

**ANALISIS EFEKTIVITAS DARI EKUITAS MEREK DAN TAMPILAN BARANG DAGANG
PADA KEPUTUSAN PEMBELIAN PELANGGAN DI GIORDANO MANADO TOWN SQUARE***ANALYZING THE EFFECT OF BRAND EQUITY AND VISUAL MERCHANDISING ON CONSUMER
PURCHASE DECISION AT GIORDANO MANADO TOWN SQUARE*

by:

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Abstrak: Tekstil dan pakaian mempunyai peran penting dalam proses pengembangan dan proses industrialisasi negara-negara. Dalam mempertahankan pelanggannya agar loyal terhadap produk mereka, Giordano telah menerapkan dua pendekatan strategis yang dianggap sebagai alat untuk menonjolkan diri kepada pelanggan; dua pendekatan itu adalah ekuitas merek dan tampilan barang dagang. Tujuan dari penelitian ini adalah untuk menganalisis pengaruh ekuitas merek dan tampilan barang dagang terhadap keputusan pembelian konsumen di Giordano Manado Town Square. Populasi penelitian ini adalah pelanggan Giordano Manado Town Square dan ukuran sampel adalah 100 responden dengan metode convenience sampling. Temuan penelitian ini menunjukkan bahwa ekuitas merek dan tampilan barang toko berpengaruh terhadap keputusan pembelian konsumen. Jadi, terkait dengan temuan dalam penelitian ini, ada dua rekomendasi untuk Giordano Manado Town Square, yaitu tetap memperkuat nilai sebagai merek yang memiliki reputasi baik dengan meningkatkan produk dan layanan sehingga nilai yang diharapkan bisa sampai ke pelanggan dan tetap menawarkan dan memelihara tampilan kreatif di eksterior dan interior toko.

Kata Kunci: ekuitas merek, tampilan barang dagang, keputusan pembelian konsumen

Abstract: Textiles and clothing plays a major role in the development and industrialization process of countries and their integration into the world economy. In maintaining its customers to be loyal to their products, Giordano has been implementing two strategic approaches that are considered as two of its impactful weapons to stand out from the crowd of competition; those are brand equity and visual merchandising. The aim of this study is to analyze the effect of brand equity and visual merchandising on consumer purchase decision at Giordano Manado Town Square. The population of this study is the customer of Giordano Manado Town Square and the sample size is 100 respondents with the sampling method of convenience sampling. The finding of this study shows that brand equity and visual merchandising has an effect toward consumer purchase decision. So, related with the finding in this study, there are two recommendations for Giordano Manado Town Square, which are keep strengthen the value as a reputable brand by improving the product and services so that the expected value can reach the customer and keep offering and maintaining the creative display in the exterior and interior of the store.

Keywords: brand equity, visual merchandising, consumer purchase decision

INTRODUCTION

Research Background

Textiles and clothing plays a major role in the development and industrialization process of countries and their integration into the world economy. The WTO notes that in 2004, developing countries as a group (low and middle income countries) accounted for more than half of all world exports of textiles and clothing and that in no other category of manufactured goods do developing countries enjoy such a large net-exporting position. In this era, the Asian apparel industry keeps growing in global markets while the global apparel industry becomes highly volatile with increasing internationalization (Lopez and Fan 2009). Manado is famous as the city with the consumption level of society is high enough.

One of the noticeable apparel brands in Manado city is Giordano. Operating as a retailer of casual wear, it offers customers good value for money by combining trendy, comfortable and good quality clothes at affordable prices.

In maintaining its customers to be loyal to their products, Giordano has been implementing two strategic approaches that are considered as two of its impactful weapons to stand out from the crowd of competition; those are brand equity and visual merchandising. In competition, Giordano is adopting visual merchandising and brand image to stir shoppers' attention and to comfort their feelings in order to survive in the rivalry.

Research Problems

Based on the research background, there are these main problems that will be discussed in this research, they are as follows:

1. Is there any effect of brand equity and visual merchandising, on consumer purchase decision simultaneously?
2. Is there any effect of brand equity on consumer purchase decision partially?
3. Is there any effect of visual merchandising on consumer purchase decision partially?

