

# The Impact of Brand Image, Price, and Service Quality on Purchase Decisions in Memos Travel

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## Abstract

*The goal of this research is to determine the brand image, price, quality of service, and purchase decisions on Memos Travel and to find out how the effect of brand image, price, and quality of service on purchasing decisions partially or simultaneously on Memos Travel purchasing decisions. Brand image is one of the factors considered to have an impact on the purchase decision of a customer while purchasing an airplane ticket. In the minds of customers, Memos Travel is believed to have a strong reputation. In addition to the brand image, the next aspect that is considered to influence customer buying decisions maybe price. Memos Travel provides premiums for plane tickets that are significantly lower than the prices of rivals. Service quality is the next aspect that can affect purchase decisions. The bulk of customers are pleased with the Memos Travel service. But while it has been helped by these three factors, due to a decline in customer purchase decisions to buy airplane tickets on Memos Travel, it is currently unable to raise the revenue received by Memos Travel. The method of analysis used is descriptive and verification techniques. Consumers who would buy airplane tickets are the population and the sample in this report. Purposeful sampling was the sampling approach used. Using multiple linear regression, correlation coefficient analysis, coefficient determination analysis, and hypothesis testing, data processing was done. Based on the research findings, it can be inferred that there is an effect on purchase decisions at Memos Travel between brand image, price, and service quality either partially or concurrently.*

**Keywords:** Brand image, Price, Service quality, Purchase decision.

## Introduction

The development of the transport sector affects the lifestyle of people who take advantage of technological advances, especially in the tourism sector. The rise in the number of domestic and foreign flights in Indonesia is attributed to changes in the community's lifestyle and is one of the main factors associated with a rising public interest in using iron birds as a way of traveling. In today's Digital Era, Online Travel Agent (OTA) offers a range of services that allow customers to get anything you need to access Air Transportation, from offering simple and varied methods of ordering and paying, to different deals for lower prices. Before they make a purchase, several variables are believed can impact a customer, one of these variables is brand image, price, quality of service. Purchase decisions are the final steps, both goods, and services, made by customers before making a purchase. Purchasing decisions are the development of customer attitudes to process all information gathered that is affected by the environment, finance, technology, politics, culture, goods, costs, places, promotions, individuals, procedures, and physical evidence that will

conclude (Alma, 2013). There is a decline in Memos Travel earned revenue, which is believed to be attributed to a decrease in customers' ability to buy airplane tickets on Memos Travel. The decrease occurred in 2019, leading to losses for Memos Travel. Throughout 2019, revenue from Memos Travel has fluctuated or increased and decreased in the amount of revenue received, but was dominated by a substantial decrease that could damage Memos Travel. The hypothesis that has been put forward is inversely proportional to the fact agreed by Memos Travel that the decision to buy tourist airplane tickets on Memos Travel should be increased with a good brand picture. In reality, it is not able to increase the revenue earned by Memos Travel through the phenomena and variables mentioned, since there has been a decline in the amount of income earned by Memos Travel during 2019, resulting in losses obtained by Memos Travel. This research is backed by Soebakir et al. (2018) research that the brand, price, and service quality variables simultaneously influence buying decisions at the Manado Imaji Warehouse Coffee Shop and previous Adyanto (2018) research.

Quality of service, brand awareness, price, and product confidence have a simultaneous effect on Berrybenka.com's e-commerce buying decisions. Researchers must know "the influence of Brand Image, Price, and Service Quality on Purchasing Decisions in Memos Travel " based on the problems previously mentioned.

### Review for Literature

The authors sulked on several earlier studies to complement this research, although previous studies can be seen in the following table:

No.	Research	Title of	Results	Source
1.	Andres Prijaya Chandra and Thomas Santoso (2019)	The effect of brand image, product quality, and price on Mini Melts Outlet Surabaya buying decisions.	The findings show that the image of the brand has a major positive impact on Mini Melts customers' buying decisions. This means that customers purchase a product by looking at the logo of the brand they have. Is this thing well-known to the public or not.	AGORA, 7(1), (2019)
2	Budi D. Soebakir, Bode Lumanauw, and Ferdy Roring (2018)	The effect on consumer decisions to buy at a coffee shop Gudang Imaji Manado The influence of brand, price and service quality	At the Manado Imaji Warehouse Coffee Shop, variables such as brand, price, and service quality jointly affect buying decisions.	EMBA Journal. 6(4). 2018, 3843 - 3852
3	Brian Cahyo Adyanto (2018)	The effect of quality of service, brand image, price, and product trust on buying decisions (Berrybenka.com e-commerce service study)	The findings that service efficiency, brand image, price, and trust products have a simultaneous impact on purchase decisions on e-commerce Berrybenka.com are based on the results of hypothesis testing.	Diponegoro Journal of Management, 7(1), 2018, 1-20

### Brand Image

The brand picture is the consumer's perception of a brand as a reflection of the connections that exist in the minds of customers, according to Kotler and Keller (2016). In terms of selecting Male's MUA in Bandung (Gina, 2020), the brand image also has a positive impact on choice.

