

# The Impact of Brand Image, Viral Marketing, and Consumer Trust on Purchase Decisions on Good Day RTD Products

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**Abstract:** This research investigates how brand image, viral marketing, and customer trust influence consumers' decisions to purchase Good Day RTD products in Jakarta areas. Data were collected using a quantitative descriptive research methodology. Processing and data analysis techniques using SEM-PLS. The population of this study are consumers who consume Good Day RTD in the Jakarta area. The nonprobability sampling method used is purposive sampling, in which the sample size is 150 respondents. The findings of the study support the three hypotheses that consumer trust, brand image, and viral marketing all have a positive and significant impact on consumers' purchasing decisions. For future researchers, they can determine a sample with a larger number to describe the population and put other variables can be used to improve this research.

**Keywords:** brand image, consumer trust, viral marketing, purchase decision

## I. INTRODUCTION

According to data from the International Coffee Organization (ICO) (2020), Indonesia's domestic coffee consumption has increased over the past five years. A total of 4.800 bags with a capacity of 60 kilograms of the total domestic coffee were consumed from 2018 to 2020. In fact, only 4.417 bags of coffee were consumed nationally in 2014-2015. Then it increased to 4.550 bags throughout the following year. There is little doubt that these changing patterns of coffee consumption have a considerable impact on the market. However, the domestic segment experienced an increase in sales. Consumers are becoming more informed and discriminatory in their current product choices, which increases the competitiveness of companies. To compete, manufacturers must stock up and move fast. When people's lifestyles change, producers have more opportunities to develop more types of goods for consumers to choose from (Santoso, 2018).

PT. Santos Jaya Abadi has been making Good Day Ready to Drink (RTD) coffee since early 2001. To attract consumer interest, Good Day RTD recently introduced several variants, such as Funtastic Mocachino and Originale cappuccino. Avocado Delight and Tiramisu Bliss. Because of its catchphrase, "since life has many flavors," which alludes to the variety of flavors in this coffee, Good Day RTD has gained widespread popularity since its introduction. With so many variants of coffee drinks on the market, several brands have gathered to compete for the title of Top Brand. Top Brand is a good sign of a strong brand. A brand must be able to meet several requirements to be recognized by the Top Brand indicator. These requirements include having a Top Brand Index of at least 10% and holding one of the top three positions in a product category. Three factors, namely Mind Share, Market Share, and Commitment Share, can be used to calculate the Top Brand Index.

Several previous studies tested the correlation of brand image and viral marketing and purchase decisions, which gave different results (Miasi, 2020). Their research found a strong and positive relationship between brand image and purchasing behavior. Contrary to what demonstrates that brand image has no beneficial influence on buying decision (Ayuningih & Maftukhah, 2020). Research testing the effect of viral marketing on purchase decisions also gives varying results. Purchasing decisions for food and beverage products are positively impacted by viral marketing (Alfito, 2022). But in contradiction with (Afrianti, 2022) which proves that there is no influence of viral marketing on consumer choices. Research result (Hidayat et al., 2021) shows that trust positively influences consumer decisions to buy products that are marketed (Viani et al., 2021).

## II. LITERATURE REVIEW

### 2.1 Effect of Brand Image on Purchase Decision

When deciding to choose and buy a product, consumers often create a brand image for the product. To persuade consumers to make purchases, businesses must be able to attract attention from customers and build a positive brand reputation. Consumers' perceptions and beliefs about a brand are reflected in the associations that arise from their impressions. Consumer trust and preference for a product will increase when a company's brand image improves. Studies showing that brand image can influence purchasing decisions support this argument. Building a positive brand image is expected to increase consumer confidence in the product. Study (Nabila Shabiriani, 2021) proves the impact of brand image on purchase decision. Disseminating diverse marketing data that is anticipated to improve consumer perceptions of a brand and may influence their decision to make a purchase (Tauran et al., 2022). This discussion led to the formulation of the research hypothesis:

H1: *Brand image has a favorable and significant impact on consumers' purchase decisions.*