Research Objectives

Regarding to the problems which have been formulated and identified that mentioned in the previous section, the research objectives are:

1. To identify the effect of brand equity and visual merchandising on consumer purchase decision simultaneously.
2. To identify the effect of brand equity on consumer purchase decision partially.
3. To identify the effect of visual merchandising on consumer purchase decision partially.

THEORETICAL REVIEW

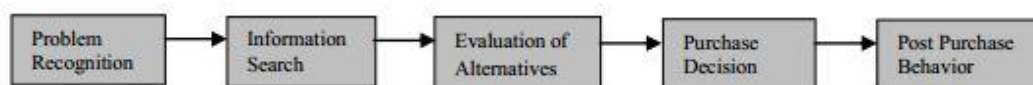
Marketing

Marketing is the one of the key to be success, because there are many theories that make the business growing and get the goal. According to Kotler and Keller (2012) Marketing is about identifying and meeting human and social needs. One of the shortest good definitions of marketing is "meeting needs profitability".

Consumer Purchase Decision

Consumer purchase decision is a process that leads a consumer from identifying their needs, providing options, evaluating the options then choosing a specific one. Consumer will have a buyer decision process before finally comes out with purchase decision and figure 2.1 shows that the buyer decision process consists of five stages model: problem recognition or need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior (Kotler, et al, 2011).

Figure 1. Five-Stage Model of the Consumer Purchase Decision Process



Source: *Principles of Marketing, an Asian Perspective, 2011*

Problem recognition is the first step of customer's purchase decision process. The moment the customer feels the drive from within he or she starts searching information and collecting data from different sources. In the stage of evaluation of alternatives the customer compares different choices which can solve the problem; by doing so the customer develops beliefs and attitude (positive or negative) towards such different choices. The customer starts analyzing critically and responding over different attributes of the alternatives and their advantages and disadvantages (Moven and Minor, 1998). In purchase decision stage the customer make his mind decisively after classifying different brands. In post purchase behavior, the customer is either satisfied or he regrets his purchase decision which depends on the purchased product whether it lives up to the customer expectation or the product performance is not up to the expectation (Kotler and Armstrong, 2001).

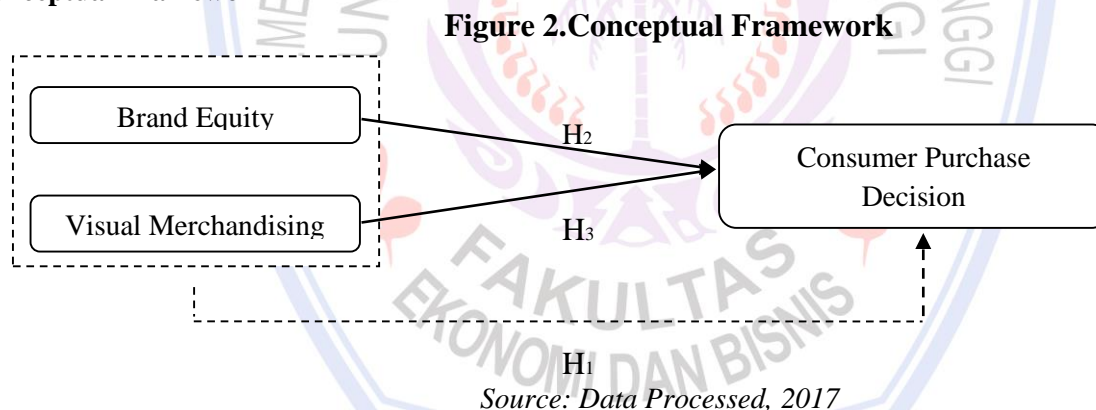
Brand Equity

According to Kotler and Keller (2012) Brand Equity is the added value endowed on product and services. It may be reflected in the way consumer think, feel, and act with respect to the brand, as well as in the prices, market share, and profitability the brand commands. It can be said that brand equity is brand worth or the image of the brand.

Visual Merchandising

Visual merchandising is the presentation of a store and its merchandise to the customer through the teamwork of the store's advertising, display, special events, fashion coordination, and merchandising departments in order to sell the goods and services offered by the store (Mills, 1995, p.1). Visual merchandiser creates a visual merchandising plan and continuously changes it according to current trend to attract the customer. Visual merchandising is believed to encourage purchase as the products are displayed in the line of vision.

