BRAND CHOICE AND REFERENCE GROUP: A QUANTITATIVE APPROACH OF BABY SKIN CARE PRODUCTS IN MANADO

PEMILIHAN MEREK DAN KELOMPOK REFERENSI: PENDEKATAN KUANTITATIF PRODUK PERAWATAN KULIT BAYI DI MANADO

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Abstract: There are many baby skin care products available in the market that came by same purposes but in different brand name. From the existing brands, there are perfectly good in each of the products. The discussion group that has been formed is usually called as a Reference Group, which is about a person or group of people that provide information or suggestion for parents' brand choice. The objective of this research is to measure the influence of reference group through parents brand choice. This research used quantitative analysis. The population in this research refers to the consumers in Manado and samples used in this study of 100 respondents. The results showed Informational Influence, Utilitarian Influence, and Value-expressive Influence have a significant effect on consumer brand choice simultaneously. Informational influence has significant effect on consumer brand choice partially. Utilitarian influence does not have a significant effect on consumer brand choice partially. Value-expressive influence has significant effect on consumer brand choice partially. The marketers in the marketing field should increase the products popularity by improving the features of a product each brand, and the quality that ensure the babies are safe using the certain product.

Keywords: brand, consumer brand choice, reference group.

Abstrak: Ada banyak produk perawatan kulit bayi yang tersedia di pasaran yang datang dengan tujuan yang sama tetapi dengan nama merek yang berbeda. Dari merek yang ada, ada yang sangat baik di setiap produk. Grup diskusi yang telah dibentuk biasanya disebut sebagai Grup Referensi, yaitu tentang seseorang atau sekelompok orang yang memberikan informasi atau saran untuk pilihan merek orang tua. Tujuan dari penelitian ini adalah untuk mengukur pengaruh kelompok referensi melalui pemilihan merek orang tua. Penelitian ini menggunakan analisis kuantitatif. Populasi dalam penelitian ini mengacu pada konsumen di Manado dan sampel yang digunakan dalam penelitian ini sebanyak 100 responden. Hasil penelitian menunjukkan Pengaruh Informasi, Pengaruh Utilitarian, dan Nilai-ekspresif Pengaruh memiliki pengaruh signifikan terhadap pilihan merek konsumen secara bersamaan. Pengaruh informasi berpengaruh signifikan terhadap pilihan merek konsumen secara parsial. Pengaruh utilitarian tidak memiliki pengaruh yang signifikan terhadap pilihan merek konsumen secara parsial. Pengaruh nilai-ekspresif berpengaruh signifikan terhadap pilihan merek konsumen secara parsial. Para pemasar di bidang pemasaran harus meningkatkan popularitas produk dengan meningkatkan fitur produk masing-masing merek, dan kualitas yang memastikan bayi aman menggunakan produk tertentu.

Kata kunci: merek, pilihan merek konsumen, kelompok referensi.

INTRODUCTION

Research Background
Nowadays, people are offered many new skin care products that came by same purposes but in different brand name, especially for parents. Parents are mostly careful in choosing baby skin care products used by their babies because babies' skin are very soft. Therefore, the baby needs proper and regular care and right choices of product to their soften skin to keep it soothes skin for always.

According to Soetjiningsih (2004), babies are aged 0 months to 1 year. In Indonesia there are kind of difference in expressing babies, there are 2 ways we call the babies, toddlers which a general term for children aged 1-3 years old and toddlers that are around 1-5 years old. Age categories according to the Ministry of Health of Republic of Indonesia (2009), toddler's aged around 0-5 years.

Meanwhile, there are many choices of products and brands of baby skin care that available in the market. In Manado, people are being collective. Manado people basically like to share what they have, whether it's about their knowledge of something, belonging, even experience.

As choosing is really difficult because of the lots of options and lots of ingredients to obsess about, so there are situation where parents need advices from other people to convince their choice of baby skin care. Sometimes without they realize, they are in a group of discussion that talk about things they interested of. The discussion group that has been formed is usually called as a Reference Group, which according to Salomon (2018:20), a reference group is an actual or imaginary individual or group that significantly influences an individual's evaluations, aspirations, or behavior.

There are 3 expressions of influences in Reference group. There are, Informational influence that based on the desire to get information from others then make decisions and optimize the choice, Utilitarian Influence which a person will buy or purchase products just to satisfy a certain group's expectation in order to obtain the praise or to avoid the punishment from the group and Value-expressed is about psychological fulfill, which people are willing to buy products just to adjust their-self or better express themselves to the society by making themselves similar or feel accepted to the group that they want to belong to.

