Knowledge E
Engaging minds

Conference Paper

Antecedents and Consequences of Brand Image: A Case of a Packaged Drinking Water Product

Riko Mersandro Permana and Ilham

Master of Marketing Management, Trisakti University, Jakarta, Indonesia

Abstract

Problem in this research was the importance of examining the positive effect of independent variables on brand image and the positive effect of brand image on the dependent variable. This research used hypothesis testing methodology. The data was obtained from questionnaire of which the number of variables was 10 items, the number of indicators was 41 items, and the number of respondents selected was 200 people. This empirical research used Structural Equation Modeling (SEM) for the data analysis. The findings in this research were: (1) there was positive influence of brand awareness, excitement, and perceived quality toward the AQUA brand image as a Packaged Drinking Water product, and (2) there was positive influence of the AQUA brand image as Packaged Drinking Water product toward brand trust, brand loyalty, brand love, and word of mouth (WOM).

Keywords: brand image, brand association, brand trust, brand loyalty, purchase behavior

Corresponding Author:
Riko Mersandro Permana
r_mersandro@yahoo.com

🔓 **OPEN ACCESS**

1. Introduction

At present, AQUA Packaged Drinking Water product is a market leader in the competitive field among various mineral water products in Indonesia [20]. Its strong position is due to the fact that AQUA is a pioneer of Packaged Drinking Water in Indonesia. In addition, it is also supported by intense promotion and marketing strategy. The promotional method used by AQUA is mainly through advertisement in electronic and print media, sponsorship in various events, as well as extensive billboard advertising installations.

Looking at the market share and consumer interest in the AQUA Packaged Drinking Water, it is shown that the AQUA has established trust, loyalty, and consumer love. After the brand love is formed, consumers indirectly will do word of mouth, which is known as 'Word of Mouth (WOM)' in marketing world and will make purchase behavior when hearing about AQUA brand.

How to cite this article: Riko Mersandro Permana and Ilham, (2018), "Antecedents and Consequences of Brand Image: A Case of a Packaged Drinking Water Product" in *The 2018 International Conference of Organizational Innovation*, KnE Social Sciences, pages 209–219. DOI 10.18502/kss.v3i10.3374

Page 209

According to Latif et al. (2014), variable considered as multidimensional variable creating a competitive advantage in the market and enhance the reputation, status, and credibility of the organization as a whole is brand image. Based on that opinion, it can be assumed that AQUA has a strong brand image in the consumers' mind. According to some researchers, the formation of brand image can be influenced by several variables, such as brand awareness, brand association, excitement, and perceived quality.

To test the variables affecting the brand image and the variables influenced by the brand image of a product, this case study is conducted in a certain location in Apartment of Casablanca East Residence, Jakarta, Indonesia in 2017.

This research is expected to be useful for companies as well as marketing managers in creating strategies to improve the brand image of their products in order to create competitive advantage, to expand market share, and to increase the profitability of the company.

2. Literary Review

In the previous research, Khan and Jalees (2016) argued that brand awareness had a positive influence toward brand image. Results of their research were consistent with the previous research proposed by Keller (1993) stating that brand awareness was a fundamental condition in forming brand image. In another research, Latif et al. (2014) and Latif et al. (2015), who conducted a research related to antecedents of brand image, explained that one of the factors influencing the formation of brand image was brand awareness. According to Latif et al. (2014), brand awareness had a direct emphasis on brand image as the first step in building a strong positive association in the consumers' mind. Therefore, creating brand awareness by making consumers able to recall and to recognize the product, for example, will build the brand image of a product in the consumers' mind.

According to Khan and Jalees (2016), in addition to the brand awareness, brand association also influenced brand image. The results of their research were consistent with the previous research [3] stating that brand association supported the establishment of brand image leading to competition, profit, income and growth potential. Keller (1993) recognized brand image and brand association as brand recall and brand knowledge. Based on the concept, the hypotheses tested in this research are:

H1: There is a positive influence of brand awareness on brand image.

H2: There is a positive influence of brand association on brand image.

