Improving Consumers Purchasing Decisions on CV. Nagasakti Mandiri Electronic

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ABSTRACT

The main problem in this study is that sales are still fluctuative since the sales targets are still not be achieved and still not meet the expectation of the management. The brand of CV. Nagasakti Mandiri Elektronik has not yet been fully recognized as distributor of mobile phones OPPO F7 by most customers, this disadvantage condition is also due to impatient attitude of salespeople in serving customers in purchasing OPPO F7 handphones. The purpose of this study is to determine the effect of brand image and consumers perceptions in purchasing decisions in CV. NagasaktiMandiri Electronics. The purpose of this study is to analyze the effect of brand image and consumers perception on consumers purchasing decisions. The population in customer research is consumers in the CV. NagasaktiMandiri Electronics is 52 respondents, while the technique which is applied is by using accidental sampling. Then the data analysis technique used is descriptive analysis and multiple linear regression.

The results of data analysis showed that brand image had a positive and significant effect on purchasing decisions and consumers' perceptions also had a positive and significant effect on purchasing decisions. The results of the coefficient of determination (R2) 0.733 (73.3%). So it can be said that 73.3% of the dependant variable variation, namely Brand Image and Consumers Perception in the model, can explain the Purchase Decision variable in the CV. NagasaktiMandiriElektronik while the 26.7% remaining is influenced by other variables outside the model.

Keywords: Brand image, Consumers perception, Purchasing Decision

INTRODUCTION

Changes in the business environment cause stakeholders keep continuing to respond to all changes that exist. If this is not done (the respond to changes), then slowly but surely a company will experience loss of receivables. To anticipate it, we need an appropriate step in addressing all existing changes. Furthermore, the company always product innovation or improvements to meet customer needs, create a product that has advantages, create different products. All of these strategies can be an effective ones for the company in providing innovative and best quality product to be offered to achieve a satisfaction of each parties (Saragih, 2019).

The process of taking decision in determining kinds of product or service to be chosen by a consumer is certainly not an easy job. As consumers have been getting a lot of knowledge based on their past experiences (Danang Sunyoto, 2013). For consumers who have good experience in using certain products or services, it gives an impact on future choice (Kasim, 2018). So it should get serious attention especially for stakeholders in formulating marketing strategies that are oriented to the needs and desires of customers (Nasib dan Ratih Amelia, 2018).

One of strategies to achieve the condition mentioned above is through the brand. The brand becomes increasingly important because consumers are no longer satisfied only with the fulfillment of their needs (Natalia, 2018). Brand image is a

series of tangible and intangible traits, such as ideas, beliefs, values, interests, and features that make them unique (Ali Hasan, 2013). Brand image is one of the factors considered by a consumer in determining which product or service to be chosen (Fanani. 2018). Brand image representation of the overall perception of the brand and the form of information and also tracking experience of the brand. The image of a brand is related to attitudes in the form of beliefs and preferences towards a brand. Consumers who have a positive image of a brand, will share more probability to make a purchase (Setiadi, 2013). So any companies that are able to optimize brand image, they will be able to have the opportunity to improve consumer purchasing decisions (Hidayat, 2017). Brand image must be built with the right strategy in accordance with the conditions and financial capabilities of the company. The strategy chosen should not be wrong in responding to changes of the strategy by the competitor companies. The brand determination strategy is a reflection of the number and types of general and unique brand elements applied by the company to the selling products. The decision to release the establishment of a new brand product is very important (Keller, 2012).

Another factor that often influences consumers in determining a product or service is consumers' perceptions products or services (Gunadi, Perception is a process as a result of sensation. Sensation is the activity of feeling or causing an exhilarating emotional state (Setiadi, 2013). Person's attitude gives possibility to express the values of his belief. It means that everyone expresses the values of his belief in tangible attitude. Consumers who have a positive perception of a product or service are likely to increase purchasing decisions in the future (DH, 2017).

CV. NagasaktiMandiriElektronik is one of the companies which collaborate with the distributors of mobile phones with all brands, for example OPPO F7 and so on.

