

# **The Effect of Promotion and Brand Image on PT Shaza's Product Purchase Decision (Case Study in South of Tangerang Area)**

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## **Abstract**

The background of the problem in this research is about along with the progress of the times and science and technology, human food needs are also increasing rapidly. Various kinds of food products began to be varied with various shapes, colors, and tastes. Sales promotion is also synonymous with various interesting and entertaining activities. With enough food, the human food chain will be fulfilled properly. remembering that, food is a basic need that is very important for human survival. This study aims to determine the effect of promotion and brand image, either partially or simultaneously on purchasing decisions on PT SHAZA products (a case study in the South Tangerang area). In this study, data were collected through a questionnaire method using a Likert scale on 100 consumers with a simple random sampling technique using non-probability sampling analysis and parametric inferential statistics. The data analysis techniques used are: 1. Validity test, 2. Reliability test, 3. Classical assumption test, 4. Multiple linear regression test, 5. Test the correlation coefficient 6. Test the coefficient of determination 7. Test the hypothesis partially and simultaneously. There is no significant effect between promotions on consumer purchasing decisions based on research results. There is a significant influence between the Brand Image variables on purchasing decisions based on the research that the author did and there is a simultaneous significant effect between promotion variables and Brand Image on consumer purchasing decisions based on research results.

*Keywords: Promotion, Brand Image, Purchase Decisions.*

## **1. Introduction**

Along with the progress of the times and science and technology, human food needs are also increasing rapidly. Various kinds of food products began to be varied with various shapes, colors and tastes. Sales promotion is also synonymous with various interesting and entertaining activities. With enough food, the human food chain will be fulfilled properly. remembering that, food is a basic need that is very important for human survival. Currently, the emergence of new competitors or vendors in this type of cireng food business is increasing. Cireng marketing in an interesting way is also widely used to attract people's attention, this does not break Shaza's spirit. Shaza itself still exists as a Home Industry recommended by the Depok Health Office to get a 1 Star food safety award in 2016 with audit results and procedural stages.

Currently, Shaza produces an average of: 3,000 bks of Crspy Original cireng and 2,000 packs of all other variants. The amount of competition makes this business a little bit down due to the many challenges in terms of price and quality and the lack of promotion in this business because it is still a small-scale home-based, but the production level is already national. Based on the thoughts and empirical facts that have been submitted.

## **2. Literature Review**

### **Promotion**

"The definition of promotion is the means by which companies seek to inform, persuade and remind consumers either directly or indirectly about the products and brands they sell" (Kotler and Keller 2012). Another definition of promotion "One of the priority components of marketing activities to consumers that the company launches new consumer products to carry out activities" Tjiptono (2011) states that "Promotion is a medium to introduce a new product or product or strengthen the brand image of an existing product". "Promotion is the last activity of the marketing mix which is very important because most markets are more of a buyer's market where the final decision to buy and sell is strongly influenced by consumers" (Daryanto, 2011).

