IMPACT OF BRAND EQUITY ON CUSTOMER PURCHASE INTENTION
(NIKE SHOES AS A STUDY CASE)

By

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PANEL OF EXAMINERS
APPROVAL SHEET

The Panel of Examiners declare that the skripsi entitled “The Impact of Brand Equity on Customer Purchase Intention (Nike as a Study Case)” that was submitted by Hardian Ruben Hasiholan Lumban Tobing majoring in International Business from the Faculty of Business was assessed and approved to have passed the Oral Examinations on February 14th, 2014.

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This skripsi entitled “The Impact of Brand Equity on Customer Purchase Intention (Nike as a Study Case)” prepared and submitted by Hardian Ruben Hasiholan Lumban Tobing in partial fulfillment of the requirements for the degree of Bachelor in the Faculty of Business has been reviewed and found to have satisfied the requirements for a skripsi fit to be examined. I therefore recommend this skripsi for Oral Defense.

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DECLARATION OF ORIGINALITY

I declare that this skripsi, entitled “The Impact of Brand Equity on Customer Purchase Intention (Nike as a Study Case)” is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Cikarang, Indonesia, January 2014

Hardian Ruben Hasiholan Lumban Tobing
ABSTRACT

This study is motivated by growing phenomenon about competition between existing brands and the emergence of newly brands that joint in market competition especially for footwear products. Particularly, this study examines Nike efforts to maintain its position as market leader by forming and improving brand equity. The problem of this study was to analyze whether the brand equity of brand awareness, brand association, perceived quality, brand loyalty influence on consumer’s purchasing intention for Nike shoes. The aim of this study is analyze the influences of the fourth brand equity elements on consumer’s purchasing intention for Nike shoes. After literature review and hypothesis development, the data was collected by questionnaire using accidental sampling method toward 100 respondents. The methods of data analysis is multiple regression using SPSS software. The data that has subjected to validity, reliability, and classic assumption tests. Hypotheses test using t test shows that the fourth independent variables used in this study significantly influences dependent variable. F-test reveal that all independent variables are adequate to test dependent variable. Adjusted R Square of 0.276 shows that 27.6 percent of Purchasing Intention variance is explained by the fourth independent variables in regression equation, whereas the other 72.4 percent is explained by other variables.

Keyword: Purchasing Intention, Brand Awareness, Brand Association, Perceived Quality, Brand Loyalty
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# TABLE OF CONTENT

PANEL OF EXAMINERS .................................................................................. ii
APPROVAL SHEET ....................................................................................... ii
SKRIPSI ADVISER ...................................................................................... iii
RECOMMENDATION LETTER ....................................................................... iii
DECLARATION OF ORIGINALITY ............................................................ iv
ABSTRACT ................................................................................................. v
ACKNOWLEDGEMENT ............................................................................... vi
TABLE OF CONTENT ............................................................................... vii
LIST OF TABLE ........................................................................................ x
LIST OF FIGURE ....................................................................................... xi

CHAPTER I ............................................................................................. 1
INTRODUCTION ......................................................................................... 1
  1.1 Research Background ....................................................................... 1
  1.2 Problem Identification .................................................................... 4
  1.3 Statement of Problem ....................................................................... 5
  1.4 Research Objective .......................................................................... 5
  1.5 Research Limitation ......................................................................... 6
  1.6 Definition of Terms .......................................................................... 6
  1.7 Significance of the Study ................................................................. 7

CHAPTER II ........................................................................................ 8
LITTERATURE REVIEW ............................................................................ 8
  2.1 Theoretical Review .......................................................................... 8
    2.1.1 Brand .......................................................................................... 8
    2.1.2 Brand Equity .............................................................................. 9
      2.1.2.1 Brand Equity Definition ...................................................... 9
      2.1.2.2 Brand Awareness ............................................................... 12
      2.1.2.3 Brand Association ............................................................. 13
      2.1.2.4 Perceived Quality ............................................................... 15
2.1.2.5 Brand loyalty ................................................................. 16
2.1.3 Consumer Behavior .......................................................... 18
2.1.3.1 Factors Affecting Consumer Behavior ................................. 18
2.1.4 Customer Purchasing Intention .............................................. 20
2.2 Previous Research .................................................................. 23
2.3 Theoretical Framework .............................................................. 24
CHAPTER III ............................................................................. 27
METHODOLOGY ........................................................................ 27
3.1 Research Design ....................................................................... 27
3.2 Operational Definition ............................................................... 27
3.2.1 Operational Definition of Variables ........................................ 27
3.2.2 Measurement Scale of Variable ............................................... 29
3.3 Sampling Design ...................................................................... 30
3.3.1 Population and Sample .......................................................... 30
3.3.2 Sampling Technique ............................................................... 30
3.4 Research Instrument ................................................................ 32
3.5 Reliability and Validity ............................................................... 32
3.6 Data Analysis .......................................................................... 33
3.6.1 Descriptive Analysis ............................................................... 33
3.6.2 Classical Assumption Test ....................................................... 33
3.6.2.1 Normality Test .................................................................. 33
3.6.2.2 Heteroscedasticity Test ....................................................... 34
3.6.2.3 Multicollinearity Test .......................................................... 34
3.6.3 Multiple Regression Analysis .................................................. 35
3.6.4 Hypothesis Test .................................................................... 36
3.6.4.1 F-test ................................................................................. 36
3.6.4.2 Partial Test (t-test) ............................................................... 36
3.6.4.3 Coefficient Determination ($R^2$) .......................................... 37
CHAPTER IV ................................................................. 38
ANALYSIS AND INTERPRETATION ................................................. 38
4.1 Company Profile ..................................................................... 38
4.2 Data Analysis ..............................................................39
  4.2.1 Descriptive Analysis........................................39
  4.2.2 Validity Test..................................................42
  4.2.3 Reliability Test.............................................44
  4.2.4 Classic Assumption test ..................................45
  4.2.4.1 Normality Test ........................................45
  4.2.4.2 Multicollinearity Test ................................47
  4.2.4.3 Heterosedasticity Test ................................48
  4.2.5 Hypothesis Test ............................................49
    4.2.5.1 Multiple Regression Test ..........................49
    4.2.5.2 F-test ..................................................51
    4.2.5.3 Partial Test (t-test) ................................52
    4.2.5.4 Coefficient Determination ($R^2$) ...............55
  4.3 Interpretation of Result ......................................56
    4.3.1 Brand Equity ............................................56
CHAPTER V ...........................................................58
CONCLUSION AND RECOMMENDATION ..................58
  5.1 Conclusion ....................................................58
  5.2 Recommendation .............................................59
REFERENCES .........................................................60
APPENDICES ........................................................63
# LIST OF TABLE

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 3.1</td>
<td>Operational Variables</td>
<td>28</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Likert Scale</td>
<td>30</td>
</tr>
<tr>
<td>Table 4.1</td>
<td>Characteristics of Respondents by Gender</td>
<td>40</td>
</tr>
<tr>
<td>Table 4.2</td>
<td>Characteristics of Respondents by Age</td>
<td>41</td>
</tr>
<tr>
<td>Table 4.3</td>
<td>Characteristics of Respondents by Occupation</td>
<td>41</td>
</tr>
<tr>
<td>Table 4.4</td>
<td>Recapitulation Result of Independent Variable Validity Test</td>
<td>42</td>
</tr>
<tr>
<td>Table 4.5</td>
<td>Recapitulation Result of Dependent Variable Validity Test</td>
<td>43</td>
</tr>
<tr>
<td>Table 4.6</td>
<td>Reliability Test</td>
<td>44</td>
</tr>
<tr>
<td>Table 4.7</td>
<td>Multicollinearity Test</td>
<td>48</td>
</tr>
<tr>
<td>Table 4.8</td>
<td>Multiple Regression Test</td>
<td>50</td>
</tr>
<tr>
<td>Table 4.9</td>
<td>F-test Table</td>
<td>52</td>
</tr>
<tr>
<td>Table 4.10</td>
<td>T-test Table</td>
<td>54</td>
</tr>
<tr>
<td>Table 4.11</td>
<td>Coefficient of Determination Test</td>
<td>55</td>
</tr>
</tbody>
</table>
# LIST OF FIGURE

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Casual Shoes 2012</td>
<td>4</td>
</tr>
<tr>
<td>1.2</td>
<td>Casual Shoes 2013</td>
<td>4</td>
</tr>
<tr>
<td>2.1</td>
<td>Brand Awareness Pyramid</td>
<td>12</td>
</tr>
<tr>
<td>2.2</td>
<td>Purchase Intention Process</td>
<td>22</td>
</tr>
<tr>
<td>2.3</td>
<td>Theoritical Framework</td>
<td>26</td>
</tr>
<tr>
<td>4.1</td>
<td>Histogram Graph</td>
<td>46</td>
</tr>
<tr>
<td>4.2</td>
<td>Normal P-P Plot</td>
<td>47</td>
</tr>
<tr>
<td>4.3</td>
<td>Scatterplot Graph</td>
<td>49</td>
</tr>
</tbody>
</table>
CHAPTER I

INTRODUCTION

1.1 Research Background

Nowadays, Indonesia has created a potential market for any class consumers. FMCG which include food and beverage, household care and personal care become trigger for consumers growth in Indonesia (Kurniawati, 2013). As the increasing of consumption ability, the market also become bigger and more competitive for each industry. This condition makes every company in Indonesia has been forced to make innovation to fulfill the customer demands. To fulfill those demands companies are competing with each other but those companies should careful in facing each other to gain more profit by expanding their business.

Brand that has a good perception generally will be more attractive to potential customers to re-purchase because they believe that the brand has a good quality and reliable. If the company is able to build a strong brand in mind or customer retention through appropriate marketing strategy, the company will be able to build its brand. Thus the brand of a product can provide added value to its customers expressed a brand that has brand equity.

