
INFLUENCE OF BRAND IMAGE AND PRICE ON PURCHASE DECISION (STUDY ON FASHION CONSUMERS IN A DISTRO IN BANDUNG)

Ranggi Fauzul Adzim Apip Nugraha¹, Haris Nurdiansyah²

^{1,2} Sekolah Tinggi Ilmu Ekonomi, Pasundan, Bandung, Indonesia.

E-mail: ranggifauzuladzim@gmail.com¹, haris@stiepas.ac.id²

ABSTRACT

This study aims to determine the influence of brand image and price on the purchasing decisions of fashion consumers at one of the distros in the city of Bandung. The research method used is the Quantitative method with the Verification approach, the samples taken in this study are consumers who have purchased a product with as many as 100 respondents with the accidental sampling technique. Furthermore, primary data uses to obtain supporting data and information, namely data obtained directly from consumers.

Based on research using path analysis, the brand image variable has a direct effect of 22.8%, an indirect effect through the price relationship of 13.1%, and the total effect is 35.9%. The price variable has a direct effect of 14.1% and an indirect effect through the brand image relationship of 13.1%; the total effect is 27.1%. The research results on the correlation coefficient of determination illustrate the magnitude of the contribution of all independent variables, namely brand image and price, in determining the purchasing decision variable, which is 0.630 or 63%. In comparison, other factors that influence purchasing decisions that are not examined are 36.9%. The implications of the research results are for fashion businesses to pay more attention to brand image and price to improve purchasing decisions.

Keywords: brand image, price, purchase decision.

INTRODUCTION

Bandung is a city in Indonesia with a high tourism appeal. Industry in Bandung has an excellent opportunity to raise a company's brand image in the future. Along with the increasing number of tourists coming to the city of Bandung, apart from its natural, historical and cultural tourist attractions, now the city of Bandung is becoming synonymous with culinary and fashion shopping tourism. Fashion in the city of Bandung has now become a lifestyle necessity. At first, clothes functioned as body protection, but in this modern era, clothes have become a critical need for self-expression for the wearer.

Every year fashion experiences many changes, especially for teenagers, so many companies or business organizations are competing to create fashionable brands whose brand image can stick in the minds of consumers. (Sidharta, Priadana & Affandi, 2019) Teenagers, in general, always want to show their identity that they are different from other teenagers because they have characteristics shown by the fashion they use. (Johnson &

Ramirez, 2020) Today's youth want to be seen as trendy, stylish, and up-to-date by others. Teenagers see how they dress as a form of self-actualization and a way of expressing themselves. Because clothing is a means of communication in society, consciously or not, society can judge a person's personality from what he wears. More specifically, clothing is an expression of one's identity. (Semuel & Sampurno, 2019)

Distros are generally small and medium industries (IKM) engaged in the distribution of their brand sales. This distribution business is in great demand by young people who want to appreciate their creativity through the products they produce. Generally, the products provided include bags, hoodies, jackets, shoes, sandals, t-shirts, pants, and other accessories. As is known, entrepreneurs in the city of Bandung are known to be creative and innovative, not only in creating their products but also proficient in understanding the business environment. (Budiman, Hendrayati & Achyarsyah, 2019) Included in the marketing management strategy is to market its products to consumers and direct them to take action to buy its products. So based on this, in this study, researchers focused on one of the distro brands that already have stores outlets in the city of Bandung.

Regarding consumer protection, there are various consumer rights that business actors must strive to fulfill, including the right to choose goods, the right to receive compensation and compensation, the right to receive appropriate goods or services, the right to receive the truth of all factual information, also the right to service without discrimination. (Hossain, Akter & Yanamandram, 2020) Then, apart from other important aspects that companies must pay attention to, aspects of marketing management are the most supporting factors to be used to win the competition. Marketing management is a human effort to achieve the desired exchange results (Foster & Sidharta, 2019) and build close relationships with consumers (Juhana, 2018) in a profitable way for the company. (Gilboa, Seger-Guttmann & Mimran, 2019) With the application of sound marketing management, these efforts can optimally make people recognize a company's products or services. (Gremler, Van Vaerenbergh, Brügger & Gwinner, 2020) Then the effectiveness of marketing management within the company can be measured, one of which is through the sales performance of the company's products, from which the company can find out how the aspects of consumer purchasing decisions on its products. (Sopiani, Larashati, Juhana & Manik, 2022) The purchasing decision is the stage in the buyer's decision-making process where the consumer buys. (Kalaiganam, Tuli, Kushwaha, Lee & Gal, 2021)

From the results of the pre-survey, the condition of each brand image dimension according to consumer perceptions, for the recognition dimension, the average score is in the good enough category. However, for the reputation dimension, the average score is in the wrong category, and for the affinity dimension, the average score is in the wrong category. Thus, based on the results of the pre-survey questionnaire, the brand image variable gets an average score in the not-good category; this indicates that the brand image could be more optimal.

