



Is co-branding a leversor of purchase decisions?

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ABSTRACT

It is important for sellers of a product to make consumers buy their products. Aerostreet - Rown Division continues to experience improvement from 2018-2020, with a co-branding strategy and collaboration with Aerostreet. This study aims to examine the effect of co-branding, price, promotion on purchasing decisions. The population in this study were all Aerostreet and Rown Division buyers whose exact number was not known, while the samples taken were 83 respondents, using a purposive sampling technique. The findings show that co-branding has a positive and significant effect on purchasing decisions, price has a positive and significant effect on purchasing decisions, and promotion has a positive and significant effect on purchasing decisions.

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1. INTRODUCTION

Co-branding is a marketing strategy that combines two brands into one product with another company (N. I. Pratiwi & Marlien, 2022). Determining a good and appropriate Co-branding strategy is important to increase sales and company image in order to achieve the company's goal of getting profits and loyal consumers. Several previous studies have found that co-branding is a factor influencing purchasing decisions (Kusuma & Fransiska Anita, 2021; Nurpriyanti & Hurriyati, 2016; Riafinola, 2020; Wulandari, 2017).

Consumers choose a product because they really want to feel the value and benefits of the product, because they see the opportunity to have the product at a lower price than usual so it is more economical, because there is an opportunity to get a gift from purchasing the product, or because they want to be considered by consumers. others that know a lot about the product and want to be perceived as loyal. Price is everything that is given by the customer to get the advantages offered by the company's marketing mix (Cannon et al., 2008). Previous studies have found that price has a positive impact on purchasing decisions (Amrullah & Agustin, 2019; Anggraeni & Soliha, 2020; Kusumawati & Hayuningtias, 2022; Permatasari & Tjahjaningsih, 2022; A. Pratiwi et al., 2021; Sahri et al., 2022; Syaleh, 2017).

Promotion is also an important factor, because it is an activity that communicates product superiority and persuades target customers to buy it (Kotler & Keller, 2016). Promotion is a communication of seller and buyer information that aims to change the attitude and behavior of buyers, from unfamiliar to familiar so that buyers still remember the product. Previous studies have found that promotions have a positive and significant

effect on consumer purchasing decision processes (Achidah et al., 2016; Ardiansyah & Aquinia, 2022; Hadi & Prabowo, 2022; Kurniawan, 2014; Lupiyoadi, 2013; Wulansari & Sudarwanto, 2014).

2. RESEARCH METHOD

The population in this study were all Aerostreet and Rown Division buyers whose number was unknown, so samples were calculated from unknown populations, with a 95% confidence level that the random sample size was 96.04 rounded to 96 (Riduwan & Akdon, 2013). The sampling technique used in this study used a purposive sampling technique

This study examines four variables, namely three independent variables (Co-branding, Price and Promotion), as well as one dependent variable (Purchasing decision). Each variable has an indicator as the basis for creating a questionnaire that is used to measure the level of respondents' perceptions of the research variables. Our definitions and variable indicators are presented in Table 1

Table 1. Variable Operational Definition

Variable Name	Variable Definition	Indicator	Source
Co-branding	Co-branding is the establishment of two brands (dual branding) or strengthening of a combined brand (brand bundling) two or more well-known brands are combined into one joint product or more well-known brands are combined into one joint product or marketed together in several ways	a. Familiarity Product b. Product fit / co-brand match c. Reputation d. Attitude toward co-branding e. Trust	(Dickinson & Barker, 2007)
Price	Price is the amount of value exchanged by consumers for the benefits of owning goods or services whose value is set by buyers and sellers through bargaining, or set by sellers for one price that is the same for all buyers.	a. Price affordability b. Compatibility of price with product quality c. Price competitiveness d. Price compatibility with benefits	(Kotler & Amstrong, 2012)
Promotion	Promotion is an activity that communicates the superiority of a product and persuades target customers to buy it	a. Sales promotion b. Events and Experiences c. Public Relations and Publicity d. Online and Social Media marketing e. Marketing database and direct f. Personal Sales	(Kotler & Keller, 2016)
Purchase decision	The purchase decision is the stage in the buyer's decision-making process where the consumer actually buys.	a. The stability of a product b. Habits in buying products c. Speed in buying a product	(Kotler, 2014)

Instrument test to test the validity and reliability of the questionnaire (Ghozali, 2018). Testing the validity in this study using factor analysis, by looking at the loading factor of each indicator, as well as looking at the Kaiser-Meyer-Olkin (KMO) value to compare the magnitude of the observed correlation coefficient with the magnitude of the partial coefficient. The reliability test was carried out to determine the extent to which measurement results using the same object will produce the same data. Correlation > 0.7 it is said that the question items provide a fairly high level of reliability.

