The Influence of Product Quality and Brand Image on Purchase Decisions at Pt Nutrifood Indonesia

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ABSTRACT

This research aims to examine the influence of product quality and brand image on purchasing decisions at PT. Indonesian Nutrifood. The research design is a multiple linear regression model. The subjects are the consumers at PT. Nutrifood Indonesia and the objects are product quality, brand image, and purchasing decisions. There are 85 respondents as the sample. The results show that: 1) product quality and brand image significantly influence purchasing decisions at PT. Nutrifood Indonesia; 2) product quality positively and significantly influences purchasing decisions at PT. Nutrifood Indonesia, and; 3) brand image has a positive and significant influence on purchasing decisions.

Keywords: purchase decision, product quality, brand image

INTRODUCTION

Rapid changes in the business world and tighter business competition influence Indonesian economic conditions. Current critical economic conditions have forced many companies to adapt to these issues. The companies must also meet the increasingly intense demands (Puspitaningtyas, 2022). Marketing strategies are related to the dynamics, situations, and conditions in the surrounding business environment. A business entity can survive and earn sustainable profits if it adapts products to users' needs. Meanwhile, consumers' needs provide better opportunities for market growth. The products offered by the company can be one of the perceptions in making a purchasing decision. The consumers' initial impression of a product may be a significant factor in their purchase decision (Utomo, 2021).

A purchase decision means someone's decision in choosing one of several choices. It is an integration process that combines knowledge and attitudes to evaluate two or more options and take one of them. Kotler (2012: 190) defined "purchasing decision as a stage in the decision-making process where consumers buy." Next, Amirullah (2002) stated that purchasing decisions are "a process of evaluating and selecting various alternatives according to certain interests by establishing the most profitable option."

Before making a purchase decision, a consumer will make some considerations through the stages of the purchase decision process. The decision to buy or not to buy a product requires them to intervene in the decision-making process. Some indicators of the purchasing decision, according to Kotler (2007), are; 1) product stability, which is a factor that builds consumer confidence to support their satisfaction; 2) habits in purchasing; which is a habit of purchasing the same product for many times; 3) giving recommendations to other people means the trusted thing that can be trusted, and it can also mean suggesting, inviting to join, and recommending some forms of order, and; 4) making repeat purchases. Re-purchasing means individuals that purchase a product or service and decide to buy it again.

Purchasing decisions are influenced by the product and the need for food and drink for health. One of the food and beverage companies in Indonesia is PT. Nutrifood Indonesia. It innovatively produces international

quality health food and beverages with trusted brands. One of its brands is Tropicana Slim. Through different products and events, this company has been able to inspire and help many individuals to achieve a balanced life by adopting a healthy and fun lifestyle. It also pays attention to nutrition so consumers can enjoy a healthy life longer. Purchasing decisions can also be affected by price competition, promotions, and service quality. Product prices can encourage the improvement of the purchasing decision. Promotions can encourage improvements and service quality can improve customer purchasing decisions (Alimansyah et., al, 2022).

Product quality means an overall combination of product characteristics resulting from marketing, engineering, production, and maintenance processes that make it usable to meet consumers' needs (Wijata, 2011). Product quality is a product or service characteristic that depends on its ability to satisfy stated or implied needs (Kolter and Armstrong, 2008). Product quality is the extent to which the product meets its specifications (Lupiyoadi and Handani, 2008). The value given by the customers is measured based on trust (reliability), durability, and performance to the physical form and image of the product. Consumers will be satisfied if the results of their evaluation show that the products they use are of high quality.

Product quality has some indicators; 1) performance is a characteristic of the operation and core product like speed, ease, and comfort in use; 2) product features that complement the functions of a product; 3) compliance with specifications (conformance to specifications) to the extent that the design and operating characteristics meet predetermined standards which are standard operational characteristics; 4) durability means how long the product can still be consumed. This dimension includes technical and economic ages; 5) reliability is the possibility that the product will be damaged or fail to use; 6) serviceability, including speed, competence, comfort, easy repair, and satisfying complaints handling. The services are not limited to just before sales but also during and after-sales. These also include repair services and the availability of components; 7) aesthetics is the product's appeal to the five senses, including design beauty, model uniqueness, and combinations; 8) perceived quality is the consumers' perception of the overall quality or superiority of a product. Due to a lack of knowledge of the attributes or characteristics of the product, the consumers perceive a product's quality only based on affordable price, advertising, company reputation, and countries (Tjiptono, 2012).