In the previous research, Shakeri and Alavi (2016) hypothesized that the excitement dimension of brand personality would have positive impact on the brand image. The results showed that there was significant relationship between excitements of the brand image. It was shown that the emergence of joy, passion, and imagination after the consumers consumed a product would create positive impact on the formation of the brand image of a product in the consumers' mind. Based on that concept, the hypothesis tested in this research is:

H3: There is a positive influence of excitement on brand image.

Results of the previous research conducted by Alhaddad (2015) explained that perceived quality had positive and significant influence on the brand image. In other theories, it was revealed that perceived quality influenced the brand image [5, 14]. It was shown that making consumers believe in quality, features, or benefits of a product would create positive and significant impact on the brand image of the consumed product. In his research, Alhaddad (2015) also stated that brand trust was recognized as a key variable in a long-term relationship with customers. It positively affected the brand image, and then, either directly or indirectly, formed brand trust that would affect brand loyalty as well. This was in line with the opinion stated by Chaudhuri and Holbrook (2001) arguing that brand trust greatly affected customer's attitude and brand loyalty. Based on the concept, the hypotheses tested in this research are:

H4: There is a positive influence of perceived quality on brand image.

H5: There is a positive influence of brand image on brand trust.

H6: There is a positive influence of brand image on brand loyalty.

H7: There is a positive influence between brand images on brand loyalty.

Then, in the previous research conducted by Sallam (2014), it was explained that there was a positive influence of brand image on brand love, word of mouth (WOM), and purchasing decision-making. According to him, brand image played an important role in building consumers' brand love that led to a positive form of WOM and directed the consumers to make a decision. Consumers often make purchasing decisions in accordance with positive or negative word of mouth and brand love level. Aaker (1997) also found a positive and significant impact of brand image on brand love. According to Ismail et al. (2012) in his research, he also illustrated the influence of brand love on the word of mouth of the consumers. In addition, Lo (2012) found that word of mouth had a big meaning in affecting purchase behavior. Based on several concepts, the hypotheses tested in this research are:

H8: There is a positive influence of brand image on brand love.

H9: There is a positive influence of brand image on WOM.

H10: There is a positive influence of brand image on WOM through brand love.

H11: There is a positive influence of brand image on purchase behavior through brand love and WOM.

In the previous research, Fianto (2014) argued that brand image had positive and significant impact on purchase behavior, and then brand trust was also identified as having mediation role of relationship between brand image and purchase behavior. Based on that concept, the hypotheses tested in this research are:

H12: There is a positive influence of brand image on purchase behavior through WOM.

H13: There is a positive influence of brand image on purchase behavior through brand trust.

3. Methods

All variables in this study have been tested by using validity and reliability test. The description of the validity test and the reliability test of this research is shown in Table 1:

TABLE 1: Validity and Reliability Test.

Variable	Validity Test				Reliability Test		
	N	Corrected Item-Total Correlation	r-table	Decision	Item/Statement	Cronbach's Alpha	Decision
Brand Awareness	200	0.757 – 0.852	0.2	Valid	3	0.906	Reliable
Brand Association	200	0.778 – 0.883	0.2	Valid	4	0.927	Reliable
Excitement	200	0.709 – 0.874	0.2	Valid	3	0.903	Reliable
Perceived Quality	200	0.852 – 0.863	0.2	Valid	3	0.930	Reliable
Brand Image	200	0.750 – 0.812	0.2	Valid	3	0.884	Reliable
Brand Trust	200	0.836 – 0.910	0.2	Valid	6	0.964	Reliable
Brand Loyalty	200	0.822 – 0.897	0.2	Valid	5	0.952	Reliable
Brand Love	200	0.832 – 0.945	0.2	Valid	5	0.968	Reliable
Word of Mouth	200	0.806 – 0.926	0.2	Valid	4	0.950	Reliable
Purchasing Behavior	200	0.820 – 0.898	0.2	Valid	5	0.951	Reliable

The method used in this research was hypothesis testing, where this method tested the hypotheses; in this case, the effect that occurred in each variable in the hypotheses

