Analysis of the Influence of Brand Image of Purchase Intentions through Perceived Price, Trust, and Perceived Value

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ABSTRACT: This research is to analyze the relationship between Brand Image and Purchase Intentions through Perceived Price, Trust, and Perceived Value of Nike sports shoes. In today's world, when viewed from its assortment planning, Nike has made its brand a manufacturer's brand (Manufacturer), where the product is produced and controlled by the manufacturer. In this way, Nike often sponsors athletes and athletes who are popular in the world, so that Nike can always be exposed in the media. Nike has a strong brand image because its brand continues to go global and keeps up with the times. For Nike companies that are already popular as they are now, Nike usually also plans the flow of goods for a year and also considers its estimates from various factors such as discounts, seasonality, etc. Nike also allocates its products to various countries to make it easier for consumers to buy and use their products, including in Indonesia. That way, the Nike brand is also very quickly famous. Nike's strategy in managing its most important merchandise is to display its products in accordance with the categories (running, basketball, lifestyle) and also the store is designed according to the characteristics of Nike itself which is seen as an expensive brand. The products of Nike sports shoes are growing and developing in Indonesia, especially Jakarta. Indonesia itself is a highly reckoned player in the global market because of its size and growth potential which shows good progress. Thus referring to the data above, the sample of this study consisted of 150 people who were in malls in West Jakarta who were also selected using a purposive sampling method. As for the data analysis method used in this study is to use the Structural Equation Model (SEM) with AMOS version 6.0 as well as indirect testing using the Sobel Test. And based on the results of this study it shows that the statistical calculations show that the variables Brand image of the product, Perceived Price of the product, Consumer Trust and Perceived Value of the product have a significant relationship and influence on Purchase Intentions. And as a note that indirectly on the variable Perceived Price, Consumer Trust and Perceived Value can become a mediator that influences Brand image and Purchase Intentions.

KEYWORDS: Brand Image, Perceived Price, Trust, Perceived Value, Purchase Intentions

INTRODUCTION

Today, with increasingly tight competition in the sports shoe industry in the world, it demands manufacturers to be able to innovate in marketing their products. This is what makes competition between companies increasingly stringent in the struggle for market share. The sports industry is an industry that has enormous revenue potential. Various leading companies compete with each other to meet consumer needs so that company revenues are high. Specifically in the sports shoes sector, industrial development in this field has indeed experienced an increase in recent years.

There are several brands of sports shoes circulating in the Indonesian market. both from within the country and abroad. Shoe brands originating from within the country include League, Specs and Miter, while shoe brands originating from abroad include Adidas, Nike, Diadora, Umbro, Puma, Lotto and Kappa. These brands are brands that are in demand by the people of Indonesia. Each brand strives to make their brand image superior in order to attract consumers in order to foster purchase intention for their products.

Nike, one of the largest sports shoe manufacturers in the world, really understands the importance of using shoes in sports activities. Nike was founded by Phil Knight, a middle-distance runner and student at the University of Oregon, with his coach Bill Bowerman Phil. Nike was originally known as Blue Ribbon Sports (BRS). The company originally operated as a distributor for Japanese shoe maker Onitsuka Tiger (now ASICS).

Based on the background of the problems above, this study seeks to analyze the factors that influence purchasing decisions for Nike brand sports shoes which include: Brand Image, Perceived Price, Trust, and Perceived Value.

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THEORETICAL BASIS

Brand Image

Brand image is a determinant that influences a customer's subjective perception and consequent behavior (Ryu et al., 2008) and is an extrinsic cue when consumers evaluate products/services before purchasing (Zeithaml, 1988). According to Keller (2003) Brand Image is the perception and belief held by consumers, as reflected in the associations that occur in consumer memory. Image is reality, therefore if market communication does not match reality, normally reality will win.

Perceived Price

According to Schiffman and Kanuk (2007) perception is a process of an individual in selecting, organizing, and translating incoming information stimuli into an overall picture. Perception has a strong influence on consumers. One of the factors that influence consumers is the perception of price. Kotler and Keller (2012) state that price is the amount of money charged for a product, or the amount of value exchanged by consumers for the benefits of owning or using the product.

Trusts

Trust is one of the main features of a buyer-seller relationship. The role of trust in social relations has been the subject of research interest. Trust refers to positive beliefs about the reliability and dependability of a person or object. Trust builds when customers have confidence in the service provider's reliability and integrity (Kim, et al., 2009). Chong, et al., (2003) defines trust as an individual's willingness to depend on other parties involved in exchanges because individuals have confidence in other parties.

Perceived Value

As for products, value is the quality I get for the price I pay, value is something I get for what I give. From the research conducted by Zeithaml (1988), it was found that, although there are different consumer expressions of value, perceived value can be seen as a consumer's overall assessment of the utility of a product/service based on perceptions of what is received and what is given (i.e., trade-off between perceived benefits and perceived costs).

Purchase Intentions

Intention is defined as someone's hope in the future for what will be done to an object Purchase Intentions are individual/consumer activities that are directly involved in obtaining and using the goods offered. Grewal et al (1998) define Purchase Intentions as the probability that a buyer intends to buy a product. Purchase Intentions are consumers' tendencies to buy or use a brand or take actions related to the level of probability consumers make purchases or use. Purchase Intentions is also a purchase intention that shows the customer's desire to make a repeat purchase (Assael, 1998).

