

The Influence of Brand Image and Product Quality on Purchasing Decisions

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ABSTRACT

Nowadays, people are interested in cafes, so it's providing opportunities for business people to open and manage cafe businesses. Developments in the cafe business have made people choose modern cafes that suit their interests. This research was carried out to know the influence of brand image and product quality on purchasing decisions. Tanduk Cafe and Eatery is a cafe that has been around for quite a long time in Malang City. Online questionnaires were distributed to consumers of Tanduk Cafe and Eatery in Malang City using a non-probability sampling method with an accidental sampling technique. The sample in this study amounted to 78 respondents. This research shows the results of data processing using PLS. From the research results it can be concluded that brand image and product quality have a positive and significant influence on purchasing decisions.

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INTRODUCTION

Amid the booming culinary business, cafes continue to mushroom everywhere. People never stop visiting and enjoying the cafe's offerings. Cafes continue to develop and display the best menus to attract the public. This is so that they can continue to maintain their business and even outperform their competitors. As time goes by, market trends and tastes change and require adaptation so that the cafe business continues to be in demand.

Cafes that continue to be popular with the public provide opportunities for business people to open and manage cafe businesses. Moreover, cafes are dominated by the younger generation. Developments in cafes continue to occur. Initially, the cafe only served coffee. However, as time goes by, cafes also provide a variety of food. Cafes can be used as a place to chat casually or hang out. Apart from that, starting when work-from-home was implemented during the pandemic, now many people work from cafes.

In Indonesia, popular cafes have mushroomed, one of which is in Malang City. Malang City, which is a city with diverse culinary tourism, also has many cafes that continue to be popular with the public. In Malang City, there is a cafe, namely Tanduk Cafe and Eatery. This cafe doesn't just serve coffee drinks. Apart from that, there are also drinks and coffee as well as heavy food. This cafe has been around since 2019. Tanduk Cafe and Eatery are known by many consumers in Malang, which can be seen from the many reviews on Google. The rating obtained reached 4.6.

Even though it has been around for a long time and has many customers, over the past year this cafe has had fluctuating sales. A decrease in sales indicates a decrease in purchasing decisions. Purchasing decisions are consumer actions indicated by whether or not they are willing to buy a product (Kotler and Keller, 2016). So, if there are more and more consumer purchasing actions for products, this can increase sales.

In understanding the factors of the existing decline, several things need to be considered. Based on reviews on Google regarding Tanduk Cafe and Eatery, the brand image and product quality of this cafe still need to be improved. In general, cafes have a brand image that consumers can assess. Brand image is the public or consumer's perception and view of a company or its products which is formed by the influence exerted by the brand (Qomariah, 2021:30). Brands have a role in forming views related to the company or its products. Apart from that, the quality of cafe products, namely food and drinks, is also considered by consumers. According to Susilo and Sudirman (2023:77), product quality is the characteristics of food that the body can accept, which can include shape, color, size, consistency, taste, and texture. It is important for consumers that companies serve food with good characteristics.

Supported by previous research, namely research by Sunaryo and W. (2019), brand image has a positive and significant influence on product purchasing decisions. This means that if the brand image is better, the consumer's decision to buy the product will be higher. In addition, according to research by Salsabila and Maskur (2021), product quality has a positive and

significant influence on purchasing decisions. That way, the better the product quality, the higher the consumer's purchasing decisions will be.

It is necessary to pay attention to the right strategy in order to increase purchasing decisions. The brand image and quality of cafe products are important aspects that still need to be improved in this cafe. By learning more, it is hoped that the company can achieve its sales targets in a better way in the future. Therefore, this research was conducted with the aim of determining the influence of brand image and product quality on purchasing decisions. That way, we can know the contribution of brand image and product quality in order to increase purchasing decisions at Tanduk Cafe and Eatery.

THEORETICAL REVIEW

Marketing

The definition of marketing is a process where a company builds strong relationships and produces value for customers with the aim of capturing rewards through the value obtained from customers (Kotler and Armstrong, 2008).

Brand Image

Brand image is brand associations that are created and are closely linked in the minds of consumers (Nursaimatussaddiya and Cen, 2022:12). Brand associations are all impressions that arise in a person's mind that are related to their memory of a brand (Durianto, et al, 2004:69).

Product Quality

Product quality is the characteristics of food that the body can accept, which can include shape, color, size, consistency, taste and texture (Susilo and Sudirman, 2023:77).

Buying Decision

Purchasing decisions are elements of consumer behavior shown by direct actions in determining and obtaining products and services, both those that precede and those that follow actions in the decision-making process (Tjiptono, 2020:22).

Relationship Between Variables

The Influence of Brand Image on Purchasing Decisions

According to Qomariah (2021:30), brand image is the condition of a particular brand that influences the perception and views of the public or consumers regarding the company or its products. Salsabila and Maskur's (2021) research explains that if a product has a positive brand image, consumers believe the brand can meet consumer needs. Consumer trust can foster purchasing decisions. Supported by research by Islamiyah and Soebiantoro (2022), brand image has an influence on purchasing decisions. Therefore, it can be concluded that there is an influence of brand image on consumer purchasing

decisions. This means that when a company's brand image is good, consumers' decisions in purchasing products owned by a brand will increase.

