EVALUATING BRAND IMAGE AND CONSUMER PRODUCT KNOWLEDGE OF APPLE SMARTPHONE IN MANADO

EVALUASI CITRA MEREK DAN PENGETAHUAN PRODUK KONSUMEN DARI TELEPON PINTAR APPLE DI MANADO

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Abstract : Telecommunication device help people to communicate with other people at a distance. Telecommunication industry also make the high growth rate of this industry over the past few decades and the significant contribution of the industry to the economies of the nations. The aim for this study is to evaluating brand image and consumer product knowledge of Apple smartphone in Manado. This research has identified 2 variables of brand image and product knowledge Brand image is the perception of brand that created in memory of consumer due to brand involvement. Product knowledge as a perception consumers have towards certain products, including previous experience of using the product. The population of this research is all the customers that use Apple smartphone (iPhone) in Manado. The sample of this research using Non probability sampling with 100 people have experience using Apple smartphone in Manado. The result from this research Apple smartphone is needs a periodic assessment about the performance of brand image and product knowledge so the program that established always meets the customer's satisfaction in needs or expectation.

Keywords : *brand image, product knowledge, importance and performance analysis*

Abstrak : *Perangkat telekomunikasi membantu orang untuk berkomunikasi dengan orang lain di kejauhan. Industri telekomunikasi juga membuat tingkat tinggi pertumbuhan industri ini selama beberapa dekade dan kontribusi signifikan industri ekonomi bangsa-bangsa. Tujuan untuk studi ini adalah untuk mengevaluasi merek gambar dan konsumen produk pengetahuan dari telepon pintar Apple di Manado. Penelitian ini telah mengidentifikasi variabel 2 citra merek dan citra merek produk pengetahuan adalah persepsi merek yang dibuat dalam memori konsumen karena keterlibatan merek. Pengetahuan produk sebagai konsumen persepsi memiliki terhadap produk tertentu, termasuk pengalaman sebelumnya menggunakan produk. Populasi dari penelitian ini adalah semua pelanggan yang menggunakan telepon pintar Apple (iPhone) di Manado. Sampel penelitian ini diteliti dengan 100 orang yang memiliki pengalaman menggunakan telepon pintar Apple di Manado. Hasil dari penelitian ini telepon pintar Apple adalah kebutuhan penilaian yang berkala tentang kinerja merek gambar dan produk pengetahuan sehingga program yang didirikan selalu memenuhi kepuasan pelanggan di kebutuhan atau harapan.*

Kata Kunci : *citra merek pengetahuan produk, analisa kepentingan dan kinerja*

INTRODUCTION

Research Background

In general term, communication defined as two-way process of reaching mutual understanding, in which participants not only exchange information, news, ideas and feelings but also create and share meaning. But in today's world communication become easier because of the development of sophisticated devices that makes communication called telecommunication.

Telecommunication device help people to communicate with other people at a distance. It is really interesting, because telecommunication industry give a big impact to the society but at the same time telecommunication industry also make the high growth rate of this industry over the past few decades and the significant contribution of the industry to the economies of the nations.

A smartphone is an extension of the traditional handheld hand phones, but performs a wider range of functions. Besides making phone calls, nearly all smartphones today can natively provide directions through GPS, take pictures, play music and keep track of appointments and contacts. Through the installation of apps, the list of possible smartphone uses multiplies by tens of thousands and grows longer. Nowadays, smartphone has been deeply accepted by most people around the world and have become an integral part of everyone around the globe. Smartphones has increased dramatically and become the newest topic in the telecommunication industry. Before buying a smartphone people usually see the company's brand image and specification of the smartphone or basically called product knowledge of the customer. A brand image has the ability to influence company's future profit and long term cash flow by enhancing customer's willingness to pay premium prices, merger and acquisition decision making, stock prices, sustainable competitive advantage and marketing success.