Research Objective
The objectives that will be find out of this research are:
1. Informational, Utilitarian, and Value-expressive Influences affect parents' brand choice on baby skin care products simultaneously.
2. Informational Influence affects parents' brand choice on baby skin care products.
3. Utilitarian Influence affects parents' brand choice on baby skin care products.
4. Value-expressive Influence affects parents' brand choice on baby skin care products.

THEORETICAL REVIEW

Marketing
Marketing as the process by which companies engage customers, build strong customer relationships, and create customer value in order to capture value from customers in return (Kotler and Keller, 2017).

Consumer Behavior
Consumer behaviour is mental and emotional processes and the observable behaviour of consumers during searching purchasing and post consumption of a product and service. (Batra and Kazmi, 2010)

Brand
Brand is a symbol, name, term, sign or design, or a combination of these, that identifies the products or services to differentiates them from one seller to another as competitors. Brands represent consumers' perceptions and feelings about a product, while branding can add value to a consumer's purchase. (Kotler and Amstrong, 2018:264).

Consumer Brand Choice
Consumer choices are based on well-defined preferences through which consumers can determine the set of alternatives from which they will make their choices. (Louviere, 2000)

Reference Group

Reference group is a group or individual whose behavior or opinions influence other people's purchasing decision of others. A person's purchase decision is influenced by both types of reference groups either formal or informal. In a group individual influence depends on the extent of the power or strength they have in the society. (Solomon, 2010:136)

Informational Influence

Informational influence is driven by a desire to form accurate interpretations of reality to make more informed decisions and act correctly. (Cialdini and Goldstein 2004)

Utilitarian Influence

According to Bearden and Etzel (1982), utilitarian influence is expressed through one's efforts to comply with referent group norms in order to gain perceived rewards or avoid perceived punishments.

Value-expressive Influence

Value-expressive reference group influence is reflected in the need for psychological affiliation with the group and is expressed by an individual displaying behavior that will improve his self-image or create the impression of attachment to the group (Childers and Rao, 1992)

Previous Research

MBUI (2011) studied about the influence of reference groups on consumer choice: the case of toilet soaps in Nairobi. The results found out that it was the products attributes that influenced consumers more than the employed reference group models or appeals. Many respondents preferred their current brands because of fragrance, relaxing effect, it is availability, germ bursting abilities and pricing.

Arora and Stoner (2008) studied about Reference group influence has long been studied in the setting of product purchase. This study examines the significance of reference groups in the selection of services. The study also examines the variation of reference group influence across services. The services selected correspond to the following four categories: publicly consumed luxuries, publicly consumed necessities, privately consumed luxuries, and privately consumed necessities. Three types of reference group influences are studied-informational, value expressive and utilitarian. The results reveal that reference group influence is greatest for publicly consumed services.

Rehman and Jamil (2016) studied about the influence of income and occupation on consumers' susceptibility to reference group demands on brand decisions. Research result showed housewives' susceptibility to informational influence to be significantly higher than students for brand choice decisions, while in rest of the cases students and housewives appear to be almost equally susceptible to reference group influence.

Conceptual Framework
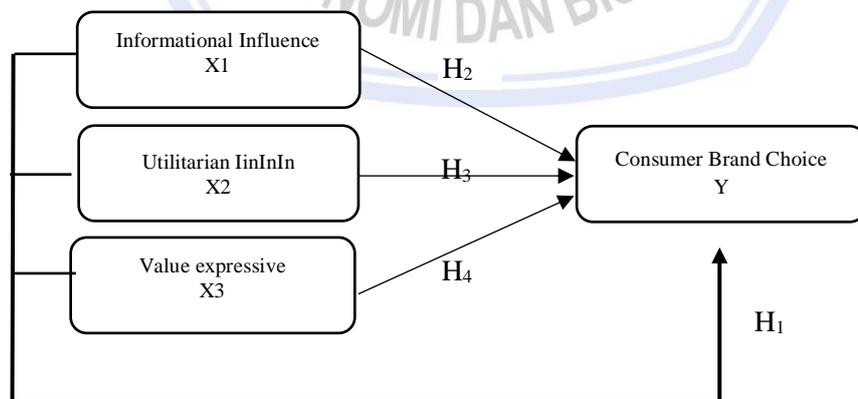
Figure 1. Conceptual Framework
Source : Data Processed, 2019

RESEARCH METHOD

Type of Research

The type of research is causal. Causal research is research that aims to investigate causal relationships. Causal research therefore always involves one or more independent variables (or hypothesized causes) and their relationships with one or multiple dependent (or outcome) variables. This study is a quantitative research, which uses multiple regression method.

