



RESEARCH ARTICLE

ANALYSIS OF FACTORS INFLUENCING CONSUMER'S BUYING DECISION OF TEH PUCUK HARUM

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ABSTRACT

Results of this research showed that all factors, i.e. buying decision, artist, television advertising media, price, and product quality gave significant effects on brand awareness. Meanwhile, total effect of variables artist, television advertisement media, price product quality on buying decision through brand awareness gives significant effect. Research method is illustrated by path analysis to easily observe the impacts that are being studied. The cause and effect path was established from variables being used. According to path coefficient, this research obtained direct effect and indirect effect. Research results showed there is no direct and significant effect between artist and brand awareness. Direct effect of artist on buying decision gives significant effect. Indirect effect of variable artist on buying decision through variable brand awareness is not able to give significant effect on buying decision. Meanwhile, total effect of artist on buying decision through brand awareness gives significant effect. The effect of product quality on buying decision through brand awareness gives biggest effect among variables that influence buying decision.

INTRODUCTION

The competition between instant tea drink and similar products demands the marketer to promote their products to the consumer in increasing advertisement expense significantly. Advertisement in Indonesia was dominated by toiletries products (Pepsodent, Clear, etc.) ten years ago. Nowadays, food and drink products are dominating. According to Nielsen data from January until October, 2012, instant tea drink has grown up. In two last decades, Teh Pucuk Harum as a new product has been ready to compete with incumbent brand Teh Botol Sosro. In 2011, Teh Botol Sosro only spent Rp 49,9 billion for advertisement expense while Teh Pucuk Harum surpassed Rp 94,5 billion. Advertisement expense increased more than the year before. Teh Botol Sosro only spent Rp 129,2 billion while Pucuk Harum from Mayora group spent Rp 131,8 billion, as illustrated in (Table 1). According to Wiwik in Rio (2011), company has to be aware of consumer's needs and desires as well as to communicate products precisely. Company needs to apply marketing strategy to advert the promotion that is able to inform the consumer through advertisement. There are some ways that can be used to create interesting advertisements, such as using celebrity as endorser, humour, guilty feeling, and sexual components (Shimp, 2003). Endorser use is supposed to make positive association between product and endorser. This association may simply arise in thought or certain image that are associated to certain brand. Association to certain brand is stronger if it is based on various experience to communicate it. Various associations that are remembered by consumers can be combined so it may form brand in consumer mind. According to Shimp (2000), good image is one of the effective ways to get consumer because consumer, with our without realizing, will choose products that have positive brand image. This will create good perception in consumer point of view, which will give impact to consumer in process of buying decision that leads to loyalty to certain

products. There was a problem when the artist Airis Emiliana promoted advertisement for Teh Pucuk Harum for tea products as she was not known well by public. This situation needed evaluation through scientific review to gain good image of products by consumer. The strategy of television advertisement media has to have segment based on product segment to select the media strategy so advertisement will achieve the target. In television advertisement media some strategies are needed to create more exclusive advertisements or to create advertisements that will share full information about the products to be more interesting. Unfortunately, Teh Pucuk Harum has not done maximum efforts. The society in South Tangerang demands media strategy promotion like events that are organized for society to obtain the direct impacts. Price is an important component on a product because it will influence buying decision of a product. Price is a component of consumer consideration of buying decision. A specific consideration is needed to decide price. The price offered by PT Mayora Group with its product Teh pucuk Harum has not met the segment target because the society of South Tangerang City still needs the more varied price to compete with similar products like Fruitea, which is Rp 1000. Product Quality of a product includes its resistance, easy handling package, and other valuable attributes. Product planning created by company should fulfill consumer needs. Products created should also have good image of quality. This is in accordance with the company objective to produce products that can be acceptable and fulfill consumer needs. Table 2 illustrates the competitors of instant tea drink in market. Some private companies produce similar tea products, particularly original tea drinks, such as: PT SOSRO (Teh Botol Sosro, S-tea), PT CCI (Fretea), 2 Tang (Zestea), Ultra Jaya (Ultra box tea), etc. Teh Botol Sosro, Fruitea, Tekita, Jay Green Tea, Teh Pucuk Harum are market leaders. Company success can be seen from the society response, especially the society of South Tangerang City. Quality image is image from customers.

