



The Influence of Brand Image and Product Quality on Purchase Decisions of Packaged Drinking Water in Liquiça District, DILi – Timor Leste

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Abstract

This study aims to determine whether brand image (X1) and product quality (X2) have an effect on the purchasing decision-making process (Y) on Purchase of Bottled Water Brand B5 Liquica District by using the variable identification research method with purposive sampling. Respondents used were B5 drinking water customers as many as 150 respondents. Based on the results of the study $Y = 14.451 + 0.168 X1 + 0.241X2$, which means that the purchase decision is influenced by a constant (14.451), while the most influential independent variable is product quality (0.241), followed by brand image (0.168). Testing the hypothesis using the t test which shows that all independent variables, namely brand image and product quality, have a positive effect on the dependent variable, namely the purchase decision to Purchase Packaged Drinking Water Brand B5 Liquiça District. The results of the f test show that brand image and product quality have a positive effect simultaneously on purchasing decisions. The R square number obtained is 0.587 which means that 58.7% of purchasing decisions are influenced by brand image and product quality variables, while the remaining 41.3% is determined by other variables not discussed in this study.

Keywords: *Brand Image; Product Quality; Purchase Decision*

Introduction

Along with the times, economic growth is also increasing rapidly in Timor Leste, so there is a lot of competition that is getting tougher. This requires companies to be more sensitive, creative and innovative. The requirements that must be carried out by the Company in order to achieve success in the competition are trying to achieve the goal of creating and retaining customers. In order for this goal to be achieved, every company must strive to produce and deliver the goods and services that consumers want at a reasonable price. People are now starting to think selectively and smartly in choosing a product, so that they will get the uses or benefits of a product. The selling concept holds that consumers and business firms, if left alone, will not regularly buy enough of the products offered (Kotler, 2012:19).

Drinking water is one of the main human needs as a thirst quencher and this need tends to be repeated. This recurring need encourages business people to take this opportunity. In this increasingly modern era, everything is created to be more practical, one of which is bottled drinking water (AMDK).

Timor Leste is a potential and exciting market for products for daily needs, one of which is mineral water. of course related to the need of the people of Timor Leste for ready-to-consume water. Water is used by humans for various needs, one of which is for drinking. The need for clean water is currently increasing, especially for drinking water. However, with the development of industry and the lack of human attention to the environment, water becomes a victim of pollution which results in reduced capacity of clean water for consumption. This is of course a sizable market opportunity for mineral water companies to develop throughout Timor Leste, one of which is the B5 brand mineral drink.

Product B5 is a new product that has started to be sold in various environmental areas, both regional, educational, household and others, as well as in the Liquica district, both in small shops and stalls and minimarkets in the vicinity. Based on the observations of researchers in the field, many people consume other brands. This of course can be caused by several things that can influence the public to consume products other than B5, because people consume more other products so sellers are reluctant to sell B5 products even though there are actually some people who want B5 products or people who want B5 products but sellers instead offers other brands of B5-like products and people continue to consume them which results in people getting used to these other brands.

Therefore, the product offered must be able to meet customer expectations and have more value than its competitors, because this affects the purchasing decision for the product. Especially now that there are many bottled drinking water products with various brands and packaged in different forms. This certainly will affect consumers in determining the purchase decision of the product to be selected. At present it is not uncommon for people to prefer other bottled water products besides B5 because there are many choices that can make consumers more interested and choose other similar products. Of course, this can reduce sales of the B5 product itself.

There are several important things that can influence consumer purchasing decisions, including: Product quality is one of the factors that consumers consider before buying a product and this needs to get the company's main attention, considering that the quality of a product is closely related to the problem of consumer satisfaction, which is the goal of the company's marketing activities. Each company chooses a quality level that will help or support efforts to improve and maintain the product's position in the target market (Assauri, 2014).

