# ANALYZING THE EFFECT OF BRAND FUNCTION ON CONSUMER RESPONSE TO COLORBOX BRAND IN MANADO

MENGANALISA PENGARUH FUNGSI MEREK TERHADAP RESPON KONSUMEN PADA MEREK COLORBOX DIMANADO

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**Abstract:** Branding is very influential in the eyes of consumers and in general, brand can build consumer perception. Good branding also will encourage consumers to buy a product. If the consumers already feel the benefits of the product, they will support it by helping suggest those particular products to their relatives to experience it as well. The purpose of this research to analyze the effect of brand function on consumer response to Colorbox Brand that has been measured through guarantee, personal identification, social identification and status and to identify dimension of brand function that the most effect on consumer response to Colorbox Brand. This research uses causal type with a quantitative approach. The population of this study is the people who buy and use Colorbox brand products. The sample of this research is 100 respondents with data obtained through questionnaires. The finding of this research shows that guarantee and status are significantly effects consumer response to Colorbox brand. The contrary, personal identification and social identification is insignificantly effects consumer response. As the recommendation, the Colorbox companies have to maintain and improve the quality of the brand so that the company will receive positive response and will generate consumer royalty to the brand.

**Keywords**: brand, brand association, consumer response

Abstrak: Branding sangat berpengaruh di mata konsumen dan secara umum merek dapat membangun persepsi konsumen. Branding yang baik juga akan mendorong consume membeli suatu produk. Jika konsumen sudah merasakan manfaat produk, mereka akan mendukung dengan membantu menunjukkan produk tertentu kepada mereka juga. Telah diukur melalui jaminan, identifikasi pribadi, identifikasi sosial dan status dan untuk mengidentifikasi dimensi fungsi merek yang paling berpengaruh pada respon konsumen terhadap merek Colorbox. Penelitian ini menggunakan tipe kausal dengan pendekatan kuantitatif. Sampel dalam penelitian ini adalah 100 responden dengan data yang diporeleh melalui kuesioner. Hasil dalam penelitian ini menunjukkan bahwa jaminan dan status secara signifikan mempengaruhi respon konsumen. Sebaliknya, identifikasi pribadi dan identifikasi sosial secara tidak signifikan tidak mempengaruhi respon konsumen. Sebagai rekomendasi, perusahaan Colorbox harus mempertahankan dan meningkatkan kualitas dari merek sehingga perusahaan akan menerima respon positif dan akan mengembangkan royalitas konsumen terhadap brand.

Kata Kunci: merek, asosiasi merek, respon konsumen

#### INTRODUCTION

Based on the people view that appearance is very important especially if support by branded and exclusive goods. The appearance also believed that can be able to show the personality and idealism of a person. It is viewed from the form and appearance of someone that is called fashion. Fashion reflects society and culture, as a symbol of innovation and reflects how individuals define themselves (Solomon &Rabolt, 2009). At this time many local brands are quite well-known among the public, whose product quality is no less competitive with foreign brand products. Even though they produce the same items as clothing, accessories and bags. Branding is very influential in the eyes of consumers and in general brand can build consumer perception. Good branding also will encourage consumers to buy a product. If they already feel the benefits of the product, they will support it by helping suggest those particular products to their relatives to experience it as well. Brands are important things that can influence consumers in making decisions to make a purchase. Consumer response to a brand depends on several things such as product quality, product model, or the price of the product. Brand functions are part of the brand association. Brand associations are all information that is connected to consumer's memory of a brand. To measure brand associations, can be measured through brand function, namely guarantee, personal identification, social identification, and status.

# **Research Objective**

This research has several objectives are to analyze the effect of:

- 1. To know the influence of Guarantee, Personal Identification, Social Identification, and Status on consumer response toColorbox brand.
- 2. To identify the dimensions that most influence on consumer response toColorbox brand.

# THEORETICAL FRAMEWORK

#### **Marketing**

Marketing is a process, which the updated definition acknowledges, although it seems to include only processes internal to the firm, and hence marketing should be defined as a process and not merely as a structure, in other words not predominantly relying upon a list of decision-making variables (Grönroos, 2006).

# **Brand**

Aaker in (Sadeghi and Rad, 2012) defines brands as the names and symbols that identify the goods of one seller and differentiate them from those of another seller. Basically, logo can be defined as a graphic representation or image that triggers memory associations of the target brand Walsh et alin(Sadeghi and Rad, 2012).