Population and Sample

Sekaran and Bougie (2009:262) Population is generalized to the object/subject which have a certain quantity and characteristic that is required by researcher to studying and to gain conclusion. The population of this research is all the parents in Manado that ever made a choice to purchase baby skin care products. Sample is part of the number and characteristics of the population (Sugiyono, 2013:118). With the formula $n = Z^2 / 4Moe^2$ = $n = 1,96^2 / 4(0,10)^2 = 96.04$ rounded to 96. The number of samples which is required to be used is 96 people but the researcher decides to use 100 samples in anticipation of the error questionnaire that cannot be used in the research and data processing.

Data Analysis Method
Validity and Reliability Test

Validity test used to measure the validity of the questionnaire. To analyze it, Pearson Product Moment is used. If probability of correlation is less than 0.05 (5%) then the research instruments is considered valid. The reliability test used Alpha Cronbach. If Alpha is less than 0.6 then it is considered as unreliable.

Multiple Regressions Analysis Method

Sekaran and Bougie (2009:350) defined Multiple Regression as a statistical technique that simultaneously develops a mathematical relationship between two or more independent variables and an interval-scaled dependent variable. The formula of multiple linear regressions is as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$

Y: Consumer Brand Choice X1:Informational Influence X2: Utilitarian Influence X3:Value-expressive Influence a : The Regression Constant β: Coefficient regression e: Error(Residual)

Classical Assumption

A linear regression model should meet some basic assumption below:

Heteroscedasticity

Heteroscedasticity test aims to test whether in the regression model variance occurs from one observation to another (Ghozali, 2001).

Multicollinearity

Multicollinearity test aims to test in the regression model found the correlation between independent variables (Ghozali, 2001).

Normality

The normality test aims to test whether in the regression model, dependent variable, independent variable or both have a normal distribution or not. A good regression model is to have normal data distribution or distribution of statistical data on the diagonal axis of the graph of normal distribution (Ghozali, 2001).

Hypotesis Testing

The purpose of hypothesis testing is to determine accurately if the null hypothesis can be rejected in favor of the alternate hypothesis (Sekaran and Bougie, 2009) In order to test the hypotesis, statical analysis such as F_{test} and t_{test} has to be calculated. F_{test} and t_{test} will be usefull in a situation when the researcher needs to

find out relationship between dependent and independent variables. When F_{test} and t_{test} are gained and compared the F_{table} and t_{table}, the hypothesis could be examined.

RESULT AND DISCUSSION

Validity Test
Table 1. Result of Validity Test

		Informational_Influence	Utilitarian_Influence	Value_expressive_Influence	Consumer_brand_choice	Total
Informational_Influence	Pearson Correlation	1	.576**	.474**	.411**	.795**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	100	100	100	100	100
Utilitarian_Influence	Pearson Correlation	.576**	1	.432**	.144	.830**
	Sig. (2-tailed)	.000		.000	.152	.000
	N	100	100	100	100	100
Value_expressive_Influence	Pearson Correlation	.474**	.432**	1	.455**	.771**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	100	100	100	100	100
Consumer_brand_choice	Pearson Correlation	.411**	.144	.455**	1	.549**
	Sig. (2-tailed)	.000	.152	.000		.000
	N	100	100	100	100	100
Total	Pearson Correlation	.795**	.830**	.771**	.549**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Output, 2019

Based on table 1, it can be seen the value of Pearson correlation is above 0.5. Therefore, the all questions are valid.

Reliability Test
Table 2. Result of Reliability test

Cronbach's Alpha	N of Items
.787	5

Source: SPSS Data Processed, 2019

Based on table 2, Cronbach's Alpha of this research is .787 and it indicates that the data in this research is acceptable.

Coefficient of Simple Correlation (R) and Coefficient of Determination (R^2)

Table 3. Result of R and R^2 Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.538a	.290	.268	2.305

a. Predictors: (Constant), Value-expressive Influence, Utilitarian Influence, Informational Influence
Source: SPSS Output, 2019

The coefficient of correlation (R) is 0.538 meaning the level of relationship between independent and dependent variable is considered as a substantial positive relationship. The coefficient of determination (R^2) is 0.290 which shows that the variation of all independent variable explains 29% of variation in the consumer brand choice (Y), while the remaining 71% is explained by other factors outside the model or not discussed in this research.

