

## THE EFFECT OF LUXURY BRAND, BRAND IMAGE, AND PRODUCT QUALITY ON PURCHASE INTENTION

Made Rony Nazarani<sup>1</sup>, Gede Suparna<sup>2</sup>

<sup>1,2</sup>Faculty of Economics and Business, Udayana University (UNUD), Bali, Indonesia

**ABSTRACT:** The research objective was to explain the effect of luxury brands, brand image, and product quality on consumer purchase intentions of Zara products. This research was conducted on Zara Beachwalk product consumers who live in Denpasar City. The sample size was taken as many as 144 people with purposive sampling method. Data were collected using a questionnaire that uses a 5-point Likert scale to measure 16 indicators. The analysis technique used is multiple linear regression analysis. The results showed that luxury brands, brand image, and product quality had a positive and significant effect on purchase intention. This shows that the stronger the consumer's perception of the influence of luxury brands, brand image and product quality, will increase purchase intention at Zara. Companies are expected to pay attention to the brands they have, whether they are in accordance with the desires of consumers or not. Consumer purchase intention will increase if the product they want has a high brand perception. By implementing a good brand image, especially on Zara products that have a good reputation in the eyes of consumers, it will ultimately be able to increase consumer purchase intentions. Purchase intention from consumers can be created by way of companies providing the best quality products in order to provide satisfaction for their consumers.

**Keywords:** *luxury brand, brand image, product quality, purchase intention*

### I. INTRODUCTION

The rapid development of the clothing industry, especially fashion, has led to the phenomenon of the large number of luxury clothing users so that many fashion producers promote their best products in meeting market demand. Luxury brands, brand image and product quality are things that consumers will pay attention to in purchase intentions. Purchase intention is defined as a measure of the strength of a person's intention to carry out certain behavior or make decisions to buy products, goods or services (Amoroso and Morco, 2016). Consumers in their purchase intention will certainly make many considerations such as luxury brand, brand image and product quality that consumers will buy.

According to Risa (2019) luxury is the object of desire that gives pleasure. As a nonessential good or service, this object contributes to living in luxury by providing comfort beyond the minimum necessary. According to Brun and Castelli (2013), historically luxury goods have always been associated with wealth, exclusivity and strength, as well as the satisfaction of non-basic needs. Solomon et al. (2013: 219) states that luxury brands offer a promise of pleasure to users that motivates consumers to buy these products. In the research conducted by AuliaRatriKusumastuti (2018), there is a positive relationship between luxury brands and the intention to buy counterfeit products from the Chanel brand.

Tanzila et al. (2015) argue that a brand is a trust in the eyes of consumers so that consumers will trust the quality of the product towards the brand they already trust. Brand image is an important aspect that has a relationship with the product. If the product produced is good and of good quality, then the product has a value that is more in the minds of consumers so that it will improve the brand image (Citra and Santoso, 2016). Rahi (2016) argues that brand image needs to be planned, developed, supported and maintained to gain excellence.

Consumers tend to have a positive perception of pioneer brands (the first brand in a product category) even though other brands appear (Suryoningsih et al., 2016). Marketers need to carry out an intensive strategy to increase the brand image in the hearts of consumers. Putra and Ekawati, (2017) argue that a strong brand image will provide a major advantage for the company, such as creating a competitive advantage. A good brand image will have a positive impact on the company because it is able to provide satisfaction to its consumers, so that it can increase consumer attractiveness to use a product (Aristyowati et al., 2015). In a study conducted by Purnomo (2018), brand image has a significant effect on purchase intentions of Herbalife consumers in

Surabaya. The higher the brand image formed by Herbalife in Surabaya for consumers, the higher the purchase intention felt by consumers.

Consumers in choosing fashion will certainly make various considerations such as product quality. Sunyoto (2012) states that quality is a measure to assess that a product or service has a intended use value or in other words, a product or service is considered to have quality if it functions or has a use value as desired. Improving the quality of a product is one of the company's strategies in attracting the attention of consumers (Saraswati and Rahyuda, 2017). Consumers are increasingly aware of the importance of product quality and brand image due to the increasing number of producers competing in the market. Good product quality is one way that companies can win the competition and can lead to brand loyalty among their users (Dewi and Atmosphere, 2014).