Companies should create a stable brand position through a clear brand image created relative to competitors. Through the good position they have, the brand will have clear, distinct, and superior images in the consumers' minds. One way is the formation of a positive image (Simamora, 2003). Consumers with a positive image of a brand are more likely to make purchases. Impression building is amodern marketing orientation. It goes through the attention and creation of strong brands. This process implies the brand of a product and creates better images of the product for the consumer. This also motivates consumers in purchasing a product (Sutisna, 2003).

Brand image unconsciously forms a perception of the product.It maybe good or bad after consumers see andconsume the product. Ismail and Putra (2016) showed that brand image influences purchasing decisions. However, the brand image does not affect purchasing decisions based on other findings (Lubis and Hidayat, 2017). Brand image is created by marketers. Everything built for marketing purposes in communicating the brand will build a brand image (Susanto, 2004).

Brand image is a person's beliefs, ideas, and impressions of a brand. Therefore, the consumers' attitudes and actions towards a brand are influenced by the brand image (Kotler, 2008). Setiadi (2010) and (Mannopo and Tumbuan, 2014) viewed brand image as the overall perception of a brand built through processing information from sources over time and past experiences. Rangkuti (2004) defined brand image as a set of brand associations formed and stuck in the consumers' minds.

Several factors influence the brand image. Schiffman and Kanuk (2007) explained some that form a brand

image, namely: 1) quality, which is related to the quality of goods offered by manufacturers with certain brands; 2) trusted or relied upon, which is about opinions or agreements by the community about a product; 3) usage or benefits, which is related to the functions of a product that can be consumed; 4) price, which is about the amount of money spent by consumers to influence a product, and it can also affect the long-term image, and; 5) the image itself in the form of views, agreements, and information about a particular product. Rangkuti (2002) divided brand image based on physical factors like design, packaging, logo, brand name, functions, and usability. Another one is psychological factors like emotions, beliefs, values, and personality which describe the product. Brand image is closely related to what people think and feel about a product, so psychological factors play a role over physical ones.

Brand image has three dimensions; attributes, benefits, and evaluation (Ehsan et., al, 2012). Keller (2013) described the main dimensions of the brand image; 1) brand identity, which is a physical identity related to the brand or product so that customers can easily recognize and distinguish it from others, including logo, color, packaging, location, overarching corporate identity, slogan, and others; 2) brand personality, which is the distinctive character of a brand that forms a personality, so that the customers can easily distinguish it from others in the same category, for example, firm, stiff, authoritative, or smiling, warm character, compassionate, social-spirited, dynamic, creative, independent, and so on; 3) brand association, which is specific aspects appropriate or associated with a brand. It may arise from the unique offering, and repetitive or consistent activities in terms of sponsorship or social responsibility activities, issues strongly related to the brand, certain persons, symbols, and meanings; 4) brand attitude and behavior, which are the media of brand communication and interaction with customers in offering the benefits and values. The attitude and behavior include all activities and attributes attached to the brand in dealing with customers, and employees' and brand owners' behavior; 5) brand benefit and competence, which are the unique values and advantages of a brand to customers that make them feel they need, desire, dream of the product offered.

This research aims to analyze the influence of product quality and brand image simultaneously on purchasing decisions for PT Nutrifood Indonesia (a case study on Tropicana Slim products) at the Jakarta supermarkets.

RESEARCH METHODOLOGY

This research uses a quantitative method with a population of the consumers of PT. Nutrifood Indonesia with an unknown number. This research uses a sample size of 5 to 10 for each indicator. There are 17 indicators, so the number of samples that could be taken is between 85 and 170. There are 17 x 8 = 136 respondents (Hair, 1998). The sampling technique is the Accidental Sampling method. It is a method based on the consumers' coincidence who are purchasing the products of PT. Nutrifood Indonesia.

RESULTS AND DISCUSSIONS

Research result

Validity test

Validity is the comparison of the correlation value of each indicator with the table correlation value (r table). The product moment r table value isa = 0.05, and n = 85 is 0.213. The data are taken from30 statements tested. All statements have a positive correlation coefficient value and are higher than the r Table, and the probability is lower than a= 5%. It means there is a significant relationship between the score of each statement and the total score. A significant correlation indicates that the statements can measure the variables. In other words, the instruments are valid for this research.

