

**THE ROLE OF PERCEIVED PRODUCT ATTRIBUTES AND BRAND
AWARENESS IN CREATING CONSUMER PURCHASE INTENTION ON
LOCAL FASHION BRAND**
(Empirical Study on Potential Consumer of Screamous Clothing-Retail Company, Malang)

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Abstract: *this study aims to examine and explain the role of perceived product attributes and brand awareness in creating consumer purchase intention on local fashion brand in Indonesia. The research was conducted in the area of Malang City. Further purposive sampling technique was used in this research with 120 respondents. The analysis tools are Multiple Linear Regression Analysis to determine the relationship between independent variable and dependent variable. The result of the study explained that there is a significant effect between perceived product attributes to the consumer purchase intention and brand awareness to consumer purchase intention both partially and simultaneously. Therefore, the research result shows that brand awareness is the dominant variable that affects consumer purchase intention.*

Keywords: *Perceived Product Attributes, Brand Awareness, Purchase Intention*

BACKGROUND

With the uncertainty of the world economy which is still ongoing, Indonesia's economy is still running at a fairly high growth. In the third quarter of 2012, the Indonesian economy grew by 6.2%, the second highest growth in Asia after China and the 5th highest in the world. (Media Industri, 2013:25). Along with the development of the economy, the business also grows significantly in Indonesia. According to Central Bureau of Statistics (BPS), in 2014 the business tendency index increases at value of 107,24 while the consumption tendency index in Indonesia also grows at value of 110,76 (BPS, 2014). This fact reveals that business in Indonesia grows positively in line with the consumption expenditure which also increases. In addition, Bank Indonesia also states

that in 2014 the real sales index (IPR) grows to 14% from 12% and it is caused by the intensity of consumption in the society increases (Bank Indonesia, 2014). Along with these achievements, the industry or businesses has to fulfill the needs and wants for goods and services throughout Indonesia. One type of business that is growing in Indonesia is a retail business. Retail business is focused on selling the product or services to the final customers and not for business. In the last 5 years from 2007 to 2012, the total of retail store grew in average of 17,57%. According to the Association of Indonesian Retail Company, the development of retail business reached 10% to 15% per year (Apipudin, 2013). From the data above, it is proven that the retail industry is

one of the potential industries in Indonesia.

To meet consumer demands and needs for apparel fashion product, many clothing-retail companies have expanded their businesses to all cities in Indonesia, including Malang. Malang is one of the potential cities to establish a business. Based on the data obtained from Central Bureau of population and civil service record by August 2014, the population in Malang reached 857.891 people. In addition, there are many people come to Malang from all around Indonesia to study. It means that businesses in Malang have to compete in order to attract customers which have different characteristic and thus, tighter competition is unavoidable.

Apparel or clothing product cannot be separated with fashion trend in Indonesia. According to the Ministry of Industries, the increasing pace of the fashion industry the country would certainly have a positive effect for the increase in gross domestic product (GDP), in which the fashion industry in 2012 has contributed to GDP amounted to 164 trillion rupiah or 28.66%, which rose 0.5% from a year 2011. This evidence caused by the high demand of consumer in fashion product. Screamous is one of the clothing brands in Indonesia that have to encourage their marketing strategy in the era of Fast Moving Consumer Goods. However, from the data obtained the total unit sales of Screamous are tended to decrease from August 2013 with 500 unit sales to August 2014 with 300 unit sales. This evidence indicates the low intention of Screamous' potential consumer to purchase the product. Purchase intention are the important

issue for marketer to develop the marketing strategy in order to stimulate the prospective buyer to have an intention to purchase, because intention is the main indicator to predict the consumer buying behavior in the future. This low intention indicates have a relationship with perception of their potential consumer about the product attributes such as quality, price, design and usefulness. The other indication that might be appeared is the awareness of potential consumer toward the brand affects consumer purchase intention. Problems faced by Screamous are a marketing problem, especially in the implementation of marketing strategies. It is predicted that, the decrease of sales in the Screamous product is resulted from poor application of marketing strategies. Not well designed strategy may cause low customer purchase intention as well as decrease of brand awareness and consumer perception toward the product attributes. Acknowledge that fact, the researcher intends to carry research that explore whether perceived product attributes and brand awareness have a significant influence in consumer purchase intention partially and simultaneously. Also, this research wants to reveal the variable that most influence consumer purchase intention.