# **Brand Association**

According to Keller in (Sadeghi and Rad, 2012) defined Brand Association as a meaning information that linked on consumer memory about brand of a product. The same author classified brand associations in three categories: Attributes, benefits and attitudes. Associations may be based on product experience, product attributes, positioning of the brand in promotional communications, price information, packaging, perceived typical user imagery, or other sources.

#### **Brand Function**

Brand functions are associations related to intangible attributes or image added values that exist only in products that have a brand. Brand function can be measure through guarantee, personal identification, social identification, and status.

#### Guarantee

According to Keller in (Sadeghi and Rad, 2012) defined Brand Association as a meaning information that linked on consumer memory about brand of a product. The same author classified brand associations in three categories: Attributes, benefits and attitudes. Associations may be based on product experience, product attributes, positioning of the brand in promotional communications, price information, packaging, perceived typical user imagery, or other sources.

#### **Personal Identification**

The personal identification function is related to the fact that consumers can identify themselves with some brands and develop feelings of affinity towards them. In the literature on brand influence, a basic theory refers to the congruence between the consumer's behavior, their self-image and the product image.

#### **Social Identification**

The social identification function is based on the brand's ability to act as a communication instrument allowing the consumer manifesting the desire to be integrated or, on the contrary, to dissociate themselves from the groups of individuals that make up their closest social environment (those people with whom he currently interacts or aspires to do so).

#### **Status**

The status function expresses the feelings of admiration and prestige that the consumer may experience upon using the brand Solomon in (Rio, B.D., Vezquez, R, and Iglesiaz, V, 2012). According to Vigneron and Johnson (1999), this function is based on five characteristics of the brand:

- 1. Symbol of the individual's power and social status
- 2. Reflection of social approval
- 3. Exclusivity or limitation of the offer to a small number of people
- 4. Contribution of emotional experiences; and (v) technical superiority.

In this way, the status function, just like the social identification function, is revealed thanks to the need of individuals to communicate certain impressions topeople in their social environment.

# **Consumer Response**

Consumer response is the positive or negative feedback a company receives about its products, services or business ethics. A consumer response can be solicited by the company or initiated by a consumer. The response can include a letter or answers to questions about a product or issue within the company.

# **Conceptual Framework**

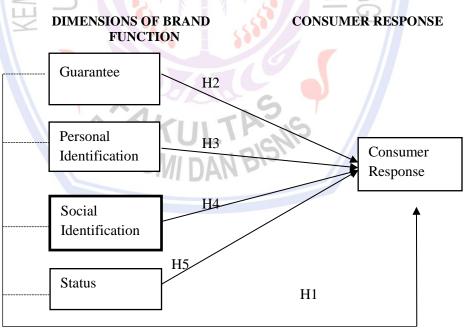


Figure 1. Conceptual Framework

# **Type of Research**

This research will use quantitative method. Quantitative is a research method based on positivism philosophy, used to examine the population or a particular sample sampling technique are generally done

randomly, data collection using research instruments, quantitative / statistical with the aim to test the hypothesis that has been set.

# Place and Time of Research

The study was conducted in Colorbox Store in Manado Town Square 2 between July – August 2018.

# **Population and Sample**

The population is a generalization region consisting of objects / subjects that have certain qualities and characteristics set by the researchers to be studied and then drawn conclusions (Marini T, 2013). Population in this research is people who buy and use Colorbox product in Manado. The sample is part of the number of populations the researcher selected for a fixed source of data but still represents the population number (Sukardi, 2017). The sample in this research is the customers of Colorbox as many as 100 respondents. The sampling technique is Incidental sampling, which the technique of determining samples by chance, that anyone who accidentally / incidentally meets with the researcher can be used as a sample, when viewed by the person who happened to meet it is suitable as a data source.

#### **Data Collection**

In this research, the source of data is primary data. Primary data has been obtained by spreading questioners to the respondents.

# **Operational Definition and Research Variables**

This research defines the variables into:

- 1. Brand Function (X) as the identification so that consumers can distinguish production results produces by the Colorbox brand with other brands.
- 2. Consumer Response (Y) Positive or negative feedback that Colorbox Company receives related to the product or services.

# **Data Analysis Method**

#### Reliability and Validity

Validity refers to the degree in which our test or other measuring device is truly measuring what is we intended it to measure. Correlation Pearson Product Moment is statistical tool used to test the associative hypothesis (test relationship) two variables when the data scale interval or ratio. According to Sekaran (2012) defines Reliability test is a set of measurements or a set of measuring tools that have consistency whenmeasurements made with the measuring instrument are repeated. To test the level of reliability of the instrument is done through Internal Consistency Test by using the Reliability Coefficient (Cronbach Alpha).