According to Aaker (in Rangkuti, 2002) brand equity is a set of brand assets and liabilities which associated with a brand, names, and symbols and able to increase or decrease the value provided by a product or service to the company or any customer. If the customer is not interested in a brand and buy the product because of the characteristics of the product, price, comfort, and with just a little care brands, means there are low possibility of brand equity. Meanwhile, if the customer is likely to buy a brand despite the presence of competitors that bid superior products, for example in terms of price and practicality, then the brand has a high equity value.
Brand equity can be grouped into five basic categories (Aaker, 1997), which are brand awareness, brand association, perceived quality and brand loyalty, also other proprietary brand assets. By building the brand equity from the five categories, it can provide a positive distribution to potential consumers (Durianto, 2001). The attempt to attract consumers in footwear products is the recognition of a brand, because the brand itself is the minimum level of brand awareness. According to Aaker in 1997, brand awareness is the ability of a potential buyer to recognize or recall that a brand is a part of a particular product category (Durianto, 2001). This category illustrates the existence of footwear brand in the minds of consumers who have been affected by a variety of promotional activities which are integrated so successfully in unit sales of products and expand its market.

Brand associations is important for footwear companies. Brand association is any impression that comes to mind relates to a memory of a brand. A brand that has been established will have a prominent position in the competition because it is supported by strong associations. Then perceived quality is the customer's perception of the quality or superiority of a product or service associated with the expected criteria by customer. Perceived quality has an important role in build a brand because it can serve as an important reason to make the purchase consideration and make the customers to the brand which will be selected that will ultimately affect customers in deciding which brand to buy.

Brand loyalty based on the consistent behavior of the customer to buy a brand as a form of customer learning process over the brand's ability to meet their needs. Aside from being a form consistent purchasing behavior, brand loyalty also form of positive attitude towards the customer and a commitment to customers of other brands. This size may be able to give an idea of whether a customer to switch to another product brand or not, especially if the brand is found has a change, either in relation to price or other attributes.

Another assets of brand equity are royalty, licensing / trademark and patent rights. Amir (2005) said the level of equity is determined by the extent to
which consumers will see it as a brand (brand awareness), the presence of the expected quality conformity (perceived quality), the association of a thing with a particular brand (strong association), the consequences of brand, for example the quality or value of resistance and other such legalization owned (trademark).

For helping the needs of company, Top Brand Award has established to help measuring companies position in the market. Top Brand Award is the appreciation for brands which categorized as top brand. This Top Brand Award using three criterias, those are mind share, market share, and commitment share. In the last two years (2012, 2013) there are a new category of Top Brand Award. Casual shoes category starts with ten brands competing to achieve the top brand title in 2012 but it has been decreased into seven brands competing for the title. Adidas, Nike, Bata, Reebok, Eagle, Converse, All Star, Ardiles, New era, and Specs are casual shoes category brands for 2012, in 2013 there are two other brands that compete in casual shoes category, these brands are Puma and Kasogi. Nike, Inc. is a leading supplier and marketer of apparel, footwear, and sport equipment.

Founded in 1964 a company called Blue Ribbon Sports (BLS) which later known as Nike Inc. by Knight (nikeinc.com). In the beginning Nike Inc. sell the sport equipment but by the time Nike Inc. entered the fashion industry by producing casual shoes. In the few years of 1980s, the market of high-priced performance footwear has been flat and the fashion industry of casual shoes increasing. This condition makes Nike change their target market to younger consumer because the market demand of teenager’s casual shoes are increasing (Pedersen, 2010). Nowadays, the rapid development of internet among teenager has became the good advertise media for Nike. Nike also received other award such as “No.1 Most Innovative Company” from Fast Company magazine in 2013.
From figure 1.1 and figure 1.2 Nike cannot reach the first rank in casual shoes category, while Bata can shows a good improvement to reach the first rank and Adidas has been beaten. Though from figure 1.1 and figure 1.2 shows the stable performance from Nike in casual shoes category. (Top Brand, 2013)

1.2 Problem Identification

Consumption ability of Indonesia people has been increasing which makes purchasing intention has becoming more important aspect to help a company compete with other competitor in market. To know which aspects that become a reason for customer decision is a key that company should understand. According to Susanto (2004), a strong brand is a clear differentiator, valued, and sustainable to assist a company in marketing strategy.

Customer in making decision before buying product can be influenced by different factors or reasons. The most common factor which influence customer in making decision is to buy the preferred brand but there are other factors that can come between the intention to buy and buying decision, such as social factors and unexpected factors (Kotler, 2007). There are reason which makes customer
decide to buy casual shoes. Design, quality, and brand are the reason that influence customer intention in buying casual shoes.

The main competitor for Nike is always Adidas. But since the products between Nike and Adidas not much different in design and quality, the rest of the competition between these two brands lies in marketing strategies. Nike which is always in second rank of casual shoes segment for two years (2012,2013) even has been leading in brand awareness by the company with the famous tagline “Just do it” and the logo “Swoosh”, with this coupled serve instantly remind consumer to Nike empire.

This study has a purpose to analyze the impact of brand equity on customer purchasing intention.

### 1.3 Statement of Problem

The objective of this research is to analyze the factors that influence customer purchasing intention of Nike footwear based on the Nike’s performance in the last two years (2012,2013)

1. How the brand awareness influenced customer purchasing intention?
2. How the brand association influenced customer purchasing intention?
3. How the perceived quality influenced customer purchasing intention?
4. How the brand loyalty influenced customer purchasing intention?
5. How the brand equity elements simultaneously influenced customer purchasing intention?

### 1.4 Research Objective

In this research, researcher would like to find out and analyze the impact of brand equity elements partially and simultaneously on customer purchasing intention of Nike shoes.

1. Researcher would like to Analyze the influenced of brand awareness on customer purchasing intention.
2. Researcher would like to Analyze the influenced of brand association on customer purchasing intention.

3. Researcher would like to Analyze the influenced of perceived quality on customer purchasing intention.

4. Researcher would like to Analyze the influenced of brand loyalty on customer purchasing intention.

5. Researcher would like to Analyze the simultaneous influenced of brand equity elements on customer purchasing intention.

1.5 Research Limitation

This research is focussing on Nike shoes performance for the last two years (2012-2013). Due to the limitation amount of the time on doing research, researcher will be held the research around Paris Van Java mall Bandung. There is a characteristic of respondents that will be choosen as sample: people who wearing Nike shoes and the possible as Nike shoes customer. So those customer has a preference by experienced.

1.6 Definition of Terms

1. Brand equity defined as a set of brand-related liabilities of a brand, name, and symbol, which increase or decrease the value that provided by a goods and services to the company or the customer. (Widjaja, 2007).

2. Brand awareness is the ability of a potential customer to recognize or recall that a brand is part of the category of a particular brand. (Aaker, 1997).

3. Brand association is anything that relates directly or indirectly with a memory of customer towards a brand (Aaker, 1997).

4. Perceived quality, when a brand considered to provide a good quality product, can be measured by reason to buy, price, availability, and a level of differentiation (Aaker, 1997).

5. Brand loyalty is a loyalty that customer gives to the brand (Kartajaya, 2004).
1.7  Significance of the Study

1. As an input in evaluating Nike footwear through customer’s point of view in order to help PT Nike Indonesia setting the next marketing strategy in Indonesia footwear industry.
2. As a reference for further study with a similar theme.
3. And for researcher, this study is one of prerequisites to meet the graduation of undergraduate program in President University and as an academic exercise from the knowledge that researcher acquired over education in Faculty of Economy, President University.
CHAPTER II

LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Brand

A brand is a name, term, symbol, design, or combination of those four elements, which identifies and distinguishes the company’s products from competitor’s products (Charles W. Lamb, 2001). The brand name is part of a brand that can be spoken, including letters, words and numbers. Brand has major purposes: product identification, repeat sales and sales of new products. And the ultimate goal is the identification of the product. Brands allow companies to differentiate their product from all other products.

The meaning and role of the brand in a very important business, according to Kotler and Keller (2007) the brand is a name, term, symbol or design or a combination of those elements which are intended to identify products or services produced by the seller or group of sellers and differentiate them from the competitors. Brand is a product that has been added with the other dimensions that make these products to be different compared to the other products that both designed to fulfill the same needs. Such differences could be something emotional and intangible related to what is expected to be represented by the brand.

In determining a policy of brand, corporate brand strategy is required. According to Kotler (2007), there are five choices of brand strategy:

1. New Brand
   Using a new brand for a new product category. This strategy is often used by companies.
2. Line Extention
Brand development strategy is using well known brand name which is familiar to customers to introduce additional variations such as new flavors, colors, package sizes on product category using a same brand name.

3. Brand Extention
Using a brand that already exist for the new products or a strategy to use one brand name for all the products.

4. Multibrand
Using the new brand for old product category. With this approach, the products are same but the brands are different. So company could have multiple brands for the same products.

5. Co-brand
Two or more well-known brands are combined in one offer. Each brand sponsor expects that other brands will strengthen the brand preference or interests of customers.

2.1.2 Brand Equity

2.1.2.1 Brand Equity Definition

There are a lot of understanding in the concept of brand equity, the financial perspective, brand equity as the net present value (NPV) of future cash flows generated by a brand. In other words, brand equity is calculated based on the incremental value above the value obtained without the brand product (Tjiptono, 2005).

Widjaja (2007) defines brand equity as a set of brand-related liabilities of a brand, name, and symbol, which increase or decrease the value that provided by a goods and services to the company or the customer.

Knapp (2001) defines brand equity as the totality of brand perceptions, includes the relative quality of goods and services, financial performance, customer loyalty, satisfaction and brand recognition.
David A.Aaker defines brand equity as a set of brand assets and liabilities linked to a brand's name and symbol, which is able to increase or decrease the value provided by a product or service to the company as well as to enterprise customers. If a brand name and symbol change, either part or all of the assets and liabilities of the brand, then the resulting effect may result in gains or losses for the company.

David A.Aaker (1997) wrote that brand equity is divided into four categories:

1. **Brand Awareness**
   
   Ability of a potential customer to recognize or recall that a brand is a part of the particular brand category

2. **Brand Association**
   
   Any impression that comes to the mind which associated with the brand

3. **Perceived Quality**
   
   Customer perceptions of the overall quality or superiority of a product or service which is equal to the expected mean

4. **Brand Loyalty**
   
   A loyalty which customer given for a brand

5. **Other Proprietary Brand Assets**
   
   Other assets include patents, trade marks, access to markets, access to technology, access to resources, etc.

