

Increased Purchase Decision of Le Minerale through Perceived Quality and Brand Image

Achmad Ramadhani^{1*}, Arry Widodo²

Fakultas Komunikasi dan Bisnis, Universitas Telkom^{1*,2} Bandung, Jawa Barat

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Correspondence Email :
ahmaad.ramadhani@gmail.com

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ABSTRACT

This research determines the perceived quality effect on Le Minerale purchasing decisions through brand image in Bogor Regency. The method is quantitative with causal and descriptive types. The population is people of Bogor Regency who purchased Le Minerale and needed 100 respondents. The descriptive analysis and Structural Equation Model with SmartPLS are the research techniques. The results, perception of quality as a whole is included in good category (78.18%), brand image as a whole is included in good category, 86.80%, and overall purchasing decisions are included in good category, 78.96%. It means perceived quality has a positive effect on brand image, brand image has a positive effect on purchasing decisions and perceived quality affects purchasing decisions.

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh persepsi kualitas terhadap keputusan pembelian Le Minerale melalui citra merek di Kabupaten Bogor. Metode yang digunakan adalah kuantitatif jenis kausal dan deskriptif. Populasi penelitian yakni masyarakat Kabupaten Bogor yang pernah membeli Le Minerale dan dibutuhkan 100 responden. Analisis deskriptif dan Structural Equation Model dengan SmartPLS merupakan teknik yang dipakai. Hasil penelitian memperlihatkan persepsi kualitas secara keseluruhan termasuk dalam kategori baik (78,18%), citra merek secara menyeluruh tergolong baik, 86,80%, dan keputusan pembelian secara menyeluruh tergolong baik, 78,96%. Hal ini memperlihatkan persepsi kualitas berpengaruh positif pada citra merek, citra merek berpengaruh positif terhadap keputusan konsumen untuk melakukan pembelian dan persepsi kualitas berpengaruh pada keputusan pembelian.

INTRODUCTION

Clean water is a human need to carry out daily activities such as cleaning themselves, washing eating utensils and clothes, to the most important use of water for drinking. It is said to be a primary need because humans contain 60% to 70% water in their bodies (Voi. id, 2020). According to the BIG page on voi.id, the water needed by humans, in general, is 60L per day. The human need for clean water is predicted to continue to grow along with the development of the human population, while its availability is running low. The Ministry of Industry of the Republic of Indonesia also said that the projected bottled drinking water (AMDK) industry could get absolute development in 2019 and has a fairly large market share from the soft drink industry whose market share is 85% and has reached >500 bottled drinking industries, of which 90 % are small and medium industries (IKM).

The growth of the beverage industry is also very fast. It was recorded that in January – September 2018 alone experienced a growth of 10.19% (Kementerian.go.id, 2019). Of the 500 bottled drinking water industries, several industries dominate the market to date. Bottled

Mineral Water (AMDK) which is widely eyed by the market in 2020 are AQUA, Ades, Club, Le Minerale, and Cleo which are also listed as Top Brand Awards 2020 for the category of bottled drinking water (Topbrandaward.com, 2020). Although Le Minerale is brand new that emerged in 2016, this product has been nominated for Top Brand Awards with an index of 6.1% and only occupies the fourth position. This is interesting because Le Minerale targets the middle and upper-middle market segments that are concerned with the quality of bottled water. Le Minerale comes with a strategic differentiation that is carried out through the slogan "sweet taste" because of the bi-carbonate mineral composition.

Because Le Minerale is not a Top Brand from AMDK, the purchase decision for this product is lower than its competitors so that the market share achieved is even small. Purchasing decisions are an important aspect of customer behavior that refers to the purchase of a product or service (Ramli, 2020). When making a purchase decision, customers always look at various aspects that can provide influence and encouragement in the buying process. Some of these factors make consumers tend to give an assessment of each of the available options and sort out one or even more options needed through that assessment. Sourced from research (Agustin, 2020) the results state that purchasing decisions (Y) are influenced by perceived quality (X).

According to Shobur (Aprianti & Krismawati, 2020) the notion of perception has an understanding of the vision or style that everyone does when they see something. Another understanding of perception is the perspective and way a person gives meaning to certain things. However, many Indonesian people misperceive the quality of the product where consumers from Le Minerale have the perception or assessment that the sweet taste of the Le Minerale content is disturbing because the stigma of good drinking water according to the community and according to doctors is water that has no color or color. Clear has no distinctive odor and has no taste (alodokter.com, 2020).

