

# DONE Influence of Brand Equity Dimensions on the Business Purchase Behavior of The Crispy Chicken Franchise In Tegal City

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## INFLUENCE OF BRAND EQUITY DIMENSIONS ON THE BUSINESS PURCHASE BEHAVIOR OF THE CRISPY CHICKEN FRANCHISE IN TEGAL CITY

### (Pengaruh Dimensi Brand Equity Terhadap Perilaku Pembelian Bisnis Ayam Crispy di Kota Tegal)

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#### ABSTRACT

Crispy chicken in Indonesia becomes a competitive business and easy business to run. The risk of the crispy chicken franchise business is very low because the crispy chicken franchise brand is known to consumers. The franchisor built his brand equity, by developing a crispy chicken franchise. Franchisees prefer to buy a crispy chicken franchise business that has high brand equity. The survey was toward 100 respondents and collected 75 questionnaires from crispy chicken traders in Tegal City. Data analysis techniques using multiple linear regression. The results can conclude that the dimensions of brand equity simultaneously affect business purchase behavior of the crispy chicken franchise in Tegal city.

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## 1. Introduction

Tegal city is a coastal city located in central Java, with a fairly high economic growth. Many business people who run their business in Tegal city, including the crispy chicken franchise. The crispy chicken franchise is currently a business that is much in demand by the public. The term franchise is a form of marketing or distribution (Basarah-Mufidin, 2008). Product franchise identified by the product or trade name of the franchisor. The franchisor as the maker of the product also receives payment of franchisor fee from the franchisee, also receives payment from the products sold to the franchisee.

The Crispy Chicken Franchise brand makes it easy for franchisees to get consumers. Brand according to Kotler-Armstrong 2006, A brand is a name, term, sign, or design or a combination of all these that indicates the identity of the maker or seller of a product or service. Brand equity (Brand equity) is defined by the value of a brand based on the high brand loyalty, awareness, quality, strength, the existence of patents that give power to a brand.

Having brand equity, crispy chicken franchises bring in business buyers interested in running this franchise business. Franchisees as buyers of franchise businesses are currently dominated by housewives, unemployed layoff victims, and young people who are just starting a business. Brand equity owned by this crispy chicken franchise promises profits because franchisees and/or franchise business buyers do not need to build a brand from scratch. Franchisees and/or business buyers in running their crispy chicken franchises without needing to bother because of the strong brand equity in the minds of consumers.

### 1.1 Brand Equity

Kotler Keller (Kotler & Armstrong, 2018) Brand equity is the added value given to products and services. The principle and model of customer-based Brand Equity are that the strength of a brand lies

in what customers see, read, hear, think, and feel about the brand all the time. Customer-based brand equity is the differential influence that brand knowledge has on response consumers to the marketing of the brand. Brand equity (Aaker, 2017) is a set of brand assets and liabilities relating to a brand, its name, and symbol, that add to or decrease the value that a good or service provides to a company or its customers. According to Aaker 2017, the five dimensions underlying brand equity become brand equity assets, that is : 1). Brand Loyalty, is a measure of a customer's relationship with a brand, 2). Brand awareness, is the ability of a prospective buyer to recognize or recall that a brand is part of a particular product category, 3). Perceived Quality, as a customer's perception of the overall quality or superiority of a product or service concerning the expected intent, 4). Brand Association, are everything to do with the memory of a brand. Associations not only exist and also have a level of power, 5). Other Assets Such as Patents, for deter or prevent competitors from eating away at consumer loyalty.

## 1.2 Business Purchase Behavior

According to Kotler-Armstrong, 2018, Marketers want to know how business buyers respond to various marketing stimuli that affect business purchases. Such stimuli include major forces in the environment: economy, technology, politics, culture, and competition. Influence groups that affect business buyers, namely Environmental Factors, Environmental Factors, Interpersonal Factors, Individual Factors, Business Buying Process, Problem Recognition, Needs Description, Product Specification, Supplier Search.

## 2. Methods

The variables are used in the dimensions of brand equity, namely Brand Loyalty (X1), Brand Awareness (X2), Quality Impression (X3). Brand Association (X5), Brand Asset Rights (X5), and Business Purchase Behavior (Y).

The population is used in the study was a crispy chicken franchise trader for four months. Sampling this study uses non-random samples, namely purposive sampling, which is a sample that is in accordance with the purpose of the study. The sample used 75 respondents.

The data testing technique in this study using this research analysis is Multiple Regression Analysis with data processing of the SPSS 22 program.

