

The Effect of Brand Image, Brand Awareness, and Brand Association on Smartphone Purchase Intention (Case Study in Denpasar)

I Gusti Ngurah Dika Krisnawan¹, I Made Jatra²

^{1,2}*Faculty of Economics and Business, Udayana University, Bali, Indonesia*

ABSTRACT :Purchase intention is the consumer's intention to buy a certain product or visit a certain service shop. Consumer purchase intention is also inseparable from the factors of brand image, brand awareness, and the product's brand association. This study aims to determine consumer purchase intentions of smartphone products in Denpasar, Bali, Indonesia. This study used a sample of 100 respondents by distributing via google form. The data analysis technique is multiple linear regression. The result of this research states that brand image has a positive and significant effect on purchase intention; brand awareness has a positive and significant effect on purchase intention; and brand association has a positive and significant effect on purchase intention. This shows that brand image, brand awareness, and brand association can increase consumer purchase intention

KEYWORDS: *brand image, brand awareness, brand association, purchase intention*

I. INTRODUCTION

A smartphone is an internet-enabled phone, which typically provides Personal Digital Assistant (PDA) functions such as calendar functions, agenda book, address book, calculator, and notes. The existence of smartphones can make it easier for humans in various activities such as banking, navigating, playing games, taking notes, and looking for the latest information on the internet (Al Koliby & Rahman., 2018). The smartphone industry in Indonesia is experiencing a very rapid development, making Indonesia a market that is in demand by smartphone companies. According to the digital marketing research institute E-marketer, smartphone users in Indonesia are more than 150 million people. The large number of smartphone users causes companies to instill perceptions about their products in the minds of consumers. Perceptions about smartphone products are important so that they can lead to consumer purchase intentions. According to Jayakrishnan et al. (2016) purchase intention as the intention of consumers to buy certain products or visit certain service shops. Consumer purchase intention is also inseparable from the factors of brand image, brand awareness, and the product's brand association (Sari & Santika, 2017)

Consumers' purchase intentions indicate that consumers follow the required product needs, seek information on the desired product from various sources, evaluate purchase options and decisions (Naderibani et al., 2016). According to Chung et al. (2016) purchase intention as consumer behavior after evaluating the overall product and emotional reactions to taking certain actions on a product. Marketers really need knowledge about consumer purchase intentions of a product in order to predict consumer behavior in the future. According to Athapaththu & Kulathunga (2018), purchase intention is the willingness of consumers to buy products or services offered by a company. One of the factors that influence purchase intention is brand image. Brand image is the perception and trust of consumers in a company or its product. Consumers see brand image as important thing in a product, because brand image reflects the image of a product created by marketers to differentiate it from competitors. Building and maintaining a strong brand image is very important for a company if it wants to attract consumer buying interest (Chinomona, 2016). The better the brand image of a product, the higher the consumer's intention to buy, because consumers consider the quality of the product to be trusted and guaranteed (Jeon, 2017). Apart from brand image, there are other factors that influence purchase intention, namely brand awareness.

Brand awareness is the ability possessed by consumers to be able to identify a product brand in different conditions, by means of brand recognition and repeated reminders of the brand. Providing the best information about brands and their offerings to potential consumers is the most important thing for companies to pay attention to (Ansari et al., 2019). Companies can increase their brand awareness by stimulating virtual interactivity, offering rewards and providing better information systems (Romaniuk et al., 2017). Usually consumers decide to buy products with well-known brands, because consumers consider their comfort, safety,