This shows that there are problems related to nutrition that must be corrected by Le Minerale because it was found in previous research that has been carried out by (Yoesmanam, 2015) that there is a positive relationship between product quality perceptions and purchasing decisions so that the more consumers know perceived quality then the faster the consumer decides to buy. Meanwhile, according to research (Arizona, 2021) the results state that purchasing decisions are influenced by the perceived quality and are mediated by brand image. In the process of deciding to buy a product or brand, consumers are not only affected by the perception of product quality but also consider the image of the brand because according to Seric, et. al. in (Kurniawan, 2017) "brand image is the next stage if the perceived quality of a business is high enough".

Keller in (Aulia & Briliana, 2017) also explained the meaning of brand image itself, namely "brand image is consumer's perception about a brand, as reflected by the brand associations held in consumer memory. A brand with a positive brand image is more likely to successfully weather a brand crisis or downturn in the brand's fortune". In addition, there are problems in deciding to purchase through aspects of product, brand, and dealer selection. For the choice of products and brands, it is related to the Top Brand Awards which makes Le Minerale below Aqua as the top of the category brand AMDK and there are also problems from the feud between Le Minerale and Aqua. In this case, Aqua was proven to be conducting unfair business competition by blocking the distribution channel from Le Minerale so that which was detrimental to Le Minerale.

This is interesting to study because Le Minerale is a newcomer in 2016 that has been able to capture the market's attention, but is not good enough to become the main bottled drinking

water chosen by consumers from bottled drinking water. In this study, the author also decided to research Bogor Regency, because it is the author's residence, and Bogor Regency has many sports facilities and other supporting facilities so that Bogor Regency was chosen as the population and sample. This study aims to analyze the effect of product quality and brand image on purchasing decisions of Le Minerale.

The American Marketing Association in Kotler and Keller, states that the definition of marketing is "Marketing is an organizational function and a set of processes for creating communicating, and delivering value to customers and for managing customers relationships in ways that benefit the organization and its stakeholders" (Saleh & Said, 2019). In addition, according to (Panuju, 2019) marketing is a human activity of exchanging goods to meet the needs of life. The exchange of goods is carried out based on the agreement of both parties, for example, one kilo of salt is exchanged for several kilos of pepper.

Kotler and Keller (2016) explain brand image as a consumer's perception of a brand as an image in the customer's memory. The affiliation that arises in the minds of customers when remembering a brand is also a reflection of the brand image. Affiliation can arise in thoughts and impressions associated with a particular brand. Brand image has several dimensions, according to Ferrinadewi (Wijayanty, 2016) several dimensions make up the brand image (Z). The following are the dimensions of the image: Advantages of brand associations, Strength of brand associations, Uniqueness of brand associations.

A brand certainly needs to have uniqueness and attractiveness to create a characteristic that distinguishes it from other brands. Unique products can leave a lasting impression on consumers' memories. The characteristics of a brand are also able to generate consumer desire to find out more about the brand. According to (Anggraini & Rachma, 2020) Perception of quality is the opinion of consumers who have benefited from a product or service. The assumption of each person in the environment may not be the same when looking at an object. Furthermore, for the aspect of the Perceived Quality (X) variable by consumers, it is explained that there are five aspects developed by Aaker (Iswandi & Ester, 2020) that are relevant, namely: Product, Image, Nutrition, Sensory, Security.

According to (Kotler & Keller, 2016) "in the evaluation stage, the consumer forms preference among the brands in the choice and may also form an intention to buy most preferred brand." Furthermore, according to (Priansa, 2017) consumer behavior is an arrangement of physical and psychological activities that consumers feel when they want to buy a product. Aspects of purchasing decisions (Y) are based on (Kotler & Keller, 2016) as follows: Product choice, Brand choice, Dealer choice, Purchase time, Purchase amount, Payment method. Hypotheses are responses to problems in research that are still in the form of conjectures (Sugiyono, 2017: 134). The hypothesis in this study is that there is an effect of perceived quality on brand image, there is an influence of brand image on purchasing decisions, there is an influence of perceived quality on purchasing decisions, and there is an influence of perceived quality on purchasing decisions through brand image.

RESEARCH METHOD

This research uses quantitative methods with descriptive and causal research types. The population in this study is the people of Bogor Regency who have bought mineral water in Le Minerale packaging and the respondents needed to complete the research are one hundred people. Descriptive analysis and Structural Equation Model (SEM) with SmartPLS are the techniques used in this study.

RESULTS AND DISCUSSION

Descriptive Analysis of Respondents'

Responses Regarding Quality Perception, results of the descriptive analysis of the Quality Perception variable (X) are classified as good with a percentage of 78.18%. This shows that after consuming Le Minerale, respondents did not feel any side effects.