Tabel 1. Advertisement fee 2009-2012 of instant tea drink category in Indonesia

Produk	2009	2010	2011	2012
Teh pucuk harum	0	0	94.554	131.841
Teh botol sosro	30.784	40.765	49.970	129.260
Fretea green	32.510	18.415	73.039	60.167
Nu green tea	24.933	31.914	40.823	51.369
Teh rio	0	10.580	119.435	50.277
Mountea	39.307	33.718	28.278	40.734
Futami 17 green tea	0	0	13.873	29.078
Morai ocha	0	0	0	24.853
Nu milk tea	0	0	0	23.022
Fruitea	23.482	21.569	30.557	17.447
Fretea	328	48.432	11.171	17.306
Fruitz	0	0	0	8.729
Teh kotak	39	17.870	38.043	6.704
Granite c d	0	0	0	5.772
Canned tea	0	0	0	1.743
Chrysanthemum tea	903	650	745	834
Pokka green tea	0	0	360	558
The sosro joy tea green	22.844	26.147	24.024	358
Good tea	24	3.306	1.007	211

Source : Nielsen-Media Updates 2012

Tabel 1. Brand of Instant Tea

Perusahaan	Teh Biasa	Teh Hijau	Teh Rasa Buah	Teh Bersoda
SOSRO	- Teh Botol Sosro - S- Tea	- Sosro Green Tea - Joy Green Tea	- Fruit Tea - Country Choice	- Tebs
PT. Mayora Indah Tbk	Teh Pucuk Harum,			
CCI	- Fretea	- Fretea Green - Fretea Green My Body	- Fretea Frutcy	
ABC PRESIDENT		- NU Green Tea		
ULTRA JAYA	- Teh Kotak Ultra			
GARUDA FOOD			- Mountea	
WINGS INDONESIA	- Teh Rio			
PUTRA WILDA	- Good tea			
POKKA SAPPORO FOOD		- Pokka green tea		
FUTAMI FOOD		- Futami 17 green tea		
LAIN – LAIN		- Zestea		

Source : www.scribd.com/BrandManagement2. 2014.

Table 2. Instant Tea Drink Master Brand Category 2014

TEH DALAM KEMASAN SIAP MINUM		
Merek	Index	Kategori
Teh Botol Sosro	38,7%	Master
Teh Kotak	37,9%	Master
Tebs	11,1%	
Teh Pucuk Harum	7,4%	
Industri	14,2%	

Products will not be fancied and last long in market when the product image is negative. However, when the product image is positive products will be fancied because product quality is a guarantee in using it to fulfill life needs (Rosvita, 2010). The society of South Tangerang City still doubts of the product quality of Teh Pucuk Harum as healthy drink because this product is not fully made from natural raw materials. The taste is also easily changed if it is not kept in fridge. Brand awareness is one of ways to measure marketing effectiveness of buyer or consumer ability to identify or recognize a special brand. According to Master Brand Survey 2014, Teh Pucuk Harum is not categorized as top brand as it still is not able to well introduce brand to consumer as illustrated in Table 1.3. According to the table, Teh Pucuk Harum is on the fourth rank after Tebs. This illustrates that consumer awareness is still poor, therefore scientific review is needed to study the case. According to the explanation, researcher is interested in

studying factor analysis that will influence the customer decision to buy Teh Pucuk Harum.

Problem Identification

According to the aforementioned background, author is identifying problems, as follows:

1. How is the impact of the customer decision to buy Teh Pucuk Harum, namely artist, television advertisement media, price, product quality on brand awareness?
2. How is the impact of the customer decision, namely artist, television advertisement media,
3. price, product quality, and brand awareness on the customer decision to buy Teh Pucuk Harum?
4. How is the impact of the customer decision, namely artist, television advertisement media, price, product

quality on the decision to buy Teh Pucuk Harum through various Brand Awareness variables?