### Price

According to Kotler and Armstrong (2016), price is the amount of money spent on a product or service or the amount of value that customers exchange to acquire a product or service profit or possession or use. Price is the only part of the marketing mix that gives income or revenue to businesses, according to Tjiptono and Gregorius (2016).

### Service Quality

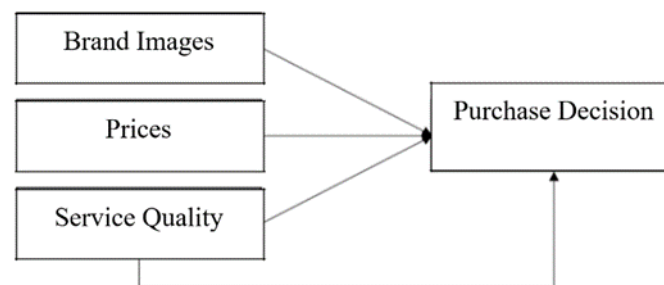
According to Tjiptono and Gregorius (2016), the degree of excellence required is service quality and the level of control over these benefits to fulfill customer desires.

### Purchase decision

The decision process of the buyer consists of five phases, according to Kotler and Armstrong (2016), identification of needs, a quest for knowledge, evaluation of alternatives, purchasing decisions, and post-purchase actions. The purchasing process begins well before the actual transaction and continues well after the purchase because it is not just a purchasing decision.

### Framework to Consider

To facilitate the research in this study, this study aims to explore the relationship between brand image, price, and service quality on purchasing decisions in Memos Travel. A theoretical structure is developed as shown below:



### Hypothesis

The author formulates the following hypothesis for research:

1. The brand name has a huge effect on the purchase decision on Memos Travel.
2. There is a major effect on purchase decisions on Memos Travel between rates.
3. The level of service has a huge effect on purchase decisions on Memos Travel.
4. There is a major impact on purchase decisions on Memos Travel between brand picture, price, and service quality.

### Methodology

The impact of brand image, price, and service quality on purchase decisions on Memos Travel is the focus of research in this report. Using methods of descriptive study and verification as methods

of science. Calculate how many samples to use by using the Zikmund formula. 96.04 is for the sample size after measuring the result. The number of samples used in this research was then rounded down to 100 respondents. As a sample determination, the purposeful sampling procedure is used since the respondents used to comply with the researcher's requirements. For analysis, qualitative and quantitative analyses are used as processing techniques. In qualitative research, using an ordinal scale based on the Likert scale technique as an indicator calculation. The quantitative analysis using the SPSS Statistics Package and Social Science (Statistics Kit and Social Science) software program 20 for Windows, statistical methods are used so that researchers are aware of respondents' responses. Using multiple linear regression, correlation coefficient analysis, coefficient determination analysis, and hypothesis testing, analysis data processing is performed in SPSS calculations.

### **Discussion**

Based on the characteristics of the 100 respondents who are prospective purchasers of Memos Travel, it can be seen that women dominate flight ticket information seekers, namely most (56 percent) aged 20-30 years (40 percent), who have student jobs (35 percent) earning less than 3,000,000 rupiahs, so it can be said that women who are university students are seekers for plane tickets. It shows that the measured  $r$  value is greater than the  $r$  table, namely 0.197, based on the results of the validity test, and all variables show valid information. The test results prove, based on the results of the validity test, that all the testing instruments are correct. This analysis has an alpha greater than 0.60.

### **Hypothesis Results**

Hypothesis	Tcount	Ttable
The brand reputation has a big effect on buying choices in Memos Travel	2,699	1,985

$H_0$  is ignored and  $H_a$  is approved based on the hypothesis testing criteria. It can therefore be inferred that the brand picture ( $X_1$ ) has a significant effect on purchase decisions ( $Y$ ) on Memos Travel.

Hypothesis	Tcount	Ttable
The price has a big effect on purchase decisions for Memos Travel	2.679	1.985

The hypothesis that  $H_0$  is rejected and  $H_a$  is accepted is based on the research criteria. It can therefore be inferred that price ( $X_2$ ) has a major effect on purchase decisions ( $Y$ ) on Memos Travel.

Hypothesis	Tcount	Ttable
A purchase decision on Memos Travel is greatly affected by service quality	3.595	1.985

The hypothesis that  $H_0$  is rejected and  $H_a$  is accepted is based on the research criteria. It can therefore be inferred that the efficiency of the service ( $X_3$ ) has a huge effect on purchase decisions ( $Y$ ) on Memos Travel.

Hypothesis	Fcount	Ftable
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In purchase decisions on Memos Travel, there is a major influence between brand image, price, and service quality	3.595	1.985
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There is a major impact on Memos Travel between the brand image (X1), price (X2), and service quality (X3) on buying decisions (Y).

