

THE INFLUENCE OF BRAND IMAGE, PRICE, AND PRODUCT QUALITY TOWARD CONSUMERS' PURCHASE INTEREST ON HERBAL PRODUCT

Mahfudz Arifin islamudin¹, Christina Whidya Utami²

Universitas Ciputra Surabaya
INDONESIA

Email: ¹Mahfudz.arifin.islamudin@gmail.com, ²whidyautami@ciputra.ac.id

ABSTRACT

The aims of this study was to identify the influence of Brand Image (X_1), Price (X_2) and Product Quality (X_3) toward Consumers' purchase interest (Y) on Herbal Product. The method of this study was quantitative with descriptive quantitative approach. Afterward, the sampling technique used purposive sampling method. The amounts of samples involved in this study were 100 respondents. The data were collected by questionnaire and the analysis used multiple linear regressions by SPSS 23 software. Based on the result analysis, it was found that Brand Image, Price and Quality Product have significant and positive impacts toward consumers' purchase interest on herbal product.

Key words: Brand Image, Price, Product Quality, Purchase Interest

INTRODUCTION

The demand of herb product is increasing recently because people nowadays consider about side effects caused by syntactical and chemical medicines. Many herbal products supplies with various brands. This extreme competition emerges innovation and appropriate strategy to strengthen company's existence in market. One of strategies to win competition is increasing purchase intention. Purchase intention depends on people's purchase interest that influenced by some factors such as brand image, price and product quality.

Brand is the way people perceive a company or a product. Brand was created to strengthen their image on consumers' mind because a strong brand has a strong and consistent perception towards consumers (Jackie at al. 2013)

According to Kotler dan Keller (2014:69), Price is the amount of money charged on a product or service or the amount of value that consumers exchange for benefits because they posses or use the product or service. According to Zeithaml in Hui Lien et al. (2017), From a consumer perspective, prices represent a number of consumer money that must be submitted to get a product or service. Many consumers use prices as signs of quality that reflect conventional wisdom "you get what you paid".

According to Kotler and Armstrong, (2014: 279) Product quality is the product's ability to carry out its duties which include durability, reliability, progress, strength, ease in packaging, and product repairs and other features.

Durianto in Anggraeni et al. (2018), stated that buying interest is something related to consumers' plans to buy certain products, and how many units of products are needed in a certain period. Shiffman and Kanuk (2007) suggested that buying interest is a model of one's attitude towards objects that are very suitable in measuring attitudes towards certain categories of products, services or brands.

Ajay and Goodstein (1998) postulated that if we want to persuade someone, we must know how the way he/she thinks because we will not only get the information about the

person, but also an information on how we formulate the thinking style to operate it wisely. Thus, this study was conducted to formulate people's perception to persuade them in purchasing herb products.

Studies conducted by Malik et al. (2013), Hadiwijoyo et al. (2014) and Arifin & Fachroji (2015) confirmed that brand image positively influence purchase interest. Moreover, Che-Hui Lien et al. (2015) and Justin Beneke et al. (2015) obtained research result that price absolutely affected purchase interest. Further, Sciffman and Kanuk (2010) and Justin Beneke et al. (2015) confirmed that product quality significantly influence purchase interest. However, these studies used common object to be studied.

This recent study was challenging and different due to presumption that herbal product was considered as expensive and unaffordable for consumers. Thus, this study aimed to identify and analyze the influence of brand image, price and product quality toward purchase interest of herbal product.

Hypothesis: there is a positive influence of brand image, price and product quality toward purchase interest of herbal product.

RESEARCH METHODS

This study was a quantitative study that used descriptive quantitative approach. Further, this study applied multiple linear regression analysis to examine significant factors between dependent and independent variables. The independent variables of this study were Brand Image, price and product quality. Moreover, dependent variable was consumers' purchase interest of herbal product. Population in this study was potential consumers in Surabaya with total number of 100 respondents chosen by purposive sampling. The data obtained by questionnaire with *likert* scale.