Table 1 Cronbach Alpha Value of Variables

Variable	Alpha Cronbach	Information
Quality Product (X_1)	0,842	Reliable
Brand Image (X_2)	0,831	Reliable
Purchasing Decisions (Y)	0,795	Reliable

Primary data, 2022

Instrument reliability testing happens on valid statement items. The instrument is declared unreliable if the reliability value is not higher than 0.60. Table 1 presents the reliability test results. It shows that each reliability coefficient value is higher than 0.60, so the instrument is reliable.

Assumption Test

Basic Assumption

One important assumption in regression testing is that the data must be normally distributed. The data normality test uses the graphical method. If the data are spreading around the diagonal line, the assumption of the data normality is fulfilled. The results of the normality test showed that the data are spreading based on the diagonal line, and their distribution follows the direction of the diagonal line. Therefore, the data are normally distributed. Besides the normality test in the assumption test, the researcher also uses a linearity test. The results of the linearity test show a significance value of F lower than 0.05. This means there is a significant linear relationship between service quality, purchasing decisions, and brand image.

Classic Assumption

In the multicollinearity test, the VIF calculation results show that the service quality and brand image variables have a VIF value lower than 5 and a tolerance value higher than 0.1. It means the regression model does not have any multicollinearity symptoms. The two autocorrelation tests use the Durbin-Watson test shown in the Model Summary table. The DW value is 1.721, which means it is between -2 and +2. Therefore, there are no signs of autocorrelation. The three heteroscedasticity tests show that the dots spread randomly and do not form a clear pattern. They are spread above and below 0 (zero) on the Y-axis. This means there is no heteroscedasticity in the regression model, so the regression model is feasible.

Model test

The model test aims to find out the coefficient of determination. This value reflects how much variation the independent variables can explain the dependent ones. Table 2 shows the value of Adjusted R Square = 0823.It means that 82.3% of purchasing decisions are influenced by the product quality and brand image, while the remaining 17.7% are by other variables outside of this research, including price, promotion, and others.

Table 2 Model Summary

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
1	,916a	,850	,823	,2214

Primary data, 2022

The next step is examining the influence of the product quality and brand image variables on purchasing decisions by looking at the coefficient value in the multiple regression results. Table 3 shows the constant value (a) = -0.282, indicating the value of the purchase decision. If there is no product quality and brand image, the value of the purchase decision is -0.282, which means the customers are not satisfied. The regression coefficient for product quality is 0.387 (b_1), showing the significance of product quality on the purchasing decision. The regression coefficient is positive, and this indicates product quality has a unidirectional effect on purchasing decisions. The high value of product quality can lead to an increase in purchasing decisions. The brand image regression coefficient is 0.519 (b_2), indicating the value of the influence of brand image on purchasing decisions. The regression coefficient is positive, indicating that brand image has a direct effect on purchasing decisions. It means a better brand image can lead to an increased purchasing decision.

Table 3 Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-,282	,118		-,677	,371
	Product Quality	,387	,078	,401	4,475	,000
	Brand Image	,519	,065	,529	6,863	,000

Primary data, 2022.

The following formula presents the results of multiple regression calculations:

$$Y = -0{,}282 + 0{,}387X_1 + 0{,}519X_2$$

Hypothesis testing

Table 4 presents the results of hypothesis testing for the effect of product quality and brand image on purchasing decisions. The F-test score is 166.059 with a probability level (Sig) of 0.000 or lower than 0.05. It means there is a significant influence between product quality and brand image on purchasing decisions compared with the F-table of 3.11 (Df 2 = n – k – 1; = 85 – 2 – 1 = 82). The F-count is higher than F-table (166.059> 3.11) with probability level (sig) F = 0.000 ≤ 0.05. This means that Ho is rejected, and Ha is accepted. The conclusion is product quality and brand image simultaneously, positively, and significantly influence purchasing decisions.

Table 4 Anova Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14,138	2	6,629	166,059	,000[a]
	Residual	3,054	82	0,039		
	Total	17,192	84			

Primary data, 2022.

The next hypothesis examines if product quality partially influences purchasing decisions. Table 3 shows partial hypothesis testing. The result shows Sig value of product quality is 0.000 <0.05. It means product quality partially and significantly influences purchasing decisions. The t-table is 2,000 (n – k – 1; = 85 – 2 – 1 = 82), and the t-count is higher than the t-table (4,475> 2,000) with a level of probability (sig) t = 0,000 ≤0,05.

This means that Ho is rejected and Ha is accepted. The conclusion is the product quality variable has a partial positive and significant influence on the purchasing decision variable.

