z Test

The results of the Z test are as follows:

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

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

$$Z = 3,574$$

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

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

$$Z = \frac{0,323}{\frac{1}{\sqrt{99-1}}}$$

Z = 3.197

The test results show that customer value has a $Z_{count} > Z_{table}$ value of 5.138 > 1.96. So, it can be concluded that product quality has an influence on purchasing decisions.

3.4 F Test

The results of the F test are as follows:

Table 6. F Test

11110 111						
Model		Sum of		Mean		
		Squares	df	Square	F	Sig.
1	Regression	271,996	2	135,998	10,456	.000b
	Residual	1248,691	96	13,007		
	Total	1520,687	98			

a. Predictors: (Constant), Product Quality, Brand Image

b. Dependent Variable: Purchase Decision

Source: Processed data (2024)

In table 6 above, it can be seen that the value of F_{count} (10.456) > F_{table} (3.09) with a significance of 0.000 < 0.05 so it can be concluded that there is a significant influence between Brand Image and Product Quality simultaneously on Purchase Decisions at PT. Putra Raja Kemenangan Medan.

3.5 Coefficient of Determination

The results of the coefficient determination are as follows:

Table 7. Coefficient of Determination

Model SummarybModelRAdjusted RStd. Error of the EstimateRR SquareSquarethe Estimate1.423a0,1790,1623,607

a. Predictors: (Constant), Product Quality, Brand Image

b. Dependent Variable: Purchase Decision

Source: Processed data (2024)

Based on table 7 of the results of the determinant coefficient test above, it can be seen that the R Square (R²) or coefficient of determination obtained is 0.179, meaning that the Purchase Decision variable can be explained by the Brand Image and Product Quality variables of 17.9% while the remaining 82.1% is influenced by other factors that come from outside this research model such as service quality and customer satisfaction.

3.6 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 and Product Quality simultaneously on Purchase Decisions at PT. Putra Raja Kemenangan Medan.

3.6.1 Influence of Brand Image on Purchase Decision

Based on the results of partial hypothesis testing using the t-test, it is known that the Brand Image variable has a $Z_{count} > Z_{table}$ value of 3.574 > 1.96 so it can be concluded that there is an influence between Brand Image on Purchase Decision at PT. Putra Raja Kemenangan Medan.

The results of this research are in line with previous research conducted by (Ambardi et al., 2023) and (Wowor et al., 2021) where the research results show that the Brand Image variable has a positive and significant effect on purchase decision.

3.6.2 Influence of Product Quality on Purchase Decision

Based on the results of partial hypothesis testing using the t-test, it is known that the Product Quality variable has a $Z_{count} > Z_{table}$ value of 3.574 > 1.96 so it can be concluded that there is an influence between Product Quality on Purchase Decisions at PT. Putra Raja Kemenangan Medan.

The results of this research are in line with research conducted by (Charindra et al., 2024) where the research results show that product quality has a positive and significant effect on purchase decisions.

3.6.3 Influence of Brand Image and Product Quality on Purchase Decision

Based on the results of simultaneous hypothesis testing using the F-test, it is known that the Brand Image and Product Quality variables have Fcount (10.456) > Ftable (3.09) with a significance of 0.000 < 0.05 so it can be concluded that there is a significant influence between Brand Image and product quality simultaneously influence purchase decisions at PT. Putra Raja Kemenangan Medan.

The results of this research are in line with previous research by (Arpi & Wijayanto, 2023) where the research results show that Brand Image and Product Quality simultaneously influence Purchase Decisions.

4. CONCLUSION

Based on the results and discussion of the research, the author makes several conclusions as follows brand image has an influence on Purchase Decision at PT. Putra Raja Kemenangan Medan. Product quality has an influence on purchase decision at PT. Putra Raja Kemenangan Medan. Brand Image and Product Quality simultaneously have an influence on Purchase Decision at PT. Putra Raja Kemenangan Medan. Based on the results of simultaneous hypothesis testing using the F-test, it is known that the Brand Image and Product Quality variables have F_{count} (10.456) > F_{table} (3.09) with a significance of 0.000 < 0.05 so it can be concluded that there is a significant influence between Brand Image and Product Quality simultaneously influence Purchase Decision at PT. Putra Raja Kemenangan Medan. Based on the results of the coefficient of determination, it is known that purchase decision can be explained by the Brand Image and Product Quality variables of 17.9%, while the

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remaining 82.1% is influenced by other factors outside this research. This indicates that the influence of Brand Image and Product Quality on Purchase Decision is quite low.

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