The high number of competitors makes CV. NagasaktiMandiriElektronikkeep increasing their sales. Here are the sales target of CV. NagasaktiMandiri Electronics in 2018 specifically OPPO F7 mobile phone as follows:

Tabel 1. Selling Target of CV. NagasaktiMandiriElektronik-OPPO F7

Month Selling Targe (Unit)		Selling Realization (Unit)	Percentage	
January	6720	6235	92.78%	
February	6720	5890	87.65%	
March	6720	5420	80.65%	
April	6720	5130	76.34%	
May	6720	4850	72.17%	
June	6720	4560	67.86%	
July	6720	4680	69.64%	
August	6720	4130	61.46%	
September	6720	4020	59.82%	
October	6720	3980	59.23%	
November	6720	3860	57.44%	
December	6720	4210	62.65%	

Source: CV. NagasaktiMandiriElektronik (2019)

Based on the table above, it shows that the selling target of OPPO F7 cellphone cannot meet the expectation. Then the realization of sales continued to decrease. It appears that the realization of sales in January is 6235 units. While the lowest sales realization occurred in November, which is 3860 units. If this condition continues, it will make CV. Nagasakti MandiriElektronik be difficult to compete with other companies, especially in the sale of mobile phones. Then the researchers made preliminary observations customers who visited and made a purchase of the OPPO F7 handphone with two questions as follows:

Customer Ability To Recognize CV. NagasaktiMandiri Electronics



Figure 1.Question 1 Preliminary Observation

Be Friendly and Patient of Sales Man in Serving Customers



Gambar 2. Pertanyaan 2 Observasi Awal
Figure 2. Question 2 Preliminary Observation

Based on the results of observations shown in Figure 1 and Figure 2 show that the customer does not recognize the brand image of CV. NagasaktiMandiriElektronik as one of the largest OPPO F7 cellphone distributors, especially in Medan. Furthermore, it has been known that the owned sales man bv CV. NagasaktiMandiriElektronik lacks of patient in serving customers who will purchase OPPO F7 cellphones.

THEORETICAL FRAMEWORK Decision to Choose

Consumer purchasing decisions will be made when consumers feel there is some needs to be met. Companies must be able to see the needs desired by the market. It is necessary to have a survey of products in market to continue to the make improvements to product shortages. Purchasing decisions as the choice of an action of two or more alternatives (Setiadi, 2013). People who make decisions must have a choice from several available alternatives, if a person is faced with two choices, namely buying and not buying, and then he chooses to buy, then he is in a position to make a decision(Sudaryono, 2016). The decision making process is as an important activity in consumer behavior needs to be understood to formulate an appropriate marketing strategy that is able to influence every stage of the decision making process that takes place (Tatik Suryani, 2013).

Brand Image

Companies will be able to be known by the community when the company is able to show brand identity. In providing the differences in value, the company carries out marketing communication tools (Keller, 2012). When consumers are able to assess the value of the difference between one company's products or services with other companies. Surely this will help the marketing team in marketing a company's product or service (Tjiptono, 2012). The image of a brand is related to attitudes in the form of beliefs and preferences towards a brand. For companies that are able to build a brand image in the minds of consumers, it will greatly assist the marketing department in re-conducting (Setiadi, 2013). A positive brand image is very helpful for companies, especially in the form of legal protection. The company's products or services will be protected with the copyright(Tjiptono, 2014). Besides of that, a strong brand of the company's products will make it different from other brand products (Danang Sunyoto, 2013). Research results show that a good brand image will drive a consumer's buying decision(Kasim, 2018)(Nasib dan Ratih Amelia, 2018)(Saragih, 2019).

H1: There is a positive influence of brand image on purchasing decisions

Consumer Perception

A consumer's perception will arise due to either physical stimulation environment stimulation around the consumer (Keller, 2012). Furthermore, perception can be interpreted as a process of selecting, coordinating and interpreting of meaningful meaning remembered (Schiffman, 2012). Consumer perceptions encourage people to maintain and enhance their own image. To be able to improve consumer perceptions at least the company must provide a positive courage from the superiority products or services produced by the company (Simamora, 2011). The results of previous studies indicate that a consumer who has a positive perception of a brand will tend to increase purchasing decisions(DH, 2017)(Agustian, 2013)(Ratnanto, 2016).

H2: There is a positive influence on consumers' perceptions in purchasing decisions

RESEARCH METHODS

A causal approach is chosen in this study. This is because researchers try to expect the results caused by changes in brand image variables and consumer perceptions in increasing or decreasing a customer's purchasing decisions. population and sample in this study are customers of CV. Electronic Nagasakti Mandiri selected by accidental sample of 52 respondents. Furthermore, data collection using a questionnaire with a Likert measurement scale while for the data analysis, it uses multiple linear regression analysis.

RESEARCH RESULT

Descriptive Analysis

Characteristics of Respondents by Gender

Table 2. Characteristics of Respondents by Gender

Gender	Number (People)	(%)
Male	33	63%
Female	19	37%
Total	52	100%

Source: CV. NagasaktiMandiriElektronik

Based on the table above, it shows that respondents based on gender on the CV. NagasaktiMandiriElektronik, it is found that the most customers are male customers, there are 33 male (63%) while 19 people (37%) are female

Characteristics of Respondents by Education Level

Tabel 3. Characteristics of Respondents by Education Level

Education	Number (People)	(%)
SMU	16	31%
DIPLOMA	23	44%
S1	12	23%
S2	1	2%
Total	52	100%

Source: CV. NagasaktiMandiriElektronik

Based on the table above, it shows that respondents based on education, there are 16 customers or (31%) who are Senior High School, 23 customers or (44%)who are Diploma,12 customers (23%) who are with S1 Education and there is 1 customer (2%) with S2 education.

