

# Effect of the Brand Image, Product Quality, And Price on The Consumer Decisions At PT. Duta Agung Anugerah Medan

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## ABSTRACT

Methods of data collection with interviews, questionnaires, and documentation. The data analysis method used is multiple linear regression. The number of samples in this study using a saturated sampling technique was 40 consumers and 30 respondents from PT. Duta Agung Anugerah Medan The conclusion is that the effect of brand image, product quality, and price simultaneously (f test) has a positive effect on consumer decisions. F count 92.051 > F table 2.86 with sig. from 0.000 < 0.05. Partially (t-test) the brand image of t count 4.805 > t table 2.026 and a sig. of 0.000 < 0.05 then the quality of the product t count 3.890 > t table 2.026 and a sig. of 0.000 < 0.05, the value of t count 0.219 < t table 2.026 and a sig. from 0.828 > 0.05. The results of the Adjusted R Square coefficient of determination are 0.875, meaning that brand image, product quality, and price affect consumer decisions with a level of 87.5%, while the remaining 12.5% can be explained by other factors or external variables. Research Model..

## Keywords : Brand image, Product Quality, and Price

## **INTRODUCTION**

The absorption process of heat from the machine cooler started from room temperature tall and then moves heat to the medium temperature lowe, where there are temperature conditions that can be maintained at the temperature below ambient temperature. Transfer process heat this through ability *heat transfer* started from the frequent medium our hear with refrigerant name. In the cooling process quality ingredient frozen food \_ does no for increasing quality ingredient food but only charactemaintainsin quality food. The freezing process is determined by the quality of the ingredients food in time to start the trial pro is cess entered into the machine cooler. Based on information from the General Chairperson of the Indonesian Refrigeration Chain Association (ARPI), the refrigeration chain industry said that during the second semester of 2021 there will be an increase in production to 90,000 tons. The demand for the cooling chain will be driven mainly by frozen foods and processed products. Influence brand image is very influential to decision purchase something products by consumers. When the *brand image is* created by the companieanyny good customers easily determine the choice they want. In the make brand image required identity from a product started moment firsttime product that marketed by consumers. During the production process, a cold chain system is needed to store, transport, and distribute raw and processed products at temperatures below  $40 \circ ^{\rm C}$  . chain cold no enforced right th, then bacteria spoilage and bacteria pathogen will threaten the alalit of stored product. \_ Bacteria spoilage character lower quality saved products \_ like shelf life Becomes short, happened to change physical, color odor and taste. As for bacteria pathogens, causing disturbance health for a consumer-like poisoning, and pain until death. For that quality, a good product \_ is always used as one \_ decision to purchase a product.



The refrigeration room in construction could be made by capacity desired needs \_ consumer order tool. Besides form idling, the temperature machine cooler could customize with ingredients that will \_ saved, how much amount of power electricity is used \_ as well as other things that can be set at the time want to order the tool. This is one of the determinants of the price of goods to be purchased later. In the process of making a machine purchase decision, there are several consumer considerations of them how much: desired price, quality product, design of the attractive product, and image \_ of the brand built by the company. That integration process is required in combination with several alternative behaviors from order goods.

PT. Duta Agung Anugerah (DAA) Medan was established in 2016 and is engaged in cooling rooms, manufacturing air conditioning machines, consulting related to cooling rooms to facilitate cooling room problems, and producing PU panels in Medan. Office Address: Jl. Boulevard Raya No. 88H Comp. Cemara Asri, Percut Sei Tuan, 20221. For the product marketing area in North Sumatra Province. The results of interviews with researchers obtained problems that arise in *brand images* a consumer's perception of how a company can make a product or service (*corporate image*), consumer perceptions of an item or service (*product image*), and consumer perceptions of users who use an item or service (*user image*).

The problem that arises in product quality is how to product durability, such as what the privilege of products made, how product the reliable for users and how much according to product specifications with what consumers want. The problem with the price is the ability of consumers to buy, how quality products are offered, price competitiveness, and price suitability with product benefits. What is the buying decision problem? the product you want to be bought, when right time for buy and how payment method to company.