The Company directly or indirectly will build brand equity, so the product (goods/services) which offered to customer is the right choice for them because brand equity is increasing the value of products.

Companies that managed to create a good brand equity will gain a competitive advantage. According to Kotler (2007), the competitive advantage of high brand equity are:
1. The company will has a less marketing costs due to customer awareness and brand loyalty is high.

2. The company will has a stronger position in negotiations with distributors and retailers because customers expecting them to sell the brand.

3. Companies can charge a higher price than its competitors because the brand is believed to have a high quality.

4. Company will be easy to launch a brand extension because the brand has high credibility.

5. Brands that protects the company from price competition.

The advantages of brand equity is not only provides benefits for the company, but also can provide benefits to customers. According Humdiana (2005), brand equity delivering value to customers, among others:

1. Brand equity assets help customers to interpret, process, and store large amounts of information about products and brands.

2. Brand equity gives confidence to customers in making purchasing decisions, either it is because of their personal experiences.

3. Perceived quality and brand associations can strengthen customers satisfaction with the experience of using it.

To build brand equity, company should has the necessary elements of a brand, such as the name and logo that has positive associations, unique and fun to be recognized by customer. Brand’s elements is a visual and verbal information are used to identify and distinguish a product/service/company name. Those elements are brand names, logos, symbols, characters, slogans, and packaging. The criteria that should be applied to selecting a good brand elements are as follows: easily recognizable and memorable, have a sense of fun, attractive, credible, suggestive and have a lot imagination of both visual and verbal, shall be protected by law. A good equity that will add value to the company and the customer.
2.1.2.2 Brand Awareness

Awareness of one brand can illustrates the presence of the brand in customer’s mind, also demonstrated the ability of a potential customer to recognize or recall a brand that can be decisive in several categories and usually has a key role in brand equity. Brand awareness is a very important element of equity for the company because of brand awareness can directly affect brand equity.

Brand recognition is the minimum level of brand awareness. The next level is a brand recall, brand recall is based on a person's ability to refer to a brand without tools. The next stage is when the brand was first mentioned in the recall of a product or service, at this stage of a brand that has been foremost in the mind, or in other words, the brand became the most remembered brand in the mind of a person.

According to David A.Aaker (1997) brand awareness is the ability of a potential customer to recognize or recall that a brand is part of the category of a particular brand.

**Figure 2.1**

*Brand Awareness Pyramid*

*Source: David A.Aaker, 1997*
a) Top of Mind
   Brand was first mentioned by the customer or the first that come to customers mind. In other words, the brand is the main brand of the various brands that exist in the minds of customers.

b) Brand Recall
   Remembering the brand without any assistances.

c) Brand recognition
   The minimum level of brand awareness in which introduction of a brand appears after the recall through the aid.

d) Unaware of Brand
   The lowest level in the brand awareness pyramid, where customer did not aware of any brand recall, despite being done through the aid.

Raising awareness is a mechanism to expand the brand market. Consciousness also affects perception and behavior. Brand awareness is a key asset of the brand or a key to get into other elements. So if consciousness is very low then it is almost certain that the brand equity is also low (Durianto, 2004).

Customer awareness of the brand can be used by companies to provide a deeper understanding of the brand to customer. Role of brand awareness is helping brand to be understood by examining how brand awareness creates a value (Durianto, 2001).

2.1.2.3 Brand Association

Brand association is any impression that comes to someone’s mind who is associated with his memory about a brand. According to David A.Aaker (1997) brand association is anything that relates directly or indirectly with a memory of customer towards a brand.

Brand association is anything that appears and memories associated with the consumer about a brand. Brand associations reflect a brand's image to a certain impression related to habits, lifestyle, benefits, attributes, product, geographic, prices, competitors, celebrities, and others (Durianto, 2001).
Various brands associations which are interconnected will lead to a link called brand image. The more associations are connected together, the stronger the brand image is owned by the brands (Durianto, 2001). Associations which are related with a brand, usually connected to various factors of the following:

a) Product attributes

Associating attributes or characteristics of a product is the most commonly used of positioning strategy. Developing these associations are effective because if attributes are meaningful, associations can be directly translated into a brand purchase reason.

b) Intangible attributes

An intangible factor is a common attribute, such as perceived quality, technological advancement, or the impression of summarizing a set of attribute values that objective.

c) Customer benefit

Most of the product attributes provide benefits to customers, then there is a relationship between customer and manufacturer.

d) Utilization

This approach associate the brand to a particular user.

e) Customer

This approach associate the brand to a user or customer of the product.

f) Famous person or celebrity

Associate a famous person or celebrity to a brand which can transfer a strong associations owned by the famous person to the brand.

g) Lifestyle

Associate brand to a lifestyle inspired by the customer brand association with the various personality and lifestyle characteristics which almost identical.

h) Competitors’ services

Knowing the competition and trying to match or even surpass the competition.

The function of brand association in forming brand equity is:

1. Assisting the preparation of brand information
2. Differentiating the brand with other brands
An association can provide an important foundation for the attempt of differentiating a brand with the others.

3. A reason for customer to buy
Brand associations generate various product attributes or benefits for consumers which can provide a specific reason for consumers to buy and use the brand.

4. Create a positive attitude towards the brand
Associations can create positive feelings on the basis of experiences into something different.

5. As a basis for brand expansion
An association can generate a basis for an expansion by creating a sense of compatibility between the brand and a new product, or create a reason to buy the product expansion.

2.1.2.4 Perceived Quality

According to David A. Aaker (1997), perceived quality is the customer’s perception of the overall quality or superiority of a product or service with the same purpose. Perceived quality is one of the key dimensions of brand equity.

Perceived quality has important attributes that can be applied in various ways, such as (Durianto, 2001):

1. Actual or objective quality
   Expansion to a portion of the products or services that provide better service.

2. Product-based quality
   Characteristics and quantity of elements, parts, or services supplied.

3. Manufacturing quality
   Conformance to specifications, the flawless results (zero defect).

Perceived quality is the customer’s perception of the quality of a branded product/service companies. This perceived quality will form the perception of quality about product in the eyes of customers because the perceived quality is the
customer's perception. Products will not be favored and will not last long on the market if perceived quality from customer is negative, otherwise if positive customer perception of quality, then the product will be preferred and can last a long time in the market.

Based on the statement, as the manufacturer, it is something that must be done really well, for the appearance and performance of resulted product. Companies should produce quality products and services more than competitors can produced. As a major part of the company's strategy to achieve sustainable excellence in both as a market leader and as well as a strategy to grow.

2.1.2.5 Brand loyalty

The best move to repeated sales is satisfied consumers. Particular brand helps customer identify products that will bought back and avoid buying products that they do not want. Product loyalty is consistent preference on the brand is high enough to exceed other brands in several product categories (Lamb, Hair and Mc Daniel, 2001).

Brand loyalty is a reflection of the level of attached customer with a brand of products/services. Brand loyalty is very influential on customer vulnerability from competitors, it is very important and related to the future performance of the company. Some customers are very loyal to a brand and will not easily move their purchases to other brands, so it can show brand loyalty is high.

Brand loyalty is a loyalty that customer gives to the brand (Kartajaya, 2004). Brand loyalty is a measure of how likely the customer will move to other brands. Loyal customer will continue to purchase the brand although faced with many alternative brands of competitors' products that offer superior product. In addition, loyal customers will also be voluntary recommend to use the brand to others who in turn will increase the company's profits.

The function of brand loyalty for the company:
1. Reducing the cost of company
   For companies, it would be cheaper to retain customers with the effort to get new customers. Thus, marketing costs will be smaller if the brand loyalty increased.

2. Improving the trade
   A powerful loyalty to a brand will result in improvement of trade and strengthen the confidence of the marketing intermediaries, such as retailers and distributors.

3. Attract new customer
   With many satisfied brand customers and like the brand that will lead to confidence feeling for potential customers to consume these products. In addition, satisfied customers generally would recommend the brand to people that close to him so that will attract new customers for the brand.

4. Providing the time to respond the competitors’ threat
   Brand loyalty will gives the company time to responds the competitors’ movement. If any of competitors develop a superior product, loyal customers will give the company time to affect the product.

   There are five levels of brand loyalty (Durianto, 2001) which:

1. Price buyer
   Customers who are on this level of loyalty can be said as the customer that located at the most basic level. The higher of customer frequency that move the purchases from one brand to another brand indicates the buyers are not loyal or not interested in the brand.

2. Habitual buyer
   Purchases that are within the level of loyalty can be categorized as the satisfied buyer for the brand product consumed. At this level, basically there are no enough reason to create a desire for purchasing product of other brand or brand switching, especially if the transition requires effort, cost, and sacrifices.

3. Satisfied buyer
   Buyers of brand are in satisfied category, when consumers consume brands, though buyers can move they intention to buy to other brands with associated
costs for the transition of time, money, or performance risks attached with the switching brand action.

4. Liker the brand

Buyers who fall into the loyalty category is a buyer who really likes the brand. At this level encountered emotional feelings related to the brand. Sense of likeness of a buyer could be constituted by the association related to the symbol, a series of prior experience in using the products of personal experienced or caused by the perception of a high quality of the product.

5. Commited purchasing

Buyers have a pride as a user of the brand, even the brand becomes very important to express who they are.

2.1.3 Consumer Behavior

American Marketing Association defines consumer behavior as a dynamic interplay between influence and cognition, behavior and events where people do the exchange aspects of their lives (Setiadi, 2003). From these definitions, there are three important ideas of consumer behavior, namely:

1. Consumer behavior is dynamic, which means that the behavior of consumers, group of consumer, or public always change and move all the time.
2. Consumer behavior involves the interaction of affection (feeling), cognition (thinking), behavior and events in their environment.
3. Consumer behavior involves the exchange, because of its marketing role is to create an exchange with consumers through the implementation of various marketing strategies.