With today's competition, companies must provide quality products, have greater customer value and satisfaction than their competitors, marketers must do more than just adapt to the needs of target consumers. They must also gain strategic advantage by positioning their offerings strongly against competitors' offerings in consumers' minds (Kotler and Armstrong 2013). This also applies to bottled drinking water (AMDK), where the percentage of minerals contained in bottled water has been determined, so that it does not exceed the limit and is not less than what the body needs. The bottled water business is growing because the need for drinking water continues to increase along with population growth.

Besides product quality, brand is also very important in making purchasing decisions. A brand is a name, term, sign, symbol/design or a combination of all, which is intended to identify the goods or services of a seller or group of sellers to differentiate them from goods or services. Consumers may evaluate identical products differently, depending on how the product is branded. Consumers find which brands satisfy their needs and which do not, brands can indicate a certain level of quality, so that satisfied buyers can easily choose products, and understand consumers' motivations and desires, then create a relevant image (Kotler, and Keller 2013).

Image (image) is the number and images, impressions, and beliefs that a person has towards an object. Brand image is related to attitudes in the form of beliefs and preferences for a brand. Thus brand image (brand image) can be considered as a type of association that appears in the minds of consumers when they want a particular brand. The association can simply appear in the form of certain thoughts or

images associated with a brand, just as when we think about other people. It can be seen that the components of brand image are the types of brand associations, and support, strength and uniqueness of brand associations (Sangadj, 2013).

The sales data for B5 drinking water for the last 4 years can be seen in the table below.

No	MONTH	YEAR							
		2017	%	2018	%	2019	%	2020	%
1	January			640	4.00%	2115	8.00%		
2	February			680	4.00%	2117	8.00%		
3	March			720	5.00%	2100	8.00%		
4	April			820	5.00%	2118	8.00%		
5	May			860	6.00%	2222	8.00%		
6	June			760	5.00%	2225	8.00%		
7	July	500	2.00%	1600	10.00%	2230	8.00%		
8	August	500	2.00%	1750	11.00%	2236	8.00%	2750	16.00%
9	September	550	2.00%	1800	12.00%	2235	8.00%	3000	18.00%
10	October	565	2.00%	1820	12.00%	2236	8.00%	3754	22.00%
11	November	570	2.00%	1860	12.00%	2238	9.00%	3754	22.00%
12	December	590	2.00%	2000	13.00%	2240	9.00%	3750	22.00%
TOTAL		3275	12%	15310	99.00%	26312	98.00%	17008	100.00%

Source: Unipessoal Vicaroman Data, Lda 2020

Based on Table 1.2, there are 6 companies that produce bottled water in the City of Dili which have their own brands.

Thus every company must be able to understand consumer behavior, especially people who want practicality to use something they need, because to maintain the company's life as an organization that tries to meet the needs and desires of consumers, the company can develop appropriate strategies and programs in order to take advantage of opportunities that exist and outperform its competitors and no less important is to provide better satisfaction to its customers.

Consumers tend to buy products they like, which can be seen in terms of brand image and product quality, this is what requires producers to fulfill consumer desires in order to attract consumers to buy their products in order to achieve company goals.

Based on this background, the authors are interested in conducting research entitled "The Influence of Brand Image and Product Quality on the Purchase Decision of B5 Brand Bottled Drinking Water in the Liquica District".

Based on the background of the problems above, the main problems in this study can be formulated as follows:

- 1) Does brand image have a partial effect on purchasing decisions for Amdk B5 in the Liquica district? 2) Does product quality have a partial effect on purchasing decisions of B5 bottled ready-to-drink drinking water in the Liquica district? 3) Does Brand Image and product quality simultaneously affect the purchasing decision of bottled drinking water brand B5?

Literature Review

Marketing is one of the activities carried out by a company in an effort to maintain its survival, to be able to develop and gain profits. Marketing activity is an important company activity in addition to other activities. Marketing is a business function that identifies customer needs, determines the target market that can best be served. This marketing aims to create customer satisfaction by building mutually beneficial relationships with customers (Kolter, 2012).

Marketing is a social and managerial process by which individuals and groups obtain what they need and want by creating, offering, and exchanging products of value with other parties (Kotler, 2012). Marketing as an overall system of business activities aimed at planning, determining prices, promoting and distributing goods and services that can satisfy needs, both to existing buyers and to potential buyers (Stanton in Swastha, 2011).