Research objective

1. To analyze the factors impact of customer decision to buy The Pucuk Harum, namely artist, television advertisement media, price, and product quality on brand awareness.
2. To analyze the factors impact of customer decision to buy product, namely artist, television advertisement media, price, product quality, and brand awareness on the customer decision to buy Teh Pucuk Harum.
3. To analyze the factors impact of customer decision to buy product, namely artist, television advertisement media, price, and product quality on the customer decision to buy Teh Pucuk Harum through Brand awareness variables.

Research benefits

- a) **For company:** Research results are supposed to inform the company in selecting factors of buying decision to create Brand Awareness and buying decision.
- b) **For Lecturers/University:** This research can be used as literature to enhance knowledge and reference as well as to inform about factors of buying decision and Brand Awareness.
- c) **FOR Author:** Research results are supposed to broad insight and widen knowledge in marketing research about the factors that will impact buying decision and Brand Awareness.
- d) **Next Researcher:** This research results are supposed to be information as a reference and basis for next researches.

THEORETICAL FRAMEWORK

Celebrity endorser (Artist)

According to Belch and Belch, 2004, "A celebrity endorser has been defined as "an individual who enjoys public recognition and on behalf of a consumer good by appearing with in advertisements. Celebrities include movie and television stars, sport stars, politicians, businesspersons, artists and persons from the military." Celebrity endorser is a public figure who appears to be a consumer in advertisement. This celebrity endorser includes television artist or movie artist, sport artist, businessman, artist and people from military service. This opinion proved that celebrities are public figures from various fields, such as entertainment, military, knowledge, sport, and other fields. People from these various fields are public figures who have similar position with celebrities.

Television advertisement media

Media is a tool to inform either active or passive communication. Meanwhile, Television derived from two words *tele* means far distance and *vision* means sight so television means far distant sight. However, television in global meaning is one way visual audio of information media. Media designs their programs to entertain and share information such as news, sport, both national and international to get attention from public as much as they could so they can sell it to advertiser (Devito, 1990).

Price

Price is the only component of marketing mix that will obtain sell revenue, while other component is only expense component (Tjiptono, 2008). Although price determination is important, there are still many imperfect companies to handle problems of price determination. Price influences selling rate, profit rate, and market than can be obtained by company. According to Kotler (2008), price is one of the most flexible marketing mix elements.

Product quality

According to Tjiptono (2008), quality is a means to fulfill consumer need and desire as well as delivery precision to balance customer expectation. Product is everything that can be offered to market to satisfy wish or need (Kotler, 2007). Customer who feels satisfied will return to buy and share to others about their experience on the products. The smart companies will promise to give the best they could do to their customers and share more than their promise.

Brand awareness

According to Rossiter and Percy (1997), brand awareness is customer ability to identify (identify and recognize) a brand in details to buy. Brand awareness is the early step for consumer on every product or new brand offered through advertisement. Aaker and John (1995) stated that advertiser creates awareness of a new brand and awareness creates desire to buy. Afterwards, a brand will find its way to achieve objective.

Buying decision

Buying decision is the process to make decision to buy or not to buy. This decision is influenced by precious activities. Buying decision is an approach of problem solving on human activities to buy goods or service in satisfying desire and needs, which include the introduction of needs and desire, information research, evaluation on alternative buying, buying decision, and attitude after buying (Kotler, 2005).

MATERIALS AND METHODS

Place and time of research: Place of this research is South Tangerang City that consists of seven districts, i.e. Setu, Serpong, Pamulang, Ciputat, East Ciputat, Pondok Aren, and Serpong. There are 100 respondents in this research.

Analysis method

Path Diagram Analysis (Path Analysis): Research method is illustrated by path analysis to easily observe the impacts that are being studied. The cause and effect path was established from variables being used. The following steps are used to measure the variables:

- a) Conversion of Path Analysis to equation. The next step is to convert specification model to equation series. Equation includes:

1) Structural equation

$$Y = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon_1$$

$$Z = \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 Y + \epsilon_2$$

Where:

- Y: Brand Awareness
- Z: Buying decision
- X1 : Artist
- X2: Television Advertisement Media
- X3: Price
- X4 : Product Quality
- ϵ : Error

Path Analysis is illustrated in Figure 1.