The Influence of Product Quality on Purchasing Decisions

Product quality is the ability to fulfill the provisions regarding food characteristics needed to meet consumer expectations (Alli, 2004:30). According to research by Hidayah (2022), product quality that meets expectations makes consumers feel interested in buying a product. It is important that the quality of the product produced can meet consumer expectations so that they decide to purchase a product. Supported by research by Salsabila and Maskur (2021), product quality has an influence on purchasing decisions. In this way, it can be concluded that product quality has an influence on consumers making purchasing decisions. It means. If the quality of the company's products gets better, it can increase consumer purchasing decisions.

conceptual framework

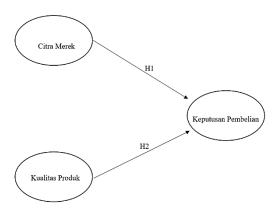


Figure 1.1 Conceptual Framework

Source: Data processed

H1: Brand image has a positive and significant influence on purchasing decisions

H2: Product quality has a positive and significant influence on purchasing decisions

METHODOLOGY

The method used in this research is quantitative. The population used for research was consumers of Tanduk Cafe and Eatery in Malang City. The research sample was taken using non-probability sampling methods and accidental sampling techniques. The sample size in this research was 78 samples. In the research, data analysis was carried out using PLS which is also called Partial Least Square.

RESULTS

Validity and Reliability of Indicators (Outer Model)

In measuring indicator validity, it refers to the Factor Loading value which is the correlation between the indicator and the variables of Brand Image, Product Quality and Purchasing Decisions. This is because the indicator uses a reflective model. It is said to be valid if the value is greater than 0.5.

Table 1.1 Factor Loading

	Brand Image	Buying decision	Product Quality
X1.1	0.635996		
X1.2	0.481201		
X1.3	0.738741		
X2.1			0.674988
X2.2			0.685619
X2.3			0.691210
X2.4			0.765051
X2.5			0.493618
Y1.1		0.468882	
Y1.2		0.752082	
Y1.3		0.672085	
Y1.4		0.702519	
Y1.5		0.551285	

Source: Processed data results

From the table results, it was found that several indicators had values smaller than 0.50. It can be seen from the second indicator of Brand Image which has a value of 0.481201. Then, the fifth indicator is Product Quality which has a value of 0.493618. Then, the first indicator is Purchase Decision which has a value of 0.468882. Most of the other indicators have met convergent validity or good validity.

To be able to determine discriminant validity, it can be seen from cross loading. If the cross loading value of each indicator is the largest compared to other variable indicators, then discriminant validity is fulfilled.

 Table 1.2 Cross Loadings

	Brand image	Buying decision	Product quality
X1.1	0.635996	0.369671	0.265269
X1.2	0.481201	0.263338	0.321817
X1.3	0.738741	0.425507	0.223261
X2.1	0.244382	0.473386	0.674988

X2.2	0.193747	0.443658	0.685619
X2.3	0.233991	0.487350	0.691210
X2.4	0.410987	0.499560	0.765051
X2.5	0.311841	0.281462	0.493618
Y1.1	0.264771	0.468882	0.278981
Y1.2	0.617800	0.752082	0.584466
Y1.3	0.271234	0.672085	0.466145
Y1.4	0.279619	0.702519	0.414913
Y1.5	0.216119	0.551285	0.243801

Source: Processed data results

Based on the data obtained from the table, it was found that the cross loadings value for the indicators for each variable had a value that was greater than the values for the indicators for the other variables. So, it can be said that all indicators in this research have met their validity.

Next, there is the Avarage Variance Extracted (AVE) measurement model, which explains the amount of indicator variance contained in the latent variable. Validity is sufficient if the AVE value reaches a value greater than 0.5.

Table 1.3 Average Variance Extracted (AVE)

	AVE
Brand Image	0.393928
Product quality	0.446483
Buying decision	0.406925

Source: Processed data results

According to the data in the table, for the variables Brand Image, Product Quality and Purchasing Decisions, the value achieved is less than 0.5. Therefore, it can be concluded that all variables have poor validity.

Then, measuring construct reliability uses composite reliability values. Good construct reliability is indicated by a value above 0.70. In this way, it can be proven that the indicators have consistency in measuring their latent variables.

Table 1.4 Composite Reliability

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	Composite Reliability		
Brand Image	0.654510		
Product quality	0.798382		
Buying decision	0.769555		

Source: Processed data results

From the results of the Composite Reliability test above, it was found that the Brand Image variable value was 0.654510 so it could be said that the Brand Image variable in this study was less reliable. However, the Product Quality Variable value was 0.798382 and Purchase Decision was 0.769555. This means that both variables are proven to be reliable.

In PLS, you can see the correlation between variables. The maximum correlation value between variables is 1. The closer it gets to the value of 1, the better the correlation.