LITERATURE REVIEW

Perceived Product Attributes

According to (Schiffman and Kanuk 2007:148), perception is defined as the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world. Thus, to the marketer, consumer perception are much more important

than their knowledge of objective reality for if one thinks about it, it is not what actually is, but what consumer think is which affect their actions, their buying habits, their leisure habits, and so forth (Schiffman and Kanuk 2007:147). Consumers are also interested in “*attribution toward things*” because products (or services) can readily be thought of as “*things*”. In other words, it is in the area of judging product performance that consumer are most likely to form product attributions (Schiffman and Kanuk 2007:261). In this vein, an individual’s perceived attributes of a product tends to be an evaluation of information available to the individual, such as cost, quality, aesthetic appearance, and so forth (Lee *et al.* 2011). According to Schiffman and Kanuk (2007:173) how a consumer perceives a price as-high, as low, as fair- has strong influence on purchase intentions. Perceptions of price unfairness affect consumers’ perceptions of product value and, ultimately, their willingness to patronize a store or a service. In other hand, perceived product quality is a consumer often judges the quality of a product or service on the basis of a variety of informational cues that they associate with the product, for example color and size availability. A perception of high service quality leads to higher level of purchase intention. (Schiffman and Kanuk 2007:174). According to Lee *et al.* (2011:92), there are some factors that can be used to measure perceived product attributes as follow:

1. Utilitarianism

It is related to a product’s usefulness and convenience.

2. Financial Aspect

It is related to the monetary worth of the product

3. Quality

It is related to acceptable standard or quality of the product

4. Price

It is related to the reasonable price of the product.

5. Appearance-related

It is related to the beauty or attractiveness of the product or enhanced self-image and appearance

Brand Awareness

According to Kevin. L Keller (2013:73), brand awareness itself is enough to create favorable consumer response; for example, in low-involvement decisions when consumers are willing to base their choices on mere familiarity. Brand awareness is important because it increases the likelihood of brand selection due to the saliency of the brand in the mind of the consumer.

Brand awareness is an important indicator of consumers’ knowledge about a brand, the strength of a brand’s presence in the consumers’ minds and how easily that knowledge can be retrieved from memory (O’Guinn, Allen, and Semenik; 2009). When consumers know a certain brand, they tend to include that name in their personal consideration set (MacDonald and Sharp; 2000). It aids a consumer to understand which product or service category a particular brand belongs to and what products and services are sold under the brand name (De Chernatony and Segal-Horn; 2003). This suggests that a well-known brand is likely to perform better in the marketplace than a

lesser-known brand (Yoo, Donthu and Lee; 2000).

Brand awareness also comprises brand recognition, which is the ability of consumers to confirm that they have previously been exposed to a particular brand, and brand recall which reflects the ability of consumers to name a particular brand when given the product category, category need or some other similar cue such as brand logos (Liu, Liston-Heyes and Ko; 2010). Kevin Lane Keller, a Professor of Marketing Science in Tuck School of Business at Dartmouth College, in his book titled "*Strategic Brand Management*" (2013:73) stated that Brand awareness consists of brand recognition and brand recall performance can be described as follow:

1. Recognition

Brand recognition requires consumers to identify the brand under a variety of circumstances and can rest on the identification of any of the brand elements. The most basic recognition test gives consumers a set of individual items visually or orally and asks them whether they think they have previously seen or heard of these items (Kevin L. Keller 2013:339).

2. Recall

Brand recall is consumers' ability to retrieve the brand from memory when given the product category, the needs fulfilled by the category, or a purchase or usage situation as a cue.