Characteristics of Respondents by Age

Table 4. Characteristics of Respondents by Age

Age (Year)	Number (People)	(%)
<25	17	33%
25-35	13	25%
36-45	10	19%
46-55	12	23%
Total	52	100%

Source: CV. NagasaktiMandiriElektronik

Based on the above table, it is known that customers aged <25 years are 17 people (33%), customers aged 25-35 years are 13 people (25%), customers aged 36-45 are 10 people (19%) and customers aged 46-55 are 12 people (23%).

Multiple Linear Regression Analysis and t Test (Partial)

The results of the regression analysis can be seen in the table below:

Table 5. Results of Multiple Regression Analysis

		Unstand Coeffi		Coefficients ^a Standardized Coefficients			Collinearity S	tatistics
Mod	el	В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	5.440	2.933		1.855	.070		
	X1	.270	.120	.291	2.257	.028	.316	3.165
	X2	.442	.094	.606	4.710	.000	.316	3.165
a. De	pendent Variable	: Y						

Source: SPSS Calculation Results (Attached)

Based on the table above, the multiple linear regression equation in this study is:

In this regression model, the stated constant value of 5.440 can be interpreted if the independent variable in the model is assumed to be equal to zero, on average the variables outside the Purchase Decision model remain at value 5.440 one-unit or in other words if the Brand Image variable and Consumer perception is not improved, the Purchase Decision is still 5,440 units.

The value of the magnitude of the regression coefficient b1 of 0.270 in this study can be interpreted that, when the Brand Image has increased by one unit, it will increase the Purchasing Decision by 0.270 units.

The coefficient regression value of b2 is 0.442 in this study can be interpreted that the Consumer Perception variable (X2) is 0.442 which indicates that when Consumer Perception has increased by one unit, it will increase the Purchasing Decision by 0.442 units.

Based on the above obtained the following results:

The significance variable value for the Brand Image (0.028) is smallerthan alpha 5% (0.05) or t count 2.257 > t table 2.009 (n-k = 52-3 = 49). Based on the results obtained, it rejects H0 and accepts Ha for the Brand Image variable. Thus, it shows that partially Brand Image variable has a positive and significant effect on customer purchasing decisions on the CV. NagasaktiMandiriElectronics.

The significance variable value for Consumer Perception (0,000) the smallerthan the alpha of 5% (0.05) or t count 4,710 > t table 2,009 (n-k = 52-3 = 49). Based on the results, it rejects H0 and accepts Ha for the Consumer Perception variable. Thus, it shows that partially Consumer Perception variable has a positive and significant effect on the customer's Purchasing Decision on the CV. NagasaktiMandiriElectronics.

Simultaneous Test (F Test)

The results of the F test in this study can be seen in the table below:

Table 6. The Results F Test

		•	ANOVA ^a			
Model		Sum of Squares	₫£	Mean Square	F	Sig.
1	Regression	368.562	2	184.281	70.996	.000
	Residual	127.188	49	2.596		
	Total	495.750	51			
a. Deper	ndent Variable: Y					
	ctors: (Constant), 2	X2. X1				

Source: SPSS Calculation Results (Attached)

In the F test results in this study, it is known that the significance value is 0,000. Where the required significance value F is less than 5% or 0.05 or Fcount value = 70.996>Ftable 3.19 (df1 = k-1 = 3-1 = 2) while (df2 = n - k (52-3 = 49 Thus it can be concluded that all independent variables namely Brand Image and Consumer Perception have a positive and significant effect on customer purchasing decisions at CV NagasaktiMandiriElektronik.

Coefficient of Determination (R2)

The results of the determination test can be seen in table 7 below:

Table 7. Determination Coefficient Test Results

 Model Summary^b

 Model
 R
 R Square
 Adjusted R Square
 Std. Error of the Estimate

 1
 .862a
 .743
 .733
 1.611

a. Predictors: (Constant), X2, X1 b. Dependent Variable: Y

Based on table 7, it is obtained:

- 1. The value of Correlation regression is 0.862, it means that Brand Image and Consumer Perception of Purchasing Decisions on the CV. Nagasakti Mandiri Elektronik give contributionin a strong level.
- 2. For more than one independent variable which use adjusted R Square, where the value (R2) is 0.733 (73.3%), it can be said that 73.3% of the dependent variable namely Brand Image variation, Consumer Perception in the model, can explain the Purchase Decision variable in the CV. Nagasakti Mandiri Elektronik while 26.7% (the remain value) is influenced by other variables outside the model. The other variables that influence **Purchasing** Decisions personal selling, are store atmosphere, product quality and so on.
- 3. The estimated standard error is a measure of prediction error. The estimated standard error is called the standard deviation. In this study the value is 1,611. The smaller of the standard deviation means the better the model is.