Likert scale in this study was obtained from Sugiyono (2015) as follow :

$\frac{\text{Total Score} - 1}{\text{Total Score}} = \frac{4}{5} = 0,8$

The interval score can be interpreted as follow:

1. 1 – 1,79 = **strongly disagree**
2. 1,8 – 2,59 = Disagree
3. 2,6 – 3,39 = Neutral
4. 3,4 – 4,19 = Agree
5. 4,2 - 5 = **strongly agree**

The researcher analyzed the data by multiple linear regressions with following formula:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Y : Consumer
purchase interest
X₁ : *Brand Image*
X₂ : price
X₃ : product quality
 $\beta_1, \beta_2, \beta_3$: regression coefficient
e : error

RESULT & DISCUSSION

KPPT Mekarsari is one of the herbal producers that is developing into a large company. KPPT Mekarsari is located at Jl. Cipinang Kebembem No. 30 Pulogadung East Jakarta. KPPT Mekarsari has long been engaged in the herbal medicine and traditional medicine

industry. One of the well-known products of the company is Curcuma Zedoaria. This product is made from extra white turmeric (temu putih) which is very effective and trusted for a long time for the prevention and treatment of cancer.

Table 1. Users' demography

Profile	Frequency	Percentage
Age		
20-25 years old	20	20%
26-30 years old	33	33%
>31 years old	47	47%
Educational background		
Senior High School	5	5%
Bachelor/Diploma	90	90%
Magister	5	5%
Occupations		
Employee	80	80%
Entrepreneur	15	15%
Students	3	3%
others	2	2%
Monthly salary		
>Rp 3.000.000	45	45%
Rp 2.000.000 - 3.000.000	40	40%
Rp 1.000.000 – 2.000.000	14	14%
<Rp 1.000.000	1	1%

The analysis of users' demography aimed to explain demographical characteristics of respondents in Indonesia, especially in Gresik. Users' demography was illustrated on table 1.

The majority of respondents' age was >31 years old with percentage as 47% consisted of 47 respondents. The respondents' educational background was dominated by bachelor/ diploma with 90% percentage consisted of 90 respondents. Respondents' occupation was dominated by employee with 80% consisted of 80 respondents. Majority of respondents with 45% percentage that consisted of 45 respondents had monthly salary as >Rp 3.000.000.

Influence of Brand Image toward purchase interest

Previous studies which conducted by Malik et al. (2013), Hadiwijoyo et al. (2014) and Arifin & Fachroji (2015) discovered that brand image positively influence purchase interest. Based on their studies, most of respondents agreed that brand image definitely affected consumer behaviour. The previous studies have proven that consumer behaviour could be improved by managing a good brand image. The recent study attempted to prove and enhance the discoveries. Therefore, the result and description of brand image variable can be seen on the following table.

Description of Brand Image Variable

Table 2. Description of Brand Image variable

NO	ITEM	TOTAL ANSWER					MEAN	STANDARD DEVIATIO N	SCORE
		1	2	3	4	5			

1	X1.1	4	2	18	40	36	4,020	0,830	GOOD
2	X1.2	4	3	27	40	26	3,810	0,787	GOOD
3	X1.3	3	10	25	38	24	3,700	0,747	GOOD
4	X1.4	3	5	28	36	28	3,810	0,714	GOOD
Total							3,835		

Source: processed data by SPSS

From the data above, it can be identified that Mean of X_1 variable (*Brand Image*) was 3,835. Based on *likert* scale, it was the interval between 3,4 – 4,19 which means that the respondents agree with Brand image indicators. This value implied that the Brand image affected consumers' purchase interest. The brand image of herb product was the image that firstly appreciated by consumers so that the company must design an interesting packaging that illustrated their brand. Furthermore, brand image also educated consumers and became an attractive product promotion.

Simple and eye-catching packaging might attract consumers and easy to remember. Moreover, it also gave an overview of the product. Good brand image that illustrated by attractive packaging will attract consumers' purchase interest.

Tabel 3. Managerial implication for *Brand image*

Research Findings	After Research
<ol style="list-style-type: none"> 1. Most respondents were > 31 years old with a Diploma / S1 education background, working as employees with monthly income > Rp. 2,000,000, this shows that they are possible to become consumers who are interested in buying herbal products. 2. There is the influence of Brand image on consumer buying interest in herbal products 	<ol style="list-style-type: none"> 1. Based on the results of this study, the Company can more focus on the segmentation, targeting and positioning of its herbal products, especially in markets with a segmentation age > 31 years, working as employees with monthly income > Rp. 2,000,000, - 2. Based on the results of this study, the Company can make packaging designs more attractive, because attractive packaging makes it is easier for people to remember a company's products, especially in an era where people are starting to switch to herbal medicine.

