

## Conference Paper

# Prokem Brand: Antecedents of Customers' Buying Decision on Ayam Neraka

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## Abstract

Brand is created to inspire a good image in the minds of consumers. But lately there has been an interesting trend, where a brand is created with a negative connotation, to which we have given the term Prokem Brand. Ayam Neraka is one of the famous Prokem Brand in Indonesia. This study aims to analyze the influence of Brand Equity, Promotion, and Reference Groups toward the Buying Decision of Ayam Neraka in Padang. The population of this study is all the Ayam Neraka Cafe consumers with a sample size of 80 people. The sampling technique is Accidental, where we distribute questionnaires to consumers that happened to be found during the study. Data analysis was done using linear regression analysis. This study found that, simultaneously, the independent variables significantly affect Buying Decisions. But from all three, Brand Equity and Reference Group are the only variables that significantly affect Ayam neraka consumers' Buying Decisions. Based on this study, we then gave the name Prokem Brand to brands like Ayam Neraka, who have names with negative connotations, but paradoxically viewed as a good brand by a limited consumer, that is, the youth.

**Keywords:** Prokem Brand, Buying Decision, Brand Equity, Promotion, Reference Group

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## 1. Introduction

Brand is an initial asset of a product [1]. Consumers tends to buy brands that are already known because they feel safe with something known. It can be said that, the brand is a guarantee from the manufacturer regarding their quality. Therefore, the brand must be created in accordance with the desired image. Brand must have a positive meaning. Besides that it also describes the philosophy of the company [2]. Then the determination of the name of a product cannot be arbitrarily done.

In Indonesia, a name also considered as a prayer [3]. Therefore, when determining the name of a child, parents will think carefully before determining a name. Because of the name contained expectations from parents to their children. The same habits were then adopted when creating brands. Most of the brands created by producers in Indonesia mean prayer or hope. Names such as Harapan Jaya (hope of success), Usaha Berkah

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(a blessed business) or Sumber Rejeki (source of sustenance) are common brands in Indonesia. This illustrates the philosophy that the business wants to build.

A similar thing is also found in the determination of food brands. Food brand is determined by considering the image you want to create. For example, McDonald's chose the brand because it portrays America. Determination of the name was carried out consciously by its founder Ray Kroc, by purchasing a license to use the names of the original founders of the restaurant [4]. Because the name is the most valuable asset that he must maintain.

In Indonesia itself, the name of the restaurant is also determined by considering the image. Restaurants that have traditional food usually take the names of nature, such as Bebek Sawah, Fishermen and so on. Whereas restaurants that serve modern menus prefer English names. But in essence, all this time the determination of brands is done by choosing names that have a positive meaning.

But now there is a new phenomenon, where restaurant brands are made as unique as possible. The purpose of the brand is to make prospective consumers curious and remember. These names could be in the form of a play, a funny name, and so on. Among them are: Laperpool Restaurant (a play on Indonesian word for hungry, lapar, and famous football club Liverpool), Bakso Ceker Ayam (abbreviated as BCA, and using the Bank Central Asia logo), Mie Kita Mirzani (a play on the name of famous artist Nikita Mirzani) and so on.

Giving these unique names was initially due to the high competition between restaurants/cafes. So the new restaurant owner must think hard to create a name that is immediately remembered by consumers. If consumers feel curious about the brand they hear, it is expected that the consumer will come and try the various menus provided [5].

But at this time unique and funny names seem to be no longer enough to attract the attention of consumers [6]. Therefore, later the names of restaurants and cafes emerged with negative connotations. Such as Mie Setan (satan's noodle), Kafe Hantu (ghost café), Rumah Makan Pocong (dead body restaurant), etc. One restaurant with a negative connotation brand that available in West Sumatra is the Kafe Ayam Neraka or Hell's Chicken Cafe. Basically, like other restaurants that use negative connotations, they serve spicy food with various levels. Usually, the higher the level indicated on the menu, the more spicy the food is. For example, the hottest level on the Ayam Neraka menu is the Neraka Jahanam (Hellfire).

The naming can be no problem in other regions. But in West Sumatra, where the majority of the population are Minangkabau, who are 100% Muslim [7], the name can lead to a very negative image. For Muslims, [8] Based on Islamic teachings, the sinners

will be tortured forever. So from childhood to adulthood, Muslims are taught to stay away from hell. Each will do evil, then when remembering hell, the intention will be canceled.

So the name used by Ayam Neraka becomes a paradox in West Sumatra. On the one hand he uses a unique and shocking name, so people come to visit and eat at the cafe. But on the other hand, he uses a place name that must be avoided by the majority of people.

Therefore, it will be very interesting if a research is conducted that discusses the paradox. This study seeks to identify various antecedents of purchasing decisions at the Ayam NERaka cafe. The factors that are used as the dependent variable are Brand Equity, Promotion, and Reference Groups.