The marketing concept is a new way and philosophy which is the key or guide for a company to achieve its goals. According to Swastha (2011), the marketing concept is a business philosophy which states that satisfying consumer needs is an economic and social requirement for company survival. Kotler (2012), said the marketing concept is a key goal for achieving organizational goals from determining the needs and desires of targets and providing the expected satisfaction more effectively and efficiently than competitors. So the marketing concept is the key to marketing to achieve marketing goals, namely customer satisfaction.

The word brand image consists of a brand that is a brand and an image that is an image. So that Brand Image is the perception of the brand which is a reflection of the consumer's association with the brand (Ferrinadewi, 2008). Brands can be said to be one of the company's assets that can provide big profits for the company if the image to be conveyed to consumers can be conveyed correctly. Brand is a form of name or symbol intended for a product or service so that it can be differentiated from competing products or services (Aaker, 2009). The definition expressed by Aaker is similar to the definition of a brand in the American Marketing Association (AMA), but in reality many companies see a brand as more than just a symbol of distinction.

Customer trust in the brand can be built from the influence of the brand image itself. Brand image is the perception or view of customers about what they feel from the products offered. If the company offers quality products and can satisfy customers, of course, the customer's perception of the product brand will be good. Conversely, if what the company offers does not match what the customer expects, of course, the customer's perception of the product brand will be bad. The strong brand image in the minds of consumers will lead to a stronger feeling of confidence felt by consumers in using the products they buy (Pusparani & Rastini, 2014).

According to Kotler (2012), brand image is a set of beliefs, ideas and impressions that a person has of a brand. (Kotler & Keller, 2013). The brand is created by the company that produces the product where the company has a perception of the product it created itself (brand identity), while the brand image is the perception that consumers have of the brand. Sometimes, there is a difference between brand identity and brand image because brand image is the perception of consumers (personal in nature). It could be that consumers have an unsatisfactory experience when using the product, or there is a discrepancy with the image conveyed by the company through its communication media. This situation is written as $\text{brand image} = \text{brand identity} + \text{error}$. (Anandan, 2009).

Product quality According to Kotler & Armstrong (2013) "Product quality is the ability of a product to perform a function, it includes the product's several durability, reliability precision ease of operation and repair other valued attributes". Product quality is the product's ability to perform its function, this includes product usability, reliability, ease of use, repair and other values. Product quality can be viewed from two perspectives, namely the internal point of view and the external point of view.

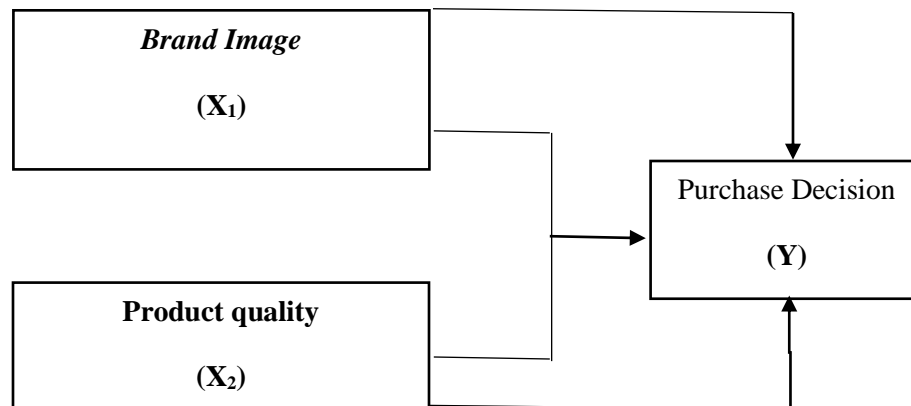
Product quality is a factor contained in a product that causes the product to be of value according to the purpose for which the product is produced. Quality is usually related to the benefits or uses and functions of a product. If consumers feel compatible with a product and the product can meet their needs, then consumers will make decisions to buy the product continuously (Nabhan and Kresnaini, 2005). For products that are basic needs such as food and beverages, consumers really consider their quality (Tedjakusuma, Hartini and Muryani, 2001). Meanwhile, Kotler and Armstrong (2013) argue that the better the quality of the product produced, the more opportunities for consumers to make purchasing decisions.

