

**THE INFLUENCE OF BRAND IMAGE AND PROMOTIONAL MIX  
TOWARD USERS' REPURCHASE INTENTION OF  
TELECOMMUNICATION PROVIDER  
(A CASE STUDY OF SMARTFREN USERS IN UNIVERSITY OF  
BRAWIJAYA, INDONESIA)**

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**ABSTRACT**

Repurchase intention is one factor that is important for marketers. Marketers already did many strategies in order to keeping the repurchase intention of their customers. The strategies that had been used are maximizing the company good brand image and maximizing their promotional mix.

This study aimed to know how significant the influence of brand image and promotional mix toward the repurchase intention of Smartfren user in University of Brawijaya partially. The data analysis on this study uses multiple linear regression methods with 65 Smartfren users as respondent. The sampling technique uses purposive sampling. Validity and reliability test is used in this study with classical assumption test which is normality test, heteroscedasticity test, and multicollinearity test.

The result of this study shows that brand image (X1) and promotional mix (X2) has significant influence toward the repurchase intention of Smartfren user in University of Brawijaya partially. By maintaining one of the aspects of brand image which is the uniqueness, Smartfren user will find it difficult to switch to another brands and Smartfren will be favorable.

Keywords: Smartfren, brand image, promotional mix, repurchase intention

**PENGARUH CITRA MEREK DAN BAURAN PROMOSI TERHADAP  
KEPUTUSAN PEMBELIAN KEMBALI KONSUMEN PENYEDIA  
LAYANAN TELEKOMUNIKASI  
(STUDI KASUS PENGGUNA SMARTFREN DI UNIVERSITAS  
BRAWIJAYA, INDONESIA)**

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**ABSTRAKSI**

Keputusan pembelian kembali oleh konsumen adalah salah satu hal penting yang harus dipertahankan oleh pemasar. Pemasar telah memanfaatkan berbagai cara untuk mempertahankan keputusan pembelian kembali pelanggan mereka. Cara yang digunakan antara lain dengan membangun citra merek perusahaan yang baik dan memaksimalkan bauran promosi dari perusahaan.

Penelitian ini bertujuan untuk mengetahui pengaruh signifikan dan parsial dari citra merek dan bauran promosi terhadap keputusan pembelian kembali oleh pengguna Smartfren di Universitas Brawijaya. Analisis data pada penelitian ini menggunakan metode regresi linear berganda dengan 65 pengguna Smartfren sebagai responden. Teknik pengambilan sampel menggunakan *purposive sampling*. Uji validitas dan reliabilitas digunakan dalam pengujian instrument penelitian serta pengujian asumsi klasik berupa uji normalitas, uji heterokedastisitas, dan uji multikolinearitas

Hasil penelitian menunjukkan bahwa secara parsial citra merek (X1) dan bauran promosi (X2) memiliki pengaruh yang signifikan terhadap keputusan pembelian kembali pengguna Smartfren di Universitas Brawijaya. Dengan mempertahankan salah satu aspek dari citra merek yaitu keunikan, maka konsumen Smartfren akan sulit untuk berpindah ke produk sejenis lainnya dan Smartfren akan tetap menjadi produk yang diinginkan oleh konsumen.

Kata Kunci: Smartfren, citra merek, bauran promosi, keputusan pembelian kembali

## **A. BACKGROUND**

Nowadays, the marketing activities of the companies have reached every aspects, those marketing activities enable the products and company's names to be familiar. Currently, the marketing aspects do not only consider the function of the product, but also focus on how to promote the product effectively. The development of a company can be seen in its marketing activities; in this case, marketing activity is an activity that is the result of its activities that can be seen in the volume of sales, both in service companies and the companies who market goods.

In line with the technological changes, nowadays the role of information is important. People demand that all fields must be simplified in order to make it easier to support their activities. One of the fields that are important to the people is the communication field. In the communication business sector, there are 10 companies that run in the GSM and CDMA in Indonesia. One of those companies is Smartfren.

Smartfren is a telecommunication services provider based on CDMA technology that has both cellular and limited mobility (fixed wireless access) license in Indonesia. Based on the annual report, the Smartfren consumer is increased overtime from 2011 after the company changed its name from mobile8 to Smartfren. But, the growth of the competitor makes the number of new consumer using Smartfren product decreased.

In University of Brawijaya, most of Smartfren internet users have problems with the internet connection of Smartfren. They said that the internet connection of Smartfren is not quite good. Nevertheless, although the users said so, they still repurchase the Smartfren internet service.

## **B. LITERATURE REVIEW**

### **Marketing**

Marketing is a social process in which individuals and groups obtain what they need and want by creating, offering, and freely exchanging products of value with others (Kotler, 2009).