# LITERATURE REVIEW

# Brand Image

According to Yudhanto (2018:154), *Brand image* is a set of assumptions that exist in the minds of consumers about a brand that is formed from various information from various sources. According to SuSurya2015: 29), *brand image* is a picture or impression caused by a brand in the minds of customers. According to Lucas (2012:81), *brand image* is what consumers think and feel when hearing or seeing a brand. Indicator *brand image: the* image of the maker (*corporate image*), the image of product/consumer (*product image*), the image of the user (*user image*), Aaker and Biel (2009:71)

# **Quality Product**

According to Kotler and Armstrong (2008:272), product quality is a product or service characteristic that depends on its ability to satisfy stated or implied consumer needs. According to Kotler (2005:49), product quality is the overall characteristics of a product or service on the ability to satisfy stated/implied needs. According to Lupiyoadi (2001:158), product quality is stating that consumers will be satisfied if the results of their evaluation show that the products they use are of high quality. Indicator quality product: product durability, product features, product reliability conformity to specifications, and product aesthetics, Kotler and Keller (2012:347)



# Price

According to Sudaryono (2016: 216), price is an exchange rate that can be equated with money or other goods for the benefits obtained from an item or service for a person or group at a certain time. Price interacts with all elements and all elements. According to Tjiptono (2008:151), a price is a monetary unit or another measure that is exchanged to obtain ownership rights or use of an item or service. According to Kotler and Armstrong (2001:339), price is the amount of money charged for a product or service. Indicator Price: Price affordability, Price compatibility with product quality, Price competitiveness, Price discounts, Price compatibility with product benefits, Tjiptono and Gregorius (2012:58)

## **Consumer Decision**

According to Sangadji (2013:332) taking decision consumer decision making (*consumer decision making*) is an integration process that combines knowledge to evaluate two behavior alternatives or more, and choose one of them. According to Kotler (2013:175), the decision to purchase is the action of consumers to want to buy or not to product. Schiffman and Kanuk (2004: 547) state that purchasing decisions are the selection of two or more alternative purchasing decision options, meaning that a person can make a decision, and must be available with seven choices. Indicator decision consumer: Choice product, Choice dealer, Time of purchase, Quantity purchase, Method payment, Kotler & Armstrong (2016:188)

## **Research methods**

Study this was carried out at PT. Duta Agung Anugerah (DAA) Medan, Jl. Boulevard Raya No. 88 H Comp. Cemara Asri, Percut Sei Tuan, 20221. Time and research conducted from October 2021 and expected done until April 20 2 2. This research uses the method *quantitatively*. This research \_is character *explanatory research*. The people on which will use a udy his whole consumer PT. Duta Agung Anugerah of Grace which amounted to 40 respondents, with use *sampling* saturated. technique \_ taking sample when all member population used as a sample. <u>U</u> for validation test obtained from 30 respondents who were taken from company kind of that is PT. Cellcius Indoperkasa Ruko Daan Mogot New KJE 40-41, Jalan Tampak Siring Kalideres West Jakarta 11840.

# **RESULTS STUDY AND DISCUSSION**

#### **Results study**

Analysis statistics descriptive

**Descriptive Statistics** 

	Ν	Minimum	Maximum	mean	Std. Deviation
Brand image	40	16	30	23.50	4.443
Quality product	40	31	48	38.60	4.760
Price	40	29	50	40.18	7.990
Purchase decision	40	27	50	37.83	7,534
Valid N (listwise)	40				



Test results using SPSS obtained score statistics descriptive *brand image* (X1<sub>)</sub>, with sample 40 respondent score minimum 16 unit on number respondent 5, the maximum value is 30 units on respondent numbers 2, 13, 14, 21, 25, 31, 33 and 37, the mean value is 23.50 and standard deviation 4.443 On quality product (X<sub>2</sub>), a sample of 40 respondents with a minimum value of 31 units in the numbers respondents 7 and 8, the maximum value of 48 units on respondent numbers 31 and 3, the mean value 38.60 and standard deviation 4760. On price (X3), sample 40 respondent score minimum 29 units on number respondent 38, the maximum value is 50 units on respondent numbers 3, 4, 9, 14, 18, 19, 22, 30 and 31, the mean value is 40.18 and standard deviation 7,990 On buying decision (Y), saa simple 40 respondents score a minimum 27 unit on number respondents 7 and 8, score maximum 50 units on the number respondent 2, 13, 14, 25, 33 and 37, value mean 37.83 and standard deviation 7,534.

## **Test Normality**

Test Chart



Based on the picture above, see that shaped line drawing bells, no deviated to left nor right. his thing shows that the data are normally distributed and meet assumption normality. Chart *Probability Plot (Normal P - PlotRegression standardized )* 





The picture shows that dot, dot, dot spread around the diagonal line and follow the diagonal line. From the picture the could takeconcludedon that the residual in the regression model the distribute normally.

# **Test Multicollinearity**

	Coefficients "						
Model		Collinearity Statistics					
	Widder	Tolerance	VIF				
	Brand image	.257	3.887				
1	Quality product	.254	3.940				
	Price	.974	1.027				

a. Dependent Variable: Consumer decision

Based on the table on is known that tolerance value > 0.10 and VIF value < 10 for variable free research (*brand image*, quality product, and price). Thereby could conclude that equality regression is free from the assumption of multicollinearity.