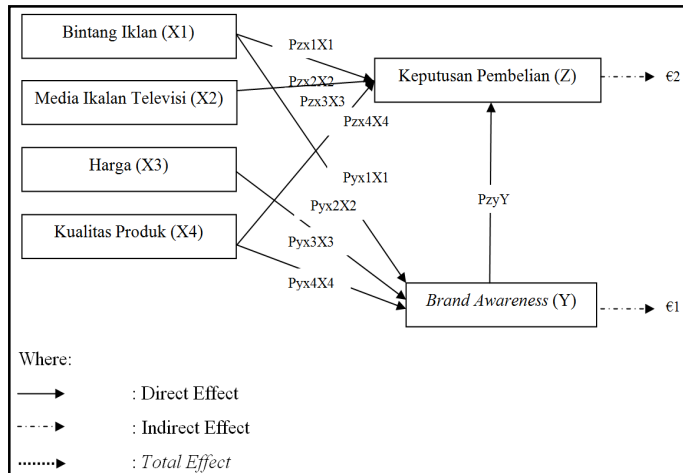


Figure 1. Illustration of Path Analysis

Variable Operational

Independent Variable: Artist

Artist is public figure who is famous by Credibility, Attractiveness, and Power (Charisma) and will appear as a consumer in advertisement to inform other consumers about Teh Pucuk Harum products.

Independent variable: television advertisement media

Television Advertisement Media is a media of messenger that deliver information through both visual and audio messages at the same time. It includes broadcast quality, media popularity, and media coverage.

Independent variable: Price

Price is value that is exchanged to achieve a product that includes Price Accessibility, Price Suitable with Quality, and Price Competition.

Independent variable: product quality

Product Quality is the effort to fulfill customer needs and desire. There are eight dimensions of product quality that can be applied by marketers, i.e. *Performance, feature, reliability, conformance, durability, serviceability, aestehctics, and perceived quality.*

Independent variable: brand awareness

Brand Awareness is customer ability to identify (identify or recognize) a brand in details before buying it. Brand Awareness has some levels, ranging from the lowest level (Unaware of Brand) to highest level, i.e. Top of Mind that can be illustrated in a pyramid includes: *Top of Mind, Brand Recall, Brand Recognition, and Unware of Brand.*

Dependent variable: buying decision

Buying decision is the process to make decision to buy or not to buy. This decision is influenced by precious activities. Buying decision is an approach of problem solving on human activities to buy goods or service in satisfying desire and needs, which include the introduction of needs and desire, information research, evaluation on alternative buying, buying decision, and attitude after buying (Kotler, 2005).

RESULTS AND DISCUSSION

According to path coefficient, this research obtained direct effect and indirect effect. Total path coefficient and path diagram of all variables can be illustrated in Figure 2.

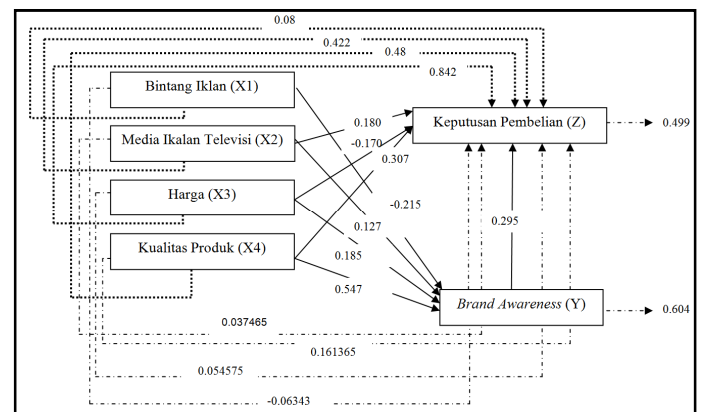


Figure 2. Diagram Model of Research Path

1.Direct effect of artist, television advertisement media, price, product quality on brand awareness:

Results indicate that there is no significant direct effect between artist and brand awareness. Variable of television advertisement media gives direct effect to brand awareness, which means if television advertisement media is positively increasing then brand awareness will also increase. Variable of price gives direct effect to brand awareness, which means that brand awareness will positively increase when the price goes up. Variable of product quality gives direct effect to brand awareness, which means that brand awareness will increase when product quality goes up.