2.1.3.1 Factors Affecting Consumer Behavior

Purchasing intention of buyers is strongly influenced by cultural factors, social, personal and psychology of the buyer. Most of these factors are controlled by marketers, but those factors should be recognized (Setiadi, 2003) that suggests several factors that influence consumer behavior are:
A. Cultural Factor
1. Culture, is the most basic determinant of a person's desires and behavior. Some kid grows by gaining a set of values, perceptions, preferences and behaviors through a process of socialization that involves the family and other social institutions.
2. Sub-culture, provide identification and socialization that more specific.
3. Social class, a group of relative homogeneous and survived in a society, which is arranged in a hierarchy that have value, interest and similar behavior.

B. Social Factor
1. Reference group, consisting of all groups that have a direct or indirect effect on a person's attitude or behavior.
2. Family, can be divided into two groups which is family orientation that is the parent of a person and procreation family that couples live with their child in a family, is an organization of buyers and consumers who are most important in a society and has been studied intensively.
3. Roles and status

C. Personal Factor
1. Age
2. Occupation
3. The state of the economy, consisting of disposable income (level, stability, and pattern), savings and possessions (including the percentage which easily made money), the ability to lend and attitudes toward saving issue.
4. Lifestyle, a pattern of life that is expressed by activities, interests and a person income. Lifestyle also reflects something behind a person social class.
5. Personality and self-concept are different psychological characteristics

D. Psychological factor
1. Motivation, an impulse that arises from a specific physiological state such as hunger, thirst, and discomfort.
2. Perception, is defined as the process by which a person chooses, organize, interpret input information to create a meaningful picture for this world.
3. Learning process, explaining the change in person's behavior that arose from experience.

4. Beliefs and attitudes, is a descriptive ideas held by a person towards something.

2.1.4 Customer Purchasing Intention

A product can be said to have been consumed by customer if the product was determined to be bought. The decision to buy is influenced by the value of the product being evaluated. When the perceived benefits greater than the sacrifices, the higher of the urge to buy.

Otherwise, if the benefits are smaller than the sacrifices, customers will refuse to buy and generally switched evaluate other similar products. Customer buying behavior is often preceded and influenced by a number of external factors, either in the form of marketing stimuli and stimuli from the environment. The stimulation from external factors then being processed in themselves to suit their personal characteristics and they take purchase decision. Personal characteristics of customer that are used to process the stimuli is very complex and one of them is the motivation to buy.

Purchasing intention, some experts such as Engel (1994) in Kotler (2007) called the customer purchasing intention is a process that customer did in purchasing product goods or services. Understanding the purchase intention is one of stages in customer purchasing intention process in which customers actually buy. Decision-making is an activity of individuals who are directly involved in obtaining and using the goods offered. Purchasing intention process is a customer behavior to determine a development process in the decision to buy a product. The process is a settlement of the price issue which consists of five stages (Kotler and Keller, 2007). Five stages of the purchase decision process can be seen in the pictures the next page:
Figure 2.2

Purchase Intention Process

Source: Kotler and Keller 2007

1. Problem identification
   The purchase process begins with recognition the requirement. The need can be triggered by internal stimuli when one person's normal needs such as hunger, thirst, sex appears at levels high enough to be a boost. Needs can also be triggered by external stimuli. At this stage, the marketing must examine the consumer to find the type of needs or problems that will arise, and how the need or problem leads to consumers.

2. Information retrieval
   At this stage the consumer is driven to seek more information, consumers can more easily search for an active information, when more information is obtained then the awareness and knowledge of consumers about goods or services will increase.

3. Alternative assessment
   Marketers already know how consumers are using information to achieve a final choice of brand. Marketing needs to know how consumers evaluate various alternatives. Basic concepts that help marketers explain the process of consumer evaluation, are: First, assume that every consumer seeing a product as an attribute of the product package. Second, consumers will provide a different level of importance on different attributes according to the needs of the unique needs and desires.
Third, the consumer is likely to develop an arrangement of beliefs about the brand positioning of each brand on each attribute. A set of beliefs about a particular brand is known as brand image. Based on his experience and influence of selective perception, selective distortion, and selective retention, consumer confidence may be different from the actual attributes. Fourth, the total product satisfaction of consumer expectations will vary with different levels of attributes. Fifth, consumers reach a different attitude towards passing the evaluation procedure.

Consumers found to use more than one or several evaluation procedures, depending on the customer and his purchase intention. How consumers evaluate alternative purchases depends on the individual. Consumers use calculations and logical thinking. The same consumers will make a slightly evaluation, even just based on buying impulse and depends on intuition. Sometimes consumers make their own purchasing decision, sometimes they ask a friend, observers of the consumer, buyer or salesperson for advice.

4. Purchasing intention

Consumer purchase intention is to buy the most preferred brand. There are two factors that can influence the purchase intention, the first factor is the attitude of the other, the extent to which the attitudes of others toward one's preferred alternative. The second factor is the situation is not expected. Consumers may form the intention to buy based on factors such as expected revenue, expected price. However, unexpected events can change the intention to buy. Consumers make choices and purchase intentions do not always result into actual choice.

5. After purchasing behavior

After purchasing the product, the consumer will experience a certain level of satisfaction or dissatisfaction. If the product is meet to customer’s expectations then the customer satisfied. If you exceed the expectations, the consumers are very satisfied. If it does not meet the expectations, the consumers are not satisfied. Satisfaction or dissatisfaction with a product consumers will influence subsequent behavior. If the consumer is satisfied, he will show a higher probability to buy the product again.
According to Kotler (2007), in the purchase decision, there are five roles of a person. The fifth role include:

1. Initiator
   Initiator is the person who first became aware of the desire or unmet needs and proposed the idea to buy a particular good or service.

2. Influencer
   Influencer is a person who give views, advice, or opinions that may help a purchase decision.

3. Decider
   Decider is the one that determines the buying decision, whether decided to buy, what to buy, how to buy, or where to buy it.

4. Buyer
   Buyer is a person who actually do the transaction to buy.

5. User
   User is a person who consumes or uses the goods or services that have been purchased.

2.2 Previous Research

1. Fatma Emilda Cici Sinaga (2011) with the title of the skripsi "Analisis Brand Equity Kalkulator Karce Yang Mempengaruhi Keputusan Pembelian Pada Mahasiswa Manajemen Ekstensi Fakultas Ekonomi USU". In her research Emilda Fatma Cici Sinaga examine how brand equity of calculator Karce influence on purchasing decisions Faculty of Economics, Management Students USU Extension. Where the F-test results showed that there are significant variables brand awareness, brand associations, perceived quality, brand loyalty simultaneously significant influence on purchasing decisions calculator Karce on Management Students of the Faculty of Economics USU Extension.

2. Gita (2009), entitled "Pengaruh Kesadaran Merek, Persepsi Kualitas, Asosiasi Merek, dan Loyalitas Merek Terhadap Ekuitas Merek Restoran Cepat Saji Mcdonalds Citraland Semarang". This study used multiple linear regression
analysis. Concluded that brand loyalty has significant positive effect on brand equity. A strong loyalty of person over a brand will create a desire to always be able to buy the product brand as part of the possessed person

3. Humdiana (2005) with the title “Elemen-Elemen Ekuitas Merek pada Produk Rokok Merek Djarum Black di Jakarta” with the study variables are brand awareness, brand associations, perceived quality, and brand loyalty. Analytical tool in this study using multiple regression analysis. Variables showed that brand awareness, brand association, and perceived quality positive and significant impact on customer value, while for brand loyalty variable turns consumers tend not / less loyal.

4. Wahjuni Sri Astuti (2007) with the title “Pengaruh Elemen Ekuitas Merek Terhadap Rasa Percaya Diri Pelanggan di Surabaya atas Keputusan Pembelian Sepeda Motor Honda”. The independent variables consist of brand awareness, perceived quality, brand associations, brand loyalty. Dependent variable is the purchase decision. Using multiple regression analysis. The results of this study concluded that the four independent variables have a significant effect either collectively or individually to customer confidence over purchasing decisions.

2.3 Theoretical Framework

Framework describe the connection between independent variables toward dependent which aims to facilitate the research process. The theoretical framework can be seen on this figure:
2.4 Hypothesis

H₀₁: The perception of brand awareness has no positive effect on customer purchasing intention.

Hₐ₁: The perception of brand awareness has positive effect on customer purchasing intention.

H₀₂: The perception of brand association has no positive effect on customer purchasing intention.

Hₐ₂: The perception of brand association has positive effect on customer purchasing intention.

H₀₃: The perceived quality has no positive effect on customer purchasing intention.

Hₐ₃: The perceived quality has positive effect on customer purchasing intention.
$H_{04}$: The perception of brand loyalty has no positive effect on customer purchasing intention.

$H_{a4}$: The perception of brand loyalty has positive effect on customer purchasing intention.

$H_{05}$: The perception of brand equity (brand awareness, brand association, perceived quality, brand loyalty) simultaneously has no positive effect on purchasing intention.

$H_{a5}$: The perception of brand equity (brand awareness, brand association, perceived quality, brand loyalty) simultaneously has positive effect on purchasing intention.
CHAPTER III

METHODOLOGY

3.1 Research Design

This research is associative because this study aims to determine the relationship between two or more variables and how far the relationship that exists between the variables studied (Kuncoro, 2009). The approach used in this study is a quantitative approach in which the approach in the proposed research, processes, hypotheses, data analysis and conclusions using data up to the literary aspects of the measurements, calculations, formulas, and certainty of numerical data (Situmorang, 2008).

3.2 Operational Definition

3.2.1 Operational Definition of Variables

Operational definition of a variable is an element of research that tells how to measure a variable. Variables can be defined as follows:

1. Independent Variable (X) consists of:
   1. Brand awareness (X1)
      Brand awareness is the ability of a potential buyer of Nike shoes to recognize or recall that the Nike brand is part of an existing category of shoes product. The meaning of brand awareness in this study is the power of Nike shoes brand in the consumer’s mind or memory.
   2. Brand association (X2)
      Brand associations are all aspects relating to the memory of a brand. A brand is a set of associations, usually arranged into various meaningful forms. The meaning of brand association in this study is related to customer’s memory on Nike shoes.
   3. Perceived quality (X3)
Perceived quality is customer perception of attributes which are considered important to him. An assessment of the customer's perception, which is certainly not the same between each other customers. The definition of perceived quality in this study is consumers' perception of quality or excellence Nike shoes products.

