# "INFLUENCE OF BRAND IMAGE AND PRICE DISCOUNT TO PURCHASE DECISION SRIWIJAYA AIRLINE TICKET"

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### *ABSTRACT*

*This study aims to determine how the influence of Brand Image and Price Discount to Purchasing Decisions Ticket SRIWIJAYA Airlines. The factors tested in this study are Brand Image and Price Discount as independent variables. While the SRIWIJAYA Airlines Ticket Purchase Decisions as a Dependent Varible. The research method used in this research is descriptive methods and verifikatif. The population in this study are consumers who have used SRIWIJAYA Airlines. The sampling technique used in this study is non-probability sampling using a purposive sampling technique, with a total sample of 125 people. While the analysis method used in this study is the anlysis of the correlation coefficient and the coefficient of determination. The result showed that the Brand Image variable partially significantly*

*influenced the SRIWIJAYA Airline Ticket Purchase Decision, as well as the Price Discount variable that had a significant effect on the Purchase Decision SRIWIJAYA Airline Ticket. Then based on the result of the F test the result of the study showed that the Brand Image variable and Price Discount influenced the SRIWIJAYA Airline Ticket Purchasing Decision. The E square values obtained by 65% of SRIWIJAYA Airlines Ticket Purchase decisions can be explained by the variabel Brand Image and Price Discount. While the remaining 35% of Purchase Decision. SRIWIJAYA AirlinesTicket.*

**Keyword :** *Brand Image, Price Discount and Purchase Decision.*

### Introduction

Today the increasing mobility of the community causes the consumer's need for fast transportation services to go anywhere, such as airplanes to increase. At this time the Indonesian aviation industry continues to grow and innovate in serving the needs and desires of the community. One way to achieve company goals is to find out what the needs and wants of consumers or target markets are and provide the expected satisfaction more effectively and efficiently than competitors [1].

Along with economic growth, making aviation transportation facilities increase, of course this gives freedom to the public to choose which airline according to them has a good brand image in the minds of consumers and can also provide services, prices, attractive promotions and adapt to consumer needs. However, for the airline industry itself, the increasing number of airlines has an impact on the increasingly fierce competition so that there is a tendency for airlines to emphasize costs to dominate the passenger share by offering low-face airlines.

In addition to competing in low prices, the airline industry must also offer good service, comfortable facilities, provide flight routes with beautiful tourist destinations. Companies that provide services and provide good facilities will not be doubted by consumers so that it will create a good corporate image in the minds of consumers. Even though airplanes are fast transportation and make it easier for people to travel between islands.



Figure 1Sriwijaya Airline And Price Discount

In the competition of the airline industry, it is necessary to make it attractive to generate consumer interest in the brand image of a product, thus leading to purchase decisions. Based on observations, it was found that SRIWIJAYA Airline had several problems with its Brand Image, including: consumers who experienced damaged baggage and lost items when using the SRIWIJAYA Airline, plane crashes, plane delays and did not provide reasons, consumers who requested refunds but did not get a good response. Quickly from SRIWIJAYA AIR' side, this incident certainly became a serious threat to SRIWIJAYA Airline because this incident could affect

purchasing decisions and undermine SRIWIJAYA  Airline Brand Image as a low-cost airline (low lost carrier) that is safe in the minds of consumers.

According to [2] that what can form a brand image consists of the image of the maker, the image of the product or consumer and the image of the user has an influence on purchasing decisions. In previous research as stated by [3] that if a brand already has a good image and can be maintained consistently, then this can affect consumer purchasing decisions.

Another factor that can influence consumer purchasing decisions is sales promotion in the form of price discounts. In previous research as stated by Indri and [4] that the introduction of needs makes consumers feel the difference between the real situation and the desired state, so that consumers seek information to find out, usually what consumers do before making a purchase, consumers will look for information. Information on prices, transportation seat quotas to be used, departure date, time of departure and active search for information, namely consumers will seek information about price discounts offered by the company. As for what [5] said that price discounts that are too frequent can create a dubious impression of the service or quality of the product or service. This can have a negative impact on the survival of the company.

## 2. Literature Review and Hypothesis

- Brand Image

"Brands are more than just name and symbols. They are a key elemnt in the company's relationship with consumers. Brands represent consumers perceptions and feelings about a product and its performance-everything that the product or the service means to consumer." [6] Menurut [7] menyatakan bahwa "brand imagery:describes the extrinsic properties of the product/services including the wasy in the which the brand attempts to meet customers'psychological or social need." Indicators that make up the brand image according to [7] Corporate Image , Product Image , User Image

- Price Discount

The discount program is one of the pricing strategies that can be used as a means to influence consumer decisions and is also expected to have a positive impact on the company. Where price changes can make a shift in the demand and supply of products so that companies can measure how much sensitivity of demand and supply can occur due to these price changes. Discount pricing is a price-based sales promotion strategy in which repeat customers are offered the same product at a reduced price. A discounted price may be offered as a reduction in terms of a percentage of the original price."According to [8], price discount is a savings offered to consumers from the normal price of a product, which is listed on the label or packaging of the product. [9] Can trigger consumers to buy in large quantities, Anticipating competitors' promotions, Supports a larger number of trades.