Respondents' Responses Regarding Brand Image, results of the descriptive analysis of the Brand Image variable (Z) are classified as good with a percentage of 78.96%. This shows that the uniqueness of Le Minerale is difficult for its competitors to imitate according to respondents. Respondents' Response Regarding Purchase Decision, results of the descriptive analysis of the Purchase Decision variable (Y) are classified as good with a percentage of 80.53%. This shows that when buying Le Minerale the payments made by respondents are quite easy.

SEM-PLS

According to this research, SEM-PLS functions in providing answers to predetermined hypotheses. Internal Consistency, in previous studies, the way to measure the reliability of Cronbach's Alpha value, while measuring the reliability of internal consistency was done by using the value composite reliability in SEM-PLS. 0.7 is the recommended value for composite reliability (Rumayah, 2018: 86).

Table 1. INTERNAL CONSISTENCY

Variables	Composite Reliability	Nilai Kritis	Cronbach Alpha	Nilai Kritis	Evaluasi Model
Perceived Quality (X)	0,939		0,929		Reliable
Brand Image (Z)	0,961	> 0,7	0,955	> 0,6	Reliable
Purchase Decision (Y)	0,948		0,938		Reliable

Source: Results of data processing, 2021

All latent variables have a composite reliability value of ≥ 0.7 , So it can be concluded that all latent variables in the study are said to be reliable.

The next stage, Convergent validity has the aim of checking whether the constructed variable has completed or has not converged validity. When performing calculations on convergent validity, you can use Average Variance Extracted(AVE). > 0.5 is the AVE value that can make the constructed variable reliable. (Rumayah, 2018:86).

Table 2. CONVERGENT VALIDITY

Variables	AVE	Critical Value	Evaluation Model
Perceived Quality (X)	0,567		Valid
Brand Image (Z)	0,734	> 0,5	Valid
Purchase Decision (Y)	0,669		Valid

Source: Results of data processing, 2021

Convergent validity analysis results > 0.5 . So it can be concluded that all construct variables in this study reached the standard measure of convergent validity.

Path Coefficient

Path Coefficient is the value of the path coefficient and how much the bond and the influence of the variable construct is determined using the method bootstrapping (Susetyo, E., W et al., 2014).

Table 3. Hipotesis Path Coefficients

Variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Perceived Quality (X) through Brand Image(Z)	0,884	0,882	0,027	33,168	0,000
Brand Image (Z) through Purchase Decision (Y)	0,662	0,624	0,099	6,298	0,000
Perceived Quality (X) through Purchase Decision (Y)	0,271	0,272	0,105	2,591	0,010
Perceived Quality (X) through Purchase Decision (Y) [indirect way through Brand Image (Z)]	0,550	0,551	0,092	5,964	0,000

Source: Results of data processing, 2021

Effect of Perceived Quality (X) on Brand Image (Z)

Quality Perception Variable (X) shows t count 33.168 > table 1.96 and a significant number of 0.000 < 0.05 level of accuracy, then H0 is rejected. And the path coefficients of 0.884 show that the significance of Quality Perception (X) and Brand Image (Z) is positive. Thus, it can be concluded that there is a related influence of Perceived Quality (X) on Brand Image (Z). Meanwhile, absolute significance means that an increase in perceived quality (X) will be accompanied by an increase in the brand image (Z).

Influence of Brand Image (Z) on Purchase Decisions (Y)

The significance value of the study with a T value of 6.298 > 1.96, and the path coefficients of 0.662 which indicates that the significance of Brand Image on Purchasing Decisions is absolute as well as significant. If so, it can be said that the Brand Image influences the Purchase Decision is accepted. The direction of a positive relationship shows an increase in Brand Image will be accompanied by an increase in Purchase Decisions where the sample in this study is the Le Minerale consumer population. Therefore, it can be used as input to Mayora's company if you want to improve purchasing decisions, that it is necessary to give more attention to the company's brand image.

Effect of perceived quality (X) on purchasing decisions (Y)

The significance value with T count is 2,591 > 1.96 and path coefficients are 0.271. This shows that the significance of perceived quality on purchasing decisions, which is absolute, is also significant. That way, it can be stated that perceived quality influences the purchase decision to be accepted. Positive significance means that there is a one-way relationship that explains the increasing perception of quality, so it can improve the consumer purchasing decisions of Le Minerale.

Influence of Perceived Quality (X) on Purchase Decision (Y) indirectly through Brand Image (Z)

This research model measures the indirect effect of Perceived Quality on the variable of Purchase Decision through Brand Image. Perception of Quality has an indirect influence on the

Purchase Decision, which is $5.964 > 1.96$, and the path coefficients are 0.550 . That way, it can be stated that perceived quality influences purchasing decisions through acceptable brand image.