4. Brand Loyalty (X4)

Brand loyalty is a measure of relevance of a customer on a Nike shoes. Brand loyalty in this study is a measure of relevance of a customer on a Nike shoes and customer is possible to continue to be consistent on a Nike shoes.

2. Dependent Variable (Y) : Customer purchasing intention

Purchasing intention are elements that reflect the customer's intention to buy some products, the stage where customers face on an option to make a purchase or not. The meaning of purchasing intention on this research is a strong sense of confidence in themselves is belief that customer intention on purchasing a Nike shoes is correct.

Table 3.1

**Operational Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Operational Definition</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Awareness (X1)</td>
<td>The ability of a potential buyer of Nike shoes to recognize or recall that the Nike brand is part of an existing category of shoes product.</td>
<td>1. Memory of a brand 2. Brand Recognition</td>
<td>Likert</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Association (X2)</td>
<td>All aspects relating to the memory of a brand. A brand is a set of associations, usually arranged into various meaningful forms.</td>
<td>1. Product attributes 2. Product benefit</td>
<td>Likert</td>
</tr>
</tbody>
</table>
Perceived Quality (X3) | Customer perception of attributes which are considered important to him. An assessment of the customer's perception, which is certainly not the same between each other customers. | 1. Product performance  
2. Product quality  
3. Endurance  
4. Reliability | Likert |

Brand Loyalty (X4) | Brand loyalty is a measure of relevance of a customer on a Nike shoes and customer is possible to continue to be consistent on a Nike shoes | 1. Commitment  
2. Recommendation to others | Likert |

Customer Purchasing Intention (Y) | Elements that reflect the customer's intention to buy, the stage where customers face on an option to make a purchase or not. | 1. Conviction buy  
2. Considerations in buying  
3. Brand priorities | Likert |

Source: Durianto (2001), Setiadi (2003) (constructed by researcher)

### 3.2.2 Measurement Scale of Variable

The scale of measurement variables in this study are Likert scale as a tool to measure attitudes, opinions, and perceptions of a person or a group of social phenomenon (Situmorang, 2008). In a Likert scale respondents said the level of agreement or disagreement about various statements (Kuncoro, 2009). Likert scale has the following criteria:
Table 3.2

Likert Scale

<table>
<thead>
<tr>
<th>Item Instrument</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>5</td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
</tr>
<tr>
<td>Neutral</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Situmorang (2008)

3.3 Sampling Design

3.3.1 Population and Sample

The population is a group of complete element, which is usually in the form of objects, transactions, or events in which we are interested to learn or become the object of study (Kuncoro, 2009). The population in this study is the visitors of Paris Van Java mall who ever bought Nike shoes whose numbers cannot be known with certainty or infinite.

The sample is a subset of the population units (Kuncoro, 2009). The sample in this study using a non-probability sampling design method because the population is unknown or infinite in number.

3.3.2 Sampling Technique

Sample is part of total population that has characteristic (Sugiyono, 2004). So, sample is part of a population which taken through the specific way that and
have specific characteristics to become a good sample, also clearly become representative from the population.

Because the population size is not identified, then to determine the sample size of the study, researcher used Slovin formula:

\[ n = \frac{z^2}{4(moe)^2} \]

\[ n = \frac{1.96}{4(0.1)^2} \]

\[ n = 96.6 \]

\[ n \approx 100 \]

\[ n \] = Sample size

\[ z \] = Normal distribution level on 5% significance (1.96)

\[ moe \] = Margin of error max, which is the maximum sampling of error rate that can still be tolerated, by 10%

From the calculation, the number of samples used in this study is 100 people. In this study, researcher choose to use a non-probability sampling method which is accidental sampling method. Only individual who happens to be encountered or that can be found are selected as sample for this study, this condition can be happen because the sample do not have exact data of population size and complete information about every element of the population.

So the sample is taken by researcher is selecting elements subjectively which individual is becoming a sample for this study. All samples were obtained from each of Paris Van Java mall Bandung which are Nike shoes customer. The meaning of customers in the study were visitors who were wearing as well as possible as the Nike shoes customers.
3.4 Research Instrument

The technique for collecting data from this study are as follows:

1. Questionnaire is a data collection techniques by providing a list of questions to the respondent then the answer were scored using a Likert Scale.
2. The documentation study is data collection techniques by studying the data obtained through books, magazines, journals, newspapers, and internet to get related data for this study.

3.5 Reliability and Validity

Validity and reliability test was conducted to test whether the questionnaire was worthy as research instrument. Validity indicates how far a measuring instrument can measures what supposed to measure (Situmorang, 2010). Valid instrument means a measuring tool used to get the data valid (Sugiyono, 2005). Validity test using correlation coefficient approach which correlate between score of each question with the total score and if the value of the correlation is positive and \( r \geq 0.3 \) then the question is valid or have good construct. Validity test of this research using software SPSS 20.0 which have the criteria for valid question as follows:

1. If \( r > 0.3 \) then question is valid
2. If \( r < 0.3 \) then question is invalid

Reliability is an index that shows how far a measurement instrument can be reliable or unreliable (Ghazali, 2005). If a measuring instrument is used twice to measure the same symptoms and the results of measurements are relatively consistent, if the correlation coefficient \( (r) \) is positive then the measurement instrument is reliable. Test reliability in this study using statistical software SPSS 20.0 with the following criteria:

1. If \( r > 0.6 \) then the question is reliable
2. If $r < 0.6$ then the question is unreliable

### 3.6 Data Analysis

#### 3.6.1 Descriptive Analysis

Descriptive analysis in this study has purpose to formulate, organize, present, and analyze the results of studies such as the identity of respondents and descriptive variables in order to obtain a picture of the situation. Respondent identity data can be viewed in terms of gender, age, and occupation.

#### 3.6.2 Classical Assumption Test

According to Situmorang, (2010) before performing the regression analysis, in order to obtain an unbiased estimate of testing efficiency and classical assumptions. There are several criteria that must met classical assumptions.

##### 3.6.2.1 Normality Test

Normality test aims to determine whether the distribution of the data to follow or near a normal distribution, the data will form bell shape, not skewed to the left or to the right, and the points follow the data within diagonal line. To ascertain whether the data are normally distributed along the diagonal line, then researcher will do Kolmogrov Smirnov test. By using the 5% significance level if the value Asym.Sign (2-tailed) above the value of 5% significance means residual variables are normally distributed (Situmorang, 2010).

Then according to Ghozali (2005) normality test is a test of the normality of the distribution on dependent variable and independent variables in the regression model. A good regression models are distributed either normal or close to normal. A normal distribution data is a data that follows the spread of the data on the diagonal axis of the graph.

Basics decision making are as follows (Ghozali, 2005):
a. If the data is spread around the diagonal line and follow the direction of the diagonal line, then the regression model meet the normality
b. If the data is spread around the diagonal line and follow the direction of the diagonal line, then the regression model not meet the normality

3.6.2.2 Heteroscedasticity Test

Heteroscedasticity assumption is the assumption of the regressions in which the variance of the residuals is not equal to one another observation to observation (Santoso, 2005). To test in a regression model whether there is inequality of variance of residuals from one observation to another observation. If the variketance of the residuals from one observation to another observation consistence, then it called homoscedasticity. And if the variance is different, its called heteroscedasticity. A good regression model is not heteroscedasticity.

There is one way to approach the heteroscedasticity is to look at a scatter plot graph between the predicted value of the dependent variable (ZPRED) with residual (SRESID). If there are points that form a certain pattern as regular as bumpy, widened, then narrowed it had happened heteroscedasticity. If the points spread above and below the 0 on the Y axis without forming a specific pattern then there is no heteroscedasticity. Regression models were already qualified classical assumptions will be used to analyze through hypothesis testing.

3.6.2.3 Multicollinarity Test

Multicollinarity test is a form of testing for assumptions in multiple regression analysis. Symptoms of multicollinearity is the correlation between the independent variable. This condition demonstrated by the significant correlation between the independent variables (Situmorang, 2010)

Multicollinarity test aims to test whether the regression model found a correlation between the independent variables. Good regression models should not happen correlation between independent variables. If the independent
variables are correlated, then these variables are not orthogonal which is correlation value between independent variables is equal to zero.

Multicollinarity can be detected using tolerance values and variance inflation factor (VIF). Tolerance measures the variability of the selected independent variables that can not be explained by other independent variables. So a low tolerance value equal to high VIF value (due to VIF = 1/tolerance) and indicate of the high collinearity. Cutoff value that is commonly used is the tolerance value equal to 0.10 or VIF value is below 10.

3.6.3 Multiple Regression Analysis

To determine how much influence of brand equity elements consists of brand awareness, brand associations, perceived quality, brand loyalty towards customer purchasing intention is using multiple linear regression analysis method. For specific and correct result then the researchers used an application SPSS 20.0. Multiple linear regression model is formulated as follows:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e \]

- \( Y \) = Customer Purchasing Intention
- \( a \) = Constant
- \( b_1, b_2, b_3, b_4 \) = Regression Coefficients
- \( X_1 \) = Brand Awareness
- \( X_2 \) = Brand Association
- \( X_3 \) = Perceived Quality
- \( X_4 \) = Brand Loyalty
- \( e \) = Error
3.6.4 Hypothesis Test

3.6.4.1 F-test

F test basically shows whether brand equity (brand awareness, brand associations, perceived quality, brand loyalty) have influence towards purchasing intention. The F test criteria as follows:

\[ H_0 : b_1 = 0 \]

Means those elements of brand equity do not have significance influence towards purchasing intention.

\[ H_0 : b_1 \neq 0 \]

Means there are significance influence from those elements toward purchasing intention. Decision-making criteria in F-test as follows:

\[ H_0 \text{ accepted if } F > 0.05 \]

\[ H_a \text{ accepted if } F < 0.05 \]

F value obtained by SPSS 20.0 application.