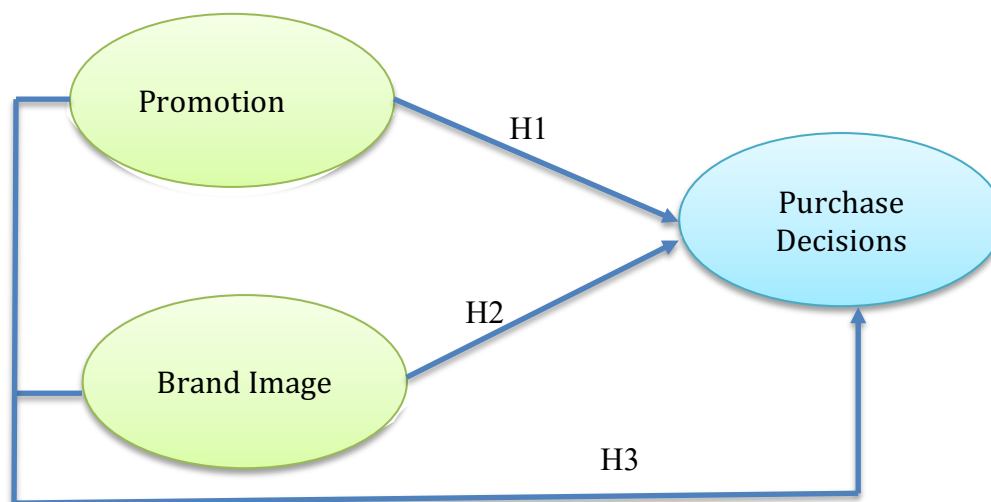
### **Brand Image**

According to (Supranto, 2011: 128) "Brand Image is what consumers think or feel when they hear or see the name of a brand or in essence what consumers have learned about the brand. There are three types of Brand Image indicators according to Rahman (2010: 181), namely: Attribute brand is a brand that is able to communicate trust in the functional attributes of the product. Aspirational brands, namely brands that convey an image of the type of people who buy the brand. Experience brands, namely brands that convey the image of associations and shared emotions between the brand and individual consumers.

### **Purchase Decisions**

According to Machfoedz (2010: 44) suggests that decision making is a process of assessing and selecting from various alternatives in accordance with certain interests by determining an option that is considered the most profitable. The assessment process usually begins with identifying the main problems that affect the objectives, compiling, analyzing and selecting various alternatives and making decisions that are considered the best. The last step. The consumer decision process does not end with the purchase, but continues until the purchase becomes an experience for consumers in using the purchased product. This experience will be taken into consideration for future purchasing decisions. According to Kotler (2010: 223) the alternative evaluation and purchase decision stages have initial purchase interest, which measures the tendency of customers to take a certain action on the product as a whole.

## Framework



**Figure 1. Research Framework**

### Hypothesis:

H1: Promotion has a positive and significant effect on Purchase Decisions

H2: Brand Image has a positive and significant effect on Purchase Decisions.

H3: Promotion and Brand Image have a positive and significant effect on Purchase Decisions.

## 3. Methods

This type of research is associative, according to Sugiyono (2016: 69) 22 associative research is research that aims to determine the effect or relationship between two or more variables. The nature of this research is descriptive quantitative, namely research writing that aims to describe findings based on processed data and facts in the field regarding the variables used in this research. According to Sugiyono (2016: 215) defines "population is the number of generalization areas consisting of objects or subjects that have the qualities and characteristics set by the researcher and then draw conclusions". In this study, the population is buyers of PT SHAZA products whose number cannot be known. According to Sugiyono (2016: 215) "The sample is part of the population. The population is for example the population of a certain area, the number of employees in a certain organization, the number of teachers and students in a certain area and so on. After the number of samples to be taken from the population has been determined, then the sampling is determined in the form of a sampling technique. Sugiyono (2011:81) "a good sample is a sample that has a population as a whole". The determination of the sample size in this study used the Rao Purba formula (Sujarweni, 2015:155), namely:

$$n = \frac{Z^2}{4 (Moe)^2}$$

Information :

N = Number of Samples

Z = Confidence Level in determining the sample (95% = 1.96)

Moe = the maximum tolerable margin of error of error of 10% With the above formula, the following calculation is obtained:

$$n = (1.96)^2$$

$$= 4(0,1)^2$$

$$n = 96.4$$

Based on the calculation of the formula above, the number of respondents who will be used as research samples is 96.04 people, which will be rounded up to 100 people. Testing the data used in this study includes validity, reliability, classic assumption tests (normality test, multicollinearity test, heteroscedasticity test, multiple linear regression analysis, t test to test and prove the research hypothesis, simultaneous, and the coefficient of determination.

#### 4. Results and Discussion

##### Validity Test

The validity test is useful for testing whether the questions asked in this study are valid, or can accurately/correctly measure/explain the variables studied. If the results are valid, it means that the instrument used is the right/true instrument, so that the data collected from the instrument is also the correct/correct data for further analysis. According to Ghazali (2004, p. 45), a significant test was conducted to compare the value of rcount with rtable. If rcount is greater than rtable and the value is positive, then the item or question or indicator is declared valid.