## 2. Literature Review

### 2.1. Buying decision

In the evaluation stage, consumers will form a preference brands that are in the collection of choices. The consumer can also shape the intention to buy on the most preferred brand. However, the following two factors can be between purchase intentions and buying decision. The first factor is the attitude of people others, the extent to which other people's attitudes reduce preferred alternatives someone. The second factor is the unanticipated situation factor can appear and change purchase intentions [9].

Schiffman and Kanuk [10] defines buying decision as the choice of an action from two or more alternative choices. In other words, alternative choices must be available to someone when making a decision. If someone has a choice between making a purchase or not making a purchase, the person is in a position to make a decision.

Purchasing decisions are also influenced by many things. The first factor that influences purchasing decisions is Brand Equity [11]. For consumers who look high on Brand Equity of a product, purchasing decisions will also tend to be directed to the product.

Next is promotion, which is marketing communication that is carried out in one direction by producers to consumers. Although the level of effectiveness is currently doubtful, in this study the variable is still used. This is done with the consideration that Ayam Neraka is a brand that is still relatively new in Padang City. So automatically they are very active in promoting.

Furthermore, the last factor is the Reference Group, which is a group that provides input to consumers when deciding on a purchase.

## 2.2. Brand equity

Brand equity is a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and or that firm's customers. The major asset categories are: brand awareness; perceived quality; brand associations; and brand loyalty. [1]

Brand equity is associated with known brand names, perceived quality, strong brand associations, and other assets such as patents and trademarks [11]. If a customer is not interested in one brand and buys because of product characteristics, price, convenience, and with little regard for the brand, the possibility of brand equity is low. Whereas if customers tend to buy a brand even when faced with competitors who offer superior products, for example in terms of price and practicality, the brand has a high equity value.

Therefore, it can be concluded, Brand Equity is the value of a brand for customers. Therefore, what determines the height or low of Brand Equity is the customer. The company's position here is to create a strategy to achieve the desired Brand Equity value.

In Ayam Neraka, Brand Equity that was built begins with giving names that are negative. So that with this research will be known, how much value the Brand Equity of Ayam Neraka in the eyes of consumers. This research will also try to find answers, even though the brand can provoke a sense of reticence, but do brands with negative connotations have high Brand Equity in the eyes of consumers.

## 2.3. Promotion

In marketing its products the company must stimulate and disseminate information about the presence, availability, characteristics, conditions products, and benefits or uses of the products produced [12]. This activity is called promotion.

Promotion is one of the marketing mixes used by companies to communicate with their markets [13]. Promotion is also often said to be a continuing process, because it can lead to a series of subsequent activities for the company. This study examines whether the promotion carried out by Ayam Neraka, including by creating a unique and shocking name, can influence consumer purchasing decisions. In addition, the extent of the effectiveness of the promotion can help achieve the goal of Ayam Neraka.

## 2.4. Reference group

According to Yang et al. research [14] there is a significant influence of reference groups toward the buying decision. The influence of reference groups on consumers is very strong to make consumers have specific criteria when faced with product purchase decisions. Other studies namely Amaldos and Jain [15] on buying decisions prove that reference groups have a strong influence on consumers in evaluating a product and lead to buying decision. The existence of a reference group can also make consumers disregard the price of the product, because of the specific criteria that are embedded in the consumer's thinking.

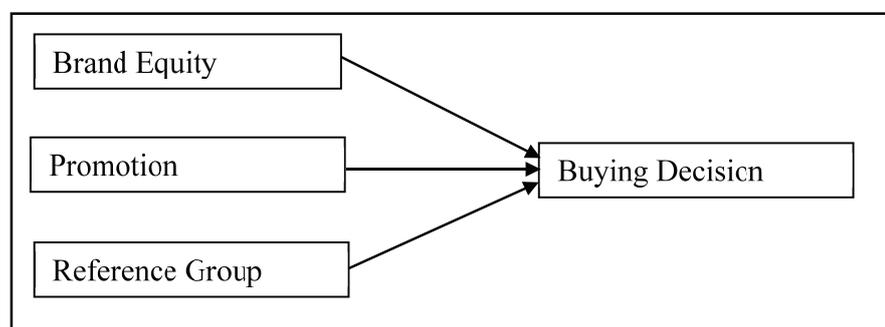
### 2.4.1. Hypothesis

H1: Simultaneously, Brand Equity, Promotion and Reference Group have a significant effect on Ayam Neraka Customers Buying Decision

H2: Brand Equities have a significant effect on Ayam Neraka Customers Buying Decision

H3: Packaging Perceptions have a significant effect on Ayam Neraka Customers Buying Decision

H4: Reference Group has a significant effect on Ayam Neraka Customers Buying Decision



## 3. Method

### 3.1. Sampling & data collection

The population of this study is all Ayam Neraka Customers in Padang, with a sample size of 80 people. The sampling technique is Accidental, where we distribute questionnaires to consumers which happened to be found during the study.

### 3.2. Operational definition

An operational definition is the definition of a variable (expressed in the concept definition), operationally, in practice, within the scope of the object under study. The variables used in this study are independent variables and dependent variables.