3.6.4.2 Partial Test (t-test)

Partial test (t-test) used to show how far the influence of the explanatory variables/independent variables individually to explain the variance of dependent variable (Ghozali, 2005). Means t-test used to test the significance level of the relationship between variables X and Y, if the variables X1, X2, X3 and X4 (brand awareness, brand associations, perceived quality, brand loyalty) actually affect the variables Y (purchasing intention) separately or partial. Hypothesis testing is used in this study are:

\[ H_0 : \text{The independent variables (brand awareness, perceived quality, brand associations, brand loyalty, product, price, promotion, and} \]


place) had no significant effect the dependent variable (purchasing intention).

**Ha**: The independent variables (brand awareness, perceived quality, brand associations, brand loyalty, product, price, promotion, and place) had significant effect on dependent variable (purchasing intention).

Basic decision-making is comparing the probability of significance, that is:

a. If the probabilities of significance $> 0.05$ then $H_0$ is accepted and $H_a$ is rejected.

b. If the probabilities of significance $< 0.05$ then $H_0$ is rejected and $H_a$ is accepted.

### 3.6.4.3 Coefficient Determination ($R^2$)

Coefficient determination ($R^2$) used to measure proportion or percentage the contribution of brand equity (brand awareness, perceived quality, brand associations, brand loyalty) on purchasing intention. Coefficient determination ranges from zero to one ($0 \leq R^2 \leq 1$). $R^2$ values obtained by the help of SPSS 20.0 application. If $R^2$ larger, means the effect of brand equity (brand awareness, perceived quality, brand associations, brand loyalty) to the greater purchasing intention. Meanwhile, if the value of $R^2$ is getting smaller, it means the effect of brand equity (brand awareness, perceived quality, brand associations, brand loyalty) on purchasing intention become smaller (Situmorang, 2010).
CHAPTER IV

ANALYSIS AND INTERPRETATION

4.1 Company Profile

Nike, one of the largest manufacturers of sports shoes in the world, recognized the importance of usability of shoes in sports activities. Nike was founded by Phil Knight, a middle-distance runner at the same time was accounting student at the University of Oregon also, with coach Bill Bowerman Phil. Their love to sports make them understand that sports shoes become a very major thing in sports. Comfort and safety is needed in the exercise and shoes is the thing that possible make that happen.

In 1962, Knight successfully completed the study and continued to travel around the world. When in Japan, Knight started to importing Japanese running shoes to the United States with an investment of $ 500, he got 200 pairs of shoes for sale in the U.S. Phil then worked for Onitsuka Tiger. While working for Onitsuka Tiger, he thought that it would get more benefit if started producing his own shoes. Then this condition prompted him to give the name of the company. Assisted by the employee named Jeff Johnson, Nike name was formed in 1971. Nike itself has meaning after the Greek goddess of victory.

The company name became a brand name for the Nike brand. However, it can not be separated from the catchy brand name, the logo has a role no less important. Logo which is a form of image or form letters with a certain sense of meaning and represent a company or product, are considered in need of something short and easy to remember as a substitute of the brand name or the truth. Caroline Davidson, who knew Phil when he was a student at the University in Oregon, was asked to design a logo for Nike, which is famous around the world as "The Swoosh".
In 1979, Nike has finally conquered half the market in U.S. and have revenues reaching US$149 million. Data shows in the 1990s Nike still maintains its position as the market leader in sports shoes. Fortune magazine reported sales of US$3.7 billion in 1994 and a profit of US$299 million. In 1993, Nike stated that approximately 60% of its sales in the United States, 30% in Europe and 5% in Asia. This achievement can be obtained because of Nike company superiority in understanding customer behavior that affect customer purchasing decision (nikeinc.com)

Nike shoes and clothe products were easily identified by the distinctive logo of the company, the "swoosh" and "Just Do It" slogan. Nike products are very famous and popular among young people in worldwide. First, Nike only produce running shoes. However, only in 1987 were created different types of shoes for different types of sports activities such as athletics, baseball, football, basketball, tennis, cricket and ice hockey. Along with the increasing market demand, then Nike issued a casual shoe with a wide range of products models, quality, and attractive colors.

Besides easily identifiable, Nike products have advantages compared to other shoes products. Materials which used to form of Nike shoes is lunarlitefoam and flyware. This materials have the function to reduce the shoes burden, the shoes which will be produced mild and make customer feel comfort. Comfort, quality, and variety of models that Nike have at present. Nike became an icon of customer choice for its durability and good quality products that customer are satisfied with using it.

4.2 Data Analysis

4.2.1 Descriptive Analysis

Descriptive Analysis Method is a process to formulate and interpret the available data to provide a good pictures of customer perception. The Data that researcher obtained is the primary data which researcher directly obtained from selected respondents, in this study the respondent are Paris Van Java mall visitors.
Descriptive analysis in this study obtained from questionnaires which spread to 100 visitors of Paris Van Java mall Bandung. The questionnaire contains a description of the respondents' statements and answers given. The indicators in this questionnaire consisted of 45 statements, which 20 statements about brand equity variables (X) and 5 statement regarding customer purchasing intention variable (Y).

1. Characteristics of Respondents by Gender

Table 4.1

<table>
<thead>
<tr>
<th>Gender</th>
<th>Total</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>76</td>
<td>76</td>
</tr>
<tr>
<td>Female</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: The result of research instrument, 2013*

Table 4.1 shows that out of 100 respondents, 76 (76%) of respondents are male that wear Nike shoes and 24 (24%) of respondents are female that used Nike shoes. Researcher concluded that respondents who use Nike shoes in Paris Van Java mall dominated by men in this study. This is because Nike originally was a brand that produced sports products and the dominant gender who did sports is male.
2. Characteristics of Respondents by Age

**Table 4.2**

<table>
<thead>
<tr>
<th>Age</th>
<th>Total</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 20</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>20 – 25</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>&gt; 25</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: The result of research instrument, 2013*

Table 4.2 shows from 100 respondents of this study, 39 (39%) respondents aged below 20, 45 (45%) respondents aged between 20 until 25, and 16 respondents aged above 25. So researcher conclude Nike shoes products used more by visitors aged 20 to 25 in this study.

3. Characteristics of Respondent by Occupation

**Table 4.3**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Total</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High school student</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>College student</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td>Employee</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>Enterpreneur</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>200</td>
</tr>
</tbody>
</table>

*Source: The result of research instrument, 2013*

Table 4.3 shows from 100 respondents in this study, 21 (21%) respondents are high school student, 43 (43%) respondents are college student, 27 (27%) respondents are employee of a company, and 9 (9%) respondents are entrepreneur.
From those data researcher can conclude the majority of Paris Van Java visitors that used Nike shoes are college student and student is the majority respondent in this research.

### 4.2.2 Validity Test

Validity test conducted on 34 visitor of Paris Van Java mall exclude the research sample. Validity test using SPSS 20.0 application as data analysis instrument.

**Table 4.4**

**Recapitulation Result of Independent Variable Validity Test**

<table>
<thead>
<tr>
<th>Variable X</th>
<th>Question Items</th>
<th>Validity Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 (Brand Awareness)</td>
<td>1</td>
<td>0.268</td>
<td>0.30</td>
<td>Not Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.516</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.549</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.617</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.375</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>X2 (Brand Loyalty)</td>
<td>1</td>
<td>0.570</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.534</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.649</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.613</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.652</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>X3 (Perceived</td>
<td>1</td>
<td>0.642</td>
<td>0.30</td>
<td>Valid</td>
</tr>
</tbody>
</table>
The table 4.4 shows almost all the 40 statements are valid, there is only 1 statement which are not valid for this research. The first question item of brand awareness statement is invalid statements from the survey conducted to the first 34 respondents. The invalid statements will be taken out from the research analysis because invalid statements are not good enough to measure a research.

**Table 4.5**

<table>
<thead>
<tr>
<th>Variable Y</th>
<th>Question Items</th>
<th>Validity Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Purchasing</td>
<td>1</td>
<td>0.540</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>Customer Purchasing</td>
<td>2</td>
<td>0.479</td>
<td>0.30</td>
<td>Valid</td>
</tr>
</tbody>
</table>
From table 4.5 above, it can be seen all of the statements are valid for the customer purchasing intention variables. In other words, all statements are considered to have high validity and if the statement can actually be used as a tool to measure this research accurately.

### 4.2.3 Reliability Test

Reliability test conducted to show how far a measurement tool is reliable or unreliable. Reliability test using SPSS 20.0 software, provided that if $\alpha > r$ table, then the statement is reliable. According Ghozali (2005) a construct or variable is stated reliable if the Cronbach's Alpha value $> 0.60$

<table>
<thead>
<tr>
<th>Variables</th>
<th>Reliability Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 (Brand Awareness)</td>
<td>0.701</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>X2 (Brand Loyalty)</td>
<td>0.812</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>X3 (Perceived Quality)</td>
<td>0.886</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
</tbody>
</table>
Table 4.6 shows all of the statements used for this research are reliable because all Cronbach Alpha value more than 0.60

4.2.4 Classic Assumption test

4.2.4.1 Normality Test

The purpose of normality test is to know whether the distribution of the data is followed a normal distribution, the distribution of the data with a bell shape. Good data is the data that form a pattern similar to normal distribution, which is the distribution of the data is not skewed to left or right
The histogram showed the curve which formed a proper bell shape in the center for this data distribution too, neither skewed to the left of the right which means all the data from both variables have variation of value that make it normally distributed which can be used to approximate various discrete probability distribution and eligible to conduct the research.
Figure 4.2

Normal P-P Plot

Source: SPSS 20.0

Figure 4.2 showed normal P-P plot graph of both variables and it showed all plots follow the data along diagonal line. Means all the data were normally distributed.

4.2.4.2 Multicollinearity Test

The purpose of multicollinearity test is to test the correlation between the independent variables. If there is a correlation then there is a problem of multicollinearity. Good regression models should not have any correlation between independent variable (Situmorang, 2010).
Table 4.7

Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BrandAwareness</td>
<td></td>
<td>.696</td>
<td>1.437</td>
</tr>
<tr>
<td>BrandAssociation</td>
<td></td>
<td>.390</td>
<td>2.563</td>
</tr>
<tr>
<td>PerceivedQuality</td>
<td></td>
<td>.323</td>
<td>3.097</td>
</tr>
<tr>
<td>BrandLoyalty</td>
<td></td>
<td>.567</td>
<td>1.764</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PurchasingIntenstion

Source: SPSS 20.0

In Table 4.7 it can be seen that the variable X1, X2, X3, and X4 has VIF < 5 and tolerance values > 0.1. This table showed that there is no multicollinearity in regression analysis of brand equity on purchasing intention.