Ehsani (2015), states that product quality is the customer's perception of the overall quality or superiority of a product or service, in relation to its objectives, relative to alternatives. It is important for manufacturers to continue to improve the quality of their products because today's consumers are smarter in determining products with good quality. According to the manufacturer, the product is something that must be done well, for the appearance of the product and the resulting performance (Nurdianto and Yuniati, 2013). This means that the increase in product quality is expected to increase satisfaction for consumers. Research conducted by BayuPrawira and Ni NyomanKertiYasa, (2014) which includes product quality as one of the variables in their research shows that product quality has a positive and significant effect on consumer purchase intentions.

With the growing trend of clothing and lifestyle, Zara must be able to develop a luxury brand, brand image and product quality in order to be able to compete with other competitors. Developing luxury brands, brand image and product quality is expected to influence consumers in taking steps to make purchase intentions. There is a phenomenon of Zara's success, which has long entered the developing Indonesian market and always keeps up with the times so that it can increase sales value even though in 2019 Zara has decreased its market share in the international market so that the Zara clothing brand is considered attractive to be the subject of research.

The results of the pre-survey of the 30 respondents are presented. The survey results also showed that quite a number of respondents did not know that Zara products were 40 percent luxury products. This means that the company should carry out more vigorous marketing activities if it wants to dominate a larger market and win the competition. It was found that there was a tendency of respondents to like luxury products with 73 percent and intend to buy 66 percent. This indicates that there is a change in behavior that leads to a desire to be more respected in social life, which is shown by wanting to buy products that have a good brand image 90 percent with premium quality 83 percent to show 80 percent contemporary lifestyle. This condition is supported by the company's marketing activities with the continuous creation of a variety of good quality products at relatively lower prices and accompanied by vigorous promotion. Many options are available for consumers to demonstrate their lifestyle. Based on the explanation of empirical theoretical studies and preliminary surveys that have been presented above, it is thought that it is still considered necessary to conduct a more in-depth study regarding the relationship between the variables of luxury brand, brand image, and product quality with purchase intention.

## II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

According to P. Berthon, (2009) states that consumers in buying luxury branded products are because they want to have a sense of pride because by having luxury branded products, consumers will feel their appearance that is different from others so this makes consumers have the intention to buy branded products. luxury.

Research conducted by Nugraha (2018) luxury brands have a significant and positive effect on purchase intention of Mazda Biante car products. In addition, in a study conducted by Ozuem (2014), there is a luxury brand perception that can affect buying interest. By knowing the dominant factors that build a market perspective on luxury products, companies can create effective and efficient businesses to obtain purchase intentions and full-fill consumer needs and desires based on these characteristics.

H1: Luxury brands have a positive and significant effect on purchase intention for Zara products.

Brand image plays a major role in purchase intention. This is because when consumers already like a brand, they will buy products from that brand without thinking twice (Rawung et al., 2015). It is important for a company to build a brand image so that it creates trust for consumers to make a product purchase decision.

Research conducted by Nurlina (2016) brand image has a significant effect on consumer purchase intentions at the Bella Collection in Bandar Lampung. In addition, research conducted by Adrian (2016), brand image has a significant effect on consumer purchase intentions.

H2: Brand image has a positive and significant effect on purchase intention of Zara products.

Product quality is one of the aspects that consumers pay attention to in purchase intentions. Good product quality will give confidence to consumers which will motivate consumers to buy these products (Nurdianto and Yuniati, 2013). This means that good product quality can provide satisfaction for consumers.

Research conducted by Muhammad (2017) based on the results of the F test shows that product quality has a significant effect on consumer purchase intentions. Handoko (2002) that product quality has a significant effect on consumer purchase intentions where the quality of the product is determined by the assessment benchmarks, the more in accordance with the set standards, the more quality it is.

H3: Product quality has a positive and significant effect on purchase intention for Zara products.