Influence of price toward purchasing interest

Che-Hui Lien et al. (2015) discovered that price affected buying intentions positively. Price must be consistent with product and service classifications to prevent misunderstanding. Price is the most considerable thing in consuming behaviour. Further, price must be the representative of product or service. Therefore, the recent study is presented on the following table and description.

Table 4. Description of price Variable

NO	ITEM	TOTAL ANSWER					MEAN	STANDARD DEVIATION	SCORE
		1	2	3	4	5			
1	X2.1	4	9	25	37	25	3,700	0,840	GOOD
2	X2.2	3	4	19	50	24	3,880	0,855	GOOD
3	X2.3	3	3	25	39	30	3,900	0,927	GOOD
4	X2.4	4	5	25	39	27	3,800	0,862	GOOD
Total							3,820		

Source : Processed data by SPSS

Based on the table above, the Mean of X₂ (price) variable was 3,820. According to likert scale, the value was between 3,4 - 4,19 which means that respondents agree with the indicators of price variable. The value implied that the price influenced customers' purchase interest. Company determined an appropriate and affordable price for consumers. The company expected that the consumers would continually repurchase the product.

Hence, the price was important for herb Product Company because if the price was considered to be "costly" or expensive, the consumer would argue that the product was unaffordable. The assumption that herb product was expensive because it was an alternative product. Herb product was more costly than chemical product because the ingredients and process were different from chemical product. Moreover, herb product promoted safety from side effect and risk. Meanwhile, chemical product might affordable but might have risk while herb product might not have risk at all. Thus, consumers required an education regarding on herb product so that the consumers would understand why herb product was worthier.

Table 5. Managerial implications for prices

Research Findings	After Research
<ol style="list-style-type: none"> 1. Most respondents were > 31 years old with a Diploma / S1 education background, working as employees with monthly income > Rp. 2,000,000, this showed that they were possible to become consumers who are interested in buying herbal products. 2. There is a price influence on consumers' buying interest in herbal products 	<ol style="list-style-type: none"> 1. Based on the results of this study, what the Company can do is educate them to explain the prices and benefits obtained from herbal products, so that consumers feel the prices are set according to the benefits received 2. Based on the results of this study, what can be done by the company is the need for activities to introduce deeper into the community regarding herbal medicines that have economical prices but their uses are the same or even better than other health products.

Influence of product quality toward purchase interest

Sciffman and Kanuk (2010) and Justin Beneke et al. (2015) proven that product quality significantly influence purchase interest. Most respondents of these studies preferred to a product with good quality. Good quality product is valuable and more interesting to purchase. Therefore, the recent study presents the value of product quality of herbal

product in the following table and descriptions.

Table 6. Description of product quality variable

NO	ITEM	TOTAL ANSWER					MEAN	STANDARD DEVIATION	SCORE
		1	2	3	4	5			
1	X3.1	3	3	26	43	25	3,840	0,829	GOOD
2	X3.2	3	2	32	39	24	3,790	0,917	GOOD
3	X3.3	2	4	24	52	18	3,800	0,879	GOOD
4	X3.4	3	4	30	40	23	3,760	0,854	GOOD
Total							3,797		

Source: processed data by SPSS

Based on the data on the table above, it can be identified that the Mean of X₃ (product quality) variable was 3.797. According to likert scale, the value was between 3,4 – 4,19 which means that the respondents agreed with the indicators of product quality variable. Product quality became important matter for company because it affected consumers' satisfaction. The company must warrant their product quality by maintaining GMP procedures with quality control, measuring ingredients and production cost, calculate profit and loss by measuring the appropriateness of price and quality. Moreover, product quality became company's identity that recognized by consumers because the consumers always measured quality as a main factor for repurchasing the product. Thus, the company must assure product quality by measuring production cost, ingredients and price to obtain good quality with a good and affordable price.

Table 7. Managerial implications for product quality

Research Findings	After Research
<ol style="list-style-type: none"> Most respondents were > 31 years old with a Diploma / S1 education background, working as employees with monthly income > Rp. 2,000,000, this showed that they were possible to become consumers who are interested in buying herbal products. There is an influence of product quality on consumers' purchase interest in herbal products 	<ol style="list-style-type: none"> Based on this research, Company must regularly provide education that the product is a solution for those who do not have much time to undergo treatment, because treatment with this method can be used when the respondent works at the same time. Based on this research, Company have to maintain the quality of compatible products in the current era of herbal medicine treatment, and look for low cost raw materials with the same quality. Further, maintaining quality control in accordance with the SOP so that the standard does not decrease.