A brand image has the ability to influence company's future profit and long term cash flow by enhancing customer's willingness to pay premium prices, merger and acquisition decision making, stock prices, sustainable competitive advantage and marketing success. Consumer product knowledge should be regarded as a multidimensional construct where different types of product-related experience lead to different dimensions of knowledge. These dimensions of knowledge have different effects on product evaluations and choice behavior, depending on the specific situation and task at hand. Several important distinctions must be made between dimensions of consumer knowledge.

One of the main reasons why people choose Apple smartphone over other smartphones is due to the information cascade phenomenon. Besides, many other phones have similar or better functionalities as smartphone. When the first few people who bought Apple smartphone showed a positive payoff, following potential buyers of smartphones had a biased precept of Apple smartphone, causing them to lean towards buying Apple smartphone over others without objective comparisons. Moreover, even if people receive high signals for alternative products, they tend to buy Apple smartphone. They infer from others' choices of buying Apple smartphone and simply follow their choices regardless of their own gathered information. Thus do to this information cascade; Apple smartphone has become one of the bestselling smartphone despite the fact that it cannot be objectively categorized as the "best" smartphone (in Indonesia and Manado).

Based on the discussion above, the research finds it important to research about the brand image and consumer product knowledge about Apple smartphone in Manado.

Research Objective

To analyze the importance and performance of Brand Image and Product Knowledge of Apple smartphone in Manado

THEORITICAL REVIEW

Marketing

Marketing usually focused on one product or service. Marketing is a way to connect products and services to offer with customers who want and need such products and services. Today, marketing must understood not in the old sense of making a sale but in the new sense of satisfying customer's needs. Marketing is more than any other business function, deals with customers. Building customer value and satisfaction is at the very heart of modern marketing. Marketing is one of way to help company to achieve the company goal.

Marketing is a way for the company to communicate with customer, to know what are the customer wants and needs. Marketing is how the organization delivering their product or services value to the customer. According to the American Marketing Association (2013) Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

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Today's marketing is all about creating customer value and building profitable customer relationships. It starts with understanding consumer needs and wants, determining which target markets the organization can serve best, and developing a compelling value proposition by which the organization can attract and grow valued consumers. If the organization does these things well, it will reap the rewards in terms of market share, profits, and customer equity (Kotler and Amstrong 2006:316-320).

Marketing, more than any other business function, deals with customers. Marketing is managing profitable customer relationships. The two fold goal of marketing is to attract new customers by promising superior value and keep and grow current customers by delivering satisfaction (Kotler & Amstrong, 2006:316-320).

Brand Image

Brand image is defined that image is series of brand involvement stored in a consumer's memory. The reasons in consumers' mind linked with brand specification. Brand image is the perception of brand that created in memory of consumer due to brand involvement. Brand image is similar to self-image of consumers as consumers associate themselves with brands. In this highly competitive environment, a brand image is very important. To create a well- positioned brand the companies always play an important role. Customers' emotions to brand based on their identification with a brand image. Brand image is the total and overall personality in the consumers mind. Brand image depends upon the actual image of the firm in consumers' mind. A unique set of association in the mind of consumers communicates expectations. Image creation is considered essential for customer attraction and retention. A consumer purchase decision most often depends on brand image rather than physical characteristics of brand. Murphy describes the life cycle of brand. Through brand image, consumers are able to recognize a product, evaluate the quality, lower purchase risks, and obtain certain experience and satisfaction out of product differentiation. When it comes to experiential product evaluation, a positive brand image may make up for an inferior image of the origin country and raise the possibility of the product being selected (Thakor and Katsanis, 1997: 79-100). According to (Grewal, Krishnan, Baker, and Borin,1998), the better a brand image is, the more recognition consumers give to its product quality.

