



Brand Image: Its Influence on Youku Application Purchase Decisions

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Abstract. The relatively small user base of the YOUKU application in comparison to other apps can be attributed to individual perceptions of the product, which influence potential consumers' choices when making purchase decisions. This research aims to investigate the impact of brand image on purchasing choices within the context of a video streaming application, specifically YOUKU. The study targets UPI students in the Management Study Program who are familiar with the YOUKU app, with a sample of 52 individuals selected using the saturated sample method. Data analysis encompasses both descriptive and inferential approaches, facilitated by the Partial Least Square 4 (PLS 4) analysis tool. The findings revealed that all indicators related to brand image significantly influenced purchasing decisions. This study's significance lies in its capacity to offer valuable insights to YOUKU management and the digital entertainment industry, emphasizing the importance of cultivating a strong brand image to enhance user purchasing decisions.

Keywords: Brand Image; Purchase Decision; YOUKU App.

1 INTRODUCTION

Consumers have diverse reasons for choosing a product. Consumers will determine a product to consume or not usually based on purchasing decisions [1]. Currently, the development of technology and social media has become part of daily activities, including when someone is going to buy a product. Technology has affected the way consumers seek information and gather opinions before making purchase decisions. Consumers tend to use online-based facilities such as user reviews, testimonials, and recommendations from friends or influencers to help them choose the right product. An example of a product that can be viewed online is a streaming application. In Indonesia, streaming applications have many brands, one of which is the YOUKU application. The YOUKU application is a streaming application based in China and contains videos or films from China.

The existence of digitization has made video streaming applications a part of daily activities. This statement is supported by data [2], which shows that 58.8% of internet users in Indonesia spend their time watching videos, TV, and movies. In Indonesia, one

of the digital entertainment industries is the YOUKU application. The YOUKU application when compared to other competitors, has a challenge in increasing the number of subscribers that needs to be overcome. Purchasing decisions are consumer behavior based on certain motives and drives [3]. Hence, it is crucial to gain insights into the elements that shape consumer choices concerning this application. One factor thought to wield substantial sway over these decisions is the brand image. This assertion is corroborated by the idea that a positive brand and product image can motivate potential purchasers to favor specific brands over others [4]. This robust brand image characterizes how prospective consumers perceive a brand and exerts an impact on their perspectives when they make purchasing choices.

Previous studies have consistently demonstrated a favorable association between brand image and the choices consumers make when they decide to purchase products. According to research [5], these investigations have indicated that brand image exerts an impact on the decision-making process when it comes to making purchases. Similarly, research has suggested that brand image plays a crucial role in influencing consumers' decisions to buy Wardah brand powder products [6]. Nevertheless, there have been studies with comparable variables that have yielded disparate results, failing to establish a positive correlation. Research [7] revealed that there was no statistically significant effect of brand image on purchasing decisions. Furthermore, both brand image and price variables were deemed to have no bearing on the dependent variable, which is purchasing decisions [8]. The disparities in these findings can be attributed to variations in research subjects, geographical locations, and underlying theories. In the context of this present study, it aims to empirically examine and analyze the impact of brand image on purchasing decisions within the YOUKU application specifically among UPI management students.

Based on the observed phenomena and issues mentioned earlier, the primary objective of this study is to investigate the influence of brand image on the purchasing choices made by UPI management students. This research employs quantitative research methodologies, using inferential descriptive analysis techniques.

1.1 Brand Image

Brand image refers to how consumers perceive a brand, which is shaped by their associations and impressions of that brand [9]. As per [4] perspective, a positive brand and product image can motivate potential buyers to choose certain brands while disregarding others. According to [10], brand image is the cognitive process through which individuals evaluate, structure, and interpret incoming information to form a coherent mental representation. Another opinion from [11], brand image is defined as the collective mental impression of a product held by consumers. This perspective views the brand's significance to consumers as information stored in memory, serving as a guiding factor in decision-making. Brand image aids consumers in distinguishing their preferences and desires regarding a brand in comparison to its competitors.

According to [12], brand image indicators encompass the following elements:

1. Advantages of brand associations, one of the factors contributing to brand image is the product's superiority, where it outperforms its competitors.
2. The strength of brand association, every reputable brand possesses significance and distinct characteristics, which enable brand owners to convey and manifest them through various promotional activities.
3. The uniqueness of brand association: This aspect underscores the distinctiveness of the product and its associated attributes.

1.2 Purchase Decision

Consumer decisions are decisions that include a brand image, quality, and price discounts on products from that brand [13]. According to [12], the stages passed by the customer are a learning experience, product selection, and use and disposal of products or services that do not match the needs, wants, and tastes of consumers. Furthermore, according to [9], purchasing decisions are consumer processes to identify problems, find information about products, and evaluate how well products can solve their problems that lead to purchasing decisions.

The purchasing decision-making process according to [14] is shown in Figure 1:

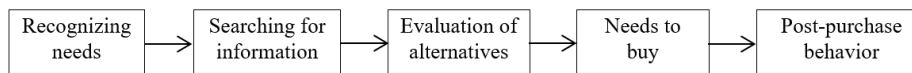


Fig. 1. Purchase Decision Process.

