

INCREASING THE CUSTOMER PURCHASE INTENTION OF SINAR JAYA BUS BY USING BRAND IMAGE AND PRICE

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Abstract: Bus is one of the modes of transportation that is still in demand by many customers this day in order to become inter-city transportation between provinces in the territory of Indonesia. There is a choice of transportation modes, so a Brand Image is needed to increase its own attractiveness for passengers and competitive Prices for ticket purchases. Ticket Purchase Intentions include several factors, such as Brand Image and Price. The influence of Brand Image and Price on interest in buying Sinar Jaya bus tickets is the purpose of this research. 130 respondents were selected, and this research used quantitative methods and SEM-PLS data. The results showed that the Brand Image on Purchase Intention has a positive effect, the Price on Purchase Intention has a positive effect, Brand Image on the Price has a positive effect, and Brand Image and Price have a positive effect on Purchase Intention.

Keywords: Brand Image, Price, Purchase Intention, Sinar Jaya bus, Ticket

Introduction

Transportation is a major need in the community's economic activities. The role of transportation has a very positive impact on the development of the region as a whole, especially in relations among organizations. Recognizing the importance of transportation, several parties decided to open a transportation service company that aims to help the community as well as to use transportation as a business sector.

One of the transportation companies that still survives today is PT Bus Sinar Jaya, which was founded in 1982. It is known as the bus of a million people. This is evidenced by the increasing number of passengers and buses that have reached more than 1,000 fleets.

Table 1. Recapitulation of Sinar Jaya Buses and Passengers in 2022

Month	Bus	Passenger
January	659	8009
February	575	6539
March	684	6110
April	646	9431
May	613	7618
June	699	8406
July	778	12343
Total		60456

Every passenger has different considerations for making decisions while traveling. Amidst the competition for other modes of transportation, the increase in the number of passengers is caused by several factors, namely the Price and the Brand Image of the bus.

Chrisnawan, Onibala, Yoanita octora, M, Setiawan, & Antony, (2019) stated that apart from the Price factor, Brand Image can also influence passengers to buy tickets after seeing the Price offered. Therefore, this study aims to determine the extent of the influence of Brand Image and Price on interest in buying Sinar Jaya bus tickets at Kampung Rambutan Terminal.

Literatur Review

Wang & Yang, (2010) explained that Brand Image is a set of brands in the consumer's memories about the brand itself. Meanwhile, according to Cretu and Brodie (2007), Brand Image is an important factor in consumers'

buying behavior, especially when consumers have difficulty distinguishing services based on intangible attributes. A Brand Image represents the overall perception of a brand and is shaped by brand information and experiences. Brand Image is related to attitudes in the form of beliefs and preferences towards a brand. In fact, consumers who have a positive image of a brand will be more likely to make a purchase (Susanti et al., 2020).

Moreover, the theory by Tanudjaja (2018) contended that Price is the only marketing element that provides the company's income, while the other three elements in the form of product, distribution, and promotion require expenditure of funds. In addition, Prices can be changed quickly. The amount of money needed to get goods and services or a combination of both is the definition of Price. Price is the only element of the marketing mix that can generate sales revenue, while the other elements are only cost elements.

Furthermore, Yuliani & Fahkrudin (2022) discussed that purchase intention is the inspiration gathered from buyers to buy an item after knowing about the characteristic of the item. Consumers' buying interest is the possibility that consumers will buy a brand or the possibility that consumers will switch from one brand to another.

Hypotheses

Brand Image - Purchase Intention

Kotler and Keller (2012) stated that companies or businesses need a trademark or brand to facilitate the process of identifying services. Consumers want to buy products based on the brands they are most interested in. In a previous study published by Torlak et.al, (2014); Gozali and Ruslim (2015); (Jalilvand & Samiei, (2012); Kala and Chaubey, (2018), it was stated that Brand Image has a significant positive impact on consumers' buying interest (Pentury et al.,2019).

H1: Brand Image has an effect on Purchase Intention.

Price - Purchase Intention

Tjiptono, Chandra (2017) said that Price can be understood as an amount (monetary unit) or other (non-monetary) aspects that contain several uses or needs to obtain a service, then the Price can be concluded as the amount needed in return for the benefits of the service. The Price of a service is a determinant of market demand, and Price is an important consideration for consumers when buying a service. In this case, it is stated that the Price has a positive and significant effect on buying interest (Yuliani & Fahkrudin, 2022).

H2: Price has an effect on Purchase Intention.

Brand Image - Price

Price is one of the factors that must be considered when the process of making purchasing decisions was made by consumers for certain services. If a service has a good Brand Image, it certainly has a Price that is in accordance with the benefits provided by the service. Therefore, if the Price offered is in accordance with the benefits and quality of the service, the Brand Image of the service is considered good, so consumers will decide to buy the service at an appropriate Price and have a good Brand Image (Hermiyenti & Wardi, 2019).