Purchase Intention

The immediate determinant of whether consumers will engage in a particular behavior is their *intention* to engage in that behavior (Peter and Olson

2010:145). According to Peter and Olson (2010:150) predicting consumers' future behaviors, especially their purchase behavior is a critical aspect of forecasting and marketing planning. According to the theory of reasoned action (Fishbein 1980 cited by Peter and Olson 2010:150), predicting consumers' purchase behaviors is a matter of measuring their intentions to buy just before they make a purchase in order to accurately predict behaviors, marketers should measure consumers' intentions at the same level of abstraction and specificity as the action, target, and time components of the behavior. Measures of purchase intentions are often the best way to predict future purchase behavior. In addition, in the Purchase decision process, between evaluation stage and purchase decision, the consumer forms preference among the brands in the choice set. The consumer may also form an intention to buy the most preferred brand. This is often called purchase intention (Kotler and Armstrong 2014:177). According to Till and Busler (2000:6), 3 items are used to measure purchase intention, which are unlikely/likely, improbable/probable and definitely would not/definitely would, this measurement was also used by Cunningham, Fink and Kenix (2008:374). In this research, they used the positive statement to measure potential consumer intention to purchase. They are explained as follow:

1. Likely refers to the consumers' plan in purchasing a product.
2. Probable refers to the probability in purchasing a product.
3. Definitely would refer to the certainty in purchasing

Hypotheses:

- H1: Perceived product attributes influence consumer intention to purchase Screamous' product.
- H2: Brand awareness has significant influence on consumer intention to purchase Screamous' product
- H3: Brand awareness and perceived product attributes have significant influence on consumer intention to purchase Screamous' product simultaneously.
- H4: Brand Awareness is a dominant factor affecting consumer purchase intention on Screamous' product.

RESEARCH METHODOLOGY

Data collection and pre-processing

This research is an explanatory research, which is explained the relationship between independent variable toward dependent variable. This research applied purposive sampling, that is, respondents of this research should know every product that Screamous offer and often buy private label products. Furthermore, respondents of this research should people in the Malang City which is the target market of Screamous, in age range from 16 until 26 years old. Because, this study aim to evaluate the perception of potential screamous, the respondent should never buy or have the Screamous' product. The survey instrument use questionnaire that were distributed to 120 respondents in Malang City. Multiple item indicators were adapted by replicated the previous research (e.g Lee et al, 2011; Atigan et al., 2005; Yoo et al, 2000; Esch et al., 2006; Jin Suh, 2005). Pilot test was conducted to 30 respondents in Malang City in order to avoid data from bias.

Instrument research test was conducted through validity and reliability test to see whether the items in the questionnaire are valid and reliable. A Multiple Linear Regression was applied to analyze the data in order to determine the significance of independent variable toward dependent variable partially and simultaneously. Classical assumption test also use in this research to see whether the data are normally distributed or not and to avoid multicollinearity and heterosdascity, also to examine the linearity between independent variable and dependent variable.

FINDING AND DISCUSSION

Result

A total of 120 questionnaires was distributed and collected from people in Malang City. It can be concluded that the respondents that meets the respondent characteristic of this research majority are the college student, because, it were presented by 40.8% female and 59.2% male. In terms of age 75.0% of respondents belonged to the group 20-23 and almost 70% percents of the respondent latest education is senior high school and the other 30% is from the group of S1/S2/S3. Furthermore, about 80% of the respondent' occupation is student and 70% percent of respondent's income or allowance about 1.000,000 to 2.000.000 IDR in a month.

Statistical Result using SPSS 18.0 obtained that the corrected item-total correlation (r) in the *Perceived Product Attributes* variable ranging from 0.410 to 0.544 and *Brand Awareness* variable ranging from 0.426 to 0.609, then *Purchase Intention* variables ranged from 0.366 to 0.629

and the value of each item (r) greater than 0.3 (valid).

Table 1. Validity Test

Item	r	Explanation
Perceived Product Attributes		
PPA1	0.528	Valid
PPA2	0.509	Valid
PPA3	0.495	Valid
PPA4	0.484	Valid
PPA5	0.522	Valid
PPA6	0.535	Valid
PPA7	0.544	Valid
PPA8	0.410	Valid
Brand Awareness		
BA1	0.609	Valid
BA2	0.528	Valid
BA3	0.489	Valid
BA4	0.426	Valid
Purchase Intention		
PI1	0.629	Valid
PI2	0.529	Valid
PI3	0.476	Valid
PI4	0.366	Valid

All the variables have a value of Cronbach's alpha coefficient PPA 0.795, BA 0.723, PI 0.711 and are greater than 0.6, so it can be said that the question of instruments used in this study are reliable.