# Test H heterocedasticity





Based on the picture on seen scattered dots \_ no shape patterns certain and scattered good above \_ number 0 and based on the picture the so no occur heteroscedasticity so that the regression model-worthy used for predict variable decision purchase based on the independent variable (*brand image*, quality product, and price).

	Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.			
		В	Std. Error	Beta					
	(Constant)	3.250	2.380		1.366	.180			
1	Brand image	.025	.111	.071	.224	.824			
	Quality product	.008	.104	.025	.080	.937			

# Test Glacier



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	Price	053	.032	274	-1,692	.099
a. D	ependent Variable: ABS	S_RES				

From the table on seen that score probability (Sig.) for variable *brand image* 0824, quality product 0.937, and price 0.099. This thing saw that score the significance on level 5% confidence (0.05), then the regression model no contains existence heteroscedasticity.

# Results an analysis d or research \_

Model study

		Unstandar	dized	Standardized	
Model		Coefficie	ents	Coefficients	
		В	Std.	Beta	
		D	Error	Deta	
1	(Constant)	-10,717	4.073		
	Brand image	.909	.189	.536	
	Quality product	.692	.178	.437	
	Price	.012	.054	.013	

a. Dependent Variable: Consumer decision

Consumer decision = -10,717 + 0.909 brand image + 0.692 quality product + 0.012 price+5% It means:

- 1. The constant of -10,717 states that if *the rand image* quality product and price no there are so decision consumer as big as -10,717 units.
- 2. brand image regression coefficient is 0.909 and is positive, this means that every 1 unit increase in the *brand image will increase* the decision consumer by 0.909 units with the assumption other variables are permanent.
- 3. Coefficient regression quality product as big as 0.692 and worth positive, Thing this state that every increase quality product 1 unit will increase decision consumer 0.692 units with assumption other variables permanent.
- 4. Price regression coefficient of 0.012 and is positive, this means that every increasing price 1 unit will raise decision consumer of 0.012 unit with assumption variable other permanent.

# Coefficient d termination (R<sup>2</sup>)

Model Summary							
Adjusted R Std. The error in							
Model	R	R Square	Square	the Estimate			
1	.941 <sup>a</sup>	.885	.875	2,663			

a. Predictors: (Constant), Price, Brand image, Product quality

b. Dependent Variable: Consumer decision

From the test results using SPSS obtained score *Adjusted R Square* of 0.875 which means by 87.5% variable decision consumer could be explained by variable *brand image*, quality product and price whereas remaining = 12.5% (100% - 87.5% = 12.5%) could be explained by factors



other or variable outside the research model.

## F Test

	ANOVA <sup>a</sup>							
Model Sum of Squares d		df	Mean Square	F	Sig.			
	Regression	1958,465	3	652.822	92.051	.000 <sup>b</sup>		
1	Residual	255.310	36	7.092				
	Total	2213,775	39					

a. Dependent Variable: Consumer decision

b. Predictors: (Constant), Price, Brand image, Product quality

Based on the table above obtained score F <sub>count</sub> 92.051 > F <sub>table</sub> 2.86 with Sig 0.000 < 0.05. With thereby *brand image*, quality product, and price by simultaneously take effect significant to decision consumers at PT. Medan Award Ambassador. \_

#### Coefficients <sup>a</sup> Unstandardized Standardized Coefficients Coefficients Model Sig. t В Std. Error Beta (Constant) -10,717 4.073 -2.631 Brand image .909 .189 .536 4,805 1 .437 Quality product .692 .178 3.890 .012 .054 .219 .013 Price

# Test partial p (Test t)

a. Dependent Variable: Consumer decision

- 1. Calculation result using SPSS t-test Partial obtained score *brand image* t <sub>count</sub> 4,805 > t <sub>table</sub> 2,026 with score significant of 0.000 < 0.05. Then H <sub>1</sub> was accepted and H <sub>0 was</sub> rejected. It means *brand image* by Partial take to effect positive and significant to decision consumer PT. Medan Award Ambassador, \_ with thereby hypothesis H <sub>1</sub> accepted.
- 2. Calculation result using SPSS t-test Partial obtained score quality product t <sub>count</sub> 3,890 > t <sub>table</sub> 2,026 with score significant of  $0.000 < \_ 0.05$ . Then H <sub>2</sub> accepted and H <sub>0</sub> refused. \_ A means the quality of the product partially has a positive and significant effect on the decision consumer PT. Duta Agung Anugerah, with that, 's the hypothesis H2 \_ received.
- 3. Calculation result using SPSS t-test Partial obtained score price t <sub>count</sub>  $0.219 < t_{table} 2,026$  with score significant of 0.828 > 0.05. Then H <sub>0</sub> was accepted <sub>and</sub> H3 was rejected. A means price partially does not have a positive and significant effect on the decision consumer PT. Duta Agung Anugerah with that, 's the hypothesis H <sub>0</sub> received.