[17]. The description of conceptual model of this research can be seen in Figure 1 as follows:
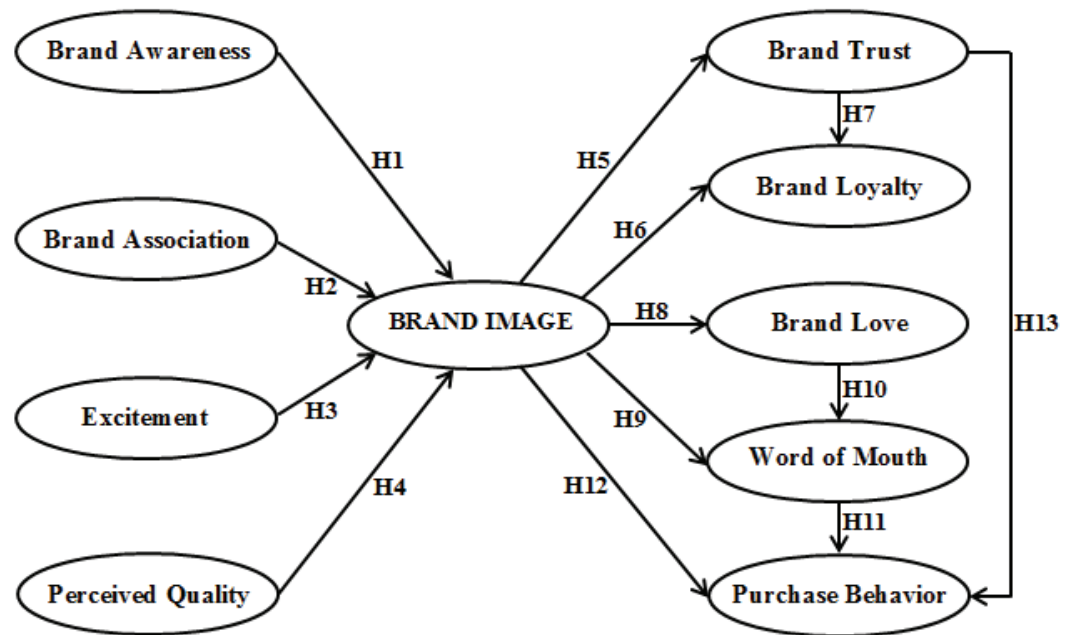

Figure 1: Conceptual model.

This research used SEM (Structural Equation Model) analysis method which was run by using AMOS program (Analysis of Moment Structures) version 20. Path diagram in this research can be seen in Figure 2 as follows:

4. Results

Based on the result of data processing which had been conducted to variables in this research, namely: brand awareness, brand association, excitement, perceived quality, brand image, brand trust, brand loyalty, brand love, WOM and purchase behavior, there was SEM model estimation which is shown in the following table:

