

Conference Paper

Influence of Integrated Marketing and Brand Image on Intention to Buy Franchise Drink Company in Surabaya

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ORCID:*David Sukardi Kodrat: <http://orcid.org/0000-0003-2974-9528>***Abstract**

This research examined the influence of integrated marketing communication and brand image on the intention to buy a franchise drink business in Surabaya. The Partial Least Square-Structural Equation Modeling (PLS-SEM) quantitative method was used to analyze the data, which were collected by purposive sampling. The sample included 75 individuals. Results of a questionnaire were processed by the software SmartPLS 3.0. Integrated marketing information communication had a positive impact.

Keywords: integrated marketing communication, brand image, buying intention, franchise, Surabaya

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1. Introduction

Nowadays, development needs to be done to prevent stagnant growth in revenue. This has occurred to the Melati Juice franchise drink business in Surabaya. Via the learning process for other companies, it can be found that by introducing integrated marketing communication (IMC) and building a strong brand image in the industry, Melati Juice is really able to grow its business. Good collaboration between IMC and brand image can lead to purchasing decisions in a business process. Good integrated marketing can foster potential consumer interest in the services or products offered in the company. For individuals who prefer which business to choose whether they choose a product or service, a strong brand picture will make a deep impact.. (Prasetyo, 2016) [1].

By all the explanation above, the hypothesis for this research is:

H1: The brand image owned by the beverage franchisor in Surabaya is influenced by IMC

H2: Brand image influences the purpose of customers purchasing franchise company drinks in Surabaya

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H3: IMC has an effect on buying intention of beverage franchise business consumers in Surabaya
H4: Brand image can mediate between IMC and intention to purchase

2. Methods

2.1. Research Type

The type of research used in this study is an explanative quantitative method. The data from the study is numerical so that it can be processed with specific statistical methods.

2.2. Population and Sample

The population of this research is Surabaya residents who have a purchase intention in the Surabaya city franchise drink market.

The number of samples in this study was 75. The determination of research subjects as informants was carried out by purposive sampling, which uses sampling technique through specific considerations. Informants were selected based on the author that the informant was the best and was able to provide quality information (Sugiyono, 2013 in Sari, 2017). In this study, the respondents' requirements are

1. Over 17 years of age
2. Have an interest in buying a franchise drink business in Surabaya

2.3. Data Collection Method

2.3.1. Data Type

The data also has a rank or sequence, aside from having attributes. The provided numbers contain the levels. By using this number, items are sorted from the lowest to the highest, or vice versa. This calculation does not give the item an absolute score, but only gives it a ranking. If we have a numbered range of objects, from 1 to n, for example, the ranks 1, 2, 3, 4, 5, and so on, the distance between the data is not the same as represented in dimension. There is going to be an order from highest to lowest. Or at the absolute best, at the least.

2.3.2. Data Sources

For this study, the primary data used were obtained from the results of questionnaires distributed to respondents. Furthermore, the secondary data were obtained by reading various literature, for example, books, journals, and sources of knowledge that contained information related to the topics in this study.

2.3.3. Research Instrument

To facilitate the measurement of data from the calculation of answers, the authors use a Likert scale.

2.3.4. Data Analysis Method

In this study, the data analysis method used is structural equation modeling (SEM). This study's path analysis is partial least square (PLS), using the SmartPLS 3.0 software.

2.3.5. Hypothesis Testing

Hypothesis testing in this study uses the Partial Least Square (PLS) method. The coefficient values on the outer loading path and the t-values of each path were used to test the measurement model's significance and between constructs in the structural model. The score on the path coefficient and outer loading shown in the T-statistic must be above 1,96 for the two-tailed hypothesis and above 1,64 for the one-tailed hypothesis, so it can be concluded that the hypothesis is supported. As for testing the 5 percent alpha hypothesis and 80 percent power (Hair et al., 2006 in Jogiyanto and Abdillah 2016: 63) [2]. The structural equation model in the analysis will be carried out using the PLS program, which will later demonstrate the relationship between the constructs.

2.3.6. SEM Analysis with Mediation Effects

Analysis of mediation variables is calculated using Variance Accounted For (VAF). The calculation used in calculating Variance Accounted For (VAF) uses the following formula: $VAF = (P12 \times P23) / (P12 \times P23 + P13)$. Testing the mediation effect on PLS uses a procedure based on Hair et al. (2014: 224).