### 2.2 Effect of Viral Marketing on Purchase Decision

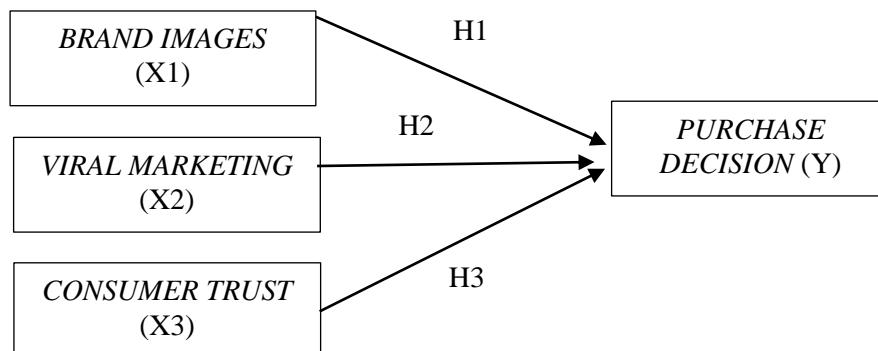
Viral marketing has the potential to affect people's purchasing decisions by giving the public more comprehensive, accurate, and up-to-date information (Yulianto et al., 2018). It is influenced by a variety of factors, such as perceived behavioral control, subjective norms, the opinions of people nearby, and other factors (Lim et al., 2016). Consumers and advertisers can contribute advertisements and videos to user-generated content websites to distribute with millions of users. Viral marketing is a type of word-of-mouth advertising that encourages customers to share textual, audio, or video content created by a company with others using digital platform (Kotler & Keller, 2016). According to the study by (Liu & Wang, 2019), engaging with viral media regularly improves the propensity to purchase decisions. Viral marketing messages have a strong beneficial impact on purchase decisions. Viral marketing has a positive impact on purchasing decisions. This discussion led to the formulation of the research hypothesis: Purchase decisions are positively impacted by viral marketing. This discussion led to the formulation of the research hypothesis:

H2: *Viral marketing has a favorable and significant impact on consumers' purchase decisions.*

### 2.3 Effect of Consumer Trust on Purchase Decision

Viral marketing can possibly impact shopper purchasing conduct since it can give admittance to more finish, ideal and precise data to the general population (Yulianto et al., 2018). Other people's viewpoints, including how they feel about social conventions, behavioral constraints, and other things (Lim et al., 2016). Consumers and advertisers can upload advertisements and films to share with millions of people using websites that host user-generated content, such as YouTube, Vimeo, and Google Video. Viral marketing is a type of word-of-mouth advertising that encourages users to share written, audio, or video content online that promotes company-developed goods and services with others (Kotler & Keller, 2016). This discussion led to the formulation of the research hypothesis:

H3: *Customer trust has a favorable and significant impact on consumers' purchase decisions.*



**Figure 1. Theoretical Framework**

### III. RESEARCH METHODS

#### 3.1 Design, Population, and Sample

The study was designed using a quantitative survey method. The survey method is a quantitative approach used to gather information about events that happened in the past or present (Sugiyono, 2019). The population of this study are consumers who consume Good Day RTD in the Jakarta area. The nonprobability sampling method used is purposive sampling, in which the sample is selected according to the research objectives (Hardani et al, 2020). A sample size of 100 to 200 is provided for the maximum likelihood (ML) estimate technique, which satisfies the requirements for the least number of samples. Sampling is based on the Hair Theory. The number of indicators for this study is 15 questions multiplied by 10 (15x10=150). So, through these calculations, the sample size is 150 people.

#### 3.2 Operational Definition

**Table 1. Operational Definition**

Construction	Source	Indicator	Scale
Brand Image (X1)	Kotler and Keller (2017)	Effects of brand association that are positive	Likert
		Strength of brand association	
		Brand association uniqueness	
Viral Marketing (X2)	Skrob (2018)	Information spreading	Likert
		Credibility of information	
		Expressive positive feelings	
Consumer Trusts (X3)	Kotler and Keller (2017)	Benevolence	Likert
		Ability	
		Integrity	
		Willingness to depend on	
Purchase Decision (Y)	Kotler (2018)	Product	Likert
		Brand	
		Dealer	
		Purchase Amounts	
		Purchase Timing	

#### 3.3 Data Collection and Analysis Methods

To collect data, Google forms and links shared on social media are used to distribute surveys, which are then circulated online. Processing and methods for data analysis utilizing SEM-PLS. The first step is to evaluate the Measurement Model (Outer Model) to evaluate the extent to which certain instruments that have been designed measure certain ideas to be tested. The second step, Evaluation of the Structural Model (Inner Model) using R-square data, the sample size was determined (R2). R-square is used for the dependent variable in the evaluated structural sample. The Stone-Geiser Q-square test uses predictive relevance, t-test, and significance according to the structural path parameter coefficients. By using the R-square data of the dependent latent variable, the sample value is determined using the first term of the PLS.

The last stage is hypothesis testing, where the P value is calculated in the Smart PLS program, and will be used in the implementation of statistical tests, namely the comparison of the P value and alpha (), which is 5 percent of the existing provisions, namely:

1.  $P\text{-value} \leq \alpha$  value, the hypothesis is accepted. The independent variable significantly affects the dependent variable, which indicates that the hypothesis is correct.
2.  $P\text{-value} > \alpha$  value, the hypothesis is rejected. The independent variable has no impact on the dependent variable, rejecting the null hypothesis.