.012

.000

.000

.828



# DISCUSSION

#### Influence brand image on the decision consumer

From the results study obtained that variable *brand image* by Partial takes effect on decision consumer. Based on the results, the hypothesis from the study this proven right. Analysis results show that *brand image* takes to effect positive and significant to decision consumer PT. Duta Agung Anugerah with score t <sub>count</sub>  $4,805 > t_{table} 2,026$  with a significant value of 0.000 <0.05. The research results are also supported by the results of Hermawan and Imroatul's research. 2016, with the title: "Analysis of the Influence of Price Perception, Service Quality, Product Design and Brand Image on Cold Storage Purchase Decisions (Study on Consumers of PT. Usaha Muda Putra Jaya)". be a positive influence on purchasing decisions.

Sangadji and Sopiah (2013:338) say that image positive brand \_ will give benefits to the producer for more known by consumers. In other words, consumers will determine the choice to buy products that have a good image. \_ And vice versa, if the image brand is negative, consumers certain will tend to consider more far again when will buy the product.

#### Influence quality product to decision consumer

From the results study obtained that variable quality products by Partial take effect on decision consumers. Based on the results, the hypothesis from the study this proven right. Analysis results show that quality products take an effect positively and significantly on decision consumer PT. Duta Agung Anugerah with score t <sub>count</sub> 3890 > t <sub>table</sub> 2,026 with a significant value of 0.000 <0.05.

Research results are also supported by the results study by Budiman and Ani. 2020, with title: "Influence " quality product, price, promotion, and service to satisfy consumers as well as the impact on decisions purchase (Study on consumers tool machine coffee processor at PT. Work of Business Partners). The results of data analysis are obtained quality production take effect direct and significant to satisfaction consumer for bbuyingmachine coffee processor. Influence quality is very important in businesses that rely on strength production in competition. According to Swastha and Handoko (2012:102), consumers could decide to buy goods or services when consumers they consider the products that are needed. Quality given product \_ company is the right strategy for interesting attention consumer.

#### Influence price t to decision consumer

The resulting study obtained that variable price by Partial no takes effect on decision consumer. Based on the results, the hypothesis from the study this not proven right. Analysis results show that price no takes effect positive and significant to decision consumer PT. Duta Agung Anugerah with score t <sub>count</sub>  $0.219 < t_{table} 2,026$  with a significant value of 0.828 > 0.05. Research results are also supported by the results study by Arwin and Eva. 2019, with title: "Influence quality product and price to decision purchase tools electricity the Schneider brand at PT. Kawi Agung Kencana ". Test results by Partial show that variable price by Partial no takes effect to decision purchase Schneider brand.

According to Kotler and Armstrong (2009:345), the price (*price*) is the amount billed on a product or service. The price offered by the company to consumers can be Becomes a



consideration in making purchasing decisions.

# **Conclusion And Suggestion**

## Conclusion

- 1. Calculation result t-test (partial test) the value of brand *image* t <sub>count</sub> 4.805 > t <sub>table</sub> 2.026 and sign value. \_ 0 .000 < 0.05 ( H<sub>1</sub> accepted and H0 <sub>rejected</sub> ) . *Brand image* partially has a positive and significant effect on decisions consumer PT. Medan Award Ambassador.
- 2. Calculation result t-test (partial test) quality value product t <sub>count</sub> 3.890 > t <sub>table</sub> 2,026 and sign value. \_ 0 000 < 0 . 05 (H <sub>2</sub> accepted and H <sub>0</sub> rejected). The quality of the product partially has a positive and significant effect on the decision consumer PT. Medan Award Ambassador.
- 3. Calculation result t-test ( partial test) value of t  $_{count value} 0.219 _ < t _{table} 2,026$  and sign value . \_ 0 . 828 > 0 . 05 ( H  $_0$  accepted and H  $_3$  rejected ) . Partial price no positive and significant effect on decision consumer PT. Medan Award Ambassador .
- 4. Simultaneous testing (test F) *brand image*, quality product, and price value F <sub>count</sub>  $92.051 > F_{table} 2.86$  with probability level Sign. 0.000 < 0.05.
- 5. Results test calculation determination (*Adjusted R square*) of 0.875 this means 87.5 % obtained from dependent variable (decision consumers) which can be explained by the variable independent (*brand image*, quality product, and price) while the remaining 12.5% (100% 87.5% = 12.5%) can be explained by factors other or variable outside the research model.
- 6. From this study it was found that the most influential variable on the decision consumer (Y) is *brand image variable* (X<sub>1</sub>) t <sub>count</sub> 4.805, variable quality product (X<sub>2</sub>) t <sub>count</sub> 3.890, and variable price (X<sub>3</sub>) t <sub>count</sub> 0.219.

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