The next step is to test the model with the F test and look at the coefficient of determination (Ghozali, 2018). The F statistical test is needed to find out whether all the independent variables or independent variables included in the model have a joint effect on the dependent variable or the dependent variable. The coefficient of determination (R^2) essentially measures how far the model's ability to explain the variation in the dependent variable.

To find out the direction of influence, multiple linear regression analysis is needed, while to test the hypothesis using the t test to test the significant level of the influence of the independent variables partially on the dependent variable 95% confidence interval. Researchers will compare the value of t count with t table, if t count is greater than t table and the significance number is less than 0.05, then the hypothesis can be accepted.

3. RESULTS AND DISCUSSIONS

The validity test is used to test the ability of data collection instruments and to measure what must be measured so as to obtain relevant data. The reliability test is used to test the level of consistency of results achieved by a measuring instrument, even if it is used repeatedly on the same or different subjects. Test results are presented in Table 2 below:

Table 2. Validity Test Results

Variable	KMO	KMO criteria	Indicator	Factor Loading	Loading criteria Factor	Information
Co-branding (X ₁)	0,877	> 0,5	X _{1.1}	0,753	> 0,5	Valid
			X _{1.2}	0,882	> 0,5	Valid
			X _{1.3}	0,879	> 0,5	Valid
			X _{1.4}	0,849	> 0,5	Valid
			X _{1.5}	0,854	> 0,5	Valid
Price (X ₂)	0,816	> 0,5	X _{2.1}	0,792	> 0,5	Valid
			X _{2.2}	0,896	> 0,5	Valid
			X _{2.3}	0,836	> 0,5	Valid
			X _{2.4}	0,913	> 0,5	Valid
Promotion (X ₃)	0,897	> 0,5	X _{3.1}	0,860	> 0,5	Valid
			X _{3.2}	0,828	> 0,5	Valid
			X _{3.3}	0,850	> 0,5	Valid
			X _{3.4}	0,790	> 0,5	Valid
			X _{3.5}	0,720	> 0,5	Valid
			X _{3.6}	0,789	> 0,5	Valid
Purchase decision (Y)	0,705	> 0,5	Y ₁	0,876	> 0,5	Valid
			Y ₂	0,866	> 0,5	Valid
			Y ₃	0,819	> 0,5	Valid

Source: Processed primary data, 2022

The KMO value of the Co-branding, Price, Promotion and Purchase Decision variables is > 0.5, and all indicators in each variable have a loading factor (LF) value of > 0.5. This means that the indicator data has fulfilled the sufficient sample and has eligibility as a variable, which means that all indicators are valid and can be processed further.

The results of the questionnaire reliability testing are presented in Table 3 below:

Table 3. Reliability Test Results

No	Variable	Cronbach Alpha	>/<	r standard
1	Co-branding (X ₁)	0,889	>	0,70
2	Price (X ₂)	0,883	>	0,70
3	Promotion (X ₃)	0,855	>	0,70
4	Purchase decision (Y)	0,893	>	0,70

Source: Processed primary data, 2022

Cronbach Alpha values for co-branding, price, promotion, and purchasing decisions (Y) > 0.70, it can be concluded that the results of the questionnaire testing are reliable.

The results of the model test are presented in Table 4 below:

Table 4. Model Test Results

<i>Adjusted R Square</i>	F _{Count}	<i>Sig</i>
.677	58,341	.000

Source: Processed primary data, 2022

In the model test, the adjusted R square is 0.677. This means that the co-branding and price variables can explain the variation of the promotion variable by 67.7% while the 32.3% is explained by other variables/factors outside the model studied. The calculated F value is 58.341, with a significance number = 0.000 < α = 0.05 (significant), it can be concluded that the model is feasible to use.

The results of the regression output are presented in table 5.