Multiple Linear Regression Analysis
Table 4. Multiple Linear Regression Analysis Output

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.622	1.710		7.382	.000
	Informational Influence	.312	.095	.362	3.280	.001
	Utilitarian Influence	-.100	.047	-.229	-2.127	.036
	Value-expressive Influence	.255	.067	.382	3.817	.000
	(Constant)	12.622	1.710		7.382	.000

a. Dependent Variable: Consumer Brand Choice
Source: SPSS Output, 2019

The analysis output is described in table 4. The multiple regression equation is as follows:

Y = 12.622 + 0.312 X1 + (-0.100 X2)+ 0.255 X3 + e

Where :
α   : Alfa or constant
ε   : Error
Y   : Consumer Brand Choice
$β_1$-$β_4$: The regression coefficient of each variable
X_1 : Informational Influence
X_2 : Utilitarian Infuence
X_3 : Value-expressive Influence

That multiple linear regression equation can be interpreted as follows:
1. Constant value of 12.622 means that in a condition of ceteris paribus, if all independent variables equal to zero, then Consumer brand choice (Y) as dependent variable will be 12.622.
2. X_1' s coefficient value of 0.312 means that if there is a unit increases in Informational influence (X_1) then the consumer brand choice (Y) will improve and increase by 0.312.
3. X_2's coefficient value of -0.100 means that if there is a unit increases in Utilitarian influence (X_2) then the online Consumer brand choice (Y) will decrease by -0.100.).
4. X_3's coefficient value of 0.255 means that if there is a unit increases in Value-expressive influence (X_3) then the Consumer brand choice (Y) will increase by 0.255.

Classical Assumption
Multicolinearity
**Table 5. Result of Multicolinearity Test**

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	12.622	1.710		7.382	.000		
	Informational Influence	.312	.095	.362	3.280	.001	.606	1.651
	Utilitarian Influence	-.100	.047	-.229	-2.127	.036	.635	1.574
	Value-expressive Influence	.255	.067	.382	3.817	.000	.738	1.356
	(Constant)	12.622	1.710		7.382	.000		

a. Dependent Variable: Consumer Brand Choice
Source: SPSS Output, 2019

The table 5 shown that the VIF value of each variables is less than 10, it means this research is free from multicollinearity.
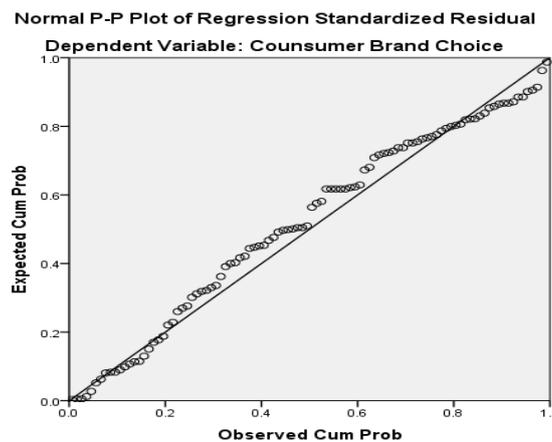
Heteroscedasticity

Scatterplot
Dependent Variable: Counsumer Brand Choice
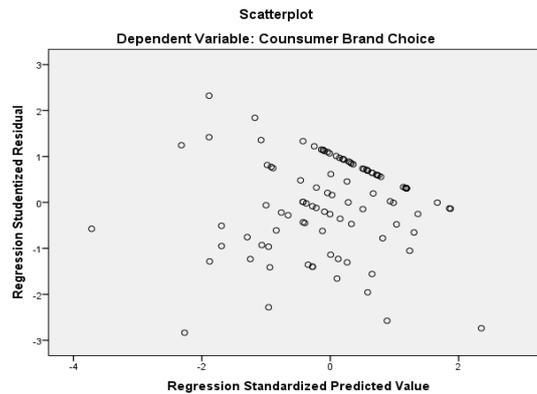
Figure 2. Heteroscedasticity Test Output
Source: SPSS Output, 2019

The results of heteroscedasticity tests indicate that the points do not form a specific pattern or there are no clear patterns and the points spread above and below the number 0 (zero) on the Y axis, there is no heteroscedasticity.

