

ANALYZING THE EFFECT OF BRAND AWARENESS AND PRICE DISCOUNT OF ONLINE TRANSPORTATION SERVICES TOWARDS CONSUMER PURCHASE INTENTION*MENGANALISIS PENGARUH KESADARAN MEREK DAN POTONGAN HARGA JASA TRANSPORTASI ONLINE TERHADAP NIAT BELI KONSUMEN*

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Abstract: This study aims to understand and find out if brand awareness and price discount have an effect on consumer purchase intention. This study use quantitative method. Multiple linear regression analysis is used to analyze the effect between variables. To achieve this goal, the researchers distributed questionnaires and the sample used was 100 respondents. The results of this study indicate that Brand Awareness partially has a significant effect on Purchase Intention, Price Discount partially has a significant effect on Purchase Intention, and Brand Awareness and Price Discount simultaneously have a significant effect on Purchase Intention.

Keywords: Brand awareness, price discount, purchase intention

Abstrak: Penelitian ini bertujuan untuk memahami dan mengetahui apakah kesadaran merek dan potongan harga berpengaruh terhadap niat beli konsumen. Penelitian ini menggunakan metode kuantitatif. Analisis regresi linier berganda digunakan untuk menganalisis pengaruh antar variabel. Untuk mencapai tujuan tersebut, peneliti menyebarkan kuesioner dan sampel yang digunakan adalah 100 responden. Hasil penelitian ini menunjukkan bahwa Brand Awareness secara parsial berpengaruh signifikan terhadap Purchase Intention, Price Discount secara parsial berpengaruh signifikan terhadap Purchase Intention, dan Brand Awareness dan Price Discount secara simultan berpengaruh signifikan terhadap Purchase Intention.

Kata Kunci: Kesadaran merek, potongan harga, niat beli

INTRODUCTION

The advance of technology make everything seems easy, back then in the old days there are things that need a quite long time for people to finish or do like transportation. Transportation is a movement of people or thing using the help of tools or vehicle from one place to another place. Online transportation service or ride-sharing is an individual transportation services where a customer can order a ride (car, motorcycle, etc.) through mobile application and the driver can respond the order through the apps (Wallsten, 2015) without go out from our home, we can order transportation with just a touch of fingers, we do not have to call first. According to BRIGHT Indonesia, in 2020, there are 21.7 million Indonesian who are using online transportation for their daily mobility as the online transportation has grown rapidly in recent years. Not only for transportation but this companies are expanding their services to provide easy mobilization for their customers.

People nowadays with high productivity and mobility are required to move quickly in their daily activity, therefore this type of transportation services are needed. The increasing demand of customer requires these various online transportation service companies to compete in such a way for the market, using marketing activity to attract consumers with various innovations on the apps like more features on service and payment method. GOJEK known

as the first online transportation in Indonesia so most people feel familiar with the brand, however with the increasing of online transportation service in Indonesia makes consumer have more option to choose between the services. While GOJEK have advantage on their application feature because GOJEK provide more variation of services such as ticket, food, grocery shopping, cleaning service, even spa while Maxim and InDriver only provide transportation and delivery services. But Maxim and InDriver offer much lower price than GOJEK, InDriver specifically let the consumer to offer their own price to the driver with minimum price of Rp. 8.000 for motorbike and Rp.12.000 for cars depends on the distance between the pick up to destination.

The competition of online transportation becomes tighter and companies need strategy in order to make an impact so consumer will have an intention to buy. Some of the companies started to use price discount strategy to attract consumer. According to data GOJEK still sits in 2nd place for the most frequently used online transportation services proves that many Indonesians aware of GOJEK's brand and GOJEK also offer many discount price in certain period of time but with the emerge of new competitors that offer lower price than GOJEK, does people still have intention in using GOJEK's services?

Research Objectives

1. To know the effect of Brand Awareness and Price Discount on Consumer Purchase Intention simultaneously.
2. To know the effect of Brand Awareness on Consumer Purchase Intention partially.
3. To know the effect of Price Discount on Consumer Purchase Intention partially.

THEORETICAL FRAMEWORK

Marketing

Marketing is the activity of creating, delivering, communicating and exchanging value between individuals or more. Kotler and Armstrong (2012) broadly defined marketing as a social and managerial process by which individuals and group obtain what they need and want through creating and exchanging value with other. Marketing is the process by which companies create value for customers and build strong and profitable relationships in order to capture value from customer in return.