Conceptual Framework



Notes:

- > Partially
 - - - - -> Simultaneously

The hypotheses of this research are:

- H0** There is no effect of brand equity and visual merchandising on consumer purchase decision at Giordano Manado Town Square simultaneously.
- H1** There is an effect of brand equity and visual merchandising on consumer purchase decision at Giordano Manado Town Square simultaneously.
- H2** There is an effect of brand equity on consumer purchase decision at Giordano Manado Town Square partially.
- H3** There is an effect of visual merchandising on consumer purchase decision at Giordano Manado Town Square partially.

RESEARCH METHOD
Type of Research

This research is quantitative research uses a causal type of research that using multiple regression analysis the effect of brand equity and visual merchandising on consumer purchase decision of Giordano Manado Town Square.

Place and Time of Research

This research conducted in Giordano Manado Town Square started from January until March 2017.

Population and Sample

The population of this research is the customer of Giordano Manado Town Square and the customer that has visited Giordano Manado Town Square more than once. The sample of this research is consisting of 100 respondents and uses the sampling method of purposive sampling.

Data Collection Method

The data used in this research consist of 2 types between primary data through questionnaires and secondary data taken from books, journal, and relevant literature from library to understand the theoretical support in this research. Process where the consumer decides to buy a product or use the services to satisfy their needs and desires at Giordano Manado Town Square

Operational Definition of Research Variable**Brand Equity**

Refers to the value of brand of Giordano Manado Town Square.

Visual Merchandising

Offers to the customer from exterior and interior of Giordano Manado Town Square.

Consumer Purchase Decision

Process where the consumer decides to buy a product or use the services to satisfy their needs and desires at Giordano Manado Town Square.

Data Analysis Method**Validity and Reliability**

Validity test is intended to confirm of measurement tools used to get the data. Validity test can be done with Factor Analysis technique. There is Measure of Sampling Adequacy (MSA) value. If the value less than 0.5, the data is considered valid. Reliability test is established by testing for both consistency and stability of the answer of questions. If reliability coefficient (α) > 0.6 means acceptable

Multiple Regression Analysis Method

Cooper & Schindler (2001, p. 767) stated that multiple regression analysis is a technique to observed value of more than one X to estimate or predict corresponding Y value. The equation model of multiple regression analysis method which used in this research can be formulated as shown as below:

$$Y = a + b_1 X_1 + b_2 X_2$$

Where:

- Y : Consumer Purchase Decision
- a : the regression constant
- b : Coefficient regression
- X₁ : Brand Equity
- X₂ : Visual Merchandising

RESULTS AND DISCUSSIONS

Validity and Reliability Result

Validity test is used to know whether the instrument is valid or not. The instrument is valid if the value of Pearson Correlation above 0.3. The Correlation between loyalty program brand equity (0.898), visual merchandising (0.916) with consumer purchase decision (0,901) show a positive relationship. Therefore, the data is considered as valid. Reliability test is to measure if one item of question was tested several times would give consistent value. Based on the table above shows that the value of Alpha Cronbach is 0,888, which means that it is above acceptance limit of 0.6, therefore, the research instrument for relationship among the variable indicates good consistency and the data is acceptable.

**Classical Assumption
Multicollinearity**

Table 1. Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
1 Brand Equity	.448	2.231
Visual Merchandise	.448	2.231

a Dependent Variable: Consumer Purchase Decision
Source: Data Processed, 2017

The table 1 shows the tolerance of Loyalty program membership card is 0,887 ,and Customer Experience is same with loyalty program membership card which is 0,887. It means that the tolerance value of each variable is more than 0,1. The VIF value of loyalty program membership card and customer experience are 1,278, it means that the value of both variable is less than 10. Since the tolerance value is more than 0,1 and VIF value is less than 10 the research is free from multicollinearity.