Table 5. Regression Results

Equality	β	<i>t</i>	<i>sig</i>	Hypothesis
<i>Co-branding</i> (X ₁) → purchasing decisions (Y)	0,163	2,416	0,018	Accepted
Price (X ₂) → purchasing decisions (Y)	0,196	2,055	0,043	Accepted
Promotion (X ₃) → purchasing decisions (Y)	0,267	6,797	0,000	Accepted

Source: Processed primary data, 2022

The results of testing the effect of co-branding on purchasing decisions, obtaining a significance number = 0.018 < α = 0.05 (significant), meaning that co-branding has a positive and significant effect on purchasing decisions. The test results of the effect of price on purchasing decisions, get a significance number = 0.043 < α = 0.05 (significant), meaning that price has a positive and significant effect on purchasing decisions. The results of the test for the effect of promotion on purchasing decisions, get a significance number = 0.000 < α = 0.05 (significant), meaning that promotion has a positive and significant effect on purchasing decisions.

The discussion of the results of this study are as follows.

Co-branding has an effect on purchasing decisions, this is reinforced by co-branding indicators, namely product familiarity, product compatibility, reputation, attitude towards co-branding, and trust, where respondents have a strong perception of these indicators even though there are still respondents who do not understand about the Aerostreet Rown Division co-branding collaboration, and consumers do not yet have familiarity with the products offered. Aerostreet - Rown Division consumers have a fairly good perception of co-branding, as seen from consumers who feel that Armature shoes have a model match with the consumer's personality. A good perception of the co-branding will increase consumer decisions to buy products from Armature shoes. Consumers will buy Armature shoes because they are satisfied with their quality and benefits. The results of this study support research that found that one that influences purchasing decisions is co-branding. The results of this study are supported by several previous studies which found that co-branding is a factor influencing purchasing decisions (Kusuma & Fransiska Anita, 2021; Nurpriyanti & Hurriyati, 2016; Riafinola, 2020; Wulandari, 2017).

Price influences purchasing decisions, this is reinforced by price indicators, namely price affordability, price compatibility with product quality, price competitiveness, price compatibility with benefits, where respondents have a strong perception of these indicators although there are still respondents who feel that power price competitiveness of Aerostreet - Rown Division products is still not good. Aerostreet - Rown Division consumers have a good perception of price, as seen from consumers thinking that the price of Armature shoes is in accordance with the quality of the product. The existence of a good perception of price will increase consumer decisions to buy these products, which can be seen that they are used to buying Armature shoes. The results of this study support previous studies which

found that price has a positive impact on purchasing decisions (Amrullah & Agustin, 2019; Anggraeni & Soliha, 2020; Permatasari & Tjahjaningsih, 2022; A. Pratiwi et al., 2021; Sahri et al., 2022; Syaleh, 2017).

Promotion influences purchasing decisions, this is reinforced by promotion indicators, namely sales promotions, events and experiences, public relations and publicity, online and social media marketing, direct and marketing databases, and personal selling, where in general the respondents have a strong perception of this indicator although there are still respondents who feel that Aerostreet - Rown Division's personal sales have not carried out intense and good personal sales. Aerostreet - Rown Division consumers have a good perception of promotions, it is proven that they think that the public already knows Armature shoe products well because they often carry out promotions. Good promotions will increase purchasing decisions, which means that they don't think long when deciding to buy Armature shoes. The results of this study support previous research which found that promotions had a positive and significant effect on consumer purchasing decision processes (Achidah et al., 2016; Ardiansyah & Aquinia, 2022; Hadi & Prabowo, 2022; Kurniawan, 2014; Lupiyoadi, 2013; Wulansari & Sudarwanto, 2014).

4. CONCLUSION

Based on the results of data analysis, several conclusions can be drawn that co-branding has a positive and significant effect on purchasing decisions, which means that when co-branding increases, purchasing decisions also increase. Overall, consumers at Aerostreet - Rown Division have a fairly good perception of co-branding. Consumers with fairly good co-branding will tend to have a high purchasing decision on Aerostreet - Rown Division products. Price has a positive and significant effect on purchasing decisions, which means that when prices increase, purchasing decisions also increase. Overall, consumers at Aerostreet - Rown Division have a good perception of price. With affordable prices, Aerostreet - Rown Division consumers will tend to have high purchasing decisions. Promotion has a positive and significant effect on purchasing decisions, which means that when promotions increase, purchasing decisions also increase. Overall, consumers at Aerostreet - Rown Division have a good perception of promotions. Promotions carried out by Aerostreet - Rown Division which are carried out well will tend to make consumers have a high purchasing decision.

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