1. The independent variable is the variable that affects, which causes changes in the dependent variable. The independent variable used in this study are Brand Equity (x1), Promotion (x2) and Reference Group (x3),.
2. The dependent variable is the variable that is influenced by the independent variable. The dependent variable used in this study is Ayam Neraka Customers Buying Decision.

### 3.3. Hypothesis testing

Hypothesis testing is carried out using multiple linear regression analysis. All data processing was carried out using the SPSS (Statistical Package for Social Science) program for Windows version 25.

The equation of multiple linear regression is as follows

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + e,$$

where:

Y = Ayam Neraka Customers Buying Decision

x1 = Brand Equity

x2 = Promotion

x3 = Reference Group

a = Constant

b1 = Regression coefficient for x1

b2 = Regression coefficient for x2

b3 = Regression coefficient for x3

e = Residual

To test the hypothesis, whether there are any significant effect of independent variables toward dependent variables, it can be observed by the criteria  $\text{sig} > 0.05$ .

## 4. Results and Discussions

The regression results from the primary data processed can be seen in the following table:

TABLE 1: ANOVA<sup>a</sup>.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.476	3	8.825	59.335	0.000 <sup>b</sup>
	Residual	11.304	76	0.149		
	Total	37.779	79			

Note: a. Dependent Variable: Buying Decision; b. Predictors: (Constant), Reference Group, Brand Equity, Promotion.

Based on testing the hypothesis above, it was found that the value of sig < 0.05. This means that the first hypothesis is accepted. These results indicate that all three independent variables affect the dependent variable simultaneously.

While the results of the *t*-test can be seen in the following table:

TABLE 2: Coefficients<sup>a</sup>.

Model		Unstandardized Coefficients		Standardized Coefficients	<i>t</i>	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0.084	0.330		-0.255	0.800
	Brand Equity	0.811	0.076	0.758	10.655	0.000
	Promotion	-0.046	0.081	-0.042	-0.569	0.571
	Reference Group	0.211	0.098	0.173	2.163	0.034

Note: a. Dependent Variable: Buying Decision.

Based on the results of data processing, the regression equation is obtained as follows:

$$Y = -0.084 + 0.811x_1 - 0.46x_2 + 0.211x_3$$

This equation can be interpreted as follows:

Constant: -0.084, the negative value of the constant means that if the score Brand Equity, Promotion, and Reference Group variable is deemed to be non-existent or equal to 0, the Buying Decision score will decrease.

b1 Coefficient: 0.811, the independent variable coefficient is positive, meaning that the influence of the Brand Equity on Buying Decision is positive and strong enough. If the Brand Equity score increases, Buying Decision will be even higher.

b2 Coefficient: The sig value is  $> 0.05$ , which means there are no significant effect by independent variable toward Buying Decision.

b3 Coefficient: 0.211, the independent variable coefficient is positive, meaning that the influence of the Reference Group on Buying Decision is positive and strong enough. If the Brand Equity score increases, Buying Decision will be even higher.

The interesting thing found from this study is the negative constant value. This means that Ayam Neraka products must have a strong Brand Equity and Reference Group to be purchased by their customers. If Ayam Neraka does not have these two things, the product will not be in demand by consumers. While the promotion variable, apparently did not have a significant effect on the buying decision. The consequence is, even though Ayam Neraka issues a great promotional strategy, it doesn't make consumers decide to buy their products.

In this study it can be seen that the role of the Reference Group is very meaningful at the buying decision. That is, consumers of Ayam Neraka rely on colleagues when deciding whether to eat Ayam Neraka or not. Can be interpreted that, Ayam Neraka will succeed in its marketing strategy if they rely on the community. This is in accordance with their target market, namely young people, who naturally like to have a community.

In addition, despite having a negative name, it turns out that Brand Equity has the biggest influence in determining Buying Decision. It can be confirmed that, the purchase decision for Ayam Neraka, in large part, is indeed due to its unique name and has a shock value. Then the paradox in West Sumatra, between religious teachings that connote the negative word 'Hell', with the Ayam Neraka brand will still continue. Although this can be understood, that the tastes of parents with young people, as well as the image of the words themselves may be accepted differently. Therefore, further research is needed to discuss the Ayam Neraka brand.

After analyzing and concluded this research, we give the name 'Prokem Brand' variable to brands that have a unique name. Prokem is one of the language variants that is unique, creative, and confidential that is used by the younger generation [16]. So the term Prokem Brand is suitable to be introduced in this article as a substitute for the intended variable.

## 5. Conclusion and Suggestions

To the management of Ayam Neraka, based on the research that has been done, in order to keep building their Brand Equity which is interesting and has a shock effect.

Because this is their added value, especially in the view of their target market, namely young people. Furthermore, Ayam Neraka can ignore all forms of promotional efforts, because it is not effective in determining the buying decision, but diverts the resources they have to the effort of forming a community that will become the reference group.

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