There are also other theories about marketing. The American Marketing Association (2013) offers the following formal definition for marketing as the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging the offerings that have value for customers, clients, partners, and society at large.

### **Brand Image**

Keller (2003) considers brand image as a set of perceptions about a brand as reflected by brand associations in consumer's memory. Keller also states that brand image is the perceptions and beliefs held by consumers, as reflected in the associations held in consumer memory. Image itself is the way the public perceives the company or its product.

Keller (2003) also explains that there are three important aspects of image: favorability, strength, and uniqueness of brand associations. Moreover, the

associations may be formed in one of the following categories: attributes of the product, benefits achieved from the product or attitudes towards the brand.

1. Favorability

Brand favorability is how customer favor a brand, trusting and having a bond with a brand, that make other brand having a difficulties to attract customer to switch to their brand.

2. Strength

Brand strength is how often the customer thinking about the information of certain brand, or the quality in processing every information that is received by customer.

3. Uniqueness

Brand uniqueness is how a brand makes a unique impression and clear distinction with other brand that let the customers with no option but choosing that brand.

## **Promotional Mix**

Promotional mix is the tools of marketing that is essentials to introduce the product to the consumers. . Kotler (2006) states that there are five elements of promotional mix, they are: advertising, sales promotion, public relation, personal selling, and direct marketing.

1. Advertising

Keegan (2005:437) states that advertising may be defined as a message whose art, copy, headlines, photographs, tag lines, and other elements has been developed expressly for their world-wide suitability. The

function of advertising is for announcing new product/services for whom or where those goods can be bought, to announce new product/services information, and to shape product motivation for consumers. The factors that is important in delivering advertising is the availability of the product information, the attractiveness of advertising design, the clearness of information in various media, and the trustworthiness of the advertising message.

## 2. Sales promotion

Sales promotion is a short-term incentive for pushing the needs of trying or purchasing a product/services. Sales promotion involves the activities that create buyer incentives to purchase a product or that add value for the buyer or the trade (Ferrel and Hartline, 2008). In sales promotion, the size, the variety, the term and condition, and the incentive realization time is appropriate in leading an effective sales promotion.

## 3. Public relation

Griffin and Ebbert (2006) state that public relation is a company-influenced publicity, it seeks either to build good relations with the public or to deal with unfavorable events. Keegan (2005) also notes that public relations is the department or function that is responsible for evaluating about public opinion, and attitudes toward the organization and its products or brands. The main aspect of public relation is the news about company, the unique company identity, and the company's services to community and society.

#### 4. Personal selling

Personal selling is a paid, personal communication that attempts to inform customers about products and persuade them to purchase those products. Personal selling is the most precise form of communication because it assures that companies that are in direct contact with an excellent prospect (Ferrel and Hartline, 2008). The appearance of salesperson, salesperson company knowledge and product information, and salesperson skills to identify a consumer or potential consumers is the main key of personal selling.

#### 5. Direct marketing

Kotler and Gary Armstrong (2006) state that direct marketing is the usage of mail, telephone, facsimiles, e-mail, and other nonperson devices or the company directly to communicate with or to get direct response from consumer or potential consumers.

### **Repurchase Intention**

Repurchase intention is defined by Hellier et.al. (2003) as the individual's judgment about buying again a designated service from the same company, taking into account his or her current situation and likely circumstances. This behavior is related to the concept of attitude that is formed from the customer's attitude toward the objects and the customer's attitudes from the previous behavior.



## C. RESEARCH METHODOLOGY

The method used in this research is quantitative method. Quantitative method is the data analysis that is done by collecting, tabulating, serving, and interpreting numerical data (quantitative data). The data obtained from questionnaires subsequently are processed and analyzed in the following way:

### **Multiple Regression Analysis**

The methods that used in this study are the multiple regression analysis. Linear regression analysis is used to analyze the influence of some dependent variables or independent variables on one dependent variable together. The technique of data analysis that used in this study is the statistical analysis that using software of *SPSS 16.0 for Windows*. After the multiple regressions that used is free from the classical assumption error, it is continued to the hypothesis testing.

### **F Test**

F test is used to know the degree of model variables appropriateness used able to explain the analyzed phenomenon. Independent variables are able to explain dependent variable. F test is used to know whether this model is accepted or rejected in simultaneous data processing.