Heterocedasticity

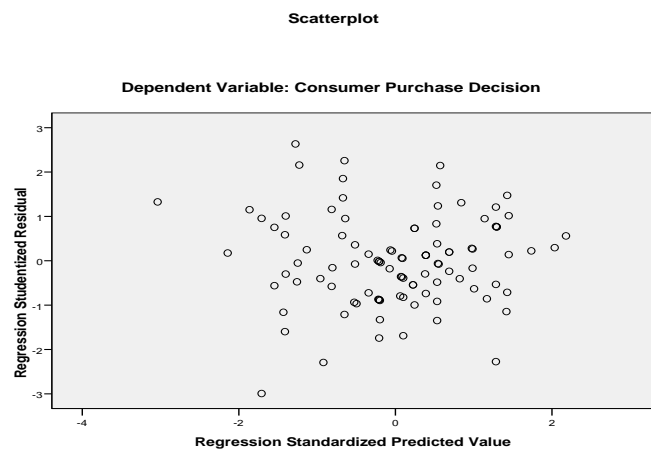


Figure 3 Heterocedasticity

Source: Data Processed, 2017

Figures 4.10 shows that the pattern of the dots is spreading and does not create a clear pattern. The dots are spreading above and below 0 (zero) in the Y axis. It proves that the model is free from heteroscedasticity.

Normality

Normality test can be identified by using graph of P-P.Plot. The data will distribute normally if the value of P-P.Plot is near diagonal line of the graph.

Normal P-P Plot of Regression Standardized Residual

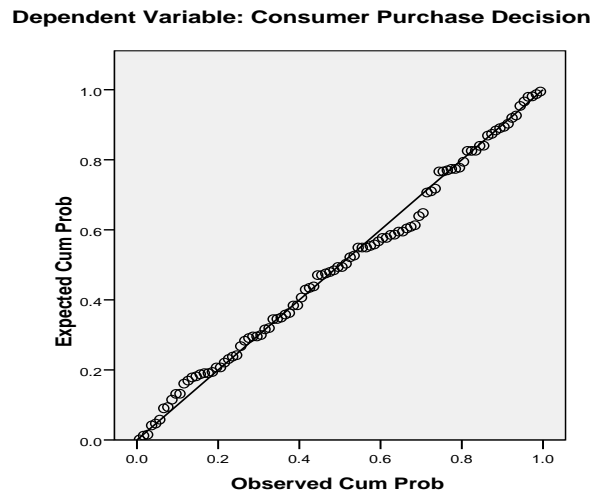


Figure 4. Normality Test result

Source: Data Processed, 2017

The table above shows that the data that represented by the dots are spreading near the diagonal line and follow the direction of diagonal line. Therefore the normality test is completed.

Multiple Regression Analysis

Table 2. Multiple Regression Analysis

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	2.800	1.282		2.184	.031
	Brand Equity	.405	.104	.375	3.902	.000
	Visual Merchandise	.432	.092	.452	4.696	.000

a Dependent Variable: Consumer Purchase Decision

Source: Data Processed, 2017

Recall that the Multiple Linear Regression model is used to determine the effect of several independent variables on a dependent variable. The computation was done by using SPSS 15 software. The computerized calculation ensures the accuracy of the analysis. From the result in the table above, the model define as:

$$Y = 2,800 + 0,405 X_1 + 0,432 X_2 + e$$

Multiple Coefficient and Correlation Determination**Table 3. Multiple Regression Coefficient of Correlation**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.773(a)	.597	.589	2.328	2.037

a Predictors: (Constant), Visual Merchandise, Brand Equity

b Dependent Variable: Consumer Purchase Decision

Source: Data Processed, 2017

The interpretation of coefficient correlation (R) that shown on Table 3 means there is significant relationship between the the two independent variables with dependent variable. It is because value of R is 0.702 which is proved that the relationship among variable independents and dependent is strong. The coefficient of determination (R^2) according to the table 3 is 0.493, it means that the linear relationship in this model is able to explain the Consumer Purchase Decision (Y) for 49.3%. And the rest 50.7% are caused by other factors not discussed in this research.

Hypothesis Testing**F-Test**

F-Test is any statistical test intended to determine whether the independent variables simultaneously influence the dependent variable. This test is done by comparing the F_{count} with F_{table} . If $F_{count} > F_{table}$ as confidence level of 95% $\alpha=0.05$).

Table 4. F-test Result

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	779.912	2	389.956	71.960	.000(a)
	Residual	525.648	97	5.419		
	Total	1305.560	99			

From the F-test, by using the significant value of 0.05 ($\alpha = 0.05$), the calculated value of F_{count} is greater than the F_{table} ($71.960 > 3.09$). Since the F_{count} is greater than F_{table} , H_0 is rejected and H_1 is accepted. It means that the independent variables significantly affect the dependent variable simultaneously.

