

The Influence Of Brand And Price On Consumer Purchase Intention Of Sunco Cooking Oil Products At Fresh Supermarket Ayahanda Medan

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ABSTRACT

Cooking oil is one of the basic necessities for the Indonesian people. The problem faced by the cooking oil company is a significant decline in sales among several other cooking oil products. This research finding out how price and brand affect purchase intention is the goal of this study of Sunco Cooking Oil Products at Fresh Supermarket Ayahanda Medan. Data collection by distributing questionnaires/surveys to 82 respondents. The model used with Multiple Regression and processed through SPSS. The study's findings indicate that price and brand have a considerable impact on purchase intention, respectively. R Squared is the value of 0.601 or 60.1%, which means Brand and Price account for 60.1%, and the rest is explained by other factors.

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1. INTRODUCTION

In the cooking oil industry, competition between brands is very tight, with various products competing to attract consumer interest through various marketing strategies. Sunco cooking oil, one of the well-known brands in Indonesia, is facing challenges in maintaining its market share amidst intense competition from other brands. Brand and price are two crucial factors that influence consumer purchase interest in this category.

Data shows that brands with a good reputation tend to be more trusted by consumers. A survey by Nielsen in 2023 revealed that more than 70% of Indonesian consumers consider brand as the main factor in purchasing decisions, especially for consumer products like cooking oil. Brand often becomes the main factor in influencing how customers view a product's worth and quality. Consumers tend to trust brands with a good reputation, so a strong brand can increase consumer loyalty and purchase interest.

Sunco itself is known for its health campaigns, such as the claim of "non-freezing cooking oil" and the use of high-quality raw materials, which aim to shape the brand image as a healthy and safe product for consumption. This positive image enhances consumer loyalty and trust in Sunco.

On the other hand, price also plays an important role in purchasing decisions, especially in the category of staple products that often affect household budgets. In accordance with Central Statistics Agency statistics, around 80% of cooking oil consumers in Indonesia have a preference for affordable prices and are sensitive to price fluctuations. This means that, although well-known brands like Sunco have appeal, consumers still consider price in their purchasing decisions.

Brand and price are one of the key marketing strategies often used by companies to attract consumer interest in making purchases. Image or reputation is the knowledge and belief of the public towards the company regarding the products and services it produces. Image is influenced by factors beyond a company's control [1].

When consumers are making decisions about what to buy, price is a 'input' that will affect the 'process' (such as perception, motivation, and intention) and result in the 'output'. (such as loyalty, purchase intention and buying) [2]. Price is the most important aspect of marketing because the price set can generate profits or cause losses for the producer. For buyers, the price can affect their purchasing power, the utility, and the benefits of the product/service, which in turn can influence consumer interest in buying the product/service [3]

Thus, research on understanding how brand and pricing affect consumers' desire to buy Sunco cooking oil goods is crucial for comprehending the always shifting market dynamics. The findings of this study can offer producers strategic insights and marketers in designing competitive pricing policies and maintaining a positive brand image in the market.

2. METHOD

2.1. Research Approach

This a study that uses numerical[4] data to ascertain the impact of independent variables on dependent variables is called research. This study is classified as associative research[5] based on the level of explanation. The goal of associative or causal research, sometimes known as cause-and-effect relationships, is to observe whether a variable acting as an independent variable affects another variable that becomes a dependent variable.

This research uses a qualitative descriptive design, which is conducted to obtain an overview by collecting data, seeking facts, and then explaining and analyzing the data through data organization and collection, subsequently interpreted based on existing theoretical foundations. The variables in this study are Brand (X1), Price (X2), and Purchase Intention (Y).[6]

2.2. Population and Sample

According to Sugiyono[7], a sample is a subset of a population's size and composition. In the meanwhile, the sample technique employs the random sampling technique. The random sampling method is just that—a random method. In other words, anyone who happens to meet the researcher can use them as a sample. By using this technique, the researchers gathered respondents from consumers who shopped at Fresh Supermarket Ayahanda Medan in June 2024. The sample for this research was extracted using the Slovin formula with a significance level of 10%. The sample for this research consisted of 82 individuals.