#### IV. RESULT AND DISCUSSION

##### 4.1 Characteristics of Respondents

###### 4.4.1 Respondents by Age

Table 2 below shows the percentage of responders by gender:

**Table 2 Respondents by Age**

Age	Frequency	Percentage
15 – 20 Years	17	11.3%
21 – 25 Years	36	24%
25 – 30 Years	39	26%
30 – 35 Years	11	10.7%

Based on age, most respondents were aged 25-30 years, namely 26%. Meanwhile, the lowest was in the age range of 30-35 years, namely 10.7%.

###### 4.4.2 Respondents by Gender

Table 3 below shows the percentage of responders by gender:

**Table 3 Respondents by Gender**

Gender	Frequency	Percentage
Man	73	48.7%
Woman	77	51.3%

Based on gender, most respondents were women as much as 51.3%. While the percentage of male respondents is 48.7%.

###### 4.4.3 Respondents According to Consuming Time

Table 4 below shows the percentage of responders by gender:

**Table 4 Respondents by Consuming Time**

Long Consuming	Frequency	Percentage
< 1 year	32	21.3%
1-3 years	69	46%
> 3 years	49	32.7%

According to the length of consumption, most respondents (up to 46%) have used this product for 1-3 years.

##### 4.2 Loading Factor Items Questions Against Dependent Variables

Loading factor is a composite indicator and estimated factor value. When the loading factor produces a value of 1 or is very close to 1, the weighted value is much stronger than the standard, which ranges between 0 and 1. This evaluation is also known as a discriminant validity test which is related to several construct measurement principles, where basically what is not the same is not will have a correlation.

Based on the value of the loading factor or outer loading, the convergent validity test is computed. Whenever the outer loading value is, that is a valid indicator indicating  $> 0.5$ . Thus, the results in table 5 for all variables state that all items have a value of  $> 0.5$ , meaning that all indicators are valid or feasible in the preparation of first order and second order in the SEM model construct.

##### 4.3 Determination Test (R Square)

This test determines the proportion of the dependent variable that the independent variable can account for. The value of 0 for R<sup>2</sup> indicates that there is no relationship between the independent and dependent variables, so, none of the variables examined managed to translate the variation of the dependent variable. However, if the independent variable is able to translate 100% (completely) of the variance in the dependent variable and the value of R<sup>2</sup> is 1, then the independent variable's influence on the dependent variable is flawless. If the independent variable is unable to translate 100% (completely) of the variance in the dependent variable, then the value of R<sup>2</sup> is less than 1. These are the findings from the tests:

**Table 5 R Square Latent Variable**

	R Square	R Square Adjusted
Purchase Decision	0.847	0.844

The statistical output above shows that the amount of R Square in the purchase decision has an R2 value of 0.847, meaning that 84.7% of the purchase decision variable can be explained by brand image, viral marketing, and consumer trust indicators.

#### 4.4 Composite Reliability, Cronbach Alpha, Average Variance Extracted

Outer model can also be measured based on the results of construct reliability or by composite reliability values which are the choice for the Cronbach Alpha test to determine convergent validity in reflective models. The variation in the composite reliability value itself is around 0-1. In an exploratory study, the value used was 0.6-0.7 with confirmatory research. Meanwhile, the composite reliability value  $> 0.9$  indicates a small error. In addition, there is also an AVE test which is known based on convergent value and convergent validity. The results of the AVE test itself will explain each latent factor in the model. It can be stated as strong if the AVE is  $> 0.5$  and the AVE value is required  $>$  the cross-loading correlation value. If the magnitude of AVE  $< 0.5$  means it has a high error rate. The Cronbach Alpha test can explain convergent validity, with Cronbach Alpha criteria  $> 0.8$  entering on a good scale,  $> 0.7$  meaning that it is on an accepted scale, and greater than 0.6 is included on a scale that has a low estimate.

**Table 6 Composite Reliability, Cronbach Alpha, Average Variance Extracted**

	Composite Reliability	Cronbach Alpha	Average Variance Extracted
Brand Marketing	0.866	0.766	0.683
Viral Marketing	0.876	0.790	0.703
Consumer Trusts	0.924	0.890	0.752
Purchase Decision	0.876	0.823	0.585

#### 4.5 Variance Inflation Factor (VIF)

When there is collinearity between model variables, the resulting estimates are highly volatile and subject to significant error. The interrelationship between these two variables is what makes this happen. Errors in estimating weights and significant impacts can be caused by high collinearity values. Results of the VIF for known collinearity values. If VIF is greater than 10, there is collinearity and missing variables cannot be included in the model.

**Table 7 Variance Inflation Factor Item Latent Variable**

Items	VIF
B11	1,826
B12	1,956
B13	1,336
VM1	1,639
VM2	1,614
VM3	1,752
CT1	2,259
CT2	2,769
CT3	2,908
CT4	2,129
PD1	1,751
WW2	1,830
PD3	1,720
PD4	2,236
PD5	2,261

VIF is a diagnostic tool that can determine whether multicollinearity is present or not. Based on the results of the investigation of all constructions, there is no indication of multicollinearity because the VIF values obtained by all constructions are less than 10.