Product Knowledge

Consumers often rely on personal memory or experience to make a decision, when making a purchase. Beatty and Smith (1987) define product knowledge as a perception consumers have towards certain products, including previous experience of using the product. Brucks (1985) comes up with three ways to measure product knowledge based on previous studies: 1) Subjective Knowledge or Perceived Knowledge: the degree of consumers' understanding of the product, the so-called self-assessed knowledge (Park, E., Guzder, S. N., Koken, M. H., Jaspers-Dekker, I., Weeda, G., Hoeijmakers, J. H., Prakash, S., and Prakash, L. 1992). 2) Objective knowledge: the degree and type of product knowledge actually stored in consumers' memory, the so-called actual knowledge. 3) Experience-Based Knowledge: previous experience of purchasing or using the product. Consumers develop various product knowledge structure based on various degrees of familiarity toward a product (Park and Lessig, 1981: 223-230). The degree of product knowledge also affects consumers' purchase intention. In general, consumers with higher product knowledge have better memory, recognition, analysis and logic abilities than those with lower product knowledge. As a result, those who think they have higher product knowledge tend to rely on intrinsic cues instead of stereotype to make a judgment on product quality because they are aware of the importance of product information.

Previous Research

The first researcher it is rare to come across research that discusses how both brand image and product knowledge affect purchase intention. Thus, this research has chosen both an intrinsic and an extrinsic product brand image and product knowledge as independent variables while using price discount as a moderator .

The second researcher the retail market consists of small retail and large retail stores. Consumers always seek an affective experience in retail environment. The structure of retail market has changed considerably in previous years. A number of retailers have established a significant presence. They have given a new way to purchasing. Several small retailers are transforming themselves to compete successfully with the new large players. The consumers are also shifting to large retail stores for purchasing the products. They select these stores on different bases. So their purchase intention from a particular store depends on the different factors. May be their decision depends upon the references (information) which they get from different sources (friends, media, family and social groups). Consumers have a great array of products and services information in their mind. This information may come through advertising, friends, peer groups, family and other channels. They use this information in choosing from available offerings to satisfy their needs.

The third researcher the statistical population consists of consumers of home entertainment appliances of Tehran City out of which 262 persons were chosen through simple random sampling as research sample. A 28-item questionnaire was distributed among them which measured four variables i.e. imported product purchase intention (PI), ethnocentrism (E), imported product knowledge (FPK), and country of origin (COO) (Shim and Sharma 1987; Chang and Ching Ching 2004; Lascu and Babb 1995; Okechuku and wang 1988). Its validity and reliability was approved by elite professors and applying Alpha Chronbach. LISREL software was utilized for hypothesis testing. Furthermore, correlation and simple linear regression were applied for data analysis and hypothesis and model testing.
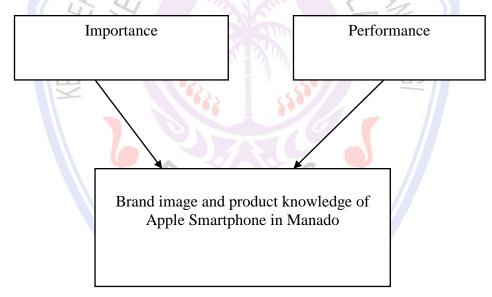
Conceptual Framework

Figure 1. Conceptual Framework
Source : Emperical Review (2018)

This research is conducted to see the importance and performance of Brand Image and Product Knowledge of Apple smartphone in Manado.

RESEARCH METHOD

Type of research

This research is the descriptive study with a quantitative approach. Descriptive research is used to describe characteristics of a phenomenon being studied. The method used in this research is Importance and Performance Analysis (IPA). Marketing usually focused on one product or service. Marketing is a way to connect products and services to offer with customers who want and need such products and services. Today, marketing must understood not in the old sense of making a sale but in the new sense of satisfying customer's needs. Marketing is more than any other business function, deals with customers. Building customer value and satisfaction is at the very heart of modern marketing.

Place and Time of Research

This research had been conducted in Manado with the period time from December 2017 - January 2018.

Population and Sample

(Hanlon and Bret, 2011:1-21), a population is all the individuals or units of interest; typically, there is not available data for almost all individuals in a population. The population in this research is all customers of Apple smartphone. The sample size from 100 customers that using Apple smartphone.