2.3. Data Collection Technique

The data collection technique[8] this study uses observation to track conditions and circumstances, then sequential recording. The next data collection method involves creating a list of questions or statements in the form of a questionnaire directed at respondents, as well as data in the form

of books, archives, documents, written numbers, and images in the form of reports and descriptions that can support the research.

3. RESULTS AND DISCUSSION

3.1. Description of Respondents Characteristics

The characteristics of the respondents were obtained through the results of a questionnaire filled out by 82 respondents. The features of the respondents, such as gender and age, that will be discussed below mirror the conditions of the respondents under study in tables 1 and 2.

a. Respondent Characteristics Based on Gender

Table 1 below shows the respondents' attributes according to their gender.

Table 1. Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Pria	26	31,7	31,7	31,7
Wanita	56	68,3	68,3	100,0
Total	82	100,0	100,0	

Source: SPSS-processed primary data

Table 1 indicates that the quantity of males is 26 (31.7%) of the total respondents and the number of women is 56 (68.3%). Therefore, this study is dominated by female respondents rather than male.

b. Respondent Characteristics Age

Table 2. Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 21-30 year	17	20,7	20,7	70,7
31-40 year	41	50,0	50,0	50,0
41-50 year	20	24,4	24,4	95,1
51-50 year	4	4,9	4,9	100,0
Total	82	100,0	100,0	

Source: SPSS-processed primary data

Table 2 indicates that the respondents aged 31-40 years numbered 41 people (50.0%), followed by those aged 21-30 years with 17 people (20.7%), then respondents aged 41-50 years with 20 people (24.4%), and finally those aged 51-60 years with 4 people (4.9%). The age group 21-30 years dominated with 41 people (50.0%).

3.2. Validity and Reliability Testing

3.2.1 Validity test

To ascertain whether the items in the questionnaire that the respondents were shown were feasible, a validity test needs to be conducted. If the validity of each statement is greater than (>) 0.30, then the statement is considered valid[9].

Table 3. Validity Test (X₁) Brand
 Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Cronbach's Alpha if Item Deleted
X1.1	40,44	25,237	,516	,862
X1.2	40,35	24,577	,699	,846
X1.3	40,40	26,416	,446	,866
X1.4	40,33	26,396	,451	,866
X1.5	40,40	24,095	,685	,847
X1.6	40,41	24,962	,627	,852
X1.7	40,39	24,883	,748	,844
X1.8	40,45	24,794	,637	,851

Source: Primary Data Processed with SPSS

The validity values are located in the Corrected Item Total Correlation column, which indicates the correlation values between the scores of each item and the scores in the respondents' answer tabulation, as seen in Table 3 above, which displays the SPSS results. Since all of the coefficient values for the eight statements on the brand variable are higher than 0.30, the validity test findings can be deemed legitimate.

Table 4. Validity Test (X₂) Price
 Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Cronbach's Alpha if Item Deleted
X3.1	22,48	8,178	,528	,746
X3.2	22,32	8,614	,534	,743
X3.3	22,37	9,050	,462	,761
X3.4	22,22	9,433	,419	,770
X3.5	22,30	8,091	,661	,710
X3.6	22,40	8,540	,556	,738

SPSS was used to process the primary data.

The validity value, or the correlation value between each item's score and the score in the respondents' answer tabulation, may be found in the Corrected Item Total Correlation column of Table 4 above, which displays the SPSS results. Since all of the coefficient values are higher than 0.30, the validity test findings for the six (six) statement items on the price variable can be deemed legitimate.

Table 5. Validity Test (X₃) Purchase Intention
 Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Cronbach's Alpha if Item Deleted
Y.1	22,30	4,782	,530	,594
Y.2	22,38	5,226	,341	,657
Y.3	22,30	5,054	,468	,617
Y.4	22,43	5,260	,347	,654
Y.5	22,43	4,890	,409	,634
Y.6	22,55	4,843	,365	,653

Source: SPSS-processed primary data, November 2024.

Findings from the validity test The Corrected Item Total Correlation column, which indicates the correlation value between each item's score and the score in the respondent's answer tabulation, contains the validity value, as Table 5 demonstrates. All six statements on the buying interest variable passed the validity test since all of the coefficient values were higher than 0.30.