- Purchase Decision

According to [9] Purchase decision is a form of selection and interest to buy the most preferred brand among a number of different brands.From some of the definitions above, it can be concluded that the notion of purchasing decision is a process experienced by consumers in choosing a product so as to generate interest which will make a purchase of a product or service. If the consumer already has a suitable choice, the consumer will immediately buy the product or service.

Purchasing decisions are an approach to solving problems in human activities to buy goods or services in meeting their wants and needs which consist of the introduction of needs and desires, information search, evaluation of purchasing alternatives, purchase decisions, and behavior after purchase

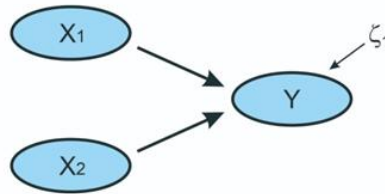- **Framework and Hypothesis**



**Figure 2. Relationship Flow Framework between Latent Variables**

$X_1$ = Brand Imge (variabel laten eksogen)
$X_2$ = Price Discaount (variabel laten eksogen)
Y   = Purchases Decisien (variabel laten endogen)
$\zeta$     = Residue factor

- **Hypothesis**
  H1: Brand Imge has an influence on Purchases Decisien

  H2: Price Discaount has an influence on  Purchases Decisien

  H3: Brand Imge and Price Discaount has an influence on Purchases Decisien

### *3. Research Methodology*

The object of research in the preparation of this "Influence Of Brand Image And Price Discount On Sriwijaya  Airline Ticket Purchase Decision" With the variables examined are the effects of Brand Image And Price Discount On Purchase Decision.The design research used in this research is exploratory, descriptive, verifiative, and causal, which aims to find views or insights into the problem in general, to clarify emerging phenomena and to clarify the priority of the problem in research. Descriptive research is research that aims to obtain variable characteristics or provide a more accurate description of the variable or segment. Hypothesis testing with Multiple Linear Regression Analysis.. So in determining the research sample  125 is carried out by using probability sampling techniques.

### 4. Research Finding and Argument

*Table 1*

Goodnes fit model test (F-test)

| Model | Sum of Square | Df | Mean Square | F | Sig. |
|-------|---------------|-----|-------------|-----|------|
| Regression | 205.752 | 2 | 102.876 | 12.920 | .000b |
| Residual | 971.448 | 122 | 7.963 | | |
| Total | 1177.200 | 124 | | | |

the influence of Brand Image ($X_1$) and Price Discount ($X_2$) on purchasing decisions (Y) of 0.000 <0.05 and the value of Fcount 12,920 > Ftable (3.07), then Ho is rejected and Ha is accepted, which means that there is a significant influence together -same (simultaneous) of Brand Image ($X_1$) and Price Discount  ($X_2$) on Purchase Decision (Y).

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- Pearson Correlation Analysis and Coefficient of Determination

*Table 2*

Hasil Koefisien Determinasi ( R2)

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .418 | .650 | .615 | 2.82182 |

the influence given by Brand Image and Price Discount on Purchases Decisien is 42.25% and the remaining 57.75% is influenced by other variables not examined in this study. The coefficient of determination (Kd) is 42.64%, which means that the Brand Image ($X_1$) has an effect on Purchases Decisien (Y) on the SRIWIJAYA airline by 42.64%. The coefficient of determination (Kd) is 59.59% which means that Price Discount ($X_2$) has an effect on Purchases Decisien (Y) on SRIWIJAYA airline by 59.59%.

*Table 3*

Analisi Regresi Linier Berganda

| Model | Unstandardized Coefficients | | standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| Constant | 5.767 | 2.230 | | 2.586 | .011 |
| Brand Image | .415 | 0.061 | .115 | 1.240 | .000 |
| Price Discount | .655 | 0.063 | .353 | 3.818 | .000 |

From the multiple regression equation, it can be explained as follows:

1. Brand image ($X_1$) has a positive influence on Purchases Decisien (Y) of 0.415. Brand Image variable (0.415) has the smallest effect on Purchases Decisien when compared to other independent variables.

