



THE EFFECT OF BRAND AWARENESS, BRAND IMAGE, AND BRAND CREDIBILITY ON OPPO MOBILE PHONE BRAND PRODUCT PURCHASE INTENTION

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ABSTRACT

This study investigates about the impact of brand awareness, brand image, brand credibility to the mobile phone product purchase intention on Indonesian mobile phone market industry. This study proposes that brand awareness, brand image, brand credibility, significantly affect consumer purchase intention, focusing on several common mobile phone brand that exist and dominate the Indonesian market share mobile phone industry. This study also provides information about mobile phone consumer view on product brand to maintain the brand and raise the purchase intention of the product.

A deductive, and quantitative research method using online self-completed questionnaire applied to a target sample of 100 people in Indonesia and domiciled on the Java island (East Java, Central Java, West Java, Banten, DI Yogyakarta, DKI Jakarta). The research adopts multiple regression analysis to examine and analyse the hypothesis related to the connection of brand awareness, brand credibility, and brand image, to purchase intention by data sample about the consumer perspective of mobile phone brand marketing quality on several common mobile phone brands in Indonesia, that be conducted to accomplish the research objectives which are: to fill the gap of research about consumer behaviour in Indonesia, to know the role of brand awareness, to understand the perception of Indonesian customer, to present the relation between brand awareness, brand image, and brand credibility to purchase intention. There are lot of research outside Indonesia that have a main point on brand loyalty that affect purchase intention within mobile phone industry. But unfortunately, there are just a few researches about the relation between the other factors apart from brand loyalty. Research found that the consumer purchase intention affected by its brand awareness, brand credibility, and brand image of the product.

Keywords: Brand awareness, brand image, brand credibility, purchase intention, mobile phone, Indonesia

INTRODUCTION

Mobile phone industry presents a huge and wide market industry around the globe due to the fast pace of development within the industry, which has become the fastest growing market segment, and development on the telecommunication industry (Cecere et al. 2015). According to statcounter global stats on mobile phone market share data report in Indonesia, there is a notably outstanding performance shown by OPPO smartphone brand on Indonesian mobile phone market industry competing with the other predecessor brands in the market.

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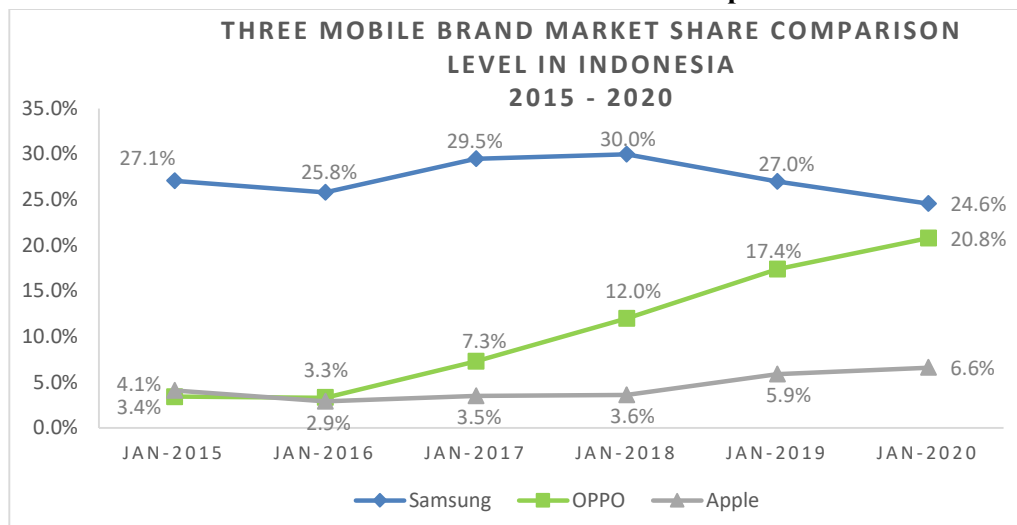
The tracking tools that be applied by statcounter global stats able to record the device users on more than two million sites globally that record more than billions of pages to identify the device’s user brand that be used to view the websites page. Statcounter global stats able to record and calculate the data of mobile phone market share percentage on the significant performance of Samsung, Apple, and OPPO brands.