### **Instrument Validity Test**

In this study, the validity is measured by counting the correlation among each statement by using the total score with product moment correlation formula:

$$r_{xy} = \frac{n \sum XY - (\sum X)(\sum Y)}{\sqrt{(n \sum X^2 - (\sum X)^2)(n \sum Y^2 - (\sum Y)^2)}}$$

Where:

$r_{xy}$  = Product moment correlation

X = Statement score

Y = Total score

N = Number of research samples

If the correlation result probability is less than 0,05 (5%) the instrument is stated to be valid; whereas, it is stated invalid if the result is bigger (Mustafa, 2009)

### **Reliability Test**

The reliability test refers to know how reliable the measurement tools are. The smaller the measure mistakes, the more reliable the measurement tools are. Rather, if it is bigger, the measurement is not reliable.

The reliability test in this research is using coefficient formulation of Cronbach Alpha. The coefficient of reliability is using the formulation from the software of *SPSS 16.0 for Windows*. Following Sekaran (2006), the instruments can be said reliable when the reliability score is higher than 0,6. If alpha is smaller than 0,6, the statement is not reliable and vice versa.

### **t Test**

This test is aimed to test the influence of independent variable on the dependent variable separately:

1. Developing hypotheses for t test:

$H_0: \beta_i = 0$ , means that there is no influence of brand image (X1), and promotional mix (X2) toward the repurchase intention (Y) of Smartfren users in University of Brawijaya.

$H_1: \beta_i \neq 0$ , means that brand image (X1) and promotional mix (X2) influence the repurchase intention (Y) of Smartfren users in University of Brawijaya.

## 2. Determining the significance level:

- If the value of significance (Sig.)  $< 0.05$  then  $H_0$  is rejected and  $H_1$  is accepted
- If the value of significance (Sig.)  $> 0.05$  then  $H_0$  is accepted and  $H_1$  is rejected.

Rejected  $H_0$  means that with the significance level (5%), the tested independent variable significantly affects the dependent variable. Accepted  $H_0$  means that the tested independent variable does not significantly affect the dependent variable.

The result of hypothesis testing, whether it is accepted or rejected, can be obtained by comparing the calculated t value and its t. tables. If calculated  $t < t$  table, then  $H_0$  is accepted and  $H_1$  is rejected, whereas if the calculated  $t > t$  table, then  $H_0$  is rejected and  $H_1$  is accepted.

## D. FINDINGS AND DISCUSSION

### Multiple Regression Analysis

Based on the problem formulation and the hypotheses of this study, the data are analyzed using multiple regression analysis. The multiple regression analysis is used to count the value of the effect among independent variables, which consist of brand image and promotional mix on repurchase intention.

**Table 1 The Result of Multiple Regression Analysis**

Model		Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.703	1.056		-.666	.508		
	Brand Image	.072	.033	<b>.265</b>	2.201	.031	.883	1.133
	Promotional Mix	.043	.018	<b>.291</b>	2.418	.019	.883	1.133

Based on the table of multiple regression analysis result above, the regression model can be interpreted as follows:

1. The coefficient value of X1 variable regression shows that if the brand images variable increases, the repurchase intention (Y) will also increase.
2. The coefficient value of X2 variable regression shows that if the promotional mix variable increases, the repurchase intention (Y) will also increase.

Based on this result, it can be concluded that brand images (X1) and promotional mix (X2) are positively correlated to the repurchase intention.

### Coefficient of Determinant

The coefficient of determinant is used to determine how much the influence of the independent variable on the dependent variable. The coefficient of determinant value is determined by the value of adjusted R square.

**Table 2 The Result of Coefficient of Determinant**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.456 <sup>a</sup>	.208	.182	.71142	2.297

Source: Processed Primary Data, 2014

Based on the previous table, it is known that the regression coefficient of determinant of 0,208 is obtained. This means that 20,8% of repurchase intention (Y) is affected by brand image (X1) and promotional mix (X2). Whereas the remaining percentage of repurchase intention (Y) is influenced by other variables that had not been examined in this study.

### F test

F test is used to know whether this research model is appropriate to be used in this study. The table of F test can be seen at the table 4.10.

**Table 3 The Result of F Test**

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8.220	2	4.110	8.121	.001 <sup>a</sup>
	Residual	31.380	62	.506		
	Total	39.600	64			

a. Predictors: (Constant), Promotional Mix, Brand Image

b. Dependent Variable: Repurchase Intention

Based on the table, brand image and promotional mix have a significant relationship to repurchase intention. This is because the comparison of F-calculated and F-table is more than 2.699 ( $4.110 > 2.699$ ). In addition, a significance value of 0.01 is also found. Because it is smaller than 0.05, then the  $H_0$  is rejected. Therefore, it can be concluded that brand image and promotional mix have a simultaneous and significant effect on repurchase intention.

### Hypotheses Testing

#### 1. Hypothesis 1

In order to find out whether the independent variable of brand images (have a partial effect on the repurchase intention as the dependent variable of smartfren user of University of Brawijaya, the independent variable can be concluded when  $t_{\text{calculated}} > t_{\text{table}}$  and  $\text{Sig.F} < 0.05$ . Below is the table showing the results of the t test.