The next hypothesis testing is about the influence of brand image on purchasing decisions. Table 3 shows the Sig value of the brand image variable is 0.000 <0.05.It means that Ho is rejected and Ha is accepted. It can be concluded that the brand image variable partially has a significant influence on purchasing decisions. The t-table is 2,000 (n – k – 1; = 85 – 2 – 1 = 82), and the t-count is higher than the t-table (6,863> 2,000) with a level of probability (sig) t = 0,000 ≤ 0,05.It means that Ho is rejected and Ha is accepted. The conclusion is that brand image has a partial, positive, and significant influence on purchasing decisions.

DISCUSSION

The Influence of Product Quality and Brand Image on Purchasing Decision

The analysis results show that product quality and brand image simultaneously influence the purchasing decision. It means that better product quality perceived by customers and better brand image can improve purchasing decisions. Product quality describes various features and characteristics of a product regarding its ability to meet consumers' needs. Product quality is a dynamic condition related to the product, how it is made, people, and the environment that can meet or exceed consumer desires. Quality products should attract consumers to purchase the products offered by the company. Amirullah (2002: 61) argued that purchasing decisions are "a process of evaluating and selecting various alternatives according to certain interests by establishing the most profitable option." The brand image is considered good if the producer has quality products. The users can feel proud when using the product, and the producer creates high-quality products. The high purchasing decision is characterized by a high frequency of product purchases, and a low frequency of consumers changing their brands. Kotler (2008) explained brand image is the beliefs, ideas, and impressions that a person has of a brand. Therefore, the brand image affects the attitudes and actions of consumers towards a brand.

The Influence of Product Quality on Purchasing Decision

Product quality affects purchasing decisions. It means that better product quality offered by the company will lead to more purchasing decisions. Product quality can be seen from indicators of performance, conformance, durability, reliability, design, and reputation. One factor that contributes most to purchasing decisions is reputation reflected in PT. Nutrifood Indonesia. Product quality is considered good if its performance is also good. The company must meet all product performance criteria like product function in the health food and beverage industry. The high purchasing decision is characterized by the high frequency of product purchases and the low frequency of consumers changing brands. Lupiyoadi and Handani (2008) stated that product quality is the extent to which the product meets its specifications. The value given by customers is measured based on reliability durability, and performance to the physical form and image of the product. Consumers will be satisfied if the results of their evaluation show that the products they use are of high quality. The findings of this research support Kristian and Widyanti (2016)and Fahrezzy and Trenggana (2018) stating that product quality influences purchasing decisions.

The Influence of Brand Image on Purchasing Decision

Brand image significantly influences purchasing decisions. It means that a better brand image can improve purchasing decisions. A positive brand image can influence consumers to purchase products. Therefore, brand image can be a crucial factor in making purchasing decisions. One indicator that makes the biggest contribution to increasing purchasing decisions is the brand personality reflected in the products of PT. Nutrifood Indonesia. It produces modern food and beverages. Meanwhile, the brand association is reflected in the products of PT. Nutrifood Indonesia is easy to serve. Brand image plays a role in product marketing

because it shows that the company's products have reliable quality. The results are consistent with Ismail and Putra (2016) and Lubis and Hidayat (2017) who stated that brand image influences purchasing decisions.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The results of the research show that the biggest factor influencing purchasing decisions is the brand image. The dimensions that have the greatest influence on purchasing decisions are user image, indicators of fulfilled customer expectations for certain brands, and confidence when using certain brands. Thus, companies must be able to meet customer expectations by continuously improving the quality of their products. Continuous product quality improvement will also give customers confidence in using a product. It means that a superior brand image in the minds of consumers can enforce their purchasing decisions.

Recommendations

For companies

The purchasing decision of a consumer is proven to be very concerning about brand image and product quality, on this basis the company should be able to maintain their products to the consumers and innovate and follow trends to improve purchasing decisions. To promote their products to be popular among consumers, the companies can maximize the promotion by using catalogs given directly to the consumers. Using a catalog, prospective consumers can study the benefits of food and beverage products in detail, and this can stimulate them to make purchases.

Research Guidelines

The variables used to look at purchasing decisions in this study have been shown to have an influence, but other variables outside this study are indicated to have an influence, so it is suggested that further research can examine using other variables such as trust and social media to obtain more diverse results and work on existing theory. This study uses multiple linear analyses, but it may be different if future research conducts research using different methods or measurement tools such as structural equation modeling.

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