Table 1.1
Mobile Phone Brand Market Share Data Report in Indonesia

Year	Apple	OPPO	Samsung	Others
2015	4,1%	3,4%	27,1%	65,4%
2016	2,9%	5,3%	25,8%	66,0%
2017	3,5%	7,3%	29,5%	59,7%
2018	3,6%	12,0%	30,0%	45,6%
2019	5,9%	17,4%	27,0%	49,7%
2020	6,6%	20,8%	24,6%	48,0%

Source: Statcounter GlobalStats, 2020

Figure 1.1
Three Mobile Phone Brand Market Share Data Comparison in Indonesia



Source: Statcounter GlobalStats, 2020

Those data shown that in 2016, OPPO able to exceed the Apple mobile phone brand market share position in Indonesia. Market share is specified by the brand performance which measure the brand’s ability within their sales performance (Aaker, 1996), which is determine the brand position in the market to their success capability to attract potential customer. As be pointed out by Kotler and Keller (2016), brand plays an important role for both customers and company which enable them to describe and distinct a certain goods or service that have their own differences from the other goods or service competitors. Therefore, OPPO is shown to be capable to distinct their brand performance in creating more sales compared to Apple brand in Indonesia since 2016 until now.

There are various determinants that can inform brand performance and ability within the brand market competition to make the product be in the customers consideration set (the brand that receive consideration to be purchased). the brand should have a high brand awareness among the other brands within the market competition, the brand awareness on specific brand will bring the product to enter the customer's purchase consideration set (Moisescu, 2009). It is important that the brand awareness also be supported by a trusted and credible information about the brand quality, especially when asymmetric information between customers and the firm occur. The firms may use signals (i.e. manipulable activity) on their brand to convey the customers about their product quality (Erdem et al., 2002). The signals must be credible in order to be effective to convey the consumers (Erdem and Swait, 2002). Hence, brand credibility as a believability and consistency of quality on the product is important to increase the customers probability to include the brand as their consideration set (Erdem & Swait, 2004). Furthermore, customers prefer to buy familiar brand products with a good and positive brand image as a set of product or service characteristics which further be perceived and retained in consumer memory (Keller, 1993)

Brand awareness, brand credibility, and brand image within the product brand could either increase the product value, also increase the product purchase intention. Customer would consider all the information about a product brand that they received and start placing the brand name inside their mind in position depends on what kind of information that they receive, and how they view the brand (Cobb-Walgren, et al., 1995). However, a different characteristics specification and quality innovation of mobile phone product brand are believed would determine its product purchase intention is already been proven in many researches. Even so, a detailed factor about the brand especially within the brand equity which affect the purchase intention need to be investigated more since it lacks market research focuses on Indonesia. The main purpose of this study is to offer the theoretical and empirical evidence of the relationships among brand awareness, brand image, brand credibility toward purchase intention.

CONCEPTUAL FRAMEWORK AND HYPOTHESES FORMULATION

The Influence of Brand Awareness on Purchase Intention

Brand awareness is important to indicate and determine whether the brand exists in a consumer's mind or not. The brand awareness will make the brand to be included in any of the consumer consideration set when a purchase decision is being made, as most consumers prefer to buy a product brand that they be aware of (Moisescu, 2009).

Hutter et al. (2013) showed that, a consumer bias of product or service quality between familiar brand and their true quality indicate that product brand awareness determine the product brand choice of the consumer, they tend to have a purchase intention within the known or familiar brand around them.