RESULT OF MULTIPLE LINEAR REGRESSIONS

Multiple linear regressions analysis used toward multiple independent variables to identify their influence toward dependent variable. (Santoso, 2014).

In this study, the dependent variable was consumers' purchase interest. Meanwhile, the independent variables were brand image, price and product quality. The variables'

correlation was illustrated on the following table:

Table 8. Result of Multiple linear regression analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-,032	,147		-,217	,829
X ₁	,160	,056	,146	2,827	,006
X ₂	,636	,063	,651	10,018	,000
X ₃	,215	,068	,204	3,146	,002

Sources: processed data by SPSS

The multiple linear regressions analysis on the table above used equation as follow:

$$Y = -0,032 + 0,160X_1 + 0,636X_2 + 0,215X_3$$

Based on the equation above, the value of Constanta was negative -0,032 because the respondents did not understand what is the herb product, what are the functions of herb product and how much the herb product's price. Therefore, the value of Constanta or purchase interest was negative before it was influenced by the other independent variables. However, the regression coefficient value of X₁ is 016, then it can be concluded that if the Brand Image variable increases by 1 unit it will increase purchasing interest by 16%. While the variable X₂ regression coefficient had 0.636 value, it can be concluded that if the variable Price increases by 1 unit will increase Purchase Interest by 63.6%. While the regression coefficient of X₃ variable is 0.215, then this indicates that if the product quality variable value increases by 1 unit it will make purchase interest increase by 21.5%.

CONCLUSION

In conclusion, Brand Image (X₁) partially had a positive and significant influence toward the purchase interest on herbal products. Price (X₂) had a positive and significant influence toward the purchase interest on herbal products. Product quality (X₃) had a positive and significant influence toward the variable interest in buying herbal products.

REFERENCES

- Arifin, E., & Fachrodji, A. (2015). Pengaruh Persepsi Kualitas Produk, Citra Merek dan Promosi Terhadap Minat Beli Konsumen Ban Achilles di Jakarta Selatan. *MIX: Jurnal Ilmiah Manajemen*, 5(1).
- Fianto, A. Y. A., Hadiwidjojo, D., & Aisjah, S. (2014). The influence of brand image on purchase behaviour through brand trust. *Business Management and Strategy*, 5(2), 58.
- Holland, J., & Weathers, J. (2013). Aligning a company's people strategy with its business strategy and brand strategy. *Journal of Brand Strategy*, 2(3), 245-258.
- Kotler, P., & Keller, K. (2011). *Marketing management 14th edition*. Prentice Hall.
- Kotler, P., Keller, K. L., Armstrong, G., Armstrong, G., & Keller, K. (2016). *Marketing Management, 15th global edition. England: Pearson Education Limited*.
- Lien, C. H., Wen, M. J., Huang, L. C., & Wu, K. L. (2015). Online hotel booking: The effects of brand image, price, trust and value on purchase intentions. *Asia Pacific Management Review*, 20(4), 210-218.
- Malik, M. E., Ghafoor, M. M., Iqbal, H. K., Ali, Q., Hunbal, H., Noman, M., & Ahmad, B. (2013). Impact of brand image and advertisement on consumer buying behavior. *World Applied Sciences Journal*, 23(1), 117-122.
- Permatasari, A., & Agustina, A. (2018). Entrepreneurial behaviour among undergraduate business, social and engineering students: a case study of a private Indonesian

- university. *Jurnal Manajemen Indonesia*, 18(2), 94-104.
- Shiffman, L., & Kanuk, L. (2007). *Consumer Behavior: Purchase Behavior*.
- Schiffman, L., Kanuk, L., & Wisenblit, J. (2010). *Consumer Behaviour: Global Edition*.
- Beneke, J., Brito, A., & Garvey, K. A. (2015). Propensity to buy private label merchandise: the contributory effects of store image, price, risk, quality and value in the cognitive stream. *International Journal of Retail & Distribution Management*, 43(1), 43-62.
- Schiffman, L. G. Dan Leslie Lazar Kanuk.(2010). *Consumer Behavior*.
- Kalra, A., & Goodstein, R. C. (1998). The impact of advertising positioning strategies on consumer price sensitivity. *Journal of Marketing Research*, 35(2), 210-224.
- Sugiyono (2014). *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif Dan R&D*, Bandung: Alfabeta.