2.Direct effect of artist, television advertisement media, price, product quality, and brand awareness on buying decision:

Direct effect of artist on buying decision gives direct and significant effect, which means buying decision will positively increase when the use of artist is increasing. Television advertisement media gives direct effect to buying decision, which means buying decision will positively increase when promotion through television advertisement media is increasing positively. Variable price gives direct effect to buying decision, which means buying decision is negative when price is negative. Variable product quality gives direct effect positively to buying decision, which means buying decision will increase when product quality increases. Variable brand awareness gives direct and significant effect to buying decision, which means buying decision is positively increasing when brand awareness increases.

3.Indirect effect of artist, television advertisement media, price, product quality to buying decision through brand awareness:

Indirect impact of variable artist to buying

decision through variable brand awareness is negative, which means brand awareness is negative when artist is negative that will negatively imply buying decision. Indirect effect of television advertisement media on buying decision through variable brand awareness is significant, which means brand awareness is positively increasing when promotion through television advertisement media increases so it will give indirect effect on buying decision. Indirect effect of price on buying decision through variable brand awareness is significant, which means brand awareness is positively increasing when price goes up positively so it gives positive effect on buying decision. Indirect effect of product quality on buying decision through variable brand awareness is significant, which means brand awareness will positively increase when product quality positively increase so it will give indirect positive effect on buying decision. Meanwhile, total effect of variable artist, television advertisement media, price product quality on buying decision through brand awareness gives significant effect, which means buying decision will positively increase when variable artist, television advertisement media, price, product quality, and brand awareness increase positively.

Conclusion

1. Research results showed there is no direct and significant effect between artist and brand awareness, i.e. -0.215; while variable television advertisement media gives direct effect to brand awareness, i.e. 0.127; variable price gives direct and positive effect on brand awareness, i.e. 0.185; variable product quality gives direct and significant effect on brand awareness, i.e. 0.547.
2. Direct effect of artist on buying decision gives significant effect, i.e. 0.247; television advertisement media gives good effect on buying decision, i.e. 0.180; price is not able to give direct and significant effect, i.e. -0.170 to influence consumer on buying decision; product quality in this research is able to give direct and biggest effect among other variables on buying decision. i.e. 0.307; variable brand awareness gives direct and significant effect on buying decision, i.e. 0.295.
3. Indirect effect of variable artist on buying decision through variable brand awareness is not able to give significant effect on buying decision, i.e. -0.06343; indirect effect of television advertisement media on buying decision through variable brand awareness gives indirect and biggest effect on buying decision, i.e. 0.161365. Meanwhile, total effect of artist on buying decision through brand awareness gives significant effect with total effect 0.08; the effect of television advertisement media on buying decision through brand awareness is significant with total effect 0.422; the effect of price on buying decision through brand awareness gives good effect with total effect 0.842; the effect of product quality on buying decision through brand

awareness gives biggest effect among variables that influence buying decision with total effect 0.48.

Recommendation

1. It is supposed that product marketing is the most important element to introduce a brand to public by communication that is done by artist to attract consumer attention. Consumer will realize about the product that is advertised and classified in top of mind in its segment.
2. Marketer should concern on price strategy to influence consumer in buying decision. Results of this research showed that price offered by producer is not able to influence consumer to buy products, as well as to increase television advertisement media, product quality, and brand awareness continuously to influence consumer in buying decision.
3. Marketer should improve and increase marketing strategy, especially in selecting qualified artist, as well as to increase and maintain strategy to use television advertisement media, price, and product quality to establish good image of product that will eventually influence consumer in buying decision.

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