4.2.4.3 Heteroscedasticity Test

Heteroscedasticity test aims to test whether there is inequality in the regression model residual variance from one observation to the other observations. If the variance of the residuals of the observations to other observations remain the same so happens homoscedasticity, if different then called heteroscedasticity. Regression models are not good for research if there is heteroscedasticity.
The regression model used in this study did not experience heteroscedasticity. This can be seen in Figure 4.3 all the plots spread randomly, does not form a specific pattern and scattered both above and below the axis Y.

Figure 4.5 showed the regression model is able to predicting purchasing intention of visitor of Paris Van Java mall by input all the variables of brand equity used (brand awareness, brand associations, perceived quality, and brand loyalty). This means that the regression model is homoscedasticity.

4.2.5 Hypothesis Test

4.2.5.1 Multiple Regression Test

Multiple Regression Analysis Method is a method of analysis used to determine the effect of independent variables consisting of brand equity (brand
awareness, brand loyalty, perceived quality, brand association) on customer purchasing intention as dependent variable.

**Table 4.8**

**Multiple Regression Test**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>1.676</td>
<td>.311</td>
<td>5.385</td>
<td>.000</td>
</tr>
<tr>
<td>BrandAwareness</td>
<td>.141</td>
<td>.093</td>
<td>.157</td>
<td>1.527</td>
</tr>
<tr>
<td>BrandAssociation</td>
<td>.047</td>
<td>.123</td>
<td>.053</td>
<td>.384</td>
</tr>
<tr>
<td>PerceivedQuality</td>
<td>.489</td>
<td>.139</td>
<td>.531</td>
<td>3.526</td>
</tr>
<tr>
<td>BrandLoyalty</td>
<td>-.188</td>
<td>.109</td>
<td>-.195</td>
<td>-1.718</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PurchasingIntenstion

*Source: SPSS 20.0*

Based on the results of data processing multiple linear regression analysis on table 4.8, then obtained models of multiple linear regression equation are as follows:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e \]

**Explanation:**

1. From table 4.9, it can be seen each of significance value of each independent variables. Most of variables has the significance value which is greater than p-value 0.05. It means there is almost no
significant corelation between the independent variables of brand equity on customer purchasing intention.

2. There is one independent variables that has significance value smaller than p-value 0.05, the variable is perceived quality. It means the only significant corelation is perceived quality on customer purchasing intention.

4.2.5.2 F-test

In this study, the F-test used to determine the significance level of independent variables together (simultaneously) on the dependent variable (Ghozali, 2006). In this study, the hypothesis used is:

H₀: The perception of brand equity (brand awareness, brand association, perceived quality, brand loyalty) simultaneously has no positive effect on purchasing intention.

Hₐ: The perception of brand equity (brand awareness, brand association, perceived quality, brand loyalty) simultaneously has positive effect on purchasing intention.

Basic decision-making (Ghozali, 2006) is to use probability of significance:

a. If the probability of significance > 0.05 then H₀ is accepted and Hₐ is rejected.

b. If the probability of significance < 0.05, then H₀ is rejected and Hₐ accepted.
Table 4.9

F-test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>15.326</td>
<td>4</td>
<td>3.832</td>
<td>10.431</td>
</tr>
<tr>
<td>2</td>
<td>Residual</td>
<td>34.896</td>
<td>95</td>
<td>.367</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>50.222</td>
<td>99</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), BrandLoyalty, BrandAssociation, BrandAwareness, PerceivedQuality

b. Dependent Variable: PurchasingIntenstion

Source: SPSS 20.0

F-test results on Table 4.9 shows the value of F in column (F) is equal to 10.431. Significant value in column F (Sig.) is 0.000, this value is smaller than the error rate (α) 0.05. Based on the hypothesis test criteria if the significance level of F (0.000) < error rate (α) 0.05, then Ha is accepted and H0 is rejected.

Based on the results of F test (Test Simultaneously) the researcher concluded that the independent variable of brand equity (brand awareness, brand associations, perceived quality, brand loyalty) simultaneously has positive and significant effect on the dependent variable, which is the Nike shoes purchasing intention.

4.2.5.3 Partial Test (t-test)

T test used to test the significance of the relationship between variables X and Y, if the brand equity (brand awareness, brand association, perceived quality, brand loyalty) actually affect the variables Y (purchasing intention) separately or partial (Ghozali 2005). The hypothesis used in this study are:
H₀ : The perception of brand awareness has no positive effect on customer purchasing intention.

Hₐ : The perception of brand awareness has positive effect on customer purchasing intention.

H₀ : The perception of brand association has no positive effect on customer purchasing intention.

Hₐ : The perception of brand association has positive effect on customer purchasing intention.

H₀ : The perceived quality has no positive effect on customer purchasing intention.

Hₐ : The perceived quality has positive effect on customer purchasing intention.

H₀ : The perception of brand loyalty has no positive effect on customer purchasing intention.

Hₐ : The perception of brand loyalty has positive effect on customer purchasing intention.

Basic for decision making (Ghozali, 2005) is to use probabilities of significance:

a. If the significance value > 0.05, then H₀ is accepted and Hₐ is rejected.

b. If the significance value < 0.05, then H₀ is rejected and Hₐ accepted
Table 4.10

T-test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.676</td>
<td>.311</td>
<td>5.385</td>
</tr>
<tr>
<td></td>
<td>BrandAwareness</td>
<td>.141</td>
<td>.093</td>
<td>.157</td>
</tr>
<tr>
<td></td>
<td>BrandAssociation</td>
<td>.047</td>
<td>.123</td>
<td>.053</td>
</tr>
<tr>
<td></td>
<td>PerceivedQuality</td>
<td>.489</td>
<td>.139</td>
<td>.531</td>
</tr>
<tr>
<td></td>
<td>BrandLoyalty</td>
<td>-.188</td>
<td>.109</td>
<td>-.195</td>
</tr>
</tbody>
</table>

a. Dependent Variable: PurchasingIntenstion

Source: SPSS 20.0

From table 4.10, it showed each significance value of each independent variable, here are the results as following:

Brand awareness variable has no significant or positive effect on customer purchasing intention of Nike shoes, it can be seen from the significance value of 0.130 which is greater than 0.05 then as the hypothesis, H<sub>0</sub> is accepted and H<sub>a</sub> rejected.

Brand association variable has no significant or positive effect on customer purchasing intention of Nike shoes, it can be seen from the significance value of 0.702 which is greater than 0.05 then as the hypothesis, H<sub>0</sub> is accepted and H<sub>a</sub> rejected.

Perceived quality variable has no significant or positive effect on customer purchasing intention of Nike shoes, it can be seen from the significance value of 0.001 which is less than 0.05 then as the hypothesis, H<sub>0</sub> is rejected and H<sub>a</sub> accepted.
value of 0.001 which is smaller than 0.05 then as the hypothesis, \( H_0 \) is rejected and \( H_a \) accepted.

Brand loyalty variable has no significant and negative effect on customer purchasing intention of Nike shoes, it can be seen from the significance value of 0.089 which is greater than 0.05 then as the hypothesis, \( H_0 \) is accepted and \( H_a \) rejected.

According to the table and analysis, researcher can conclude from four independent variables of brand equity, the most significant variable that affect customer purchasing intention is perceived quality (X3). It can be seen from t column which the t value of promotion is 3.526, the highest value among other independent variables

### 4.2.5.4 Coefficient Determination (\( R^2 \))

Coefficient determination (\( R^2 \)) used to see how far the model’s ability to explain the variation in the independent variable. The value of coefficient determination is around 0-1. The larger \( R^2 \) value, the better the regression model obtained.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.552*</td>
<td>.305</td>
<td>.276</td>
<td>.60608</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), BrandLoyalty, BrandAssociation, BrandAwareness, PerceivedQuality

b. Dependent Variable: PurchasingIntention

*Source*: SPSS 20.0
Based on the calculation of coefficient determination (R$^2$) on Table 4.11, obtained R value of 0.552 means that the relationship between the independent variables of brand equity (brand awareness, brand associations, perceived quality, brand loyalty) on the dependent variable Y (customer purchasing intention) is 55.2%, which means a good relationship. Adjusted R Square value = 0.276 means 27.6% purchasing intention factors can be explained by the brand equity variables (brand awareness, brand associations, perceived quality, brand loyalty) while the remaining 72.4% are influenced by other factors that not examined by researcher in this study.

4.3 Interpretation of Result

4.3.1 Brand Equity

1. Brand Awareness

According to t-test result, brand awareness variable can influence the visitor of Paris Van Java mall to buy Nike shoes products. Though, the t value of brand awareness variable is higher than some of independent variables but it is not the highest. The t value of brand awareness is 1.527, means brand awareness can influence customer purchasing intention, but the significance value is 0.130 that greater than 0.05 which means brand awareness does not have significant effect toward customer purchasing intention.

Based on the statement, aware about the brand is not enough to influence potential customer to buy Nike shoes.

2. Brand Association

According to t-test result, brand association variable can influence the visitor of Paris Van Java mall to buy Nike shoes products. T-value of brand association variable is positive which means it can still affect the customer intention to buy Nike shoes. The t value of brand loyalty is 0.384, means brand association can influence customer purchasing intention, but the significance
value is 0.702 that much greater than 0.05 which means brand association does not have significant effect toward customer purchasing intention.

Based on the statement, it shows there is only a few people that think Nike is a good brand in their minds and will buy Nike products continously.

3. **Perceived Quality**

According to t-test result, perceived quality is a brand equity variable that can influence the visitor of Paris Van Java mall to buy Nike shoes products. T-value of perceived quality variable is positive which means perceived quality can affect the customer purchasing intention. The t value of perceived quality is 3.526, means perceived quality can really influence customer purchasing intention, the significance value is 0.001 that smaller than 0.05 which means perceived quality has significant effect toward customer purchasing intention.

Based on the statement, it showed the customer perception of quality can significantly affect visitor of Paris Van Java to buy Nike shoes.