# **Multiple Linear Regression Analysis.**

According to Ghozali (2013), this analysis is to predict the value of the dependent variable if the value of the independent variable has increased or decreased and to determine the direction of the relationship, between the independent variable and the dependent variable whether each independent variable is positively or negatively related.

Multiple linear regression equation as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4$$

#### Information:

Y = Brand Function (Dependent Variable)

X1 = Guarantee (Independent Variable)

X2 = Personal Identification (Independent Variable)

X3 = Social Identification (Independent Variable)

X4 = Status (Independent Variable)

a = Constant (value Y 'if  $X_1$ ,  $X_2$ ,  $X_3$ ,  $X_4$  = 0) when all the independent variable all equal to 0.

b = regression coefficient (value increase or decrease)

# RESULT AND DISCUSSION

#### Result

# Validity and Reliability

The validity test of guarantee  $(X_1)$ , personal identification  $(X_2)$ , Social Identification  $(X_3)$ , Status  $(X_4)$ , and Consumer Response (Y) are greater than  $r_{table}0,197$  which mean all the indicators are valid. The reliability test using Alpha Cronbach. The Cronbach's Alpha parameter, with ideal scores more than 0.6. The variable is reliable because the value of Cronbach's Alpha is bigger than 0.6.

# **Test of Classical Assumption**

# Multicollinearity

**Table 1.Multicollinearity Statistics** 

Model		Collinearity Statistics		
		Tolerance	VIF	
	(Constant)			
	Guarantee	,728	1,374	
1	Personal	,599	1,669	
	Social	,545	1,836	
	Status	638	1 568	

a. Dependent Variable: Respon

Source:Processed Data (2018)

The calculation multicollinearity through VIF and tolerance. VIF value of Guarantee  $(X_1)$  1.374 Personal Identification  $(X_2)$  1.669, Social Identification  $(X_3)$  1,836, and Status  $(X_4)$  1,568 are <10, this concluded that this research is free from multicollinearity interference.

# Heteroscedasticity

This value is computed by SPSS software. This test is done by determine the tolerance and VIF value.

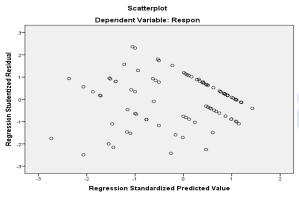


Figure 2.Heteroscedasticity Result

Source: Processed Data (2018)

In the scatter plot above shows that the data points do not form a particular pattern and the data spread above and below the number 0 on the Y wick. This mean, there was no interference with the assumption of Heteroscedasticity in this regression.

#### Autocorrelation

To find the regression model that is free of autocorrelation, it can be tested with the following criteria: if dU < Dw < 4 - dU, then the regression mean is free of autocorrelation.

**Table 2. Autocorrelation Statistics** 

Model	<b>Durbin-Watson</b>

1,842

a.Predictors: (constant), status, personal,

Guarantee, Social

b. Dependent Variable: Respon Source: Processed Data (2018)

The value of Durbin Watson is 1,842 which mean this research is free from autocorrelation. It can be concluded that  $1,7582 \, (dU) < 1,842 \, (dW) < 2,2418 \, (4-dU)$ .

#### **Normality**

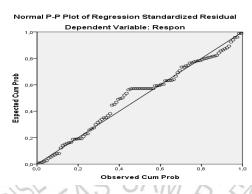


Figure 3. Normality Result Source: Processed Data (2018)

In the P-plot graph above shows that the points following and approaching the diagonal line so that it can be concluded that the regression model meets the assumption of normality.

# **Hypothesis Testing**

#### F-Test

**Table 3. Simultaneous Test (F-Test Output)** 

Model	Sum of Squares	Df	Mean Squ <mark>ar</mark> e	F	Sig.
1 Regression	1 <mark>2</mark> 7,223	4	31,806	29,641	$,000^{b}$
Residual	101,937	95	1,806		
Total	229,160 99	1,073	736		

a. Dependent Variable: respon

b. Predictors: (Constant), status, personal, guarantee, social

Source: Processed Data (2018)

Table 3, the value of  $F_{count}$  is 29,641, the degree of freedom 1 (numerator) is 4 and degree of freedom 2 (denumerator) is 95 with level of significance is 0,05 ( $\alpha$  = 0,05) and the level of confidence is 95% then  $F_{table}$  is 2,47. The result is  $F_{count}$  (29,641)  $\geq$  (2,47). Since  $F_{count}$  is greater than  $F_{table}$  H<sub>0</sub> is rejected and H<sub>1</sub> is accepted means the independent variables simultaneously influence the dependent variable. Therefore, hypothesis 1 is accepted.