5. Discussion

The results of research conducted on H1 showed that consumers could easily remember and recognize the Packaged Drinking Water product of which brand is AQUA. Some of the factors that made this product was easy to be remembered and recognized were because these products came up with unique logos, symbols, advertisements, and so on; even, when it was compared to theories, according to Susanto and Wijanarko
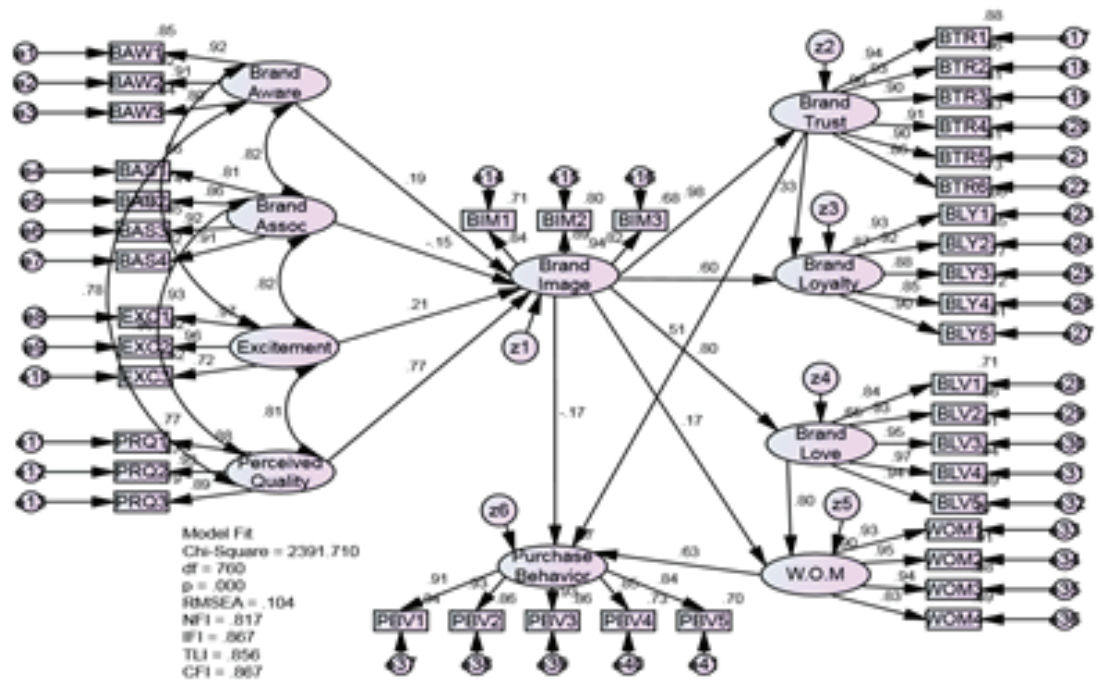
Figure 2: Path diagram.

(2004), that were adopted from Aaker (1997), it was stated that in pyramid brand awareness, the AQUA brand was included in the top of mind level. The results of this research were in line with the previous research conducted by Khan and Jalees (2016).

The results of research conducted on H2 showed that the brand image of AQUA was not formed by the superiority of brand association, the strength of brand association, and the uniqueness of the brand association. The results of this research were not in line with the research conducted by Khan and Jalees (2016) and were not in line with the opinion stated by Latif et al. (2014) and Latif et al. (2015).

The results of research conducted on H3 showed that consumers felt happy, excited, and arose the imagination after they consumed these products; so, based on what was perceived by consumers, there was a positive impact on the formation of the brand image of AQUA in the consumers' mind. This research was in line with the results of research revealed by Shakeri and Alavi (2016).

The results of research conducted on H4 indicated that consumers trusted the quality or the features of the product. This research was in line with a research conducted by Alhaddad (2015), which explained that perceived quality had a positive and significant influence on the brand image, and other theories expressed by Ming et al., (2011) and Chen and Tseng (2010) stating that perceived quality kept by consumers influenced the brand image.

TABLE 2: Estimation result of SEM model.

Hypotheses	Relationship	Estimate	S.E.	C.R.	P-value	Conclusion
H1	Brand Awareness → Brand Image	0.177	0.057	3.111	0.002	Was supported
H2	Brand Association → Brand Image	−0.150	0.087	−1.730	0.084	Was not supported
H3	Excitement → Brand Image	0.176	0.050	3.546	0.000	Was supported
H4	Perceived Quality → Brand Image	0.737	0.085	8.645	0.000	Was supported
H5	Brand Image → Brand Trust	1.021	0.058	17.741	0.000	Was supported
H6	Brand Image → Brand Loyalty	0.664	0.285	2.332	0.020	Was supported
H7	Brand Image → Brand Trust → Brand Loyalty	0.351	0.270	1.301	0.193	Was not supported
H8	Brand Image → Brand Love	0.803	0.068	11.807	0.000	Was supported
H9	Brand Image → Word of Mouth	0.190	0.056	3.384	0.000	Was supported
H10	Brand Image → Brand Love → Word of Mouth	0.882	0.071	12.387	0.000	Was supported
H11	Brand Image → Brand Love → WOM → Purchase Behavior	0.624	0.064	9.684	0.000	Was supported
H12	Brand Image → Purchase Behavior	−0.183	0.297	−0.617	0.537	Was not supported
H13	Brand Image → Brand Trust → Purchase Behavior	0.535	0.270	1.980	0.048	Was supported

The results of research conducted on H5 showed that consumers believed in product and credibility of Packaged Drinking Water product with AQUA brand, meaning that AQUA had succeeded in making image or impression that could be trusted and was sincere as well as reliable in the consumers' mind. This research was in line with a research conducted by Alhaddad (2015).