A consumer is always hesitant of purchasing a new product or service, they will always do a market research and ask someone before deciding to buy a new product or service brand that they never buy before. After aware of the product or service brand that they want to buy, they will consider buying the product or service. As the product or service brand be known by consumer, the product or service will highly be in the consumer purchase decision set (Shahid, et al., 2017).

H₁: Brand awareness influences purchase intention.

The Influence of Brand Image on Purchase Intention

Brand image is an important aspect within a brand that has a positive relationship with product or service purchase intention. The brand image determine how well is the overall product or service brand quality be perceived by consumers. According to Grewal et al. (1998), the better

a brand image is, the more consumers recognition to its product or service brand quality.

Wang and Tsai (2014) propose that there is a significant relationship among brand image and purchase intention in their research findings. Their research discovered brand image increase consumer purchase intention. They suggest that managers should put more efforts in elevating and maintaining product or service brand image to increase consumer's brand recognition, and the product or service brand purchase intention as well.

Aghekyan-Simonian et al. (2012) stated that the brand image affects brand purchase intention. They found that brand image appears to be the most valuable aspect due to its benefit which make consumers create its brand association to be recognized in their minds. If there is higher number of consumers that recognize the brand, the purchase intention will follow to be higher than before.

H₂: Brand image influences purchase intention.

The Influence of Destination Image on Visit intention

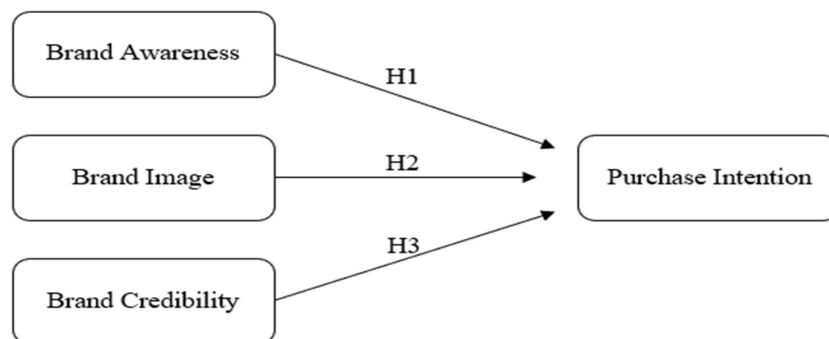
Brand Credibility is an important determinant of product or service brand purchase consideration. The trustworthiness and expertise aspects within the brand credibility are play a great role in determining consumer purchase consideration for certain product categories, since the brand credibility will give consumer a lower uncertainty about the product or service brand true quality. Therefore, brand credibility can increase the probability of product or service brand to be included in consumer purchase consideration set (Erdem and Swait, 2004).

Wang, and Yang (2010) propose that brand credibility is found to be positively affect consumer's product or service brand purchase intention. They found that higher brand credibility means higher product or service brand purchase intention. Therefore, the more credible the product or service brand, the higher the purchase intention toward that brand.

Sheeraz et al. (2012) stated that there is a significant positive relationship between the brand credibility and consumer purchase intention on some of cold drinks product brand in Pakistan.

H₃: Brand credibility influences purchase intention.

Based on the theoretical basis and previous research, the conceptual framework in this study is as follows:



RESEARCH METHODS

This research used four variables consisting of brand awareness, brand image, brand credibility as independent variable, and purchase intention as dependent variable. The research population in this study are all residents who live on Java island (East Java, Central Java, West Java, Banten, DI Yogyakarta, DKI Jakarta). By using purposive sampling method as the

collecting data method, the sample criteria of the research respondents are must knew OPPO smartphone product brand.

The primary data that be needed in this research comes from respondents answers on a closed questionnaire via Google Form that be spread online. And the secondary data, is statistic data of Indonesian mobile phone market share that be gained from statcounter global stats. In addition, this research used analysis multiple regression data technique method, which requires a minimum sample number of 50, and preferably 100 sample size observations required for most research situations (Hair, et al., 2019; p.279). Thus, this research uses 100 sample size to be implemented in multiple regression analysis.