Digital Marketing

According to Warmayana (2018), Digital Marketing is a way to promote certain products using internet media such as social media (Facebook, Instagram, YouTube, line or other social media).

Service

According to Hill (1977), services can be defined as changes in the condition of a person or something in the possession of the customer. Kotler and Keller (2012) defined a service as any act or performance one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Brand Awareness

According to Gustafon and Chabot (2007), Brand awareness passes on that how to aware current and potential customer towards your product and service.

Price Discount

Price discount is one of the strategies in marketing that reduce regular selling price of a product or service. Kotler and Armstrong (2012) defined price discount as a straight reduction in price on purchases during a stated period time.

Online Transportation Service

Online Transportation service is a new innovation of technology where it provides economy sharing ride for customer and driver. According to Clarke III (2001), Online transportation service is a part of m-commerce services which is defined as transaction performed in mobile networks. In m-commerce, customers or users can put order of products or services through internet without using PC (personal computer).

Purchase Intention

According to Laroche and Sadokierski (1994), Purchase Intention can be defined as Individual's intention to buy specific brand which they has chosen for themselves after certain evaluation; there are variables by which we can measure purchase intention for instance consider the brand for purchasing and expecting to purchase the brand in the future.

Previous Research

Malik et al. (2013) identified the effect of brand awareness and brand loyalty on purchase intention. Questionnaires were distributed to collect the responses from the employees in services sectors and conveniently available general public while descriptive statistics and regression analysis were used to analyze the data and draw the conclusions. Brand Awareness and brand loyalty have strong positive association with purchase intention.

Rizwan et al. (2013) aimed to checking the weight of sales promotion on purchase intention of the students of university. Exclusively, they choose Islamia University of Bahawalpur (IUB) as study location. They have selected 150 respondents for sampling and gathered the data through questionnaires administered in university. The result shows that attitude towards price discount and free sample have considerable encouraging affiliation amid ($\beta = 0.239$) and ($p < 0.01$), ($\beta = 0.193$) and ($p < 0.05$) respectively. Regression results institute that price discount and free sample explained 25% and 16% variance inside purchase intention respectively.

Shahid, Hussain, and aZafar (2017) elaborated the relation between the awareness of a brand and the intention of consumer of buying that brand. This has been done by going through different literature and articles by different authors. It will help the readers to come across the work done by various well known authors at one place and hence will help to know how knowing a brand well will affect the consumer in making decision about buying a product

Conceptual Framework

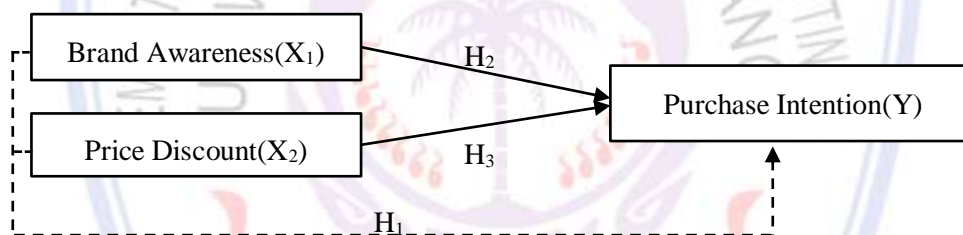


Figure 1. Conceptual Framework

Source: Literature Review

Research Hypothesis

- H₁: There is a simultaneously significant effect of Brand Awareness(X₁) and Price Discount(X₂) on Consumer Purchase Intention(Y).
- H₂: There is a partially significant effect of Brand Awareness(X₁) on Consumer Purchase Intention(Y).
- H₃: There is a partially significant effect of Price Discount(X₂) on Consumer Purchase Intention(Y)

RESEARCH METHOD

Research Approach

This study uses a causal research, where the researcher will explain that variable X causes to variable Y. This method will investigate the effect of brand awareness and price discount of online transportation services towards consumer purchase intention. According to Hair et al. (2007), Causal research tests whether or not one event causes another.

Population, Sample, and Sampling Technique

The population in this research is the people who have intention to use the online transportation services. The sample size in this research is 100. Sampling is a method that allows researchers to infer information about population based on results from a subset of the population, without having to investigate every individual.

According to Margono (1997), sampling technique is a way to determine sample which will be source of data in order to get the representative sample. This research will use convenience sampling, a non-probability sampling technique. A method often used to take samples that are geographically close to the researcher.