4. **Brand Loyalty**

According to t-test result, brand loyalty is a brand equity variable that can influence the visitor of Paris Van Java mall to buy Nike shoes products. T-value of brand loyalty variable is negative which means brand loyalty can affect the customer purchasing intention. The t value of perceived quality is -1.718, means brand loyalty can influence customer purchasing intention, but the significance value is 0.089 that greater than 0.05 which means perceived quality has no significant effect toward customer purchasing intention.

Based on the statement, it showed brand loyalty was not a good variable that can affect visitor of Paris Van Java mall to buy Nike shoes.
CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

Based on the analysis that researcher did, it can be concluded as follows:

1. The results of data analysis use multiple linear regression analysis showed that brand equity elements that consist brand awareness, brand association, perceived quality, brand loyalty, all of variables simultaneous has positive effect on visitor of Paris Van Java purchasing intention to Nike shoes.

2. Based on the individual significance test (t-test) then brand awareness variable has positive effect and not significant on purchasing intention of Nike shoes products, brand association variable has positive and not significant impact on purchasing intention of Nike shoes, perceived quality variable has positive and significant impact on purchasing intention of Nike shoes and brand loyalty variable has negative and not significant impact on purchasing decisions of Nike shoes. Perceived quality is the brand equity variable that has the biggest impact on purchasing intention. The evident is the results of hypothesis testing of t-test, where in partial perceived quality has the greatest t-value.

3. The results coefficient of determination analysis got the R value is 0.552, means the relationship between independent variables (brand awareness, brand associations, perceived quality, brand loyalty) on dependent variable (purchase intention) is 55.2%, which means a good relationship. Adjusted R Square value is 0.276 means 27.6% purchase decision factors can be explained by the independent variables (brand awareness, brand associations, perceived quality, brand loyalty) while the remaining 72.4% is influenced by other factors which is other variables such as marketing mix or promotion mix that not examined by researcher in this study.


5.2 Recommendation

Based on the conclusions of the research and discussion that has been explained previously, the suggestions can be given by researcher are:

1. Dominant variable that has significant effect partially on purchasing decisions is perceived quality variable. This means perceived quality is most dominate variable on purchasing intention to choose Nike shoes. So company needs to continue to develop and create a good quality product to make customer always think about how good the quality of Nike shoes.

2. Nike needs to focus marketing policies to increase customer loyalty to Nike brand. Build a long-term relationships with customers are needed for Nike, so the customer loyalty toward Nike will always be maintained. There is one way to create a good relationship with customer is to form community of Nike shoes user and create a annual event so the company can maintain good relationship with customers. The event can be filled with various activities such as competitions, touring, leisure, music concerts, and other promotion about Nike brand especially Nike shoes so customer will more loyal to Nike.

3. Nike customer have known well about Nike products so Nike does not have much effort to maintain awareness of Nike brand. Creating a good features and model for Nike products will help companies to compete with the competitors.

4. Nike has to maintain the brand association of Nike products. Nike needs to create and develop new product attributes that has their own unique which can attract more customer to buy Nike shoes. If Nike can create a good feature of their shoes that will lead their product in front of their competitors which will give potential customer another reason to buy Nike shoes.

5. For further research is expected continue to develop this study. This study was designed to investigate brand equity in general, so the next researcher need to examine one or more dimensions of brand equity to create new findings in brand equity fields.
REFERENCES


APPENDICES

Appendices 1
Questionnaire

Research Questionnaire

Dear Responden

Let me introduce myself, my name is Hardian Ruben H. L. Tobing. I am student majoring Management Faculty of Management, concentrating on International Business. I currently am working on my thesis project which requires me to do research by using questionnaire "The Impact of Brand Equity on Customer Purchase Intention (Nike as a Study Case)" is intended to find the impact of brand equity on consumers purchasing intentions. Please kindly help to fill this questionnaire, all answers are correct, there is no wrong answers, but the best answers are the honest one.

I highly recommend you to fulfill those questions below correctly and honestly.

Thank you for your time.

Part 1 : General Information
Gender : Male/Female
Age : Under 20, 20 – 25, Over 25
Occupation :

Part 2 : Question

1 = Strongly Disagree; 2 = Disagree; 3 = Moderate; 4 = Agree; 5 = Strongly Agree

Brand Awareness

<table>
<thead>
<tr>
<th>Question</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I know Nike brand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I know Nike producing casual shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nike is the first brand that come to my mind when i think about casual shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike shoes to other brands</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I still remember Nike shoes whenever I use other shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Brand Association

<table>
<thead>
<tr>
<th>Question</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>When I think about shoes, I think about Nike</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nike shoes is the most popular casual shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nike shoes are available in most shoe stores</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nike has many designs of casual shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nike shoes are produced by a reliable company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Perceived Quality

<table>
<thead>
<tr>
<th>Question</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I prefer Nike shoes because I feel comfortable wearing it</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike shoes because of its durability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike shoes because I love its style, shape, and colors</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike shoes because the quality is getting better every year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike shoes because the quality worth the price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Brand Loyalty

<table>
<thead>
<tr>
<th>Question</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I prefer Nike because I really into Nike</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike, despite I am seeing another brand is cheaper</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I prefer Nike because I feel attached to Nike</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will always buy Nike products</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will promote Nike brand to influence my friends and my relative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Purchasing Intention

<table>
<thead>
<tr>
<th>Question</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I will buy Nike shoes, because Nike is a well known and famous brand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will buy Nike shoes, because a lot celebrities use Nike shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will buy Nike shoes, because of the quality, durability, and its designs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will buy Nike shoes, to replace my older shoes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will buy Nike shoes because the products are well distributed (either Nike shoes or Nike stores are easy to find)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Recapitulation Result of Independent Variable Validity Test

<table>
<thead>
<tr>
<th>Variable X</th>
<th>Question Items</th>
<th>Validity Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 (Brand Awareness)</td>
<td>1</td>
<td>0.268</td>
<td>0.30</td>
<td>Not Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.516</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.549</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.617</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.375</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>X2 (Brand Loyalty)</td>
<td>1</td>
<td>0.570</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.534</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.649</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.613</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.652</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>X3 (Perceived Quality)</td>
<td>1</td>
<td>0.642</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.784</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.731</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.731</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.739</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td>X4 (Brand Association)</td>
<td>1</td>
<td>0.632</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.618</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.640</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.729</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.769</td>
<td>0.30</td>
<td>Valid</td>
</tr>
</tbody>
</table>
## Recapitulation of Dependent Variable Validity Test

<table>
<thead>
<tr>
<th>Variable Y</th>
<th>Question Items</th>
<th>Validity Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Purchasing Intention</td>
<td>1</td>
<td>0.540</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0.479</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0.680</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>0.651</td>
<td>0.30</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>0.698</td>
<td>0.30</td>
<td>Valid</td>
</tr>
</tbody>
</table>

## Reliability Test

<table>
<thead>
<tr>
<th>Variables</th>
<th>Reliability Coefficients</th>
<th>Critical Point</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 (Brand Awareness)</td>
<td>0.701</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>X2 (Brand Loyalty)</td>
<td>0.812</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>X3 (Perceived Quality)</td>
<td>0.886</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>X4 (Brand Association)</td>
<td>0.859</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
<tr>
<td>Y (Customer Purchasing Intention)</td>
<td>0.816</td>
<td>0.60</td>
<td>Reliable</td>
</tr>
</tbody>
</table>
Appendices 3
Normality Test

Histogram

Dependent Variable: PurchasingIntension

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: PurchasingIntension
Appendices 4
Multicollinearity and Heteroscedasticity Test

Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Collinearity Statistics</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BrandAwareness</td>
<td>.696</td>
<td>1.437</td>
</tr>
<tr>
<td></td>
<td>BrandAssociation</td>
<td>.390</td>
<td>2.563</td>
</tr>
<tr>
<td></td>
<td>PerceivedQuality</td>
<td>.323</td>
<td>3.097</td>
</tr>
<tr>
<td></td>
<td>BrandLoyalty</td>
<td>.567</td>
<td>1.764</td>
</tr>
</tbody>
</table>

Scatterplot

Dependent Variable: PurchasingIntenstion
## Appendices 5
### Multiple Regression Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.676</td>
<td>.311</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BrandAwareness</td>
<td>.141</td>
<td>.093</td>
<td>.157</td>
</tr>
<tr>
<td></td>
<td>BrandAssociation</td>
<td>.047</td>
<td>.123</td>
<td>.053</td>
</tr>
<tr>
<td></td>
<td>PerceivedQuality</td>
<td>.489</td>
<td>.139</td>
<td>.531</td>
</tr>
<tr>
<td></td>
<td>BrandLoyalty</td>
<td>-.188</td>
<td>.109</td>
<td>-.195</td>
</tr>
</tbody>
</table>

## Appendices 6
### F-test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>15.326</td>
<td>4</td>
<td>3.832</td>
<td>10.431</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>34.896</td>
<td>95</td>
<td>.367</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>50.222</td>
<td>99</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a.Predictors: (Constant), BrandLoyalty, BrandAssociation, BrandAwareness, PerceivedQuality

b.Dependent Variable: PurchasingIntention
## Appendices 7

### T-test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>1.676</td>
<td>.311</td>
<td>5.385</td>
<td>.000</td>
</tr>
<tr>
<td>BrandAwareness</td>
<td>.141</td>
<td>.093</td>
<td>.157</td>
<td>1.527</td>
</tr>
<tr>
<td>BrandAssociation</td>
<td>.047</td>
<td>.123</td>
<td>.053</td>
<td>.384</td>
</tr>
<tr>
<td>PerceivedQuality</td>
<td>.489</td>
<td>.139</td>
<td>.531</td>
<td>3.526</td>
</tr>
<tr>
<td>BrandLoyalty</td>
<td>-.188</td>
<td>.109</td>
<td>-.195</td>
<td>-1.718</td>
</tr>
</tbody>
</table>

a.Dependent Variable: PurchasingIntenstion

## Appendices 8

### Coefficient of Determination Table

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.552*</td>
<td>.305</td>
<td>.276</td>
<td>.60608</td>
</tr>
</tbody>
</table>