Table 1.5 *Latent Variable Correlations*

	Brand Image	Buying decision	Product quality
Brand Image	1.000000		
Buying decision	0.572432	1.000000	
Product quality	0.410857	0.666276	1.000000

Source: Processed data results

The average correlation value above is 0.5. The Purchasing Decision Variable with Product Quality has a correlation value of 0.666276. This means that the two have the strongest correlation compared to the others.

Structural Model (Inner Model)

Testing with the Inner model can be viewed from the R-square value according to the equation of the latent variable. R-Square has a value that is able to prove the ability of exogenous variables, namely Brand Image and Product Quality, in explaining endogenous variables, namely Purchase Decisions.

Table 1.6 R Square

	R Square		
Brand Image			
Product quality			
Buying decision	0.551256		

Source: Processed data results

According to the data from the table, it is found that R2 = 0.551256. Therefore, it is concluded that the phenomenon of purchasing decisions is influenced by product quality and brand image by 55.12%. The remainder is explained by other variables outside the research amounting to 44.88%.

Hypothesis Testing

Hypothesis testing can be seen from the Path Coefficients and T Statiatics in the table. T-Statistics has criteria greater than 1.96.

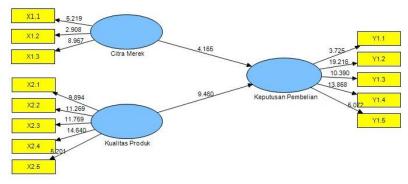
Table 1.7 Path Coefficient (Mean, STDEV, T-Values, P-Values)

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O/STERR)
Brand Image -> Purchase Decision	0.359347	0.369779	0.086285	0.086285	4.164628
Product Quality -> Purchase Decision	0.518636	0.522470	0.054822	0.054822	9.460372

Source: Processed data results

From the table above, Hypothesis 1, namely that brand image has a positive and significant influence on purchasing decisions, can be accepted with path coefficients of 0.359347 and a T-statistic value of 4.164628 > Z value α = 0.05 (5%) = 1.96.

Furthermore, Hypothesis 2, namely product quality has a positive and significant influence on purchasing decisions, can be accepted with path coefficients of 0.518636 and a T-statistic value of 9.460372 > Z value α = 0.05 (5%) = 1.96 .



Source: Processed data results

Figure 1.2 Significance value of T-Statistic Bootstrapping in the Inner Model

DISCUSSION

The Influence of Brand Image on Purchasing Decisions

According to the research results, it was found that brand image contributed to purchasing decisions at Tanduk Cafe and Eatery. This means that the better the company's brand image, the more consumer purchasing decisions at Tanduk Cafe and Eatery will increase. By looking at the Factor Loading value, it was found that the indicator that had the highest role in purchasing decisions was Uniqueness. This cafe is unique in that it holds various exciting events, including BBQ Night, karaoke and live music. This uniqueness forms consumers' perceptions and views that this cafe has

interesting differences compared to other cafes. That way, a positive impression will emerge from consumers, thereby creating a good brand image for the cafe.

The company's uniqueness is that it is able to describe a brand image that can make consumers decide to buy its products. The various exciting events held by cafes have an attraction so that consumers want to buy food and drinks from Tanduk Cafe and Eatery. This research has results that are in line with previous research by Listiarini and Supriyono (2023) and Islamiyah and Soebiantoro (2022) which explained that there is a positive and significant influence of brand image on purchasing decisions.

The Influence of Product Quality on Purchasing Decisions

From the research results, it was found that product quality contributed to purchasing decisions at Tanduk Cafe and Eatery. This means that the better the quality of the company's products, the more purchasing decisions at Tanduk Cafe and Eatery will increase. By looking at the Factor Loading value, it was found that the indicator that had the highest role in purchasing decisions was Aroma. Cafe products have their own delicious aroma in consumers' senses. Food and drinks have a distinctive aroma of spices and concoctions that arouse consumers' tastes. Through enjoying the aroma of the product, consumers think that the food or drink can be accepted by the body. Therefore, consumers assume that the product can be said to be of high quality.

Aroma is able to describe the quality of the product which can make consumers decide to buy cafe products. Initially, consumers are first exposed to the aroma of food or drinks so that consumers can assess whether the quality of the product is good or bad. After knowing the aroma of the product, consumers decide whether they want to buy the product or not. This research has results that are in line with previous research by Salsabila and Maskur (2021) and Putri and Supriyono (2022) which explained that there is a positive and significant influence of product quality on purchasing decisions.

CONCLUSIONS AND RECOMMENDATIONS

Based on data analysis using PLS, it was found that brand image contributes to purchasing decisions. Uniqueness can describe its role in shaping a brand image and making consumers come to buy. With various exciting events being held, consumers are interested in buying the products provided by Tanduk Cafe and Eatery.

Product quality also contributes to purchasing decisions. Aroma can describe its important role in serving quality food to consumers. By enjoying the aroma, consumers can assess the good quality of the product so that consumers are interested in buying at Tanduk Cafe and Eatery.

FURTHER STUDY

Next, the company needs to maintain its brand image and existing product quality. In fact, companies can improve it to attract more consumers to buy the product. That way, it can encourage consumer purchasing decisions at Tanduk Cafe and Eatery.

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