Data Collection Method

The data used in this research consist of two types between primary data through questionnaires and secondary data taken from books, journals and relevant literature from library and internet to understand of theoretical support on this research.

Research Procedure

These are several steps that will be done to conduct this research:
1. Study about Brand Image and Product Knowledge theories
2. List indicator in questionnaire
3. Spread the questionnaire
4. Collecting questionnaire
5. Tabulation and data processing
6. Analyze the output and IPA chart
7. Write the report.

This research have a several steps are the research study about brand image and product knowledge and the indicator of brand image and product knowledge. In every indicator the researcher make questions for the questionnaire and spread the questionnaire to respondent who have Apple smartphone or all buyer Apple smartphone. The data of this research collected using a survey questionnaire. The research used Likert scale for determine if the respondents agreed or disagreed with the questions. Processing the data and analyze use important and performance analysis where the data that will be located in quadrant I, quadrant II, quadrant III or quadrant IV. The last the researcher can get the result of the data and write the report.

Operational definition

There are 2 variables that will be used in this research and 4 indicators for each variable, which is Product Image (Characteristic, Logo, Technology), User Image (Domination, Lifestyle, Exclusive), Product Attribute (Appearance, Color, Guarantee), Product value (Quality, Benefit, Comparison) that has their own classification and indicator who will supporting this research result.

Data Analysis Method
Validity and Reliability Test

Validity test is the measurement tool that is used to get the data is valid. Validity is extent to which a construct measures what it is supposed to measure. Reliability test is established by testing for both consistency and stability of the answer of questions. Consistency indicates how well the items measuring a concept hang together as a set.

Importance and Performance analysis

Importance and Performance Analysis (IPA) is used to measure what is the importance to customer's and the performance of that aspect. IPA model devided into four quadrant with importance on the y-axis and performance on the x-axis. Quadrant I labeled "Concentrate Here" In quadrant 1, attributed rated is very important but very low performance, it mean the restaurant/company need to concentrate to improve the performance of elements in this quadrant. Quadrant II is labeled "Keep up the Good Work", mean that it has a high importance to the customer and achieves high performance according to the customer. In short, attributes that are located in this quadrant give high satisfaction to costomers because the costumers expectation has been fulfilled and the restaurant need to maintain costumers satisfaction by keep the performance high. Quadrant III is labeled "Low Priority" Attributes located in this quadrant have a low importance to the customers and also achieved low performance. The attributes located in this quadrant are not a priority. Quadrant IV is labeled "Posibble Overkill", mean that the attribute has low importance to the customers but the performance is high.
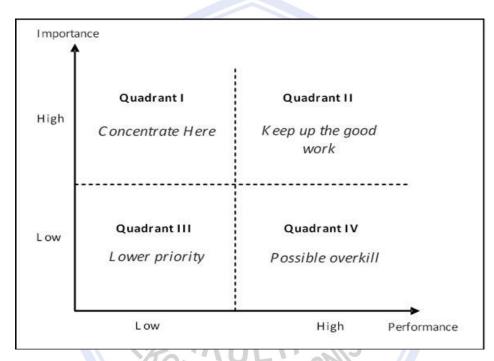

Figure 2. IPA Framework
Source: Martilla, and James (1977)

RESULT AND DISCUSSION

Validity and Reliability Result
Validity Test

Table 1. Validity Test Result

Correlations

		Average_Importance	Average_Performance	Average_Important_and_Performance
Average_Importance	Pearson Correlation	1	,858[**]	,963[**]

	Sig. (2-tailed)		,000	,000
	N	100	100	100
Average_Performance	Pearson Correlation	,858**	1	,965**
	Sig. (2-tailed)	,000		,000
	N	100	100	100
Average_Important_and_Perform ance	Pearson Correlation	,963**	,965**	1
	Sig. (2-tailed)	,000	,000	
	N	100	100	100

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output (2017)

Table 1 show the correlation index higher than 0.3 and less than 0.05 (5%) as significance level, the research instrument is stated as valid.