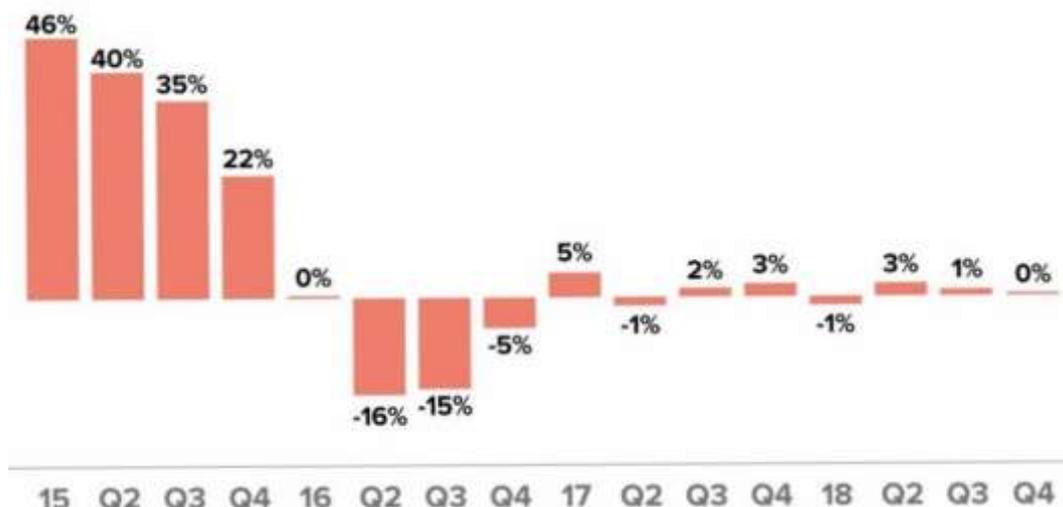
and guaranteed quality. High consumer brand awareness of a brand makes consumer purchase intentions of that product brand increase. There are other factors that influence purchase intention, namely the brand association.

Brand association is an impression that appears in the mind of a consumer related to his memory about a brand. The level of strength of the brand association will be stronger when the relationship is based on experience or exposure to communication that consumers get. The brand association becomes the foundation for consumers to make purchasing decisions on a product brand. Sales and marketing of smartphone products in Indonesia are increasingly competitive because of the many types of smartphones that have sprung up. One of the smartphone companies that feel the intense competition in sales and marketing is Apple. Teichert (2020) states that the iPhone is one of the well-known types of smartphones in Indonesia and always follows the trends and lifestyles of users. Owning an iPhone is considered a modern lifestyle among young people and young executives. Young people like iPhone products, because they think that their designs are very minimalist, elegant, and simple (Saputra et al., 2017). Top Brand Index in 2019 and 2020 which can be seen in table 1., where there is a significant difference between the Samsung which occupies position 1 and the iPhone which is in position 4.

Table 1 Top Brand Index for Indonesian Smartphone Category in 2019 and 2020

Rank	Brand	2019 TBI (%)	2020 TBI (%)
1	Samsung (TOP)	46.1	46.0
2	Oppo (TOP)	15.0	15.1
3	Xiaomi (TOP)	11.4	11.6
4	iPhone	9.6	9.1
5	Vivo	7.4	7.9

Source: *Top Brand Award Indonesia, 2021*



Source: Uzone.id, 2018

Figure 1. iPhone Sales Data in Indonesia 2015-2018

Apple's market share in Indonesia from 2015 to 2018 only controlled 5.74 percent. Apple enthusiasts in Indonesia, which are relatively smaller than their competitors, are demanding that Apple do more intensive marketing. In early 2015, there was a significant increase in the purchase of iPhone products due to changes in the IOS System that were more sophisticated than before. This continued for several months in 2015. Arini & Sudiksa (2019) shows that the brand image variable has a positive and significant effect on purchase intention, a good brand image will lead to consumer purchase intentions. However, Sari (2016) states that brand image does not have a significant effect on purchase intention, a good brand image does not necessarily make consumers have the intention to buy the product. Krisyanti & Rahanatha (2019) shows that brand awareness has a positive effect on purchase intention, the higher the consumer's awareness of a brand, the higher the purchase intention. But Azzari & Pelissari (2020) show that brand awareness does not affect purchase intentions. The results of this study indicate that the higher consumer awareness of a brand does not necessarily lead to consumer purchase intentions. Ridwan et al. (2018) said that a brand association is positively and significantly related to purchase intention, the better a brand association owned by a company will lead to purchase intention. However, Chandra & Keni (2019) found that brand association has no effect on purchase intention, where the research shows that a good brand association does not necessarily lead to consumer purchase intention of products sold by companies.