3.2.2 Reliability test

The degree to which a measuring device exhibits precision, accuracy, or exactness is known as its reliability. The Cronbach's alpha of a questionnaire is considered reliable if it is greater than 0.60 and unreliable if it is equal to or less than 0.60. The table below, which displays the reliability statistics, will demonstrate the validity of the questionnaire statements that the author sent to the study's participants.

Table 6. Reliability Statistics

Cronbach's Alpha	N of Items
,868	20

Source: Primary Data Processed with SPSS, November 2024

According to the SPSS results in Table 6 above, the statements given to the respondents, which comprise 20 items, had a Cronbach's Alpha value of $0.868 > 0.60$ are reliable or can be considered dependable.

3.3. Hypothesis Testing.

3.3.1 t-test

Partial tests essentially show the extent of the influence of each independent variable, Brand (X1) and Price (X2), on purchase intention. (Y).

Table 7. T-test Results (Parsial)

Coefficients ^a			
Model		t	Sig.
1	(Constant)	2,719	,008
	Brand (X1)	6,492	,000
	Price (X2)	2,381	,020
a. Dependent Variable: Purchase Intention (Y)			

Source: SPSS processing of primary data

The following can be inferred from the t-test findings in Table 7 above:

- 1) The Brand variable has a t-value of 6.492 and a significance value of 0.000. This indicates that the Brand variable's t-value ($6.492 > t\text{-table } (1.990)$), meaning we accept H_a and reject H_0 . In conclusion, the brand (X1) has an effect. And the significance value of $0.000 < 0.05$, meaning the brand variable is significant to the purchase intention variable.
- 2) The Price variable has a t-value of 2.381 and a significance value of 0.020. This indicates that the Price variable's t-value ($2.381 > t\text{-table } (1.990)$), meaning we accept H_a and reject H_0 . In conclusion, the price (X2) has an effect. And the significance value of $0.020 < 0.05$, meaning the price variable is significant to the purchase intention variable.

3.3.2 F Test

This F-test essentially shows whether all the independent variables included in the model have a joint effect on the dependent variable[10].

Table 8. F-Test Result (Simultas)

ANOVA ^a						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	329,802	3	109,934	39,158	,000 ^b
	Residual	218,979	78	2,807		
	Total	548,780	81			
a. Dependent Variable: Purchase Intention (Y)						
b. Predictors: (Constant), Brand (X1), Price (X2)						

Source: The primary data was processed using SPSS.

In Table 8 above, it can be concluded that the calculated f value is 39.158 and the significance value is 0.000. This indicates that the calculated f value (39.158) > table f value (2.72), meaning the calculated f value is larger. And the significance value of 0.000 < 0.05, it can be concluded that brand and price simultaneously have a positive and significant effect on purchase intention.

3.4. Determination Test (R2)

Table 9. F-Test Result (Simultas)

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,775 ^a	,601	,586	1,676
Predictors: (Constant), Brand (X1), Price (X2)				
b. Dependent Variable: Purchase Intention (Y)				

SPSS was used to process the primary data.

In Table 9 above, it can be seen that the R Square value of 0.601, which can be referred to as the coefficient of determination, in this case, means 60.1%. (dipilih karena tidak ada terjadinya pengeliminasian butir pernyataan di validitas). This shows that the brand and price variables are quite capable of explaining the purchase intention variable by 60.1%. Meanwhile, the remaining 100 percent - 60.1% = 39.9% is explained by other factors or variables that were not examined in this study.

4. CONCLUSION

It is possible to draw the following conclusions from data analysis and conversation about how price and brand affect consumers' desire to buy Sunco cooking oil goods at Fresh Supermarket Ayahanda Medan:

- Brand and price have a positive and significant effect on consumer purchasing interest in Sunco cooking oil products at Fresh Supermarket Ayahanda Medan.
- Brand has a positive and significant partial effect on consumer purchasing interest in Sunco cooking oil products at Fresh Supermarket Ayahanda Medan.
- Price has a positive and significant partial effect on consumer purchasing interest in Sunco cooking oil products at Fresh Supermarket Ayahanda Medan.

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