Data Collection Method

This study used questionnaire technique. The questionnaire is a method of data collection by giving respondents a list of written questions about Data is measured by Likert Scale. Likert scale is a scale used to measure a person's attitudes, traits, opinions or perceptions about social phenomena (Sugiyono, 2012).

Operational Definition of Research Variable

1. Brand Awareness is the consciousness of consumer towards company product and service, not only recognize a brand name but associate with its product and service. (Indicators: Brand Recognition, Brand Recall, Top of mind, and Brand Dominance)
2. Price Discount is one of the strategies in marketing that reduce regular selling price of a product or service. (Indicators: Attractive Price, Benefits for Consumers, and Value to Consumer)
3. Purchase Intention is a situation where consumer tends to buy a certain product in certain condition. (Indicators: Explorative interest, Transactional interest, Referential interest, and Preferential Interest)

Validity and Reliability

Validity is the extent to which a construct measures what it is supposed to measure (Hair et al., 2007). In this research the test is performed by using value of MSA (measures of sampling adequacy). If the value of MSA is above 0.5, the data is considered as valid so it can be used for further tests and analyses (Nasution and Usman, 2011). A survey of instrument (questionnaire) is considered reliable if its repeated application results in consistent scores (Hair et al., 2007). Alpha Cronbach test is utilized as reliability test in this research with following criteria; the minimum value of Alpha Cronbach must be 0.6 or it is better if the value is above 0.8 (close to 1). If the reliability coefficient (alpha) is below 0.6, it means that the measurement is considered as not consistent or not reliable (Nasution and Usman, 2011).

Multiple Linear Regression Model

Multiple regression analysis is the study of how a dependent variable y is related to two or more independent variables. The starting point of multiple regression analysis is the conceptual model and the hypotheses derived from that model that the researcher has developed in an earlier stage of the research process. The formula of multiple regression models in this research is as follows:

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

Description:

Y = Purchase Intention

a = Constant, is a related value which in this case is why when the independent variable is 0 ($X_1, X_2 = 0$)

β_1 = the coefficient of Brand Awareness

β_2 = the coefficient of Price Discount

X_1 = Brand Awareness

X_2 = Price Discount

e = Error Standard or Error Term

RESULT AND DISCUSSION

Result

Validity Test

This study uses a significance level of 5% (0.05) and uses two tail tests. The number of respondents is as many as 100 people. So the value of r table with a significance of 5% (0.05) is 0.196. If r count > 0.196 then the question item is declared valid. The data validity test of 100 respondents was carried out using SPSS software and the results.

Table 1. Validity Test

Variable	Indicators	Pearson Correlation	Sig.	Status
Brand Awareness(X1)	X1.1	0.353	0.000	Valid
	X1.2	0.834	0.000	Valid
	X1.3	0.884	0.000	Valid
	X1.4	0.844	0.000	Valid
Price Discount (X2)	X2.1	0.918	0.000	Valid
	X2.2	0.906	0.000	Valid
	X3.3	0.923	0.000	Valid
Purchase Intention (Y)	Y1	0.829	0.000	Valid
	Y2	0.730	0.000	Valid
	Y3	0.815	0.000	Valid
	Y4	0.850	0.000	Valid

Source: Data Processed (2021)

All indicator statement items from the Brand Awareness (X1), Price Discount (X2), and Purchase Intention (Y) variables have Pearson correlation value greater than r table (0.196). Thus, the entire item statement of the research variable is valid.

Reliability Test

Questionnaire items or questionnaires are said to be reliable (feasible) if Cronbach's alpha > 0.6 and it is said to be unreliable if Cronbach alpha < 0.6. The data reliability test of 100 respondents was carried out using SPSS software and the results.

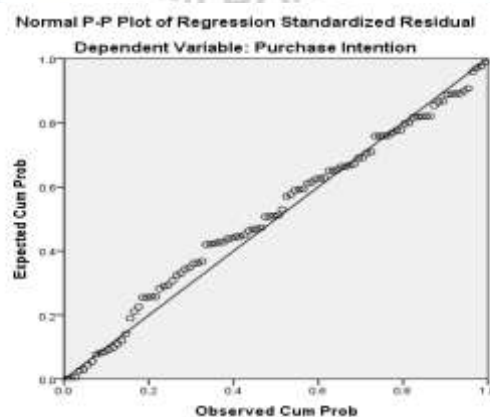
Table 2. Reliability Test

Variable	Cronbach Alpha	Status
Brand Awareness (X1)	0.744	Reliable
Price Discount (X2)	0.901	Reliable
Purchase Intention (Y)	0.819	Reliable

Source: Data Processed (2021)

Brand Awareness (X1), Price Discount (X2), and Purchase Intention (Y) variables have Cronbach's alpha value greater than 0.6. This means that the measuring instrument is reliable.