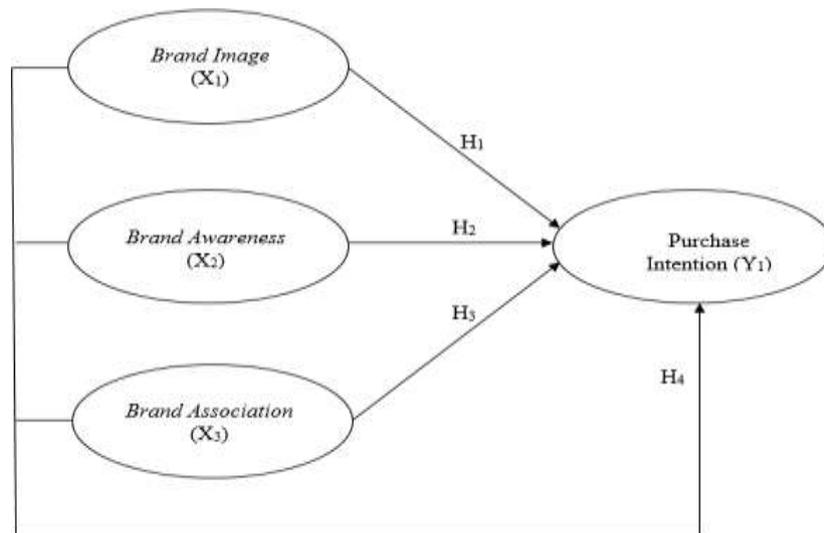


Fig. 1 Conceptual framework

- H1: Brand image has a positive and significant effect on purchase intention.
- H2: Brand awareness has a positive and significant effect on purchase intention.
- H3: Brand association has a positive and significant effect on purchase intention.
- H4: Brand image, brand awareness and brand association has positive and significant effect on purchase intention.

II. RESEARCH METHODS

This research design includes associative research. Associative research aims to determine the causes and effects of the variables that affect the affected variables. This is illustrated by a research design that seeks to explain how variables influence brand image, brand awareness, and brand association on purchase intention. This research was conducted in Denpasar. The reason the research was conducted in Denpasar was because it had a fairly high economic growth of 5.84 percent, so that the population had high purchasing power and consumption patterns for smartphones. In addition, the activities carried out by the community are increasingly complex and dense, so a smartphone is needed to make it easier to do their work in terms of communicating, taking notes, and finding the latest information. Therefore Denpasar is one of the potential markets for iPhone products.

Table 2. Research Indicators

Variable	Indicator
Brand Image (X ₁)	1. Recognition (X _{1,1}) 2. Reputation (X _{1,2}) 3. Affinity (X _{1,3})
Brand Awareness (X ₂)	1. Unaware of Brand (X _{2,1}) 2. Brand Recognition (X _{2,2}) 3. Brand Recall (X _{2,3}) 4. Top of Mind (X _{2,4})
Brand Association (X ₃)	1. Strength of Brand Association (X _{3,1}) 2. Favorable of Brand Association (X _{3,2}) 3. Uniqueness of Brand Association (X _{3,3})
Purchase Intention (Y ₁)	1. Transactional Interest (Y _{1,1}) 2. Reference Interest (Y _{1,2}) 3. Preferential Interest (Y _{1,3}) 4. Explorative Interest (Y _{1,4})

The population in this study were iPhone product consumers who live in Denpasar , whose exact number is unknown (infinite). The sample used in this study are respondents who have never bought iPhone products who live in Denpasar City. This study uses 14 indicators so that by using an estimate based on the ideal sample size parameter, the sample size is 70-140. Then the sample is 100 respondents who will be researched and have met the specified conditions. Sampling using purposive sampling with respondents who live in Denpasar, familiar with iPhone products, and have never bought an iPhone product. The method of data collection in this study was carried out using a survey method with a questionnaire via a google form.

III. RESULTS AND DISCUSSION

Multiple linear regression analysis models are used to obtain regression coefficients that will determine whether the hypothesis made will be accepted or rejected. The results of this analysis refer to the results of the influence of the variable brand image (X1), brand awareness (X2), and brand association (X3) on the purchase intention (Y) of the iPhone. The results obtained from the regression analysis using the SPSS version 22.0 for Windows can be seen in Table 3 below.