T-test

T-Test is any statistical test intended to determine the partial effect of each independent variable (X) to dependent variable (Y).

Table 5. T-test

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	2.800	1.282		2.184	.031
	Brand Equity	.405	.104	.375	3.902	.000
	Visual Merchandise	.432	.092	.452	4.696	.000

Source: Data Processed, 2017

The partial influences of each independents variable are as follow:

1. Brand Equity (X₁) to Consumer Purchase Decision (Y)

T-count of X₁ is 3.903 with the level of significance of 0.00. If the value of $t_{\text{count}} = 3.903 > t_{\alpha (0.05)} = 1.984$ meaning that H₂ is accepted and H₀ is rejected. And Sig < 0.05 it means the result of this test declares that there is a partially significant effect of brand equity (X₁) on consumer purchase decision (Y).

2. Visual Merchandising (X₂) to Consumer Purchase Decision (Y)

T-count of X₂ is 4.696 with the level of significance of 0.00. If the value of $t_{\text{count}} = 4.696 > t_{\alpha (0.05)} = 1.984$ meaning that H₃ is accepted and H₀ is rejected. And Sig < 0.05 it means the result of this test declares that there is a partially significant effect of visual merchandising (X₂) on consumer purchase decision (Y).

From the explanation above, it is describe that all independents variable which are Brand Equity and Visual Merchandising have a significant influence on Consumer Purchase Decision partially.

Discussion

Consumer Purchase Decision plays an important role in gaining the company's profit. In order to increasing the consumer purchase decision, company need to find out some strategies for increase their sales. One of the strategies to maintain the customer loyalty that set by Giordano Manado Town Square is using Brand Equity.

The result shows that 46% respondents are male and 54% respondents are female. Most of the respondents are between 20-24 years old, and most of the respondents are single, have finished their high school, and have occupation as college students. The respondents' monthly income mostly between IDR 1.000.000 – IDR 2.500.000. The respondents' frequency of visiting the store around 2 – 5 times per year and for purchasing also around 2 – 5 times per year.

Based on the coefficient result in Multiple Linear Regression Analysis, the significant of brand equity is 0,000 which below than 0,050, so the brand equity (X₁) has a significant effect on consumer purchase decision (Y). This result is supported by previous research conducted by Doostar, Maryam and Reza (2012) which brand equity has a direct impact on purchase decisions, consumers feel by dimensions of brand equity brand for the first time after consumption and then tend to make purchase decisions. Also based on the coefficient result in multiple linear regression analysis, the significant of visual merchandising is 0,000 which below than 0,050, so the visual merchandising (X₂) has a significant effect on consumer purchase decision (Y). This result is supported by previous research conducted by Mohan and Ojha (2014) which is there is a significant effect brand equity on consumer purchase decision. Store appearance in form of lighting and color plays a major role in attracting the customers towards the store and can be considered as very important store attribute for driving the purchase decision of customers. In this research the data was collected from 100 respondents of Giordano Manado Town Square and categorized by gender, age, marital status, educational level, occupation, monthly income, frequency of visiting the store per year, and frequency of purchasing the product per year.

CONCLUSION AND RECOMMENDATION

Conclusion

Conclusion After examining the findings and discussing the result, the conclusions based on this research are as follows:

1. There is a simultaneously effect of brand equity and visual merchandising on consumer purchase decision.
2. There is a partial positive effect of the independent variables (brand equity and visual merchandising) on consumer purchase decision.
3. The findings are $Y = 2.800 + 0,405 X_1 + 0,432 X_2 + e$. Meaning that an increase of 1 unit of Loyalty Program Membership Card leads to an increase of 0,405 units of Customer Loyalty and an increase of 1 unit of Customer Experience, leads to an increase of 0,432 in Customer Loyalty.

Recommendation

This thesis was done with hope that it can be a contribution to Giordano Manado Town Square. These are the recommendations as input that hopefully can be useful as suggestion.

1. Giordano Manado Town Square should keep strengthen the value as a reputable brand by always improving the products and services so that the expected value can reach the customer.
2. Keep offering and maintaining the creative display in the exterior and interior of the store. Especially set up the store appearance and ambience according to the trend or special occasion in order to attract more customers. For example Giordano create display in red and green theme while welcoming Christmas season.

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