Table 2. Reliability Test

Variable	Croanbach Alpha	Explanati on
PPA	0.795	Reliable
BA	0.723	Reliable
PI	0.711	Reliable

VIF value of each variable (PPA and BA respectively by 2.283) is less than 10, it can be concluded that there is no multicollinearity (no relationship between the independent variables) of the data and also the tolerance value is less than 1 or 0.438.

Multicollinearity assumptions are met and there is no clear pattern, as well as points spread above and below the number 0 on the axis of the PI, then there is no heteroscedasticity (assumptions are met). The significant value of (Asymp. Sig. (2-tailed)) is 0.181 and the value of Kolmogorov-Smirnov is 1.096 which are greater than α (0.05), and it means the distributions of the residuals are normally distributed. And linearity test are fulfilled because the significant value ($p < 0.005$).

Table 3. Multiple Linear Regression Result

V	B	t _{score}	Significance
PPA	0.352	4.955	0.000
BA	0.565	7.961	0.000

The significant value of t test and f test variable PPA and BA are 0.000 which is less than 0.05, and it can be concluded that independent variable are influence significantly toward dependent variable partially and simultaneously. Dominant test result is BA variable is a variable that has the greatest standardized beta coefficient, that is equal to 0.565. This means that the variable PI is more influenced by variables BA rather than PPA. Adjusted R Square value is 0.737 These results explain the donation or contribution of independent variables (PPA and BA) were included in the regression equation to variable PI, is equal to 73.7%, while 26.3% was contributed by other variables that are not included in this equation.

α	= 0.050
R	= 0.861
Determination coefficient (Adj. R ²)	= 0.737
F-score	= 167.900
F-table (F _{2,117,0.05})	= 3.074
<i>Significance</i>	= 0.000
t-table (t _{117,0.05})	= 1.980

Discussion

Based on the research result, Perceived Product Attributes and Brand Awareness are influence their potential customer purchase intention both partially and significantly. It is same with the previous research of Lee et al (2012) also found that Perceived Product Attributes influenced Purchase Intention. It is also same with the research from Blijlevens et al (2009) that Perceived Product Attributes appearance influence potential consumer purchase intention. Although it affects the consumer purchase intention significantly with the value of 0.000 (less than 0.05) they still needed to pay attention on the product attributes because Screamous favorability might be decreases because there are many competitors in the same business. Other consideration is Brand Awareness. This research findings also same with the previous research from Tih and Lee (2013) that Brand awareness partially influence Purchase intention. Another research from Malik et al (2013) stated that brand awareness has strong association to Purchase

Intention. Although, it is also significantly influence Purchase Intention in the value of 0.000 (less than 0.05). Screamous still needed to pay attention on increases awareness toward their potential consumer. Because, it might be the predictor to stimulate the intention of prospective buyer. Screamous still have to build strong awareness to the people in Malang City.

Limitations

As well as other researches, the present research has certain limitations. Furthermore, it might provide directions for future research

1. First, the results which are obtained from potential consumer of a single retail-business might not be generalized. Different result might be obtained if the research includes potential consumer of other retail business in Malang.
2. Second, this research only uses two predictors that influence consumer purchase intention toward Screamous Product. Researcher suggests future researcher could find other factors that influence consumer purchase intention.
3. Third, limitation of this research is applied only to people in Malang as samples. Thus, this research cannot represent all Screamous potential consumer perception on Screamous product attributes and brand awareness in all Screamous branches in Indonesia.

CONCLUSION

Based on the research result, the conclusions of the research are as follow:

1. It can be concluded that Perceived Product Attributes has significant influence on Consumer Purchase Intention.
2. It can be concluded that Brand Awareness has significant influence on Consumer Purchase Intention.
3. It can be concluded that Perceived Product Attributes and Brand Awareness have significantly influence Consumer Purchase Intention simultaneously.
4. Based on the research result, Brand Awareness is the dominant variable that influences Consumer Purchase Intention.

ACKNOWLEDGMENT

Author would like to thanks to Dodi Wirawan Irawanto, SE., M.Com., Ph.D for the guidance given during the writing process. Writers also would like to thanks to Dr. Andarwati, SE., ME and Dian Ari Nugroho, SE., MM for the evaluation of this research.

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