The results of research conducted on H6 showed that loyal, satisfied, and prioritized customers were willing to buy the product even though its price was higher than other brands and would recommend Packaged Drinking Water product with AQUA brand. This research was in line with the results obtained by Alhaddad (2015) stating that brand image affected brand loyalty. Being compiled with the opinion stated by Susanto and Wijanarko (2004), which was adopted from Aaker (1997) in Dhanyramadha (2012), it was concluded that consumer loyalty had entered the third level of loyalty to the top, that is, entering the category of satisfied buyer until committed buyer.

The results of research conducted on H7 showed that producers did not have to form brand trust in the consumers' mind to make them loyal. In other words, brand trust

had little or insignificant effect on brand loyalty. This research was still in line with Alhaddad's research (2015) and the opinion stated by Chaudhuri and Holbrook (2001), which argued that brand trust strongly influenced brand loyalty. However, the results were not in line with the significance. This difference can be caused by the strong brand image of AQUA in the consumers' eyes, so the consumers could be directly loyal to the brand.

The results of research conducted on H8 showed that consumers considered AQUA as a great brand, making someone be confident, be admirable, be happy, and love the brand. This research was in line with a research conducted by Sallam (2014), Bergkvist et al., (2009), and Aaker (1997) which stated that positive and significant brand image had an impact on brand love.

The results of research conducted on H9 showed that the strength of brand image of AQUA made consumers recommend, praise, spread good things, and help to advertise the brand through word of mouth. This research was in line with the results of the research put forwarded by Sallam (2014).

The results of research conducted on H10 showed that the strength of brand image of AQUA also affected the formation of brand love and, either directly or indirectly, affected the formation of WOM. This research was in line with some previous researches by Sallam (2014), who suggested that there was positive influence of brand image on brand love and WOM. According to him, brand image played an important role in building consumers' brand love that led to a positive WOM form. It was also stated by Ismail et al. (2012), in his research, who also illustrated the influence of brand love on consumers' WOM.

The results of research conducted on H11 showed that the strength of brand image of AQUA could create consumer buying behavior after the brand love and WOM were formed. This research was in line with Sallam's (2014) opinion stating that brand image played an important role in building consumers' brand love that led to a positive WOM form and directed consumers to do purchasing decision-making. Consumers often make purchasing decisions in accordance with positive or negative WOM and brand love level. This research was also in line with other research conducted by Lo (2012), who found that WOM had a big meaning in influencing purchase behavior.

The results of research conducted on H12 showed that consumers could not simply make purchase behavior or purchasing decisions only through a belief that the brand image of the product was good. In line with the results of the research conducted on the previous hypothesis (H11), it was stated that a brand must be loved by consumers

(brand love), and first formed the WOM in order to increase purchase behavior. This research was not in line with the results of the previous research done by Fianto (2014).

The results of research conducted on H13 indicated that the strength of brand image of AQUA could lead to purchase behavior by consumers after they believed in the brand (brand trust). This research was in line with the results of the research proposed by Fianto (2014).

6. Conclusion

Based on the aforementioned discussion, we could conclude that antecedent variables that had positive and significant impact on brand image of AQUA as Packaged Drinking Water product were: brand awareness, excitement, and perceived quality. This reinforced some previous researches. On the other hand, there was one variable used in this research that was not in line with some previous researches or had no positive effect on brand image, that was, brand association. It was seen in the estimation of regression model with SEM on the second hypothesis.

Meanwhile, the consequence variables that were influenced positively and significantly by brand image of Packaged Drinking Water product with AQUA brand consisted of: brand trust, brand loyalty, brand love, and word of mouth (WOM). This reinforced some previous researches. There was one variable which the brand image positively influenced on and was not in line with previous research by Fianto (2014), namely purchase behavior. In this research, purchase behavior could not be affected directly by the brand image, but it could be formed after passing brand trust, brand love, and word of mouth (WOM).