In addition to the brand image factor, another factor that causes purchasing decisions that are not optimal is the product price factor which is not optimal. Price is often used as an indicator of value when the price is associated with the perceived benefits of an item or service. (Ghali-Zinoubi & Toukabri, 2019) There are many things related to price, which are the background why buyers buy a product because they want to feel the value and benefits of this product. Larashati (2019) states that prices affect consumer purchasing decisions.

From the results of the pre-survey, the condition of each price dimension is by consumer perceptions, where it can be seen that for the Price Affordability dimension, the average score is obtained in the unfavorable category, for the Basic Price Conformity

Dimension with product quality, the average score is in the appropriate category. Good, and an average score is in the wrong category for the dimension of price competitiveness. Thus, based on the results of the pre-survey questionnaire, the price variable gets an average score in the not-good category. This indicates that the price could be more optimal.

The intention to purchase can be formed from the consumer's attitude toward the brand and the product's price. The consumer must get to know the brand through promotion so that the consumer is interested and feels curious about the product. (Pebriani & Larashati, 2020) Product prices must support these conditions by consumer income. (Büyükdağ, Soysal & Kitapci, 2020) If a consumer is interested in buying the item, but the price of the product does not match the contents of the consumer's pocket, the consumer will still not buy it. (Son & Jin, 2019)

Based on the existing problems, the formulation of the research problem is how much influence brand image and price have on purchasing decisions. Moreover, this study aims to determine the influence of brand image and price on purchasing decisions.

METHOD

The method used in this research is descriptive and verification method. This verification method is used to answer the formulation of the problem of how much influence there is between the variables studied.

Respondents were collected using incidental sampling techniques, namely sampling techniques based on chance. For example, anyone who coincidentally/accidentally meets the researcher can be used as a sample if it is deemed that the person met by chance is suitable as a data source. The criteria used by the researcher are respondents who have made a purchase, and the researcher determines as many as 100 respondents.

There are three variables in this study, namely: brand image with the dimensions of recognition, reputation, and affinity. Price with the dimensions of affordability, suitability of basic prices with product quality, price competitiveness, and suitability of prices with benefits and purchasing decisions with dimensions of choice of products, brands, dealers, and time.

Since data collection was carried out using a questionnaire, the seriousness of the respondents in answering statements is essential in research. The legitimacy and validity of a social research result are primarily determined by the measuring instrument used. If the measuring instrument is invalid or unreliable, the research results will not reflect the actual situation. In overcoming this, two kinds of testing are needed, namely the test of validity and the test of reliability, to test the accuracy of the measuring instrument and the consistency of the results of the measuring instrument used.

The data analysis method is a way to measure, process, analyze and interpret the data. For example, it can be seen whether there is an influence between brand image variables, price, and purchasing decision variables. In addition, researchers use path analysis techniques to examine research data.

RESULTS AND DISCUSSION

After collecting the questionnaire, the research results were obtained in the form of the characteristics of the respondents based on gender, age, income or pocket money, and frequency of visits.

70% of male respondents and 30% of female respondents. Respondent data based on gender shows that men have a higher presentation than women, so market segmentation based on demographics of male respondents shop more often at distros than women—characteristics of respondents based on age presented data on the age of the respondents. The results of these data are those aged 21-30 years with the highest percentage, 57%, compared to those above and below. Then the market segmentation of respondents are at the age of 21-25—education of consumer respondents, SMA/K-D1 50%, D4-S1 45%, and Masters 5%. So the most dominant respondent is SMA/K education by 50%. Characteristics of respondents based on income/allowance presented data on the characteristics of respondents based on income/allowance of Rp.0.- Rp.1,000,000., has the highest percentage of 43%. So the market segmentation of respondents is in the middle-class segment.

After the questionnaires were distributed and filled in by the respondents, they were then processed to obtain the results of the validity and reliability of the statements that had been given. The results of the validity and reliability tests are shown in table 1.