Classical Assumption Test

**Figure 2. Normality Test**

Source: Data Processed (2021)

The plotting data (points) spread out around the diagonal line, and the spread follows the diagonal line. This shows that the regression model fulfills the normality assumption.

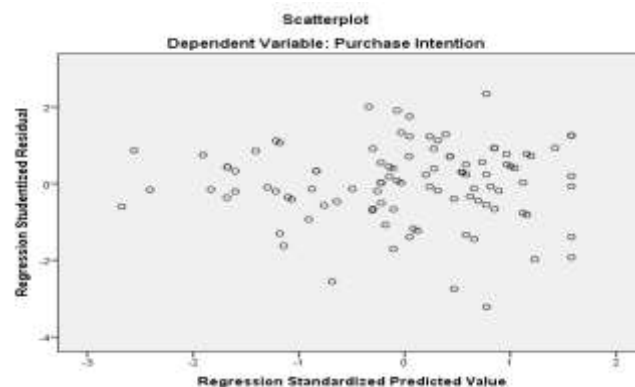


Figure 3. Heteroscedasticity Test

Source: Data Processed (2021)

The parameter coefficient for all independent variables used in the study does not occur heteroscedasticity as seen from the scatterplot that spreads and does not form a certain pattern.

Table 3. Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
1 Brand Awareness	.486	2.059
Price Discount	.486	2.059

a. Dependent Variable: Purchase Intention

Source: Data Processed (2021)

The value of the Variance Influence Factor (VIF) of the test results has been carried out on the Brand Awareness and Price Discount variables less than 10, and the Tolerance value is more than 0,100. This result indicates that there is no correlation between the two variables. Thus, it can be concluded that the two independent variables are free from Multicollinearity.

Multiple Linear Regression Analysis

Table 4. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	1.502	2.672	
1 Brand Awareness	.395	.122	.062
Price Discount	.598	.138	.212

a. Dependent Variable: Purchase Intention

Source: Data Processed 2021

Based on data analysis using SPSS 23, the results of the regression equation are as follows:

$$Y = 1.502 + 0,395 X_1 + 0,598 X_2 + e$$

The regression equation above shows the relationship between the dependent variable and the independent variable partially, from this equation it can be concluded that:

- The constant value is 1.502 which are positive, meaning that if there is no change in the variable Brand Awareness and Price Discount (the values of X1 and X2 are 0) then the Purchase Intention is 1.502
- If the regression coefficient value for Brand Awareness is 0,395 and it is positive, it means that if the variable Brand Awareness (X1) changes with the assumption that if the variable Price Discount (X2) is constant, the Purchase Intention increases by 0,395

- The regression coefficient value for a Price Discount is 0,598 and positive means that if the variable Price Discount (X2) changes with the assumption that if the Brand Awareness (X1) is constant, the Purchase Intention will increase by 0,598

Hypothesis Test

Table 5. F-Test

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2664.203	2	1332.101	90.160	.000 ^b
	Residual	1433.157	97	14.775		
	Total	4097.360	99			

a. Dependent Variable: Purchase Intention

b. Predictors: (Constant), Price Discount, Brand Awareness

Source: Data Processed 2021

Based on the table above, it shows the value of f-count is 90.160 with significant level of 0.000. The f-table is 3.09 ($f(k;n-k) = f(2;100-2) = 3.09$). So, the f-count is greater than f-table ($90.160 > 3.09$) and the significant level is less than 0.05 ($0.000 < 0.05$). Then, it concludes that Brand Awareness and Price Discount simultaneously have a significant effect on Purchase Intention so that H_1 is accepted.