Definition of Purchase Decision is one of the stages in the consumer behavior model. According to Tjiptono (2010) suggests that consumer behavior is individual activities in searching, evaluating, acquiring, consuming, and discontinuing the use of goods and services. Consumer behavior is the study of the processes that occur when individuals or groups select, buy, use, or discontinue using a product, service, idea, or experience in order to satisfy certain wants and desires.

According to Kotler & Armstrong (Pujiani, 2014: 37) defines a purchase decision as a consumer mental statement that reflects a plan to purchase a number of products with a particular brand. Purchasing decision is the stage in the buying decision process where the consumer actually buys. Decision making is an individual activity that is directly involved in obtaining and using the goods offered (Isyanto, et al., 2012: 516).

According to Scifman & Kanuk (in Sumarwan, 2004:289) defining a purchasing decision is a decision as choosing an action from two or more alternative choices. In other words, for someone to make a decision, there must be alternative choices available. Purchasing decision is a reason for how consumers make choices about purchasing a product that is in accordance with their needs, desires and expectations, so that it can lead to satisfaction or dissatisfaction with the product which is influenced by several factors including family, price, experience, and product quality. According to (Mustafid & Gunawan, 2008).

Conceptual Framework and Hypothesis



1. Yamsurizal (2020). Titled The Influence of Brand Image on Purchasing Decisions on Chicken Rockets in Bima City. The results of the study can be concluded that there is an influence between Brand Image on Purchase Decisions at Rocket Chicken Kota Bima.

Asep Sarippudin (2019). It is entitled The Effect of Brand Image on the Samsung Mobile Purchase Decision Process at IRC Kebon Kalapa Bandung. The result of this study is that there is a significant influence of brand image on the purchasing decision process.

H1: There is a positive and significant influence between brand image (X₁) on purchasing decisions (Y) for bottled B5 drinking water in Liquiça District.

2. Carasucia Manopo (2021). Titled *The Influence of Product Quality on Purchase Decisions of Oriflame Products in Manado City*. Through validity and reliability tests, it was found that the questionnaires in this study were valid and reliable. Through partial test results show that product quality affects purchasing decisions. Through the determination test, it was found that product quality had an effect of 43.0% on purchasing decisions and the rest was influenced by other variables not examined in this study.

H2: There is a positive and significant influence between product quality (X2) on purchasing decisions (Y) B5 bottled drinking water in the Liquiça district

3. Asih Riyanti (2017). Titled *The Influence of Brand Image and Product Quality on Purchasing Decisions (Case Study on Carica Gemilang Consumers in Wonosobo)*. The results of the study show that brand image has a significant effect on purchasing decisions by contributing 33.1% while the rest is influenced by factors other than brand image. Product quality has a significant effect on purchasing decisions by contributing 33.5% while the rest is explained by factors other than product quality. Meanwhile, brand image and product quality simultaneously have a significant effect on purchasing decisions by contributing 35.4% while the rest are influenced by factors other than brand image and product quality.

H3: There is a positive influence between brand image (X1) and product quality (X2) on product purchasing decisions (Y) B5 bottled drinking water in Liquiça District.

Methodology

Research method using a quantitative approach, sampling purposive sampling. Respondents used were drinking water customers B5 as many as 150 respondents, using a questionnaire with multiple linear regression data analysis technique.