RESEARCH RESULTS AND DISCUSSION

Table 2.1
Respondent's Profile

No	Classification	Category	Frequency	%
1.	Gender	Male	46	46%
		Female	54	54%
2.	Age	< 17 years old	1	1%
		17 - 20 Tahun	12	12%
		21 - 25 Tahun	49	49%
		26 - 35 Tahun	8	8%
		> 35 years old	30	30%
3.	Domicile	DKI Jakarta	13	13%
		DI Yogyakarta	4	4%
		Jawa Barat	5	5%
		Jawa Tengah	68	68%
		Jawa Timur	7	7%
		Banten	3	3%
4.	Profession	Student	46	46%
		Private company employees	16	16%
		Government employees	19	19%
		Entrepreneur	4	4%
		Freelancer	5	5%
		Others	10	10%
5.	Monthly Expenditures	< IDR. 1.000.000	30	30%
		IDR. 1.000.000 - 2.500.000	23	23%
		IDR. 2.500.000 - 5.000.000	22	22%
		IDR. 5.000.000 - 10.000.000	19	19%
		> IDR. 10.000.000	6	6%

Source: processed primary data, 2020

Table 2.2
Results of Factor Analysis for Discriminant Validity

	Component			
	1	2	3	4
BA1	.118	.182	.097	.868
BA2	-.009	.090	.142	.860
BA3	.352	.175	.107	.709
BI1	.054	.177	.876	.117
BI2	.318	.145	.851	.112

BI3	.262	.302	.804	.167
BC1	.801	.340	.241	.133
BC2	.892	.271	.162	.145
BC3	.886	.234	.224	.139
PI1	.247	.874	.235	.140
PI2	.334	.759	.266	.239
PI3	.289	.889	.181	.177

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization

Source: processed primary data, 2020

Table 2.3
Multiple Linear Regression Test Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-6.138	2.571		-2.387	.019
Brand Awareness	.199	.091	.176	2.181	.032
Brand Image	.297	.103	.249	2.871	.005
Brand Credibility	.603	.121	.438	4.990	.000

a. Dependent Variable: Purchase Intention

Source: processed primary data, 2020

HYPOTHESIS TEST

The Influence of Brand Awareness on Purchase Intention

Based on the results of the first hypothesis test between brand awareness (X1) on purchase intention (Y), the results show that brand awareness has a positive and significant effect on purchase intention of Indonesian people that knew OPPO smartphone brand. According to the multiple regression test results in table 2.3. The results explain that the increase of brand awareness will also result to an increase of purchase intention. Otherwise, the decline in brand awareness will reduce purchase intention. Therefore, **H₁ is supported**. People in Java island are affected by brand awareness in making purchase decision.

The Influence of Brand Image on Purchase Intention

Based on the results of the first hypothesis test between brand image (X2) on purchase intention (Y), the results show that brand image has a positive and significant effect on purchase intention of Indonesian people that knew OPPO smartphone brand. According to the multiple regression test results in table 2.3. The results explain that the increase of brand image will also result to an increase of purchase intention. Otherwise, the decline in brand image will reduce purchase intention. Therefore, **H₂ is supported**. People in Java island tend to consider brand image on their purchase decision.

The Influence of Brand Credibility on Purchase Intention

Based on the results of the first hypothesis test between brand credibility (X3) on purchase intention (Y), the results show that brand image has a positive and significant effect on purchase intention of Indonesian people that knew OPPO smartphone brand. According to the multiple regression test results in table 2.3. The results explain that the increase of brand credibility will also result to an increase of purchase intention. Otherwise, the decline in brand credibility will reduce purchase intention. Therefore, **H₃ is supported**. The purchase decision of people in Java island are affected by the product brand credibility.