According to [15], there are six indicators of purchasing decisions, including:

1. Product selection
2. Brand choice
3. Distributor selection
4. Time of purchase
5. Number of purchases
6. Payment methods

1.3 Framework

From [4] it was stated that a positive brand and product image will motivate potential purchasers to favor specific brands and disregard alternatives. The same thing was also mentioned [16], brand image is a key in brand development, because it directly influences consumer trust in brands and determines consumer purchase intentions. Followed by [1], consumers will determine a product to consume or not usually based on purchasing decisions.

From [10], brand image is defined as a process in which a person selects, organizes, and interprets the inclusion of information to create a meaningful image. According to [12] brand image indicators are the superiority, the strength, and the uniqueness of brand associations. Meanwhile, according to [12], purchasing decisions are the stages that customers go through, namely experience in learning, product selection, use, and

disposal of products or services that do not match the needs, desires, and tastes of consumers. According to [15], purchasing decision indicators consist of product choice, brand choice, dealer choice, purchase time, purchase amount, and payment method.

From the explanation above, the following hypothesis is generated as shown in Figure 2.

H₁: Brand image influences purchasing decisions.



Fig. 2. Research Paradigm.

2 METHODS

This study uses a quantitative approach because the data obtained was processed in numerical form. The object of this research was the YOUKU application with the respondent's criteria namely UPI management students who know the YOUKU application. The population of respondents in this study is also the research sample because it has a total sample of less than 100. Thus, this study uses a sampling technique with a saturated sample method. The data collection process was carried out using primary data, namely distributing questionnaires using a Likert scale of 1 to 5. The tool used to analyze the data was Partial Least Square 4 (PLS 4) with the stages of inferential analysis method through validity test (AVE), reliability, R-Square, and the value of the hypothesis test.

3 RESULTS AND DISCUSSION

The data obtained were taken from 52 respondents with 56% male and 44% female with an age range of 18 years to 24 years old who came from four batches in UPI management. Results of descriptive analysis based on the outer model are the loading factor on the two variables, brand image and purchase decision, have a value above 0.7 in each indicator. This means that all of these indicators have a strong influence on constructing variables. The highest loading factor value in the brand image is found in the CM2 which is strength of brand association and the smallest loading factor value is found in the CM3 which is uniqueness of brand association. These values indicate that in this research, brand association plays a major role in attracting the attention of potential consumers and customers to the YOUKU application. Furthermore, the highest loading factor value in the purchase decision is found in the KP3 or application security. This is because the YOUKU application has good security from various aspects such as security in payments and confidentiality of user data. Then at the smallest loading factor value, there is an indicator of KP2 or on-brand strength. After all, YOUKU application has not received overall support from consumers because the YOUKU application contains mostly only one type of drama, namely Chinese drama. This affects the

diversity of consumers who are interested in this application with different video or film tastes.

In the AVE or Average Variance Extracted value, there is a limit to the value requirement, namely that each variable must have a value of more than 0.5. In this research, the AVE value in brand image and purchase decision have fulfilled the boundary value requirements and are said to be valid. Furthermore, the reliability test used is composite reliability (ρ_a) and Cronbach's alpha values. Both of these values have a limit value requirement of 0.7 for each variable. This means that brand image and purchase decision are very reliable to continue research. For R square test, it can be seen that the magnitude of the independent variable can explain the dependent variable. The value is 0.748 which means that the purchase decision can be explained 74% by brand image and 26% can be explained by others like price and product quality. The hypothesis test looks at the original sample which states positive or not, the statistical T value indicates the level of significance, and the P value where the hypothesis is declared accepted or not, which applies to the independent variable to the dependent variable. The result shows that brand image variable has a positive effect on the purchase decision variable. Furthermore, the t-count hypothesis test > 1.67591 is declared significant, and the P value where the hypothesis is declared accepted if the P value < 0.05 . From the data above it can be seen that the t-count value is 19,999 which means it is significant and the P value is < 0.05 which means the hypothesis is accepted.

Based on the results of data processing using PLS4, brand image has a positive effect on purchasing decisions on the YOUKU application. The stronger and more positive brand image, the higher the interest of potential customers to make purchasing decisions on the YOUKU application. The explanation of the results of each indicator in the brand image variable is that the indicator with the highest score, namely strength of brand association, can be assumed that brand image can build a positive reputation and increase the popularity of YOUKU to create opportunities to compete with competitors. Thus, YOUKU will become increasingly well known to the public and will be retained by many consumers. Furthermore, the YOUKU application has good security from various aspects such as security in payments and confidentiality of user data. These results are supported by the opinion of [4] which suggests that a favorable brand and product image can incentivize prospective customers to choose products from particular brands while disregarding others. In addition to the opinion of [4], previous research is also in line with the results of this study such as research conducted by [17] that there was a significant influence of brand image on consumer purchasing decisions. Likewise, other studies state that brand image affected purchasing decisions [6].

4 CONCLUSIONS

Based on the data analysis and the results of the research discussion described earlier, it can be concluded that there was a positive and significant influence of brand image on purchasing decisions in the YOUKU application. This shows that the stronger and more positive the brand image, the higher the interest of potential consumers to make purchasing decisions on the YOUKU application. Therefore, internal parties who are

responsible for the brand must seriously pay attention to the brand image so that it is expected to increase the number of product purchases.

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