2. Price Discount (X_2) has a positive effect on Purchases Decisien (Y) of 0.655. Price Discount variable (0.655) has the greatest influence on Purchases Decisien when compared to other independent variables.

3.

*Table 4*

Partial Hypothesis Testing (t Test)

| Model | Unstandardized Coefficients | | standardized Coefficients | T | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| Constant | 5.767 | 2.230 | | 2.586 | .011 |
| Brand Image | .076 | 0.061 | .115 | 1.240 | .000 |
| Price Discount | .241 | 0.063 | .353 | 3.818 | .000 |

1.            From the tcount value obtained by the Brand Image (X1) variable is 1.743., the ttable value is 1.65734. From the values above, it can be seen that the value of Sig. for the effect of Brand Image (X1) on Purchases Decisien (Y) of 0.001 <0.05 and the tcount value obtained by the Brand Image variable is 1.743 > ttable 1.65734. In accordance with the criteria for testing the hypothesis, then Ho is rejected and Ha is accepted. Thus, it can be concluded that there is a significant influence between Brand Image (X1) on Purchases Decisien (Y).

2.         From the tcount value obtained by the Price Discount variable ($X_2$) is 3.818., the ttable value is 1.65734. From the values above, it can be seen that the value of Sig. for the effect of Price Discount ($X_2$) on Purchases Decisien (Y) of 0.000 <0.05 and the tcount value obtained by the Brand Image variable is 3.818 > ttable 1.65734. In accordance with the criteria for testing the hypothesis, then Ho is rejected and Ha is accepted. Thus it can be concluded that the significant effect of Price Discount ($X_2$) on Purchases Decisien (Y).

### 5. Conclusion and Suggestion

### Conclusion

1.    The influence of Brand Image on the decision to purchase SRIWIJAYA airline tickets is strong and positive based on the results of the correlation test between the two variables resulting in 0.653 which is included in the strong category. It can also be seen from the highest percentage of consumer response results related to the questionnaires that have been distributed, namely about SRIWIJAYA airline is a national airline that is known globally, which means that consumers in making purchasing decisions choose well-known brands. But on the other hand there is a statement that has the lowest percentage, namely regarding comfort when using the SRIWIJAYA airline, starting from checking in goods to picking up baggage at the destination area, besides that consumers do not feel a classy impression when using the SRIWIJAYA airline.

2.    The effect of Price Discount on SRIWIJAYA airline ticket purchasing decisions is strong and positive based on the results of the correlation test between the two variables resulting in 0.772 which is included in the strong category. It can also be seen from the results of the highest percentage, namely regarding SRIWIJAYA airline often holding Sales promotions in the form of Price Discounts and also consumers can buy large quantities by inviting other people if there are Discount offers, this states that consumers in making purchases are interested in promotions offered in the form of Price Discounts. But on the other hand there is a statement that has the lowest percentage, namely SRIWIJAYA airline in offering Price Discounts that are not in accordance with the facilities provided. This means that consumers want the amount paid in accordance with the facilities and services obtained.

3.    The influence of Brand Image and Price Discount on SRIWIJAYA Airline Ticket Purchase Decisions is moderate and positive based on the results of the correlation test of the three variables resulting in a value of 0.418 which is included in the medium category. It can be seen from the results of the highest percentage of consumers choosing SRIWIJAYA airline according to their needs and desires. This shows that consumers in choosing a brand to make purchasing decisions are tailored to their needs and wants. But on the other hand there is the lowest percentage, namely SRIWIJAYA airline has not become the main choice when consumers are looking for information about airlines. This shows that consumers in making purchasing decisions seek as much detailed information as possible according to their needs and desires

### Suggestion

1.    The services are further maximized, such as serving the refund process, rescheduling flights, providing clear information when the aircraft experiences delays or delays, as well as in-flight services in providing procedures for using the facilities available on the plane. Making improvements in the check-in process to baggage collection in the area so that consumers are even more comfortable using the SRIWIJAYA airline.

2. Creating service quality, complete facilities, comfort and safety guarantees for passengers is further enhanced so that consumers have a good and classy impression after using the SRIWIJAYA airline. Employees of the SRIWIJAYA airline company must provide a friendly attitude to consumers so that consumers give a good impression of the company.

3. Can trigger consumers to make purchases in larger quantities Anticipating competitor promotions Supporting sales in larger quantities. Therefore, it can be found suggestions for improvement submitted for Sales Promotion in the form of Price Discounts for SRIWIJAYA airline companies, namely as follows: Price discount must be adjusted to the facilities provided, Price discount must be adjusted with good service, The discounted price offered is easy to obtain and has a long period of time, Price discount is adjusted to beautiful and attractive tourist destinations.

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