CONCLUSIONS

Judging from the results of the Descriptive Analysis, the Perceived Quality variable, and the overall answers of the respondents are considered to be in the category good. The highest response from respondents was the statement about "I don't feel any side effects after taking Le Minerale" with a score of 86.80%. However, among the twelve statements regarding the perceived quality variable, even though they are in a good category, the statement with the lowest score is "I choose Le Minerale to consume while exercising because I feel I get specific benefits" with a score of 78.00%. This proves that most of the respondents do not feel any side effects even though the community stigma and opinion according to Alodokter are that clean water is clear, has no smell, and has no taste. So that the quality of the sweet taste that is in Le Minerale's womb is not wrong and it is supported by previous research. Judging from the results of the Descriptive Analysis, the Brand Image variable, and the overall answers of the respondents are classified as good. The highest response from respondents was the statement regarding "I know information about the quality of Le Minerale that affects my assessment" with a score of 81.20%. But among the nine statements regarding the Brand Image variable, even though it is in a good category, the statement with the lowest score is "I will choose Le Minerale over other brands when I want to buy mineral water" with a score of 76.60%. This proves that the quality of Le Minerale products affects the assessment so that the perception of quality affects the Le Minerale brand image. Looking at the results of the Descriptive Analysis, the Purchasing Decision variable, and the overall answers of the Respondents are classified as good. The highest response from respondents was the statement regarding "Payments made when buying Le Minerale are quite easy" with a score of 85.00%. But among the nine statements regarding the Purchasing Decision variable, even though it is in a good category, the statement with the lowest score is "I will continue to buy Le Minerale to meet my daily needs" with a score of 77.20%. This shows that most respondents are given the convenience of making payments when making decisions to purchase Le Minerale products.

The results of the analysis that have been carried out with SEM using the PLS method show the perceived quality of the brand image with a value of $33.168 > T$ table which is worth 1.96. It can be concluded that the Quality Perception variable has a positive influence on Brand Image. This proves that perceived quality affects Le Minerale's brand image. The higher the intensity and effectiveness of perceived quality, the brand image will also increase. The results of the analysis that has been carried out with SEM using the PLS method show Brand Image on Purchase Decisions with a value of $6.298 > T$ table which is worth 1.96. It can be concluded that the Brand Image variable has a positive influence on the Purchase Decision. This proves that brand image influences consumer purchasing decisions for Le Minerale. The higher and better the brand image of the Le Minerale company in the eyes of the public, the higher the public's purchasing decisions. The results of the analysis that has been carried out with SEM using the PLS method show Quality Perceptions of Purchase Decisions a value of $2,591 > T$ table value of 1.96. It is said that the Quality Perception variable has an absolute influence on the Purchase Decision. This proves that perceived quality influences consumer purchasing decisions for Le Minerale. When the perception of the quality of Le Minerale products is good in the eyes of the public, the public's purchasing decisions will increase.

Furthermore, Le Minerale should pay attention to and improve the variables of Quality Perception, Brand Image, and Purchase Decision as seen from the results of the Descriptive Analysis, which have been classified as 'Good' so that they can be classified as 'Very Good' in the future. Le Minerale should be wary of making improvements to several statements that get the lowest score: 1) Based on the Quality Perception variable, the statement with the lowest score is "I choose Le Minerale to consume while exercising because I feel I get specific benefits", it is recommended Le Minerale can continue to improve its Quality Perception activities through advertising effectiveness that the perception of quality about Le Minerale products is not misunderstood so that consumers fully understand the content and benefits obtained after consuming mineral water in Le Minerale packaging. Advertising can be an effective form of communication built by the company to its consumers such as through social media, 2) Based on the Brand Image variable, the statement with the lowest score is "I will choose Le Minerale compared to other brands when I want to buy mineral water", it is recommended Le Minerale can continue to improve the company's positive image through activities to improve the quality of the products and services provided so that in the minds of consumers Le Minerale can become Top of Mind in bottled drinking water. Approach campaigns using influencers can attract consumers' attention to the company's brand again, 3) Based on the Purchasing Decision variable, the statement with the lowest score is "I will continue to buy Le Minerale to meet daily needs", it is recommended that Le Minerale can continue to improve consumer purchasing decisions so that the sale of Le Minerale products can lift the company's sales again. Such as through promotional activities.

Le Minerale to pay more attention to and improve Brand Image, in this case, is the superiority of brand associations, the strength of brand associations, and the uniqueness of brand associations which have a lower influence on purchasing decisions than other variables in the study. Le Minerale should pay more attention to other factors that are not included in this study, such as price, which is also one of the factors for consumers to decide on product purchases.

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