Acknowledgement

References

[1] Aaker, J. (1997). Dimensions of brand personality. *Journal of Marketing Research,* vol. 34, no. 3, pp. 347–356.

[2] Alhaddad, A. (2015). Perceived quality, brand image and brand trust as determinants of brand loyalty. *Quest Journals, Journal of Research in Business and Management*, vol. 3, no. 4, pp. 1–8.

[3] Belén del Río, A., Vazquez, R., and Iglesias, V. (2001). The effects of brand associations on consumer response. *Journal of Consumer Marketing*, vol. 18, no. 5, pp. 410–425.

[4] Chaudhuri, A. and Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*, vol. 65, no. 2, pp. 81–93.

[5] Chen, C. and Tseng, W. (2010). Exploring customer-based airline brand equity: Evidence from Taiwan. *Transportation Journal*, vol. 49, no. 1, pp. 24–34.

[6] Dhanyramadha. (2012). *Brand Equity, Brand Awareness, Perceived Quality dan Brand Loyalty*. Retrieved from https://dhanyramadha.wordpress.com/tag/brand-association/ (accessed 20 June 2017).

[7] Fianto, A. Y. A. (2014). The influence of brand image on purchase behavior through brand trust. *Business Management and Strategy*, vol. 5, no. 2, pp. 58–76.

[8] Ismail, A. R. and Spinelli, G. (2012). Effects of brand love, personality and image on word of mouth: The case of fashion brands among young consumers. *Journal of Fashion Marketing and Management: An International Journal*, vol. 16, no. 4, pp. 386–398.

[9] Keller, K. L. (1993). Conceptualizing, measuring and managing customer-based brand equity. *Journal of Marketing*, vol. 57, no. 1, pp. 1–22.

[10] Khan, S. K. and Jalees, T. (2016). Antecedents to brand image. *Market Forces College of Management Sciences*, vol. 11, no. 2, pp. 11–24.

[11] Latif, W. B., Islam, M. A., Noor, I. B., et al. (2014). Antecedents of brand image: A case of a developing countries. *Asian Social Science*, vol. 10, no. 19, pp. 1–10.

[12] Latif, W. B., Islam, M. A., and Mohamad, M. B. (2015). Antecedents of brand image: A conceptual model. *Australian Journal of Business and Economic Studies*, vol. 1, no. 11, pp. 95–100.

[13] Lo, S. C. (2012). Consumer decision: The effect of word of mouth. *International Journal of Organizational Innovation*, vol. 4, no. 3, pp. 188–196.

[14] Ming, T. T., Ismail, H. B., and Rasiah, D. (2011). Hierarchical chain of consumer-based brand equity: Review from the fast food industry. *International Business and Economic Research Journal*, vol. 10, no.9, pp. 67–80.

[15] Nisfinannoor, M. (2013). *Pendekatan Statistika Modern Aplikasi dengan Software SPSS dan E-Views.* Jakarta: Trisakti University.

[16] Sallam, M. A. (2014). The effects of brand image and brand identification on brand love and purchase decision making: The role of WOM. *International Business Research*, vol. 7, no. 10, pp. 187–193.

[17] Sekaran, U. (2004). *Research Methods For Business: A Skill Building Approach (fourth edition)*. New York: John Wiley and Sons, Inc.

[18] Shakeri, S. and Alavi, H. H. (2016). Investigating the impact of brand love, brand image, excitement and word of mouth on consumers. *International Journal of Information Research and Review*, vol. 03, no. 11, pp. 3081–3085.

[19] Susanto, A. B. and Wijanarko, H. (2004). *Power Branding: Membangun Merek Unggul dan Organisasi Pendukungnya*. Jakarta: PT. Mizan Publika.

[20] Top Brand Award. (2016). *Top Brand Index 2016 Fase 2 Kategori Air Minum Dalam Kemasan.* Retrieved from http://www.topbrand-award.com/top-brand-survey/ surveyresult/top_brand\index_2016_fase_2 (accessed 20 June 2017).