The Effect of Brand Image on Purchasing Decisions

Based on the results of the study note, it is found that the significant value for the Brand Image variable (0.028) is smaller than the alpha of 5% (0.05) or t count 2.257 > t table 2.009 (n-k = 52-3 = 49). Based on the results it is obtained that it rejects H0 and accepts Ha for the Brand Image variable. Thus, it can be concluded that partially Brand Image variable has a positive and significant effect on customer purchasing decisions on NagasaktiMandiri Electronics. So that when the brand image is getting better, it will improve consumer purchasing decisions. Any efforts to improve brand image are by maintaining the quality or quality of OPPO Mobile products as promised. Furthermore, brand image can also be built through brand development. So that, the product life cycle becomes longer than competitors' brands.

This study supports previous research conducted by (Kasim,

2018)(Natalia, 2018)(Fanani, 2018)(Nasib 2018)(Saragih, dan Ratih Amelia. 2019) which states that brand image partially influences purchasing decisions. Furthermore, it is stated that (Tjiptono, 2012) the brand also has benefits that are beneficial to the company, including, 1) Identification tools to facilitate the process of handling or tracking products for the company, especially in organizing inventory and accounting records. 2) Form of legal protection for unique product features or aspects. Brands can get intellectual property protection. Brand names can be protected through registered trademarks Manufacturing processes can be protected through patents, and packaging can be protected through copyright and design. 3) Sign the level of quality for satisfied customers, so they can easily choose and buy it again later. 4) Any means applied to create associations and unique meanings to differentiate products from competitors. 5) competitive Sources of advantage, through legal protection, especially customer loyalty, and a unique image should be formed in the minds consumers. 6) Sources of financial returns, especially regarding to the future income.

The Influence of Consumer Perceptions in Purchasing Decisions

Based on the results of the study, it is found that the significance value for the Consumer Perception variable (0,000) is smaller than the alpha of 5% (0.05) or t count 4.710 > t table 2.009 (n-k = 52-3 = 49). Based on the results it is obtained that H0 is rejected and Ha is accepted for the Consumer Perception variable. Thus, it can be concluded that partially the Consumer Perception variable has a positive and significant effect on customer Purchasing Decisions on the CV. NagasaktiMandiri Electronics. So that when consumers' perception gets better, it will improve purchasing decisions. The effort that must be improved is to maintain the brand trust to have a positive perception of OPPO handphone products.

The results of this study support the result of previous researches conducted (Taroreh, Jorie, & Wenas, 2015)(Ratnanto, 2016)(DH, 2017)which state that consumer perceptions positively influence purchasing decisions. Furthermore, this research is in accordance with the opinion 2011) consumers' (Simamora, that perception of the same good will form the function of the attitude of consumer knowledge, where humans have a tendency to view their world from the perspective of good order. This tendency forces humans to keep being consistent, keep the definition, keep being stabil, and understanding of their world. That tendency also determines the needs to be learned and to be known

CONCLUSION

Based on the results of research and discussion in the previous chapter it can be concluded as follows:

- 1. Partially (one by one) it is obtained that the influence of the brand image variable (X1) has positive and significant effect on purchasing decisions (Y). So that when brand image is improved, it will increase purchasing decisions.
- 2. Partially (one by one) it is obtained that the influence of consumer perception (X2) has positive and significant effect on purchasing decisions (Y) So that when consumer perception is increased it will increase purchasing decisions.
- 3. The results obtained by the determination of brand image and consumer perception can show a close and positive level of relationship to purchasing decisions.

Suggestion

The suggestions that researchers can provide are:

1. For further researchers, it is considered that there are still other factors that influence purchasing decisions by 26.7% then it can be taken into consideration for further research so that it can be known more about other

- factors that influence purchasing decisions
- 2. Management of CV. Nagasakti Mandiri Elektronik should conducts further research to find what variables can improve purchasing decisions apart from brand image variables and consumer perceptions
- 3. Variable brand image should be continuously maintained to maintain customer trust through a good brand image. This can be done by providing original quality products and avoiding complaints about the purchase of company products.
- 4. Consumer perceptions should continue to be improved through the provision of important information and compatibility between the product being promoted and the product being offered.

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