Table 6. T-test

		Coefficients ^a		
Model		t	Sig.	
1	(Constant)	.736	.464	
	Brand Awareness	4.303	.000	
	Price Discount	5.779	.000	

a. Dependent Variable: Purchase Intention

Source: Data Processed 2021

Based on the table above by observing rows and columns t and sig, it can be explained as follows:

1. The t value of the Brand Awareness variable (X1) is 4.303 with significant level 0.000. The t count of 4.303 has greater value than t table namely 1.98472. While significant level has smaller value than Alpha (0.05) namely 0.000. Thus it can be concluded that the Brand Awareness variable has a significant positive effect on Purchase Intention. This also mean that H_2 which is there is a partially significant effect of Brand Awareness on Consumer Purchase Intention is accepted.
2. The t value for the Price Discount (X2) is 5.779 with a significance level of 0.000. The t count 5.779 has greater value than t table namely 1.98472. While the significance level has smaller value than Alpha (0.05), which is 0.000. Thus it can be concluded that the Price Discount variable has a significant positive effect on Purchase Intention. This also mean that H_3 which is there is a partially significant effect of Price Discount on Consumer Purchase Intention is accepted.

Discussion

Brand Awareness on Purchase Intention

Brand awareness is the fundamental and foremost limitation in any brand related search and it is the ability of a consumer to recognize and recall a brand in different situations. According to Baker et al. (1986), there must be a consideration of brand while making a decision to purchase a product or service, if there is nothing to be considered the probability is that there is nothing to be chosen. Based on this result, it can be concluded that Brand Awareness (X1) has significant positive effect on GOJEK consumer's Purchase Intention (Y). These results support research conducted by Malik et al. (2013) which found that brand awareness has positive effect on purchase intention. On that research also explain how the higher level of brand awareness can influence the intention to buy of consumer.

Price Discount on Purchase Intention

Price Discount is reduced priced from the total price for the short time period to enhance the sales and profits of the consumers. According to Zeithaml(1988), price discount promotion enhances the product's value by attracting the consumers by offering discounted price. Based on this result, it can be concluded that Price Discount (X2) has significant positive effect on GOJEK consumer's Purchase Intention (Y). These results support research conducted by Rizwan et al. (2013) which found that Price discount has a significant positive effect on the consumer's purchase intention. Price discount influences the consumer's purchase intentions, and it also affects buying quantity, if the price discount is offered on the same product or services, the customers buy more of that product or services.

Brand Awareness and Price Discount on Purchase Intention

From the result it can be seen that the independent variables that Brand Awareness (X1) and Price Discount (X2) simultaneously have a significant effect on dependent variable Purchase Intention(Y). Thus, the hypothesis 1 (H1) that there is a simultaneously significant effect of Brand Awareness and Price Discount on Consumer Purchase Intention is accepted. It means that with high awareness of a brand from consumer with additional of discounted price will increase the intention to purchase and give positive effect to GOJEK.

CONCLUSION AND RECCOMENDATIONS

Conclusion

Based on the analysis and discussion, there are three conclusions:

1. The results showed Brand Awareness and Price Discount simultaneously influence consumer Purchase Intention. Both are very important in influencing GOJEK consumer purchase intention.
2. The results showed that Brand Awareness with the four indicators Brand Recognition, Brand Recall, Top of mind and Brand Dominance partially influence consumer Purchase Intention. It can be said that brand awareness has an important role in influencing GOJEK consumer purchase intention.
3. The results showed that Price Discount with the three indicators Attractive Price, Benefits for Consumers, and Value to Consumer partially influence consumer Purchase Intention as dependent variable. It can be said that price discount has an important role in influencing GOJEK consumer purchase intention.

Recommendations

Based on the conclusion, there are several recommendations that are provided by the researcher:

1. According to latest data conducted by Asosiasi Penyelenggara Jasa Internet Indonesia (APJII) for the 2019 quarter II/quarter 2020 period, PT GOJEK Indonesia (PT Aplikasi Karya Anak Bangsa) sit in the 2nd place as the most frequently used online transportation services. Consider GOJEK is created by an Indonesian, GOJEK need to improve their performance in the market so they can top the position again. Many people do have high brand awareness of GOJEK as online transportation but with the emerge of new online transportation services it would be hard for GOJEK to compete especially in small cities like Manado considering most people using GOJEK especially when they got discount voucher.
2. Based on the questionnaire result, most respondents are college students. PT GOJEK Indonesia (PT.Aplikasi Karya Anak Bangsa) can also give interesting promotion for students by using the student card, considering the covid19 cases are decreasing and most school are starting to open.
3. Recently GOJEK release GOCLUB as the new feature in their applications for loyal consumer who frequently had a transaction can get XP or experience points and when it reach certain numbers the consumers will be rewarded. GOJEK need to maintain this strategy and promote to more people but making it convenience so it would not be hard for people who only started to use it.
4. This study can be used for further research as references in order to develop the researcher study especially in marketing.

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