Reability Test

Table 2. Reability Test Result

Cronbach's Alpha	N of Items
,974	3

Source: SPSS Output (2018)

Table 2 shows that Alpha Cronbach is 0.974 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

Importance and Performance Analysis of Apple smartphone

Table 3. Attributes, Importance Mean, Performance Mean, Quadrant

Atribute	Importance Mean	Performance Mean	Quadrant
Brand Image	3.95	3.92	3
Product Knowledge	3.96	3.93	2
Average	3.96	3.93	

Source : Data Processed (2018)

Discussion

      This research attempts to answer the research problem as has been stated earlier in this thesis. In order to answer the problem, this research uses two variables of Brand Image and Consumer Product Knowledge of Apple smartphone. This study has considered all those variables, which come from theories, books, journal and some other supporting sources in constructing the whole research. These variables become the foundation of questionnaires questions that used to collect the data. The collected data got weight with the Likert scale and are then tabulated and analyzed with Importance and Performance Analysis. The result of this research shows that

the importance of the indicators to the customers and how well the performance of the company is according to the customers as seen on the quadrant.

Quadrants I, that there is no variable located in this quadrant. mean that importance is perceived to be very important to the customers but the performance levels are assessed lower.

Quadrant II, that there is one variable located in this quadrant. Product knowledge is the most important, in this quadrant the importance is high to the customers and the performance is high by Apple smartphone. The degree of product knowledge also affects consumers' purchase intention. In general, consumers with higher product knowledge have better memory, recognition, analysis and logic abilities than those with lower product knowledge.

Quadrant III, Advertising and Direct Marketing, this is labeled as "low priority". quadrant III and the variable that located in this quadrant is brand image. The variable that located in this quadrant is low importance to the customers and also has low performance in this variable. So, the variable located in this quadrant is not a priority to the Apple smartphone. Brand image depends upon the actual image of the firm in consumers' mind. A unique set of association in the mind of consumers communicates expectations. Image creation is considered essential for customer attraction and retention.

Quadrant IV or called as possible overkill, There is no indicator in quadrant IV. This quadrant is low importance and high performance to the customers. In this quadrant, factors that are considered important and an expected as a factor supporting consumer satisfaction so that companies are required to maintain the achievements of the performance.

CONCLUSION AND RECOMMENDATION

Conclusion

After examining the findings and discussing the result, the Importance Performance Analysis of brand image and product knowledge of Apple smartphone. The conclusions drawn from this research are as follows:

1. Product knowledge has the high importance level to the customers and high performance from Apple smartphone. The reason why product knowledge is on quadrant II because based on buyers opinion, product knowledge of Apple smartphone has a good appearance, elegant and classy looks. Therefore, the colors offered by Apple smartphone are attractive and charming. In addition, the price offered by apple smartphone also comparable to the benefits and quality that provided.

2. Brand Image is series of brand involvement stored in a consumer's memory. Brand image is in quadrant III that customer of Apple smartphone think has low importance level and low performance from the company. In this case the brand image is considered to have a low priority levels according to the buyer due to the current lack of information received by the buyer. Apple is considered less able to show typical character owned as well as apple products by part of the established makes it a product that is not considered capable of for the medium buyers.

Recommendation

This study was done with hope that it can be a contribution to Apple Smartphone in Manado. These are the recommendations as listed that hopefully can be useful as suggestion:

1. Customers need to be able to develop knowledge and information on apple products in order to be able to understand the basic benefits and advantages belong to Apple smartphone and know the brand image and product knowledge of Apple smartphone.

2. Therefore, Apple Smartphone need to conduct further internal research, in terms of follow up the result of this research, in order to increase or maintain the importance and performance of brand image and product knowledge indicators that have a high impact to the consumers repurchase intention that resulting in attract the customers attention and increasing the sales.

3. The results of this study can be used as a reference for the development and deepening of knowledge management marketing.

4. In this study examined only in terms of Apple smartphone. While other factors that have not been revealed how much influence, hopefully in future studies may discuss other factors that have not been examined in this study.

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