**Table 4 The Result of t Test**

		Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
Model	B	Std. Error	Beta	Tolerance			VIF	
1	(Constant)	-.703	1.056		-.666	.508		
	Brand Image	.072	.033	.265	2.201	.031	.883	1.133

**Source:** Processed Primary Data, 2014

By using SPSS software, t test statistics is 2.201 with significance value of 0.031. The significance value is less than  $\alpha$  (0,05), so  $H_0$  from X1 variable is

rejected and  $H_1$  is accepted. Thus, it can be concluded that brand image has a significant effect on repurchase intention.

## 2. Hypothesis 2

In order to find out whether the independent variable of promotional mix has partial effect on the repurchase intention as the dependent variable of smartfren user of University of Brawijaya, the independent variable can be concluded if  $t_{\text{calculated}} > t_{\text{table}}$  and  $\text{Sig.} < 0.05$ . Below is the table showing the results of the t test.

**Table 4.12 The Result of t Test**

		Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	-.703	1.056		-.666	.508		
	Promotional Mix	.043	.018	.291	2.418	<b>.019</b>	.883	1.133

**Source:** Processed Primary Data, 2014

By using SPSS software, t test statistics is 2.418 with significance value of 0.019. The significance value is less than  $\alpha$  (0,05), so  $H_0$  from the variable is rejected and  $H_1$  is accepted. Thus, it can be concluded that promotional mix has a significant effect on repurchase intention.

## Discussions

In this study, the variable of brand images and promotional mix are used to reveal the customer repurchase intention of smartfren user in University of Brawijaya. After conducting some research and analysis on the fields, it was

found that all variables have partial and significant effect on customer repurchase intention. Some strategies that should be considered to be implemented by smartfren are:

1. Effect of brand image toward the repurchase intention

Based on the findings of the study, brand image of smartfren affects the repurchase intention of smartfren users in University of Brawijaya both partially and significantly. Although it affects the customer repurchase intention significantly with the value of 0.031 (smaller than 0.05) they still needed to pay attention on their brand image because:

- Smartfren favorability decreases because there are many competitor in the same business area who offers a service that is more beneficial than smartfren

To cover this weakness, Smartfren should give more attention on their goods that they offer such as internet connection. Further, they must also provide more uniqueness that differs from other competitors.

2. Effect of promotional mix toward the repurchase intention

Based on the research result, promotional mix of Smartfren affects the repurchase intention of Smartfren users in University of Brawijaya both partially and significantly. Although it affects customer repurchase intention significantly with the value of 0.019 (smaller than 0.05) they still need to pay attention to their promotional mix because:



- The customer feels that internet connection provided by Smartfren does not meet their expectation like what they saw in the Smartfren advertisement

To cover this weakness, Smartfren should maintain their current advertising and other promotion strategy that already attract the customer. But, Smartfren should also maintain the internet connection that is already shown in their advertisement.

## **E. CONCLUSION AND RECCOMENDATIONS**

### **Conclusion**

Every variables used in this research truly determines the repurchase intention of smartfren user in University of Brawijaya. Based on the findings of the study, all variables provide partial and significant effect; moreover, those variables also have positive correlation. Based on the t test, the result can be seen as follows:

1. Brand image significantly affects repurchase intention of smartfren user in University of Brawijaya.
2. Promotional mix significantly affects repurchase intention of smartfren user in University of Brawijaya.

## **Recommendations**

Based on the findings of the study, there are some suggestions that should be considered by Smartfren Company in order to make their loyal customer do the repurchase intention of their products. The suggestions are:

1. In order to maintain the repurchase intention of smartfren user, brand image and promotional mix should be improved. Especially in uniqueness of smartfren. Because if they maintain their uniqueness, the customer will be difficult to switch to other brands and the smartfren products will be favorable.
2. Customer sometimes feels that the internet connection provided by smartfren does not meet their expectation; this is because the price is not equal to the internet connection that they receive. The customers also feel that the advertisement used by smartfren (Smartfren anti lelet) does not meet their expectation because of unstable internet connection of smartfren. Thus, if smartfren can maintain the internet connection that meets the customer expectation and use same advertisement, it can be an advantageous strategy to smartfren.
3. For further research, the results of this study can be used as an additional reference, although this research is still far from perfect. Therefore, to conduct research on the issues related to the repurchase intention, especially in the field of customer loyalty, other factors and empirical studies that are more varied to support current findings on the different factors should be considered and observed more accurately. For instance, other factors such as marketing mix (product, place, price, and promotion),

sociocultural factors, and other variables that may have any influence on repurchase intention.

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