**Table 1. Validity Test**

Variables	Item	Validity
Promotion	10	Valid
Brand Image	10	Valid
Purchase Decisions	10	Valid

Based on the test results from table 1, that the Motivation variable is 10 statements, Brand Image is 10 statements, and Purchase Decisions is 10 statements. Of the three variables, all statements are declared valid because all of them have a calculated r number greater than the r-table number of 0.1966 which means valid.

##### Reliability Test

Reliability testing is done using Cronbach Alpha. According to Nunnally in Ghazali (2005, p. 42) it is said to be reliable if the result Alpha > 0.60 the results are as shown in the following table:

**Table 2. Reliability Test**

Variables	Alpha Cronbach	Status
Promotion	0,772	Reliable
Brand image	0,834	Reliable
Purchase Decisions	0,841	Reliable

From table 2 above, the SPSS output results show that the reliability value of the instrument above shows the level of reliability of the research instrument is adequate because 1 (> 0.60). It can be concluded that the questions from each variable have explained or provided an overview of the variables studied.

### Multiple Linier Regression

Multiple linear regression aims to calculate the magnitude of the effect of two or more independent variables on one dependent variable and predict the dependent variable using two or more independent variables. The multiple regression analysis formula is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

**Table 3. Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	14,260	3,442		4,144	,000
Promotion (X1)	,123	,087	,134	1,422	,158
Brand image (X2)	,547	,092	,562	5,955	,000

Based on table3, multiple linear regression is obtained as follows

$$Y = 14.260 + 0.123 X_1 + 0.547 X_2$$

The interpretation of the multiple linear regression equation is: If everything on the independent variables is considered zero then the value of the purchase decision (Y) is 14.260. If there is an increase in promotion by 1%, then the purchase decision (Y) will increase by 0.123%. If there is an increase in Brand Images by 1%, then the purchase decision (Y) will increase by 0.547

### Partial Test

Partial test (t test) shows how far the independent variables individually explain the variation of this test using a significance level of 5%. The partial hypothesis is as follows:

H0 : = 0 = There is no significant relationship between the independent variable (X) and the variable (Y).

Ha : 0 = There is a significant relationship between the independent variable (X) and the variable (Y).

The value of t for  $df = n - 2$ ,  $df = 100 - 2 = 98$  is 1.664 t-table = 0.05

**Table 4. Hypothesis Test**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1(Constant)	14,260	3,442		4,144	,000
Promotion (X1)	,123	,087	,134	1,422	,158
Brand image (X2)	,547	,092	,562	5,955	,000

Based Based on table 4. above, it can be seen that: The effect of promotion on purchasing decisions. Significant testing with decision making criteria:  $H_a$  is accepted and  $H_0$  is rejected, if  $t_{count} > t_{table}$  or  $Sig. t < 0.05$ ,  $H_a$  is rejected and  $H_0$  is accepted, if  $t_{count} < t_{table}$  or  $Sig. t > 0.05$ .  $t_{count}$  1.422 while  $t_{table}$  is 1.664 and significant is 0.000, so  $t_{count}$  1.422 < 1.664  $t_{table}$  and significant 0.000 < 0.05, then  $H_a$  is rejected and  $H_0$  is accepted, which states partially promotion has no significant effect on purchase decision. The influence of Brand Image on purchasing decisions. Significant testing with decision making criteria:  $H_a$  is accepted and  $H_0$  is rejected, if  $t_{count} > t_{table}$  or  $Sig. t < 0.05$ ,  $H_a$  is rejected and  $H_0$  is accepted, if  $t_{count} < t_{table}$  or  $Sig. t > 0.05$ .  $t_{count}$  is 5.955 while  $t_{table}$  is 1.664 and significant is 0.000, so  $t_{count}$  5.955 >  $t_{table}$  1.664 and significant 0.000 < 0.05, then  $H_a$  is accepted and  $H_0$  is rejected, which states partially Brand Image has a significant effect on purchasing decisions.

### Goodness of Fit

The F test (simultaneous test) was conducted to see the effect of the independent variable on the dependent variable simultaneously. The method used is to see the level of significant (= 0.05). If the significance value is less than 0.05 then  $H_0$  is rejected and  $H_a$  is accepted.