Research by Hung et al. (2011) stated that in buying luxury branded products, consumers have purchase intentions because they want to show the social that they want to show their pride, purchasing power, and want to be socially accepted, this is what makes the purchase intention of luxury branded products influenced by social. Brand image is an interpretation of the accumulation of various information received by consumers, causing purchase intentions (Simamora, 2011).

Schiffman and Kanuk (2008: 163) state that consumer evaluation of product quality will be able to help them to consider which products they will buy.

Research conducted by Ramadhan (2017) luxury brand has a positive effect on purchase intention on iPhone 7 products, research conducted by Ambarwati on Pepsodent toothpaste products found that brand image has a positive and significant effect on consumer purchase intentions, and research from Kartika (2014) Product quality has a positive effect on purchase intention on Samsung Galaxy Tab products.

H4: Luxury brand, brand image, and product quality have a positive and significant simultaneous effect on purchase intention of Zara products

### III. METHODS

This research was conducted in Denpasar City, with the consideration that there are many people who use various types of fashion so that it is very easy to find respondents who fit the categories studied. The object of this research is the effect of luxury brand (X1) on consumer purchase intention (Y), the effect of product quality (X2) on consumer purchase intention (Y), and the influence of brand image (X3) on consumer purchase intention (Y) on zara consumers. Kuta.

The population in this study are consumers who intend to buy Zara products. The population in this study is infinite (not limited). The sample is a step to determine the size of the sample taken in carrying out a study. In addition, it is also noted that the selected sample must show all the characteristics of the population so that it is reflected in the selected sample, in other words, the sample must be able to describe the actual or representative situation of the population.

The analytical method used in this research is multiple linear regression analysis. Multiple linear regression analysis is a linear relationship between two or more independent variables (X1, X2... .Xn) and the dependent variable (Y). This analysis is to determine the direction of the relationship between the independent variable and the dependent variable whether each independent variable has a positive or negative relationship and to predict the value of the dependent variable if the value of the independent variable has increased or decreased. The data used is usually an interval or ratio scale.

The multiple linear regression equation is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots\dots (1)$$

Information:

Y = Purchase intention as the dependent variable

X1 = Luxury brand

X2 = Brand image

X3 = Product quality

$\alpha$  = Constant Value

$\beta_1$  = Luxury brand regression coefficient

$\beta_2$  = Brand image regression coefficient

$\beta_3$  = Product quality regression coefficient

$\varepsilon$  = Error (other independent variables outside the regression model).

### IV. RESULT AND DISCUSSION

The data analysis method used in this study is multiple regression models. Multiple linear regression analysis is used to determine the effect between two or more independent variables and the dependent variable. Multiple linear regression analysis is used to find regression coefficients that will determine whether the hypothesis is accepted or rejected. Multiple linear regression analysis was processed with the help of SPSS version 23 software with the results that can be seen in Table 1 below:

**Table 1. Results of Regression and t test**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	-0,182	0,169		-1,076	0,284
Luxury Brand	0,471	0,054	0,477	8,664	0,000
Brand Image	0,397	0,062	0,367	6,427	0,000
Product Quality	0,188	0,059	0,160	3,204	0,002
R Square = 0,836					
F Value = 237,943					
FSig = 0,000					

Source: Data processed, 2019

The multiple linear regression equation based on Table 1 for this study is as follows.

$$Y = -0.182 + 0.471X_1 + 0.397X_2 + 0.188X_3$$

Information:

Y = Purchase Intention

X1 = Luxury Brand

X2 = Brand image

X3 = Product quality

$\epsilon$  = error

Based on this equation, the variables of luxury brand, brand image and product quality have an effect on consumer purchase intention at Zara.  $\beta_1 = 0.471$  means that the luxury brand (X1) has a positive effect on consumer purchase intention (Y), the stronger the luxury brand is perceived by the consumer, the higher the purchase intention for a product or service.  $\beta_2 = 0.397$  means that brand image (X2) has a positive effect on consumer purchase intention (Y), the stronger the brand image is perceived by consumers, the higher the purchase intention for a product or service.  $\beta_3 = 0.188$  means product quality (X3) has a positive effect on consumer purchase intention (Y), the better the product quality is perceived by consumers, the higher the purchase intention for a product or service.