3. Results

3.1. Description of Respondent

TABLE 1: Profile of Respondents

Profiles		Frequency	Percentage
Gender	Male	27	36%
	Female	48	64%
Age	<30 years	6	8%
	31-40 years	6	8%
	41-50 years	30	40%
	51-60 years	25	33%
	> 60 years	8	11%
Have had an interest in buying a franchise drink business in Surabaya City	Ever	75	100%
	Never	0	0%
Costs that are willing to buy a franchise drink business	< IDR 20,000,000	10	13%
	IDR 20,000,000 - IDR 30,000,000	50	67 %
	IDR 30,000,001 - IDR 40,000,000	10	13%
	> IDR 40,000,000	5	7%

Based on Table 1, it can be seen that female respondents has a greater number than male respondents, namely 48 people (64%) of the total respondents, while the rest are male as many as 27 people (36%). In terms of age, it can be seen that people who have an interest in buying a franchise business are people between the ages of 41-50 years. as many as 30 people (40%). In terms of costs that are willing to be incurred by many people who are willing to buy a franchise drink business with prices ranging from IDR 20,000,001 - IDR 30,000,000 as many as 50 people (67%).

3.2. Description of Research Variables

Table 2 shows that the highest perception of respondents regarding integrated marketing communication lies in the contacts of franchise marketing with an average value of 4,73. Meanwhile, the lowest perception of integrated marketing communication felt by respondents was advertisements carried out by drink franchisors with an average value of 4,35.

Overall, the respondent's answer to the integrated marketing communication variable is 4,60, which means that the number is close to the number 5 on the Likert scale

TABLE 2: Description Variable Label Integrated Marketing Communication

Item	Question	Average	Standard Deviation
X1.1	I know promotions in the form of discounts or discount coupons so I want to know more about the franchise drink business	4,45	0,72
X1.2	I know the advertisements posted by the franchise drink business	4,35	0,91
X1.3	I know social media from drinks franchisor and actively seek information from social media is	4,47	0,68
X1.4	I get information about franchise drinks through the medium of mobile phones	4,72	0,61
X1.5	I know information about the franchise drink business directly from the franchise marketer (business)	4,67	0,70
X1.6	I know the activities other than selling products carried out by the franchise drink business	4,68	0,70
X1.7	I am aware of publication reports from the franchisor	4,72	0,67
X1.8	I was contacted by the franchisor to receive product information from the franchisor	4,73	0,60
Overall		4,60	

so that it shows that consumers have a positive response to integrated marketing communication carried out by franchise drink business in Surabaya City.

TABLE 3: Description of Brand Image Variables

Item	Statement	Average	Standard Deviation
Y1.1	I know the good reputation of the drink franchisor	4,63	0,63
Y1.2	I know the good quality of the drink franchisor's product	4,51	0,69
Y1.3	I know the characteristics of the majority of franchisor consumers	4,63	0,63
Overall		4,59	

Table 3 shows that the highest perception of respondents about brand image lies in the image of the maker and the user image of a product with the same average of 4,63. While the lowest perception of brand image felt by respondents is the image of the product itself with an average value of 4,51. Overall, the respondent's answer to the brand image variable is 4,59 which means that the number is close to the number 5 on the Likert scale so that it shows that consumers have a positive response to the importance of the brand image possessed by the drink franchisor company in Surabaya City.

TABLE 4: Description of Buying Intention Variables

Item	Statement	Average	Standard Deviation
Y2.1	I have a desire to buy a drink franchisor product	4,64	0,73
Y2.2	I would recommend a drink franchisor product to others	4,55	0,74
Y2. 3	I will continue to seek information on the products of the future drink franchisor	4,55	0,76
Y2.4	I will select a drink franchisor as my first choice when I want to purchase a drink franchise license	4,43	0,87
Overall		4, 54	

Table 4 shows that the highest perception of respondents regarding buying interest lies in direct transactional interest with an average value of 4,64. Meanwhile, the lowest perception regarding buying interest felt by respondents is preferential interest by making a franchisedrink business the main choice with an average value of 4,43. Overall, the respondent’s answer to the buying intention variable is 4,54, which means that the number is close to the number 5 on the Likert scale so that it shows that consumers have a positive response regarding the interest in buying drink franchises in Surabaya City.

3.3. Hypotesist Testing

The coefficient value of the influence of integrated marketing communication on brand image is 0,783 in a positive direction, meaning that integrated marketing communication has a unidirectional relationship with the brand image. It can also be interpreted that if the company has good integrated marketing communication, it can generate a good brand image as well. The resulting t-static value is 14,492, and this value is more significant than 1,96. This indicates that integrated marketing communication has a significant effect on brand image in the franchise drink business in Surabaya. Based on these results, the first hypothesis can be accepted.