Hypothesis Formulation

Based on the data in this study, the initial hypothesis of the research in question is as follows:

H1: There is a positive influence between Brand Image on Perceived Price

H2: There is a positive influence between Brand Image on Trust

H3: There is a positive influence between Brand Image on Perceived Value

H4: There is a positive influence between Brand Image on Purchase Intentions

H5: There is a positive effect of Perceived Price on Purchase Intentions

H6: There is a positive influence of Trust on Purchase Intentions

H7: There is a positive influence of Perceived Value on Purchase Intentions

H8: There is a positive influence of Perceived Value on Purchase Intentions through Perceived Price.

H9: There is a positive influence of Perceived Value on Purchase Intentions through Trust

H10: There is a positive influence of Perceived Value on Purchase Intentions through Perceived Value
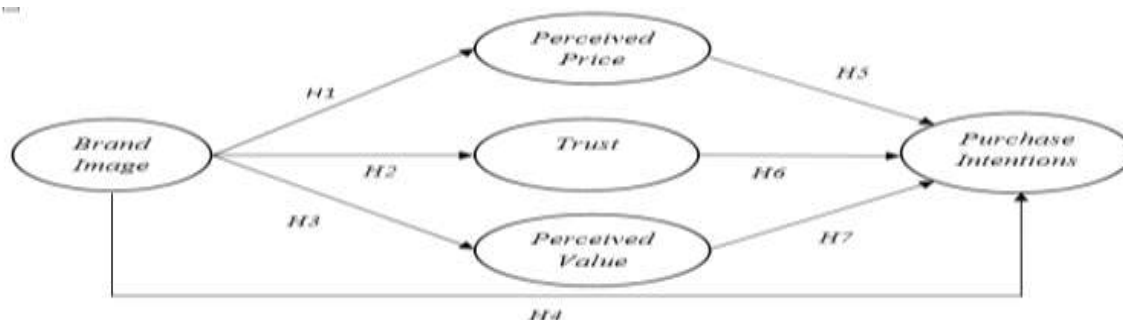
CONCEPTUAL FRAMEWORK

Figure 1. Conceptual Framework

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RESEARCH METHODOLOGY

In this study the test design used is a hypothesis testing (testing hypothesis). Hypothesis testing research or (testing hypothesis) is research that has the aim of testing hypotheses, which generally explain the nature of a particular relationship or influence, or differences between groups or independence.

The independent variable in this study is Brand Image adopted by del Río, Vazquez, and Iglesias (2001) with 5 statement items, then Perceived Price, Trust and Perceived Value adopted from Chiang and Jang (2007) each with 4 statement items. While the dependent variable in this study is Purchase Intentions adopted from Chiang and Jang's research (2007) with 4 statement items. All of the above items were measured using a Likert Scale, namely: 1 indicating "Strongly disagree" to 5 indicating "strongly agree". Sample and Data Collection in this study were obtained by distributing questionnaires to 150 respondents who were consumers who had used Nike sports shoes in the past year. The sampling technique used is purposive sampling, which is a sampling technique based on certain considerations.

Based on the characteristics of the 150 respondents who had been sampled, it was increasingly known that all respondents who participated in the study had purchased Nike sports shoes, namely 150 people, 100% of the total number of respondents. Then the characteristics of respondents based on gender the majority of respondents who participated in the study were male, namely as many as 105 people or 70%, aged between 18-25 years as many as 66 people or 44%, the majority of respondents who participated in the study were with the last education S1 as many as 64 people or 43%, the majority of respondents have a monthly expenditure range of IDR 2,000,000 – IDR 2,900,000 as many as 62 respondents or 41% of the total number of respondents.

ANALYSIS OF RESULTS AND DISCUSSION

In this research the type of statistics used is a type of descriptive statistics used to describe the characteristics of the data in a study.

In the table above, it is known that Brand Image has an average answer of 3.5587 with a standard deviation of 0.59497. This shows that the average respondent agrees on the statement items on the Brand Image variable. Perceived Price has an average answer of 3.5550 with a standard deviation of 0.61570. This shows that the average respondent agrees on statement items on the Perceived Price variable. Trust has an average answer of 3.7967 with a standard deviation of 0.59668. This shows that the average respondent agrees on statement items on the Trust. Perceived Value variable has an average answer of 3.6067 with a standard deviation of 0.59100. This shows that the average respondent agrees on statement items on the Perceived Value variable. Purchase Intentions have an average answer of 3.3667 with a standard deviation of 0.68261. This means that the average respondent agrees on statement items regarding Purchase Intentions.

No	Variabel	Mean	Standard Deviation
	Brand Image	3,5587	0,59497
	Perceived Price	3,5550	0,61570
	Trust	3,7967	0,59668
	Perceived Value	3,6067	0,59100
	Purchase Intentions	3,3667	0,68261

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CONCLUSION

Based on the findings and discussion, as well as the results of data collection through distributing questionnaires to 150 consumer respondents who buy Nike sports shoes, it can be concluded that the Brand Image owned by a product has a positive relationship and influence, both directly and indirectly to the Purchase Intentions of consumers who buy Nike sports shoes. Perceived Price, Trust, and Perceived Value have an important role in the indirect influence of Brand Image on Purchase Intentions for Nike sports shoes. Namely as a Mediator of the positive relationship between Brand Image and Purchase Intentions for Nike sports shoes.

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From the results of this study it was also obtained that Brand Image when mediated by Perceived Price, has a greater influence on Purchase Intentions. Compared to when Brand image directly affects Purchase Intentions.

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