CONCLUSION

Based on the results of data collection, data processing, and test results, it can be concluded that:

1. Based on the results of the first hypothesis data analysis, show that brand awareness has a positive and significant effect on OPPO mobile phone product purchase intention in Indonesia. These results explain that, the more consumer or potential consumer know about the product brand existence or can be said as the higher brand awareness on product brand, the higher the level of product purchase intention.
2. Based on the results of the second hypothesis data analysis, the results show that brand image has a positive and significant effect on OPPO mobile phone product purchase intention in Indonesia. These results explain that, the better the concept of brand image that retained on the people memories, the higher the level of product purchase intention.
3. Based on the results of the third hypothesis data analysis, the results show that brand credibility has a positive and significant effect on OPPO mobile phone product purchase intention in Indonesia. These results explain that, the more credible the product brand in presenting their product information and performance quality, the higher consumer or potential consumer level of trust to the product brand which will resulted to the higher level of product purchase intention.

The following are some suggestions which could be used as input for the manager of mobile phone brand company in increasing consumer purchase intention of Indonesian people especially in Java island:

1. The company needs to pay attention on their product or service brand awareness to increase their product purchase intention. The results of this study show and support the theoretical concepts that the chance of product purchase intention possibility on consumer or potential consumer would be higher to appear if more people know about the product brand existence. Therefore, the company should put more effective and proper marketing effort to their brand to make more people be aware of the brand existence. From all the indicators, the most influential indicator in determining the impact of brand awareness to purchase intention in this research based on the validity test loading factors is “ability to recall and remember the product brand”, which indicates that, the stronger brand’s presence inside the people’s mind leads to the higher brand awareness. Therefore, it is highly recommended to optimally manage the marketing activity of the product brand to keep the brand presence on people’s mind.
2. The company needs to pay attention on their product or service brand image to increase their product purchase intention. The results of this study show and support the theoretical concepts that the better brand image will results to better product brand performance and quality within the people’s perception. Therefore, the company should put more effective and proper marketing effort to their brand image to make people be more positive on the product performance and quality image. From all the indicators, the most influential indicator in determining the impact of brand image to purchase intention in this research

based on the validity test loading factors is “the differentiator to other brands”, which indicates that, different and unique characteristics value of product brand among the other brands with the same product segment, leads to the higher brand image. Therefore, it is highly recommended to optimally manage the marketing activity and creativity of the product brand to keep the brand different to another brands on people’s mind.

3. The company needs to pay attention on their product or service brand credibility to increase their product purchase intention. The results of this study show and support the theoretical concepts that the chance of product purchase intention possibility on consumer or potential consumer would be higher to appear if people trust the brand quality and performance. Therefore, the company should put more effective and proper marketing effort and product or service quality management to their brand to make more people believe the brand. From all the indicators, the most influential indicator in determining the impact of brand credibility to purchase intention in this research based on the validity test loading factors is “believable brand product claims”, which indicates that, a highly trusted brand claims information leads to the higher brand credibility. Therefore, it is highly recommended to synchronize and manage the marketing activity with the product brand management quality to avoid marketing mistake and product defects.

following are several limitations and suggestions for future research:

1. The respondent sample’s location that obtained within this research are not evenly spread within Java island. The respondent distribution based on the domicile is dominated by respondents whose located in Jawa Tengah with a percentage of 61% from the total of 100 questionnaire results, thus the distribution of respondents based on the domicile is still far from 100% able to generalize Indonesian people.
2. The respondent sample’s profession that obtained within this research are not evenly represent all profession in Indonesia. The respondent distribution based on the profession is dominated by students with a percentage of 46% from the total of 100 questionnaire results, thus the distribution of respondents based on the domicile is still far from 100% able to generalize Indonesian people.
3. It is highly recommended for future research to use more research independent variables such as: price, product quality, brand loyalty, etc. To be more precisely determine the purchase intention affecting factors, and also using respondents with a wider range to determine and record more value on each of the variables.

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