The coefficient value of the influence of brand image on purchase intention is 0,013 with a negative direction, meaning that brand image does not have a direct relationship with purchase intention. It can also be interpreted that if the company has a good brand image, it is not necessarily able to generate buying intention from its customers. The resulting t-static value is 0,060, and this value is smaller than 1.96. This indicates that brand image does not affect buying interest in the franchise drink business in Surabaya. Based on these results, the second hypothesis cannot be accepted.

The coefficient value of the influence of integrated marketing communication on purchase intention is 0,772 in a positive direction, meaning that integrated marketing communication has a unidirectional relationship with purchase intention. It can also be interpreted that if the company has good integrated marketing communication, it can generate consumer buying interest as well. The resulting t-static value is 4,057, and this value is more significant than 1,96. This indicates that integrated marketing communication has a significant effect on buying intention in the franchise drink business in Surabaya. Based on these results, the third hypothesis can be accepted.

By looking at the table of hypothesis testing results and using the principles by Baron and Kenney (1986), it can be concluded that brand image does not mediate the relationship between integrated marketing communication and buying interest. So from these results, the fourth hypothesis which states that brand image is able to mediate integrated marketing communication and buying intention cannot be accepted.

4. Discussion

According to the results of hypothesis testing, the first hypothesis in this study shows that integrated marketing communication influences brand image, so that the first hypothesis can be accepted. The results show that integrated marketing communication has a positive effect on brand image. This reality in the future of a franchise drink business shows that the continuous marketing carried out by a franchise drink corporation through the IMC scheme creates a strong public value for the franchise drink business itself. A brand impression emerges that the goods of the franchise drink firm are successful by announcing many facilities. There are many things that can influence IMC on Brand Image, for example, the decision-makers. In this analysis, it was observed that the usage of the database is what has the highest value in the IMC component. For franchisor, a suitable potential customer is usually a woman with a productive age level. Women who are at this age typically have several hobbies but also want to have an income without leaving their home, so the primary option is to buy a franchise company whose image is created by a collection of IMC operations.

According to the hypothesis testing results, the second hypothesis in this study shows that brand image has no effect on buying interest, so the second hypothesis cannot be accepted. In the research by Bian and Moutinho (2011) [4], the results show that the brand image owned by the company does not affect consumer buying interest. This is demonstrated by the presence of many clients who are interested in purchasing a franchise drink business without paying heed to the company's brand value, but still want

to purchase due to the good potential of the promoters of the company. In this research, it was found that the respondents were more women, since women who have money typically do not care about the franchise's brand name, but are more concerned with the profitable approach to their sales, so that these women are involved in purchasing.

According to the results of hypothesis testing, the third hypothesis in this study shows that integrated marketing communication influences buying interest so that the third hypothesis can be accepted. In Agung's research (2015) [5], the results show that the integrated marketing communication strategy implemented by the company is good so that it can generate consumer buying interest. This is in accordance with the facts in the field that all IMC programs are carried out simultaneously with specific methods by franchise drink businesses. Since witnessing the influence of the IMC initiative carried out by the organization, several individuals have begun approaching the franchise drink business to find out more details. For franchise buyers, a personal approach is important because they can more certainly get the confidence of sales who specifically sell them with a personal approach, particularly for prospective female customers.

According to the hypothesis testing results, the fourth hypothesis in this study shows that the brand image is unable to mediate between integrated marketing communication and buying intention, so the fourth hypothesis cannot be accepted. In Bibby's research (2009) [6], the results show that the company's brand image is not able to be a bridge between the marketing concept carried out on Keller's ATR and CBBE models in a sponsorship of sports events. In fact, the concept of the marketing approach that was taken at that time was an important thing that was useful for attracting buyers. Same as the second hypothesis that an intimate approach is indeed more necessary in selling a franchise business.

5. Conclusion

Based on the results of the data analysis conducted, the following conclusions can be drawn:

1. Companies that have good integrated marketing communication can generate a good brand image as well.
2. Companies that have a good brand image are not necessarily able to generate buying interest from their customers.
3. Companies that have good integrated marketing communication can generate consumer buying interest as well.

4. In the case of the franchise drink business in the city of Surabaya, it can be concluded that the brand image is not able to mediate the influence of integrated marketing communication on consumer buying interest in the franchise drink business in the city of Surabaya.

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Conflict of Interest

The authors have no conflict of interest to declare.

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