# t-test

**Table 4. Partial Test (t-test)** 

Variable	t <sub>count</sub> Sig.		t <sub>table</sub> Description	
Guarantee (X <sub>1</sub> )	,000	6,193	1,660	Accepted
Personal Identification (X <sub>2</sub> )	,234	1,198	1,660	Rejected
Social Identification $(X_3)$	,084	-1,747	1,660	Rejected
Status $(X_4)$	,000	3,873	1,660	Accepted

Source: Processed Data (2018)

1. Guarantee (X<sub>1</sub>) and Consumer Response (Y)

For  $X_1 t_{count} = 6,913$  and  $t_{table} = 1,660$ . Since  $t_{count} > t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. It means that Guarantee ( $X_1$ ) has significant and positive partial influence on Consumer Response.

- 2. Personal Identification (X<sub>2</sub>) and Consumer Response (Y)
  - For  $X_2$   $t_{count}$  = 1,198 and  $t_{table}$  = 1,660. Since  $t_{count}$  <  $t_{table}$ , then  $H_0$  is accepted and  $H_1$  is rejected. It means that Personal Identification ( $X_2$ ) has no significant and partial not influence on Consumer Response.
- 3. Social Ideentification (X<sub>3</sub>) and Consumer Response (Y)
  - For  $X_3 t_{count} = -1,747$  and  $t_{table} = 1,660$ . Since  $t_{count} < t_{table}$ , then  $H_0$  is accepted and  $H_1$  is rejected. It means that Social Identification ( $X_3$ ) has no significant and negative partial influence on Consumer Response (Y)
- 4. Status (X<sub>4</sub>) and Consumer Response (Y)
  - For  $X_4$   $t_{count}$ = 3,873 and  $t_{table}$  = 1,660. Since  $t_{count}$ >  $t_{table}$ , then  $H_0$  is rejected and  $H_1$  is accepted. It means that Status ( $X_4$ ) has significant and positive partial influence on Consumer Response (Y)

#### Result of R and R<sup>2</sup>

Table 5. R and R<sup>2</sup>

Model	R	R Square
1	,745 <sup>a</sup>	,555

Source: Processed Data (2018)

The value of R is 0,745 indicating a strong positive relationship between independent and dependent variable. The value R<sup>2</sup> is 0,555, means that Guarantee, Personal Identification, Social Identification, and Status influence Consumer Response as dependent variable as much as 55,5% while the rest 44,5 % is influenced by other variables that are not examined.

#### **Discussion**

The independent variable is the Brand Function which is measured by four dimensions, namely guarantee, personal identification, social identification, and status that affects consumer response as dependent variable. This research is the effect of brand function on consumer response to the Colorbox brand with the objects of research is buyer and user of Colorbox brand products in Manado.

Based on the results of data collected from 100 respondents to Colorbox consumer in Manado, researchers found that guarantee is the most influential on Consumer Response. On the contrary, which does not affect the Consumer Response are Personal Identification and Social Identification. The following sections will discuss the findings on each variable.

#### Conclusion

Based on the analysis and discussion, the conclusion can be formulated:

- 1. Brand Function has a significant effect on Consumer Response to Colorbox Brand in Manado simultaneously.
- 2. Guarantee is significantly affect Consumer Response to Colorbox Brand in Manado partially.
- 3. Personal Identification has insignificant effect on Consumer Response to Colorbox Brand Products in Manado partially.
- 4. Social Identification has insignificant effect on Consumer Response to Colorbox Brand in Manado partially.
- 5. Status functions significantly affect the Consumer Response partially.

#### Recommendation

From the results of this study, variable Brand Function that is measured by Guarantee  $(X_1)$  and Status  $(X_4)$  have an influence on Consumer Response. Researchers recommend to companies to maintain and improve the quality of Colorbox brand products so that the company can get positive response from consumers and generate loyalty from consumers to the Colorbox brand. Especially the element of Guarantee must be maintained because this factor has a large and significant influence on consumer response.

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