Results

Results of Multiple Regression Analysis In the following discussion, data processing is used to determine the effect of brand image (X1), product quality (X2), on purchasing decisions (Y) using the SPSS 25.0 for Windows program, which can be seen in Table 5.8 below:

Dependent variable	Independent Variable	R (Partial)	R (Multiple)	B	B (Beta)	t count	Sig.
Decision Purchase	<i>Brand image</i>	0,218	0,587	0,138	0,216	3,438	0,073
	Product quality	0,440		0,312	0,441	5,993	0,003
<p>$R^2 = 0,483^a$</p> <p>Kostanta = 14,451</p> <p>Y Regression Equation = $14,451 + 0,168X_1 + 0,241X_2$</p> <p>T table = $(0,025 ; 147) = 1.9$</p> <p>F count = 25,663</p> <p>Sig F = 0,002</p> <p>F table = $(0,05 ; 2 ; 148) = 3.06$</p>							

Information obtained from Table 5.8 is that there is a fairly strong partial relationship between product quality (X2) and purchasing decisions (Y) of 0.440 if the brand image quality is (constant). In addition, the partial correlation coefficient between brand image (X1) and purchasing decisions (Y) of 0.465 indicates that there is a weak relationship if product quality (X2) is controlled (constant).

Further information obtained from Table 5.8 is that there is a strong relationship simultaneously (together) between brand image (X1), product quality (X2) and purchase decision (Y) of 0.587. This shows that the purchase decision will increase more if management pays attention to brand image and product quality simultaneously than if management only pays attention to brand image and product quality partially (one by one).

Hypothesis Testing

The Effect of Brand Image on Purchasing Decisions

To determine the effect of brand image on purchasing decisions, it can be analyzed through multiple regression coefficients (b). The regression coefficient b_{1X1} of 0.138 means that any increased attention to brand image (X1) can increase purchasing decisions (Y), so it can be concluded that brand image has a positive influence on purchasing decisions. This is confirmed in testing the first hypothesis with the formula $H_0 =$ there is no partial positive effect between brand image (X1) and purchasing decisions (Y), showing the results that the regression coefficient b_{1X1} ; $t_{count} = 7.412 > t_{table} (0.025; 147) = 1.9$ and $sig\ t = 0.075$ ($p < 0.05$). This shows that there is a positive and significant influence partially between brand image (X1) on purchasing decisions.

Effect of Product Quality on Purchasing Decisions

To determine the effect of product quality on purchasing decisions, it can be analyzed through multiple regression coefficients (b_2). The regression coefficient b_{2X2} of 0.159 means that any increased attention to product quality (X2) can increase purchasing decisions (Y), so it can be interpreted that product quality has a positive influence on purchasing decisions. This is confirmed in testing the second hypothesis with the formulation $H_0 =$ there is no partial positive effect between product quality (X2) and purchasing decisions (Y), showing the results that the regression coefficient is b_{2X2} ; $t_{arithmetic} = 3.657 > t_{table} (0.025; 147) = 1.9$ and $sig\ t = 0.03$ ($p < 0.05$). This shows that there is a positive and significant effect partially between product quality (X2) on purchasing decisions.

Conclusion

Based on the results of the analysis and discussion described in the previous chapter, a conclusion can be drawn as follows:

1. Brand Image (X1) has a positive and significant influence on purchasing decisions of Bottled Drinking Water Brand B5 Liquica District (Y).
2. Product quality (X2) has a positive and significant influence on purchasing decisions of B5 Brand Bottled Water in Liquica District (Y).
3. Brand Image (X1) and Product Quality (X2) have a positive and significant influence on purchasing decisions of Bottled Drinking Water Brand B5 Liquica District (Y).

Suggestion

Based on the results of the research that has been carried out, suggestions can be given to management, which if it can help to improve purchasing decisions for bottled drinking water Brand B5 Liquica District, namely:

1. Producers of B5 Brand Bottled Drinking Water should be able to improve their product image by maintaining the superiority of B5 Brand Drinking Water sources.
2. The variable product quality is expected to provide product guarantees to consumers and increase packaging variations so that there are many choices for consumers.
3. Expanding the marketing area for drinking water brand B5 so that consumers can easily reach this product.
4. For future researchers, it is hoped that they can add independent variables that influence purchasing decisions, such as service and price, so that they can obtain results that are broader in scope and increase references for further researchers.

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