## 3. Result and Discussion

### 3.1 Result Multiple Linear Regression

In this study, Multiple Linear Regression was used to measure the influence of Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association, and Other Assets Such as Patent on Business Purchase Behavior, which can be seen in the following table:

**Table. 1**  
**Result Multiple Linear Regression X1, X2, X3, X4, X5 terhadap Y**

Model	Unstadardised Coefficients		Standar dized Coefficients	t	Sig.
	B	Std Error	Beta		
1 (Constant)	2,790	2,033		1,372	,174
Brand Loyalty	,298	,177	,257	2,557	,013
Brand Awareness	,270	,121	,227	2,233	,029
Perceived Quality	,381	,078	,445	4,894	,000
Brand Association	,480	,138	,290	3,481	,001
Other Assets such as Patent	,397	,095	,389	4,635	,000

a. Dependent Business Purchase Behavior Variable

Based on the table above states that the linear regression equation is multiple, that is :

$$Y' = 2,970 + 0,298X_1 + 0,270X_2 + 0,381X_3 + 0,480X_4 + 0,397X_5$$

From the multiple linear regression equations (X1, X2, X3, X4, and X5 to Y) the explanation is as follows:

1. Constant of 2,790 means that if brand loyalty (X1), brand awareness (X2), a quality impression (X3), Brand Association (X4), and Brand Asset Rights (X5), then Business Purchase Behavior (Y) is worth 2,790
2. The regression coefficient for the Brand Loyalty variable of 0.298 means that if the Brand Loyalty variable is improved, it causes an increase in business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
3. The regression coefficient for the Brand Awareness variable of 0.270 means that if the Brand Awareness variable is increased it leads to an increase in the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
4. The Regression coefficient for the Perceived Quality variable of 0.381 means that if the Perceived Quality variable is improved it causes an increase in the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
5. The coefficient for Regression of Brand Association of 0.480 means that if the Brand Association variable is improved it causes an increase in the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
6. The coefficient Regression for the Other Asset Such As Patent variable of 0.397 means that if the Other Asset Such As Patent variable is improved it causes an increase in the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.

### 3.2. Hypothesis Test

#### a. T-Test

**Table. 2**  
**Result Parsial Test ( T-Test)**

Model	Unstadardised Coefficients		Standar dized Coefficients	t	Sig.
	B	Std Error	Beta		
1 (Constant)	2,790	2,033		1,372	,174
Brand Loyalty	,298	,177	,257	2,557	,013
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Other Assets such as Patent	,397	,095	,389	4,635	,000

Source : data processed by SPSS 22

Based on the table above, it can be interpreted that:

1. The partial test (T-Test) using SPSS obtained a sig value =  $0.013 < \alpha = 0.05$  so it can be concluded that the brand loyalty variable has a significant effect on the business purchase behavior of the Crispy Chicken Franchise In Tegal City. So the first hypothesis "There is an effect of brand loyalty on the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
2. The partial test (T-Test) using SPSS obtained sig value =  $0.029 < \alpha = 0.05$  so it can be concluded that the brand awareness variable has a significant effect on the business purchase behavior of the Crispy Chicken Franchise In Tegal City. So the first hypothesis "There is an influence of brand awareness on the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
3. The partial test (T-Test) using SPSS obtained sig value =  $0.000 < \alpha = 0.05$  so it can be concluded that the Perceived Quality variable has a significant effect on the business purchase behavior of the Crispy Chicken Franchise In Tegal City. So the first

hypothesis "There is an effect of Perceived Quality on the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.

4. The partial Test (T-Test) using SPSS obtained sig value =  $0.001 < \alpha = 0.05$  so it can be concluded that the Brand Association variable has a significant effect on the business purchase behavior of the Crispy Chicken Franchise In Tegal City. So the first hypothesis "There is an effect of brand loyalty on the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.
5. The partial calculation (T-Test) using SPSS obtained a value of sig =  $0.000 < \alpha = 0.05$  so it can be concluded that the Brand Rights variable has a significant effect on the buying behavior of crispy chicken franchise business in Tegal City. So the first hypothesis "There is the influence of the right to the brand on the Business Purchase Behavior of the Crispy Chicken Franchise in Tegal City.