Table 1. Validity and reliability test results

Item	Score		
	X1	X2	Y
It1	0.587	0.587	0.430
It2	0.725	0.725	0.401
It3	0.865	0.865	0.558
It4	0.903	0.903	0.486
It5	0.916	0.916	0.564
It6	0.930	0.930	0.529
It7	0.907	0.907	0.646
It8	0.812	0.812	0.494
It9	0.917	0.917	0.483
It10	0.923	0.923	0.479
It11	0.874	0.874	0.572
It12	0.919	0.919	0.467
It13	0.904	0.904	0.418
It14	0.908	0.908	0.493
It15	0.829	0.829	0.497
It16			0.466
It17			0.614
It18			0.327
Reliability			
X1		0,979	
X2		0,877	

Y		0,876	
---	--	-------	--

Table 1 shows that the validity value of all questionnaire items, brand image, and price variables on purchasing decisions is more significant than 0.300 and has a coefficient greater than 0.700, so it can be said to be valid and reliable. The correlation between the research variables shows a positive relationship and influence between the independent variables showing a relationship between brand image and price variables that can be assessed at 0.729 so that it has a solid and unidirectional relationship because the value is positive. The correlation of X1 and X2 is significant because the significant number of 0.000 is smaller than 0.01. Therefore, the statement above solidly means an increase in the magnitude of the brand image of 0.729 units.

Based on the calculation results, the path coefficient is 0.401, and the compensation variable has a path coefficient of 0.561. Therefore, the path equation is obtained as follows:

$$Y = 0,478X1 + 0,375X2 + 0,369 \text{ py}\epsilon$$

Where:

Y = Purchase Decision

X1 = Brand Image

X2 = Price

ϵ = Epsilon variable

The price variable (X2) is the variable that has a minor influence, both directly (14%) and indirectly (13.1%), and the total effect is (27%). Meanwhile, the Brand Image variable (X1) has the most significant influence either directly (22.8%) or indirectly (13.1%), and the total effect is around (35.9%). Therefore, it can be concluded that Brand Image and Price on Purchasing Decisions are equal to (63%) while the remaining 34% is like purchasing decisions or other factors not examined.

These results align with testing the hypothesis that brand image and price affect purchasing decisions; this is reinforced by the statement of respondents who are lagging regarding brand image, namely "has a good reputation in the eyes of respondents," with an average value of 2.71 in a reasonably good category. Therefore the value of the brand image is more significant than the price.

Based on the study results, there is a positive influence between the independent variables, brand image, and price on the purchase decision dependent variable. So that the better the brand image and the more affordable the price, the higher the purchasing decision because there are still respondents' responses regarding the price, which state "very popular distro" with an average score of 2.62 in the pretty good category.

Based on the test results, the price significantly affects purchasing decisions. The results of this study can support the theoretical concepts used. According to Riyani, Larashati & Juhana (2021), price is one of the critical decisions in marketing. Price plays a

strategic role in marketing. If the price set is too high, the product in question will not be affordable by the target market, and consumer buying interest in the product will be low. The price chosen will directly affect the level of demand and determine the level of purchasing activity, and the price will also be able to drive sales and market share.

Brand image is vital in determining consumer preferences (Foster, Sidhartha & Rahman, 2018), where a good brand image will encourage consumers to choose the product. (Sidharta, Rahman & Heryanto, 2018; Cheah, Waller, Thaichon, Ting & Lim, 2020) Furthermore, the research results confirm that brand image is closely related to price, where brand image can increase prices and purchasing decisions. Therefore, based on the explanation above, brand image and price affect purchasing decisions.

CONCLUSION

Overall, brand image and price significantly influence purchasing decisions, and the rest are influenced by other factors not examined in this study. Increasing the influence of brand image on purchasing decisions can be done by paying more attention to making products that consumers like with comfortable and durable materials. Likewise, distro business efforts can increase the effect of price on purchasing decisions by providing competitive prices and price discounts to improve purchasing decisions. For future researchers, it is necessary to add other variables and not just be limited to two because other possible variables significantly influence purchasing decisions, such as promotions and others.

REFERENCES

- Budiman, A., Hendrayati, H., & Achyarsyah, M. (2019, May). Fashion SMEs: Strengthening a brand image through social media. In 1st International Conference on Economics, Business, Entrepreneurship, and Finance (ICEBEF 2018) (pp. 106-109). Atlantis Press.
- Büyükdağ, N., Soysal, A. N., & Kitapci, O. (2020). The effect of specific discount pattern in terms of price promotions on perceived price attractiveness and purchase intention: An experimental research. *Journal of Retailing and Consumer Services*, 55, 102112. <https://doi.org/10.1016/j.jretconser.2020.102112>
- Cheah, J. H., Waller, D., Thaichon, P., Ting, H., & Lim, X. J. (2020). Price image and the sugrophobia effect on luxury retail purchase intention. *Journal of Retailing and Consumer Services*, 57, 102188. <https://doi.org/10.1016/j.jretconser.2020.102188>
- Foster, B., & Sidharta, I. (2019). *Dasar-Dasar Manajemen*. Yogyakarta: Diandra Kreatif.
- Foster, B., Sidharta, I., & Rahman, R. S. (2018). Customer Brand Identification and Dimensions of Brand Equity—A Study on Tour and Travel Companies. *Advanced Science Letters*, 24(12), 9397-9400.
- Ghali-Zinoubi, Z., & Toukabri, M. (2019). The antecedents of the consumer purchase intention: Sensitivity to price and involvement in organic product: Moderating role of product regional identity. *Trends in Food Science & Technology*, 90, 175-179. <https://doi.org/10.1016/j.tifs.2019.02.028>