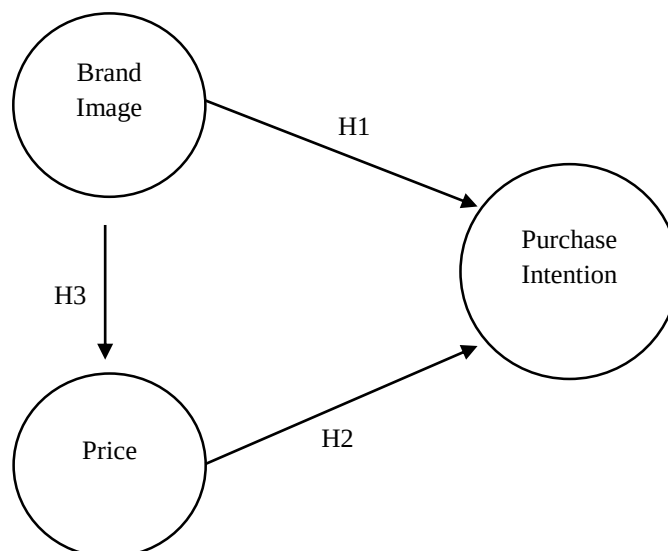
H3: Brand Image has an effect on Price.

Brand Image and Price – Purchase Intention

Kotler and Keller (2012) stated that to facilitate the process of identifying an item or service of a business requires a trade mark or brand. Consumers want to buy products based on the brands they are most interested in. Tjiptono, Chandra (2017) said that Price can be understood as an amount

(monetary unit) or other (non-monetary) aspects that contain several uses or needs to obtain a service, then the Price can be concluded as the amount needed in return for the benefits of the service. The Price of a service is a determinant of market demand, and Price is an important consideration for consumers when buying a service. it is stated that Brand Image and Price have a positive and significant effect on Purchase Intention (Pentury et al., 2019).
H4: Brand Image and Price have an effect on Purchase Intention.

Figure 1. Framework



Method

This research was quantitative and the population consisted of users of Sinar Jaya services. The sampling method for this study used probability sampling. The technique used was purposive sampling technique. This technique was a technique with certain criteria or considerations. The criteria used in this research were: respondents must be aged 17 years and over, respondents have certain jobs, respondents have travel purposes, and respondents use the services of Sinar Jaya. A sample of 130 respondents used the hair formula. A questionnaire distributed directly to the sample was used as a survey tool, and a Likert scale was used to obtain responses. Data were analyzed using SEM-PLS (Structural Equation Modeling Partial Least Squares) technique using SmartPLS software. This technique was used to identify the existence of a causal relationship, to determine the validity of the measurement model, to measure the hypothesis in the analysis of the relationship between variables, and to explain the dependent variable as measured by R^2 (Luki Chrisnawan1, M Onibala, Yoanita Octora, Edhie Budi Setiawan, 2019).

Table 2. Indicators

Variable		Indicator	Source
Brand Image	X1.1	Quality Evaluation	Usman & Aryani, (2020)
	X1.2	User Image	
	X1.3	Product Image	
Price	X2.1	The Price of the Bus is affordable.	Chrisnawan et al., (2019)
	X2.2	The Price matches my consumption level.	
	X2.3	I am satisfied with the Price offered.	
	X2.4	Price offered more affordable than competitors	
Purchase Intention	Y1	Integrity and development will affect willingness to use the bus	Luki Chrisnawan1, M Onibala,
	Y2	To keep a good relationship with the bus	

Y3	Recommend the Bus to others	Yoanita
Y4	Commitment & promotions	Octora, Edhie
Y5	Purchase Intention behaviour	Budi Setiawan, (2019)

Discussion and Result

Validity and Reliability Testing

Validity test

Calculations supported by SmartPLS give the following results:

Figure 2. PLS Algorithm

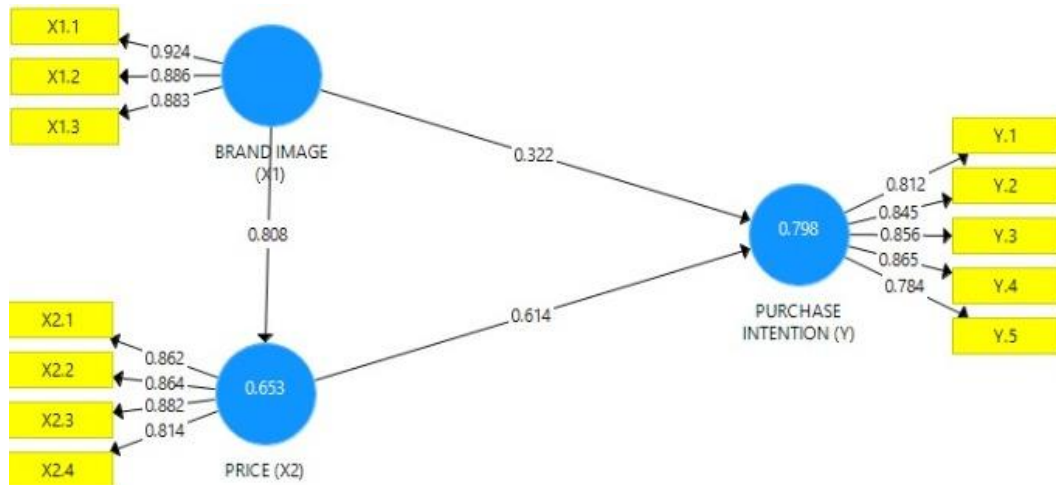


Table 3. Validity Test

Variable	Brand Image (X1)	Price (X2)	Purchase Intention (Y)	Result
X1.1	0,924			Valid
X1.2	0,886			Valid
X1.3	0,883			Valid
X2.1		0,862		Valid
X2.2		0,864		Valid
X2.3		0,882		Valid
X2.4		0,814		Valid
Y.1			0,812	Valid
Y.2			0,845	Valid
Y.3			0,856	Valid
Y.4			0,865	Valid
Y.5			0,784	Valid

Convergent validity aimed to determine the validity of each indicator. The rule of thumb used for convergent validity was the value of outer loading > 0.7 , communality > 0.5 and Average Variance Extracted (AVE) > 0.5 . Based on the data in Figure 2, all statements were declared valid because the validity value was > 0.70

Reliability test**Table 4. Reliability Test**

Variable	Composite Reliability	Average Variance Extracted (AVE)	Result
Brand Image (X1)	0,926	0,807	Reliable
Price (X2)	0,916	0,732	Reliable
Purchase Intention (Y)	0,919	0,649	Reliable

On Table 4, the square root of the AVE for each variable was higher than the corresponding coefficient for the other variables. This measure was acceptable for each variable that had a good determinant of validity. From the discriminant validity test, all Brand Image, Price, and Purchase Intention variables were validated as AVE scores exceeding 0.60 each.

The Goodness of Fit test**Table 5. R Square**

	R Square	R Square Adjusted	Result
Purchase Intention (Y)	0,798	0,795	Moderate
Price (X2)	0,653	0,65	Moderate

The grade for the R-squared value of 0.75 was strong, 0.50 was medium, and 0.25 was weak. Based on the R^2 values of the two variables, it involved the relevance of the Q2 predictions. The fit of the structural model can be checked from the Q-square as follows:

$$\begin{aligned}
 Q^2 &= 1 - (1 - 0,798) (1 - 0,653) \\
 &= 1 - (0,202)(0,347) \\
 &= 1 - 0,070094 \\
 &= 0.92
 \end{aligned}$$

The resulting Q-squared was 0.92. Because the Q-square was higher than 0.07. This model has been shown to have predictive relevance of strong value.

Hypotheses Test

Table 6. Path coefficients and T-values

Path	Original Sample (O)	T Statistics	P Values	Result
Brand Image (X1) -> Price (X2)	0,808	15.422	0.000	Accepted
Brand Image (X1) -> Purchase Intention (Y)	0,322	3.822	0.000	Accepted
Price (X2) -> Purchase Intention (Y)	0,614	7.091	0.000	Accepted

Hypothesis testing in this study used the T-statistics and T-table values. If the T-statistic value obtained was greater than the T-table value, it means that the hypothesis was supported (accepted). On table 6, it can be stated that Brand Image of Price was 0.808; Brand Image for Interest was 0.322; The Price for buying interest was 0.614; Brand Image and Price have an effect of 79.8% on Purchase Intention.

Conclusion

Based on data analysis above, the result can be seen that the effect of Brand Image on Price is positive and significant, Brand Image on buying interest has a positive and significant effect, and Price has a positive and significant effect on buying interest. It means that Brand Image and Price have a significant positive effect on buying interest. This is in accordance with previous research by Luki Chrisnawan¹, M Onibala, Yoanita Octora, Edhie Budi Setiawan, (2019), Jalilvand & Samiei, (2012), Pentury et al.,

(2019). It is known that Brand Image and Price have a positive and significant influence.

Managerial Implications

Based on the above conclusion, It is known that PT Sinar Jaya is able to provide good service and affordable Prices so that passengers will reuse Sinar Jaya bus services. However, PT Sinar Jaya needs to inform how to buy tickets in accordance with the existing outline, both online and offline because based on Purchase Intention behavior data (Y5), it gets the lowest score.

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