Normality
To identify the normality of the model, the figure 3 will show the graphic result for the normality test.

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Counsumer Brand Choice

Figure 3. Heteroscedasticity Test Output
Source: SPSS Output (2019)

Figure 3 shows that the data is represented by the dots are spreading near the diagonal line. It means that the model is normal.

Hypothesis Testing
Table 6. Simultaneous Test (F-test) Output

Variable	t_{count}	t_{table}	Description
Informational Influence (x1)	3.280	1.664	Accepted
Utilitarian Influence (x2)	-2.127	1.664	Rejected
Value-expressive Influence (x3)	3.817	1.664	Accepted

Sourced: Processed Data, 2019

Based on the ANOVA shows the value of F_{count} is 13.064. The value of F_{table} is found on the F Distribution Table by determining the degree of freedom 1 (numerator) is 3 and degree of freedom 2 (denominator) is 97 with level of significance is 0.05 ($\alpha = 0.05$) and the level of confidence is 95% then F_{table} is 2.70. The result is F_{count} (13.064) > F_{table} (2.70). Therefore, since F_{count} is greater than F_{table}, Hypothesis 1 is accepted which means the independent variables simultaneously influence the dependent variable significantly.

T-test
Table 7. T-test Output

		ANOVA[a]				
Model		**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**
1	Regression	208.205	3	69.402	13.064	.000[b]
	Residual	509.985	96	5.312		
	Total	718.190	99			

a. Dependent Variable: Consumer Brand Choice

b. Predictors: (Constant), Value-expressive Influence, Utilitarian Influence, Informational Influence

Sourced: SPSS Output, 2019

1. The value of t-count of X_1 is 3.280 with the level significant of 0.001. Since the value of $t_{count} = 3.280 > t_{table} = 1.664$ meaning that H_2 is accepted. Sig <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction errors is below 5% which is 0.001. The result of this declares that X_1 (Informational Influence) partially has a significant effect on Consumer brand choice (Y).
2. The value of t-count of X_2 is -2.127 with the level significant of 0.036. Since the value of $t_{count} = -2.127 < t_{table} = -1.664$ meaning that H_3 is rejected. Sig <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction errors is below 5% which is 0.036. The result of this declares that that X_2 (Utilitarian Influence) partially does not have a significant effect on Consumer brand choice (Y).
3. The value of t-count of X_3 is 3.817 with the level significant of 0.000. Since the value of $t_{count} = 3.817 < t_{table} = 1.664$ meaning that H_3 is accepted. Sig <0.05 means that the confidence of this prediction is above 95% and the probability of this prediction errors is below 5% which is 0.000. The result of this declares that that X_3 (Value-expressive Influence) partially has a significant effect on Consumer brand choice (Y).

Discussion

The result of this research shows that based on hypothesis testing by using F-test, it is proven that there is linear relationship between independent and dependent variable simultaneously. It is also shows that based on hypothesis testing using t-test, from the significance value it can be seen that not all variables individually have a significant effect. Variables that have a positive and significant effect are Informational Influence and Value-expressive Influence on the parents' brand choice, while Utilitarian has a negative and insignificant effect on parents' brand choice. This result is the same with theories and previous researches which states that informational influence and value-expressive influence do have effect on consumer brand choice, while utilitarian have different result with the previous theory out there because in this case, the parents' babies needs are discussed so there are is a little chance or desire parents to prioritize their ego as the utilitarian's theory. According to (Gillani, 2012) customers' opinions can be affected by their compliance with the reference group.

CONCLUSION AND RECOMMENDATION

Conclusion
1. The independent variable which Informational, Utilitarian, and Value-expressive influence simultaneously effect consumer brand choice as the dependent variable.
2. Informational influence as one of independent variables partially affects consumer brand choice as dependent variable positively.
3. Utilitarian influence as one of independent variable have negative relationship and have not significant effect on consumer brand choice as dependent variable.
4. Value-expressive influence as one of independent variables partially affects consumer brand choice as dependent variable positively.

Recommendation

In this research, The suggestion for marketers in the marketing field is to adapt with the consumer behavior now era. This research has shown how useful to know the reference groups are. They influence others in choosing brand product, especially baby skin care product. Therefore, in this case the marketers should try to socialize more about the products that have been in the marketed to gain more customers and profit by increasing their popularity of a product and quality by looking at the effectiveness and importance of the role of reference groups.

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