#### b. F Test

The F test is used to determine whether the variables of Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association, and Other Assets Such as Patent together have a significant influence on the business purchase behavior of the Crispy Chicken Franchise In Tegal City. The significant rate or probability is 5% or 0.05, if the sig value is  $< 0.05$  then  $H_0$  is rejected and  $H_a$  is accepted when done simultaneously. The results of the F Test can be seen in the following table:

**Table. 3**  
**Simultaneous Test Result (F – Test)**

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	306,401	5	61,260	24,481	,000 <sup>b</sup>
	Residual	172,719	69	2,503		
	Total	479,120	74			

a. Dependent Variabel : Perilaku Pembelian Bisnis

b. Predictors (Constant) : Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association dan Other Assets Such as Patent

### 3.3. Discussion

In this study, the goal is to find out how much influence brand loyalty has on the business purchase behavior of crispy chicken franchise, the influence of brand awareness on the business purchase behavior of the crispy chicken franchise, perceived quality on the purchase behavior of the crispy chicken franchise business, the influence of brand association on the business purchase behavior of crispy chicken franchise, and the influence of assets such as a patent on the business purchase behavior of crispy chicken franchise.

So that the discussion of each variable can be presented as follows:

1. Influence of brand loyalty on the Business purchase behavior of crispy chicken franchise in Tegal City.

Based on the results of the T-Test with the SPSS 22 the effect variables of brand loyalty on purchase behavior business was obtained  $t_{\text{count}}$  of 2,557 with sig value.  $\approx 0.013$ , meaning  $H_0$  is rejected, which means  $H_1$  is accepted. The results prove that crispy chicken brand loyalty is easier to lure customers and more competitive so that it will increase the more purchases of franchise chicken businesses.

2. Influence Of Brand Awareness On The Business Purchase Behavior Of The Crispy Chicken Franchise In Tegal City.

Based on the results of the T-test with SPSS 22 the effect variables of brand awareness on purchase behavior was obtained  $t_{\text{count}}$  of 2,233 with sig value.  $\approx 0.029$ , meaning  $H_0$  rejected, which means  $H_2$  is accepted. The results prove that brand awareness of crispy chicken will



increase the number of the business purchases of chicken franchise. This proves that franchise business buyers will look first for crispy chicken brands that are very well known by the public.

3. Influence Perceived Quality on The Business Purchase Behavior Of The Crispy Chicken Franchise In Tegal City

Based on the results of the T-test with the SPSS 22 the influence variables Perceived Quality Influence on purchasing behavior obtained a  $t_{count}$  value of 4,894 with sig value.  $=0.00$ , meaning  $H_0$  was rejected and  $H_3$  is accepted. The results prove that the buyer of the franchise business has an impression and does not doubt the quality of the Crispy chicken, so it is not very sure to run a crispy chicken franchise business in Tegal city. Perceived Quality of crispy chicken will increase the increasing number business.purchase of the franchise chicken

4. Influence of Brand Association On The Business Purchase Behavior Of The Crispy Chicken Franchise In Tegal City

Based on the results of the T Test with the SPSS 22 The influence variables of brand association (brand association) on business purchase behavior obtained a  $t_{count}$  value of 3,481 with sig value.  $=0.001$ , meaning  $H_0$  was rejected and  $H_4$  is accepted. The results prove that franchise business buyers know crispy chickens in accordance with people's consumption now, so they are more confident running a crispy chicken franchise business in Tegal city. The crispy chicken brand association will increase business purchases of chicken franchise because this business is promising in the future.

5. Influence of assets such as patent on The Business Purchase Behavior Of The Crispy Chicken Franchise In Tegal City

Based on the results of the T-Test with the SPSS 22 variables Influence of assets such as patent (Right to Brand) on purchasing behavior obtained  $t_{count}$  value of 4,635 with sig value.  $=0.000$ , meaning  $H_0$  was rejected and  $H_5$  is accepted. The results prove that franchise business buyers know the opportunity of the crispy chicken business in Tegal city. For beginners of the crispy chicken franchise business, that franchisor who already owns a well-known brand does not have a high risk. The influence of assets such as patent crispy chicken will increase the more business purchases of the chicken franchise, because the price of the crispy chicken franchise set by the franchisor is in accordance with the quality of the product.

6. Influence of Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association, and Other Such As Patent on The Business Purchase Behavior Of The Crispy Chicken Franchise In Tegal City

The results of this study are calculated with the test F sig value. Is 24,481 where the sig value.  $<0.05$  or  $0.000 < 0.05$  which means  $H_0$  is rejected. And based on the F test,  $H_6$  is accepted.

So it can be concluded, based on the results of the F test that there is the influence of Brand Loyalty, Brand Awareness, Perceived Quality Brand Association, Other Assets Such As Patents Against Business Purchase Behavior of the Crispy Chicken Franchise in Tegal city.

#### 4. Conclusion

From the description and results of the study above, it can be concluded simultaneously there is the influence of Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association, and Other Such As Patents on the Business Purchase Behavior of crispy chicken franchises in Tegal city.

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