ABSTRACT

BRAND EQUITY EFFECT ON IMPROVEMENT OF PURCHASE DECISION OF THE BOTOL SOSRO (STUDY ON ECONOMICS FACULTY STUDENTS IN LAMPUUNG UNIVERSITY)

By

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Ready to drink tea products in similar packaging with various advantages that made consumers more flexible to choose products that fit with their desire are increasing today. Teh botol sosro is one, which is the market leader in packaged ready to drink tea segment. With tight increasing on businesses competition, requires the company to create a quality product and strong brand equity in order to capture existing market share. By having strong brand equity, a product will be able to compete and dominate the market. The issue discussed in this study is: whether the brand equity consists of brand awareness, brand association, perceived quality and brand loyalty influence improvement of purchase decision of teh botol sosro.

This study aims to determine the effect of brand equity which are consist of brand awareness, brand association, perceived quality and brand loyalty to improvement of purchase decision of teh botol sosro, and which elements are the most dominant that influence improvement of purchase decision of teh botol sosro. The
sampling method used in this study is non-random sampling or incidental sampling. Samples taken in this study were 60 respondents.

The means of analysis consist of both qualitative and quantitative analysis. Based on the calculation using significance level of 0.05 was found that brand awareness is significant at 0.287, brand association is significant at 0.526, perceived quality is significant at 0.037, and brand loyalty is significant at 0.183. With differences in values of probability, it can be concluded that the perceived quality has more dominant influence on improvement of purchase decision than other variable. Logistic binary regression model accuracy test with Hosmer and Lemeshow test found that \( \chi^2 \) 0.997. This figure is greater than 0.05 that makes Ho accepted. Nagelkerke value of \( R^2 \) equal to 0.916 means that the brand equity variables are able to affect improvement of purchase decision for 91.6\%, while the remaining value are affected by other variables outside the model.

Based on this research, advice can be given by the author to the company are continue to conduct intensive promotion campaign such as co-bundling with several restaurants, cafes or canteens, continue to develop and promote teh botol sosro less sugar product, maintaining the quality of teh botol sosro product that has been very good, and the company can make an attractive promotions such as sweepstakes for teh botol sosro consumers so that they can induce consumers to increase purchases and recommend teh botol sosro products to others.