- Gilboa, S., Seger-Guttmann, T., & Mimran, O. (2019). The unique role of relationship marketing in small businesses' customer experience. *Journal of Retailing and Consumer Services*, 51, 152-164. <https://doi.org/10.1016/j.jretconser.2019.06.004>
- Gremler, D. D., Van Vaerenbergh, Y., Brügger, E. C., & Gwinner, K. P. (2020). Understanding and managing customer relational benefits in services: a meta-analysis. *Journal of the Academy of Marketing Science*, 48(3), 565-583. <https://doi.org/10.1007/s11747-019-00701-6>
- Hossain, M. A., Akter, S., & Yanamandram, V. (2020). Revisiting customer analytics capability for data-driven retailing. *Journal of Retailing and Consumer Services*, 56, 102187. <https://doi.org/10.1016/j.jretconser.2020.102187>
- Johnson, O., & Ramirez, S. A. (2020). The influence of showrooming on millennial generational cohorts online shopping behaviour. *International Journal of Retail & Distribution Management*, 49(1), 81-103. <https://doi.org/10.1108/IJRDM-03-2020-0085>
- Juhana, D. (2018). Impact on Patient Trust of Healthcare Facility and its Implication on Brand Trust. *Asia Pacific Journal of Multidisciplinary Research*, 6(2), 67-70.
- Kalaignanam, K., Tuli, K. R., Kushwaha, T., Lee, L., & Gal, D. (2021). Marketing agility: The concept, antecedents, and a research agenda. *Journal of Marketing*, 85(1), 35-58. <https://doi.org/10.1177/0022242920952760>
- Larashati, I. (2019). Pengaruh Kualitas Pelayanan Dan Harga Terhadap Kepuasan Pengunjung Hotel. *Majalah Bisnis & IPTEK*, 12(1), 18-26.
- Pebriani, V. S., & Larashati, I. (2020). Perception of Consumer Purchasing Decisions based on Brand Image and Location (Case study at a fashion store in Bandung City). *Kontigensi: Jurnal Ilmiah Manajemen*, 8(1), 26-32.
- Riyani, D., Larashati, I., & Juhana, D. (2021). PENGARUH HARGA DAN KUALITAS PELAYANAN TERHADAP KEPUASAN PELANGGAN:(SURVEY PADA SALAH SATU PENYEDIA JASA INTERNET DI KOTA BANDUNG). *Majalah Bisnis & IPTEK*, 14(2), 94-101.
- Semuel, H., & Sampurno, F. (2019, October). Lifestyle, Motivation, and Purchase Intention of Luxury Bag With Instagram Facility as Moderation on Millennial Generation. In *Proceeding of the 4th international conference on accounting, management and economics, ICAME* (pp. 9-26).
- Sidharta, I., Priadana, M. S., & Affandi, A. (2019). Innovative behavior: the study of intellectual capital effect on creative fashion industry in Bandung, Indonesia. *Problems and Perspectives in Management*, 17(4), 404-415. doi:10.21511/ppm.17(4).2019.33
- Sidharta, I., Rahman, R. S., & Heryanto, I. (2018, February). Measuring Dimension of Brand Equity in Tour and Travel in Bandung, Indonesia. In *4th Bandung Creative Movement International Conference on Creative Industries 2017 (4th BCM 2017)* (pp. 291-294). Atlantis Press.
- Son, J., & Jin, B. E. (2019). When do high prices lead to purchase intention? Testing two layers of moderation effects. *Asia Pacific Journal of Marketing and Logistics*, 31(5), 1516-1531. <https://doi.org/10.1108/APJML-07-2018-0271>
- Sopiani, S., Larashati, I., Juhana, D., & Manik, E. (2022). PENGARUH PROMOSI DAN SALURAN DISTRIBUSI TERHADAP KEPUTUSAN PEMBELIAN: SURVEY PRODUK FASHION PADA SALAH SATU DEPARTEMENT STORE DI KOTA CIMAHI. *Majalah Bisnis & IPTEK*, 15(1), 15-28.
- Suryadana, M. L., & Sidharta, I. (2019). Manajemen sumber daya manusia industri hospitality: Diandra Kreatif. Diandra Kreatif.