#### 4.6 Correlation Between Latent Variables

The statistical method of correlation analysis is a method for calculating values that reveal whether a relationship between variables is significant. The increasingly linear value indicates that the value is increased or strengthened to a greater degree in the variable relationship marked with a straight line.

**Table 8 Correlation Between Latent Variables**

	Brand Marketing	Consumer Trusts	Purchase Decision	Viral Marketing
Brand Marketing	0.826			
Consumer Trusts	0.624	0.867		
Viral Marketing	0.726	0.670	0.765	
Purchase Decision	0.554	0.406	0.832	0.838

According to the above table, there is a strong correlation between all the variables in the observational construct, ranging from 0.406 to 0.826 in magnitude. As for the strongest relationship is 0.832 in viral marketing with purchase decisions.

#### 4.7 Hypothesis Testing with the Bootstrapping Method

The bootstrap procedure computes the correlation coefficient,  $R^2$ , and the impact of significant variables in relation to the latent variable values that have formed, explained by path analysis. As for the emphasis on variance based in PLS, it changes the form of analysis from causality testing to predictive components.

**Table 9 Hypothesis Test Results**

	T Statistics ( O/STDEV )	P Values
Brand Image -> Purchase Decision	4,433	0.000
Consumer Trust -> Purchase Decision	5,578	0.000
Viral Marketing -> Purchase Decision	11,424	0.000

Depending on how large a relationship there is between the factors or by using the size of the rho (path) coefficient, it is possible to determine the consistency of the population-based model by knowing the value of O (original statistic) and the t statistic, which expresses the size of the significance of the relationship of a variable.

#### 4.8 Discussion of Hypothesis Test Results

##### 4.8.1 Effect of Brand Marketing on Purchase Decision

The t-statistic value of 4.433 is generated with a probability-statistic = 0.000 using the calculation results of the structural equation model (SEM) and a significant level ( $\alpha$ )  $< 5\% = 0.05$ . As a result, a large body of evidence supports the H1 hypothesis, which states that brand marketing strongly influences consumers' purchase decisions. When deciding to choose and buy a product, consumers often create a brand image for the product. To persuade consumers to make purchases, businesses must be able to attract attention from customers and build a positive brand reputation. Consumers' perceptions and beliefs about a brand are reflected in the associations that arise from their impressions. Atmaja & Menuh's research (2019) which confirms that brand image can improve purchasing decisions supports this argument. Building a positive brand image is expected to increase consumer confidence in the product.

##### 4.8.2 Effect of Viral Marketing on Purchase Decision

The t-statistic value of 11.424 is obtained with a statistical probability of 0.000 using the results of SEM calculations and a significance level ( $\alpha$ )  $< 5\% = 0.05$ . Thus, hypothesis H2, it asserts that the influence of viral marketing on consumer decisions is positive and significant, is largely acceptable. According to the idea of planned behavior, influence of viral marketing on customer buying behavior because it can give them access to more comprehensive, timely and correct information (Yulianto et al., 2018) and influenced by a variety of variables, including subjective norms, perceived behavioral control, the attitudes of others around them, and others (Lim et al., 2016).

#### 4.8.3 Effect of Consumer Trust on Purchase Decision

The results of the SEM calculations and the significance level ( $\alpha$ )  $< 5\% = 0.05$  produce a t-statistical value of 5.578 and a statistical probability of 0.000. Therefore, hypothesis H3—which asserts that customer trust has a strong positive impact on purchasing decisions—is widely accepted. Consumer trust is the basis for forming and maintaining relationships between consumers and producers. Consumer trust is a very important factor to be maintained and improved to attract purchase decisions. Kim's study (2019) shows that consumer trust has a very strong impact on purchase decisions. Urena (2018) also found that the power in purchasing decisions is based on consumer trust. It follows that high levels of consumer trust will influence purchasing decisions. Customers must have trust when making a purchase, which is gained by the seller's honesty, consideration, and top-quality goods (Budyastuti & Iskandar, 2019). Consumer trust has a positive impact on purchasing decisions due to its antecedents (Hayuningtyas & Widiyanto, 2021). The higher the user's trust in the seller, the higher the purchase decision.

## V. CONCLUSION

The results of the investigation showed that the impact of brand image on purchasing decisions is favorable and considerable. Customer trust influences consumer purchasing behavior both favorably and significantly.. Influence of viral marketing on consumers' buying decisions is favorable and considerable. The limitation of this research is the limited time so that the minimum number of samples studied. For future researchers, they can determine a sample with a larger number to describe the population, especially in all regions of Indonesia, not only in Jakarta. For further research, other variables can be used to improve this research.

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