Table 3. Summary of the Results of Multiple Linear Regression Analysis

Variabel	Regression Coefficient		T	Sig
	B	Std. Error		
Brand Image	0.401	0.090	4.452	0.000
Brand Awareness	0.327	0.095	3.430	0.001
Brand Association	0.348	0.084	4.151	0.000
Constant: -0.053				
F Statistics : 23.162				
Sig F : 0.000				
R ² : 0.420				

Based on the results of the analysis, it is known that F-sig 0.000 < 0.05, then H₀ is rejected. This means that brand image (X1), brand awareness (X2), and brand association (X3), simultaneously have a significant effect on purchase intention (Y1) iPhone, then the value of R² = 42 percent, which means that it is 42 percent. iPhone purchase intention is influenced by the variable brand image (X1), brand awareness (X2), and brand association (X3), and the remaining 58 percent is influenced by other variables not examined in this study.

Effect of brand image on purchase intention

Based on SPSS data processing, a significance level of 0.000 < 0.05 was obtained. Based on the test scores, H₁ is accepted. This states the acceptance of the hypothesis, which means that there is a positive and significant influence between the brand image on iPhone purchase intentions. The coefficient of variable X1 is positive 0.401 which means that brand image has a positive effect on purchase intention. If brand image increases while brand awareness and brand association remain, purchase intention will increase by 0.401. This is in line with research conducted by Putri & Sukaatmadja (2018); Purnomo (2018); Hien et al. (2020), which shows that brand image has a positive and significant effect on purchase intention. A brand image is a representation of the overall perception of a brand and is formed from information and past experiences that consumers have with the brand so that the better the brand image that a brand has in the minds of consumers, the consumer's purchase intention of the products being sold by the brand will be higher.

Effect of brand awareness on purchase intention

Based on SPSS data processing, a significance level of 0.001 < 0.05 was obtained. Based on the value obtained in the test, H₂ is accepted. This states the acceptance of the hypothesis, which means that there is a positive and significant influence between brand awareness on iPhone purchase intentions. The coefficient of variable X2 is positive 0.327, meaning that brand awareness has a positive effect on purchase intention. If brand awareness increases while brand image and brand association remain, purchase intention will increase by 0.327. This is in line with the research conducted by Tariq et al. (2017); Gusti Noorlitaria et al. (2020); Pandjaitan (2018); Pomerling (2017) which shows the results that brand awareness has a positive influence on purchase intention. Brand awareness is very important for a company because consumers tend to buy products from familiar brands. So the higher the brand awareness of a product, the higher the consumer's purchase intention of the products sold by that brand

Effect of brand association on purchase intention

Based on SPSS data processing, a significance level of 0.000 < 0.05 was obtained. Based on the value obtained in the test, H₃ is accepted. This states the acceptance of the hypothesis, where there is a positive and significant effect between brand association on iPhone purchase intention. The coefficient of variable X3 is positive 0.348, meaning that brand association has a positive effect on purchase intention. Ridwan et al. (2018) show that brand association is positively and significantly related to purchase intention. The brand association that is in the minds of consumers will determine the position of the product. So that the higher the brand association of a brand will increase consumer purchase intention of its products

Research Limitations

This study only examines the effect of brand image, brand awareness, and brand association on iPhone purchase intention in Denpasar City, so the results of this study cannot accurately describe consumer purchasing behavior. This research is only carried out for a certain period of time, whereas in the present time the environment is more dynamic now, so it is hoped that it can be carried out again in the future.

IV. CONCLUSION

Brand image, brand awareness, and brand association have a positive and significant influence on iPhone purchase intention. This shows that the better the brand image, brand awareness, and brand association that consumers have for the iPhone, the higher the consumer's purchase intention of the product. Apple must maintain its brand image, brand awareness, and brand association, to increase purchase intention for iPhone products. Some things must be considered in terms of brand image, where respondents do not have an interest in iPhone products, so the company must increase consumer interest by consistently providing products that have sophisticated features but have competitive product prices so that respondents can be interested in making purchases iPhone. Brand awareness must also be considered because respondents have not decided that the iPhone is the first product they are promoting; this can occur due to the price of the iPhone product being higher than other products. Apple can increase the brand awareness of respondents so that they are more interested in buying an iPhone by selling their products at prices that are affordable to most respondents. Meanwhile, in terms of brand association, what must be considered is the iPhone advertisement which is not unique compared to its competitors. This is very important in marketing products, can be done by using easy-to-remember and innovative advertisements so that consumers are interested in purchasing iPhone products. **For further research**, it is expected to add or use other research subjects and add other factors that may affect consumer purchase intentions.

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