### **Discussion**

The association between brand image variables and purchase decisions was obtained from the findings of this report, which means that brand image affects purchasing decisions on Memos Travel. Several previous studies, including research performed by Chandra and Thomas (2019), support the findings of this report, which results in a positive and important influence of the brand image on the buying decisions of buyers of Mini Melts. This implies that if customers purchase a product by looking at the brand image it has, whether or not this item is well known to the public and previous studies by Wijayanto and Suharti (2018), The picture of a brand has a positive and powerful influence on purchase decisions. The nature of this effect indicates that the greater the brand image at Warung Makan Lotekmania Jl, it will increase customer buying decisions. Yogyakarta Peace No. 12. From the findings of this report, the relationship between the price variable and the buying decision is extracted, which means that the price has an effect on Memos Travel purchasing decisions. Several prior studies, including research performed by Igir et al. (2018), support the findings of this study. This results in a positive and important impact of the price variable on the decision to purchase a Daihatsu Gran Max Pick Up car at PT. The results of the analysis by Astra International Tbk Daihatsu, the Malalayang branch, and previous research conducted by Ismayana and Nur (2018) show that price has a positive and important impact on buying choices. This ensures that customers can be motivated to make purchases by the correct pricing. The relationship between service quality variables in purchasing decisions is obtained from the findings of this report, which indicates that service quality affects purchasing decisions on Memos Travel. Several prior studies, including research performed by Soeprajitno et al. (2018), support the findings of this study. The service quality variable has a positive and significant function or effect, but the importance is more important than the variable, resulting in service quality partially or independently having a significant impact on buying decisions and prior research conducted by Wulandari (2019). Another one against a buying decision. The relationship between the variable brand image, price, and service quality on purchasing decisions is obtained from the results of this analysis, which indicates that the brand image, price, and service quality have a simultaneous impact on purchasing decisions on Memos Travel. Several previous studies, including research conducted by Soebakir et al. (2018), the variable brand, price, and standard of service jointly influence the purchasing decision at the Manado Imaji Warehouse Coffee Shop and previous research conducted by Adyanto (2018), support the findings of this study, The findings indicate that service quality, brand image, price and product confidence have a simultaneous effect on buying decisions on Berrybenka.com e-commerce, based on the results of hypothesis testing.

### **Conclusion**

It can be inferred as follows, based on the findings of analysis and discussion:

1. The effect of the brand image on buying decisions is 32.49 percent, while the remaining 67.51 percent is affected by other variables not analyzed in this analysis. For instance, such as promotion, lifestyle, experiential marketing, and so on and brand image has an influence on buying decisions because the count is 2,699 > table 1,985, so Ha is accepted and H0 is rejected.

This indicates that the buying decision (Y) on Memos Travel is partly influenced by the brand picture (X1).

2. Price has a 41.17 percent effect on purchasing decisions, while the remaining 58.53 percent is affected by other factors not analyzed in this analysis, such as advertising, lifestyle, experiential marketing, etc. and price influences purchasing decisions since the count is  $2.679 > t_{table} 1.985$ , so that  $H_a$  is approved and  $H_0$  is rejected. This illustrates that the buying decision (Y) on Memos Travel is partly influenced by the price (X2).
3. Service quality has a 45.02 percent impact on purchasing decisions, while the remaining 54.98 percent is affected by other factors not analyzed in this analysis, such as advertising, lifestyle, experiential marketing, etc and service quality influences purchasing decisions because of the  $3.595 > t_{table} 1.985$  count, so  $H_a$  is approved and  $H_0$  is rejected. This illustrates that the quality of service (X3) partly determines the purchasing decision (Y) on Memos Travel.
4. The effect of brand image, price, and service quality has a 52.8 percent joint impact on purchasing decisions, while the remaining 47.2 percent is affected by variables not analyzed in this analysis, and brand image, price, and service quality have a simultaneous impact on Memos Travel purchasing decisions because  $F_{count} 35.785 > F_{table} 2.70$  accepts  $H_a$  and rejects  $H_0$ . This demonstrates that there is a major impact on Memos Travel between brand image (X1), price (X2), and service quality (X3) on buying decisions (Y).

### **Suggestions**

The suggestions that the researchers may offer are as follows, based on the results of the study, discussion and conclusions obtained:

1. By widening the target market or company target, steps that can be taken to boost Memos Travel brand awareness can be accomplished. Companies are told first to research how competitive the company is, beginning from the target market. It is possible that Memos Travel would be best understood by the general public if the organization conducts research properly.
2. Providing airline ticket packages that include baggage so that buyers do not need to recalculate the amount of money they have to pay if it is included with luggage are steps that can be taken to take advantage of the price offered. This is because it will make it easier to make purchases for customers.
3. By separating or grouping the Instagram social media account administrator and the social media account website, steps that can be taken to enhance the quality of services offered can be achieved so that the administrator of the two social media accounts can respond rapidly to user messages.
4. Steps that can be taken to improve the willingness of consumers to purchase airplane tickets on Memos Travel can be achieved by designing advertising campaigns so that consumers are interested in buying airplane tickets on Memos Travel. If customers purchase airplane tickets for more than 5 people or more, this incentive scheme could be in the form of giving discounts.

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