Based on Table 1 shows a significant value of 0.000 which is less than the value of  $\alpha = 0.05$ , the multiple linear regression model is suitable to be used as an analytical tool to test the effect of independent variables on the dependent variable. The test results of the coefficient of determination ( $R^2$ ) explain that the value of R Square is 0.836, which means that 83.6 percent of ZARA consumers' purchase intentions are influenced by luxury brands, brand image and product quality owned by the company, while the remaining 16.4 percent is explained by other factors that are not described in this study.

Hypothesis tested using partial test (t test) to test the effect of each independent variable, namely luxury brand, brand image and product quality on the dependent variable purchase intention. Based on the analysis of the effect of luxury brand on purchase intention, the Sig. t of 0,000. Sig value. t 0.000 < 0.05 means that H0 is rejected and H1 is accepted, that luxury brand has a positive and significant effect on purchase intention. Based on the analysis of the effect of brand image on purchase intention, the Sig. t of 0,000 Sig. t 0.000 < 0.05, that H0 is rejected and H2 is accepted, that brand image has a positive and significant effect on purchase intention. Based on the results of the analysis of the effect of product quality on purchase intention, the Sig. t of 0.002. Sig value. t 0.002 < 0.05, that H0 is rejected and H3 is accepted, that product quality has a positive and significant effect on purchase intention.

The results showed that the luxury brand has a positive and significant effect on purchase intention, which means that if the luxury brand is getting better, the purchase intention of Zara consumers will increase and vice versa, the worse the luxury brand, the purchase intention of Zara consumers will decrease. The results of this study are in accordance with research conducted by Nugraha (2018) that luxury brands have a significant and positive effect on purchase intention for Mazda Biante car products. In addition, in research conducted by Ozuem (2014), there is a luxury brand perception that can influence purchase intention. By knowing the dominant factors that build a market perspective on luxury products, companies can create effective and efficient businesses to obtain purchase intentions and fulfill consumer needs and desires based on these characteristics.

The results showed that brand image has a positive and significant effect on purchase intention, which means that if the brand image is getting better, the purchase intention of Zara consumers will increase and vice versa, the worse the brand image, the purchase intention of Zara consumers will decrease. The results of this study are in accordance with research conducted by Nurlina (2016), brand image has a significant effect on consumer purchase intention at the Bella Collection in Bandar Lampung. In addition, research conducted by Adrian (2016), brand image has a significant effect on consumer purchase intentions.

## V. CONCLUSION AND IMPLICATION

The results showed that product quality has a positive and significant effect on purchase intention, which means that if the quality of the product is getting better, the purchase intention of Zara consumers will increase and vice versa, the worse the quality of the product, the purchase intention of Zara consumers will decrease. The results of this study are consistent with research conducted by Muhammad (2017) based on the results of the F test, it can be seen that product quality has a significant effect on consumer purchase intentions. Handoko (2002) that product quality has a significant effect on consumer purchase intentions where the quality of the product is determined by the assessment benchmarks, the more in accordance with the set standards, the more quality it is. The theoretical implication in this research relates to its contribution to the development of concepts in the field of marketing science. The findings of this study reinforce previous studies which show that luxury brands, brand image and product quality can influence purchase intention.

The theoretical implication in this study is to enrich the theory of purchase intention which can be influenced by luxury brands, brand image, and product quality. The findings of this study reinforce previous research on the relationship between luxury brands and purchase intentions. In a study conducted by AuliaRatriKusumastuti (2018), there is a positive relationship between luxury brands and purchase intention of imitation Chanel brand products. The findings of this study also strengthen research on the relationship between brand image and purchase intention in the research conducted by Purnomo (2018) that brand image has a significant effect on purchase intention in Herbalife consumers in Surabaya.

Based on the results of research, discussion and conclusions, the advice that can be given is that Zara should pay attention to clothing designs and motifs that are more different and exclusive with a limited edition series to increase purchases and attractiveness to consumers. Zara is advised to personalize orders and consumers can order special designs so that they can meet consumer desires. Zara's party should start not to give discount prices on goods that are produced to ensure that Zara's brand image remains exclusive so that consumers don't turn to other products.

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