**Table 5. ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	667,637	2	333,819	35,332	,000 <sup>a</sup>
Residual	916,473	97	9,448		
Total	1584,110	99			

Based on table 5 above, it can be seen that  $F_{count}$  is 35.332 while  $F_{table}$  is 3.09 which can be seen at = 0.05 (see attachment table F). Significant probability is much smaller than 0.05, namely 0.000 < 0.05, so the regression model can be said that in this study promotion and Brand Image simultaneously have a significant effect on purchasing decisions. Then the previous hypothesis is Accept  $H_a$  (reject  $H_0$ ) or the hypothesis is accepted.

### Coefficient of Determination ( $R^2$ )

The analysis of the coefficient of determination is used to determine the percentage of the variation in the influence of the independent variable on the dependent variable.

**Table 6. Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,649 <sup>a</sup>	,421	,410	3,07379

Based on table 6 above, it can be seen that the R-Square number is 0.421 which can be called the coefficient of determination which in this case means 42.1% of purchasing decisions can be obtained and explained by promotion and brand image. While the remaining  $100\% - 42.1\% = 57.9\%$  is explained by other factors or variables outside the model, such as product quality, service quality, and others.

## **Discussion**

### *The Effect of Promotion on Purchase Decisions*

The results show that  $t_{count} 1.422 < t_{table} 1.664$  and significant  $0.000 < 0.05$ , so promotion has no significant effect on purchasing decisions. So it can be concluded that the promotion does not have a positive and significant influence on purchasing decisions. So that the hypothesis in this study states that promotion does not have a positive and significant effect on purchasing decisions, it is proven based on data calculations carried out during research. That the promotion of the Cireng Shaza factory does not have a significant influence on consumer purchasing decisions, based on data that has been calculated from the results of research conducted by the author on 100 samples shows that  $t_{count} 1.422 < t_{table} 1.664$  and significant  $0.000 < 0.05$ , then promotion has no significant effect on purchasing decisions. So it can be concluded that the promotion does not have a positive and significant influence on purchasing decisions. So that the hypothesis in this study states that promotion does not have a positive and significant effect on purchasing decisions, it is proven based on data calculations carried out during the study. That the promotion of the Cireng Shaza factory does not have a significant influence on consumer purchasing decisions, based on data that has been calculated from the results of research conducted by the author on 100 samples.

### *The Effect of Brand Image on Purchase Decisions*

The results show that  $t_{count} 5.955 > t_{table} 1.664$  and significant  $0.000 < 0.05$ , it can be concluded that Brand Image has a positive and significant influence on purchasing decisions. So that the hypothesis in this study which states that Brand Image has a positive and significant effect on purchasing decisions is proven to be acceptable. This is in accordance with the theory by According to Kotler and Armstrong (2008, p. 281) The real value of a strong brand is its power to capture consumer preferences and loyalty. Brands have vast amounts of power and value in the marketplace. So that individually the Brand Image variable has an effect on purchasing decisions. The higher the influence of the Brand Image, the greater the influence on consumers in purchasing decisions. This means that promotion is able to influence consumer purchasing decisions in using Cireng Shaza factory products.

*The Effect of Promotion and Brand Image on Purchase Decisions*

The results show that f-count is 35.332 while ftable is 3.09 which can be seen at  $\alpha = 0.05$ . Significant probability is much smaller of 0.05, namely  $0.000 < 0.05$ , then the regression model can be said that in this study Promotion and Brand Image simultaneously have a significant effect on purchasing decisions. So that the hypothesis in this study which states that Promotion and Brand Image have a positive and significant effect on Purchase Decisions is proven to be acceptable

## **5. Conclusion**

From the results of research, data analysis and discussion in previous chapters, the following conclusions can be drawn, there is no significant effect between promotions on consumer purchasing decisions based on research results. There is a significant influence between the Brand Image variables on purchasing decisions based on the research that the author did. There is a simultaneous significant effect between promotion variables and Brand Image on consumer purchasing decisions based on research results.

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