THE EFFECT OF BRAND IMAGE, COMPETITIVE PRICE, AND PRODUCT QUALITY ON THE DECISION TO RESELLING THE ASOKA PAINT IN PT TRI KARYA KHATULISTIWA

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Abstract: This study aims to find out the cause of the decrease in sales of Asoka paint products on the decision of reselling the products at PT Tri Karya Khatulistiwa. Furthermore, this study was conducted to discover the consumers respond to the brand image, the setting price, and the product quality of Asoka paint that make them want to resell the product. The form of this study is causality research. The population are 78 shop owners in Pontianak which was sampled based on census method. Data collection techniques are through questionnaires and interviews. This study uses SPSS (Statistical Product and Service Solution) program version 22 to help counting the results. Based on the test results (f test), it shows that the variable brand image, competitive price and product quality affect the decision to resell. The results of the partial test (t test) reveal that brand image and product quality significantly influence the decision to resell.

Keywords: Brand Image, Competitive Price, Product Quality, and Resell Decision

Introduction

House is a place where people reside that is always the most comfortable place to live. Everyone has a dream house with the chosen design of the room, the choice of furniture to the desire color in every room in the house. In terms of choosing a paint to color the room, the number of paint products with various brands that are marketed to the public makes consumers become more careful to determine which brand they want to use to decorate their homes as it is known that there are many paint brands such as Asoka, No Drop, Corulux, Nippon Paint, Mowilex, and so on. One of the distributor companies in Pontianak is PT Tri Karya Khatulistiwa which is the distributor of Asoka paint products. With many brands circulating in the community, companies compete with each other to create the best products with good price offers in order to attract consumers to make decisions to resell those products. PT Tri Karya Khatulistiwa must struggle to maintain its products in the market so that the company can still compete with competitors.

Every company engaged in the same field will continue to make attractive offers for consumers and be more careful in choosing products. Things that are considered by consumers are the image of the product and the price set on the product which will be the considerations in addition to brand image. Price is often associated with the brand image of a product. In addition, consumers will choose prices that match the quality, expectations, and are cheaper than other products. Price with quality is always related to reselling where consumers will see whether the price is in accordance with the quality benefits that will be provided or not. The quality that consumers expect is a product that is produced with quality raw materials for good product. Good quality will also form a good brand image in the eyes of the public. This is a challenge for the distributor company, PT Tri Karya Khatulistiwa, to form a brand image that offers prices that are comparable to the quality of products produced by its competitors in order to ease the products to be resoled.

Literature review

Brand Image

Brands created by companies to identify goods or services is produced and sold so that the goods or services are different from other competitors and can make it easier for consumers to recognize the product when it is on the market. The brand is an asset of the company because it can be an identifier. The appearance of a product whose goods or services can be tangible, such as names, logos, terms, signs, symbols, designs and others, make it easier for consumers to recognize products or services when marketed to consumers (Kotler & Keller, 2012: 241; Assauri, 2017: 204; Chakti, 2019: 3). Therefore, companies must maintain brands for products or services properly after formed because brands can affect the success of a business.

There are three concepts in brand image, namely: store image, product image, and corporate image (Ferrinadewi, 2008: 166-167). Besides, there are three concepts of brand image that make it more varied, that is *brand association* as the act of consumers creating associations based on their understanding of the brand and knowledge that is factual as well as from experience and emotion, *brand value* as an action of the consumers in determining the brand of action based on the perceptions and values they believe in, and *brand positioning* as the consumer's perception of the quality of the brand from the consumer's perception and this perception is used to evaluate the brand chosen (p. 167).

The brand image of a product will always be remembered by the consumers, therefore it can be a factor that helps consumers in deciding to buy and resells it. If the brand image of the product is good, consumers will not hesitate to make purchases, recommend to others and will possibly increase the number of purchases when they repurchase as well as resell the product. A good brand image must be maintained so that the product can survive in the market.

Based on the study on the brand image variable, the first hypothesis in this study is:

H_1 : Brand Image affects the decision to resell

Competitive price

Price is a measure of a product for consumers and producers to decide for buying goods and services. Price is the amount of money that is exchanged or paid to get a product or service and the only element of the marketing mix that can provide income for the company (Tjiptono & Chandra, 2017: 369-370; Assauri, 2015: 223; Musfar, 2020: 13). Price is the value of an item expressed in money that consumers are willing to spend as a sacrifice to get an item or service. Prices are always related to the quality of products expected by consumers and prices are equal to or cheaper than competitors. This is always a consideration for consumers. Competitive prices are the actions of the company in setting prices by providing the same or lower value than competitors where the price is issued by consumers to get an item or service. Consumers will choose products that are more effective and efficient to meet their needs, both in terms of value and the costs that will be incurred to get the product that is compatible with their expectations because they do not want to spend money for useless thing or in unexpected. Price according to quality is the expectation of consumers as consumers want to spend money to get what they want in accordance with the expected benefits.

Based on the study on the competitive price variable, the second hypothesis in this study is:

H_2 : Competitive prices affect the decision to resell.

Product quality

Product quality is a characteristic of a product that provides benefits to consumers (Kotler & Armstrong, 2018: 249). Product quality is a product that is produced by a company in good quality and very useful in order to meet the needs and desires of consumers. Good product quality must have these dimensions, namely performance, reliability, conformance, features, service ability, durability, aesthetics, and perceived quality (Tannady, 2015: 6-7: Tjiptono & Chandra, 2017: 88). Product quality must be considered by company managers because if the company creates a product with poor quality then the product will be difficult to market. The product produced with good quality that can meet the needs and desires of consumers will be easier to market and consumers will feel happy after buying because they have benefited from the product they have chosen. They will recommend to others to make a purchase as they have received benefits of the product.

H_3 : Product quality affects the decision to resell.

Resell decision

The decision to resell is a sales process that has the aim of generating profits for the company. Selling is a process of approaching, presenting and demonstrating products and overcoming resistance from consumers in selling products to consumers (Hermawan, 2012: 109). Reselling is something that happens in the business market where all organizations buy goods to be used in the production of goods or sell, rent, and supply them to other parties (Abdullah & Tantri, 2018: 137). The decision to resell by the company is always related to profit. High demand from consumers will also make distributors sell more products. Reselling a product is not easy because if the brand image is not good, the product will be very difficult to resell. The company has three main objectives in reselling, namely achieving maximum sales volume, getting maximum profit, and supporting company growth (Swastha & Irawan, 2008: 404).

Soco has some characteristics that must be possessed by a salesperson or sales, which are assisting consumers in making decisions, assisting consumers in meeting the needs they need, offering products that will meet customer needs, providing information about responsive products and services, avoiding deceptive tactics or manipulate, and avoid giving high pressure to the consumer (Thomas et al., 2014). Companies resell products in order to get maximum profit and fullfill the consumers' needs. Therefore, brand image, competitive price, and product quality are believed to influence the decision to resell a product. The following is the framework of thinking in this research which can be seen in Figure 1 below :

Figure 1. **Thinking Framework**
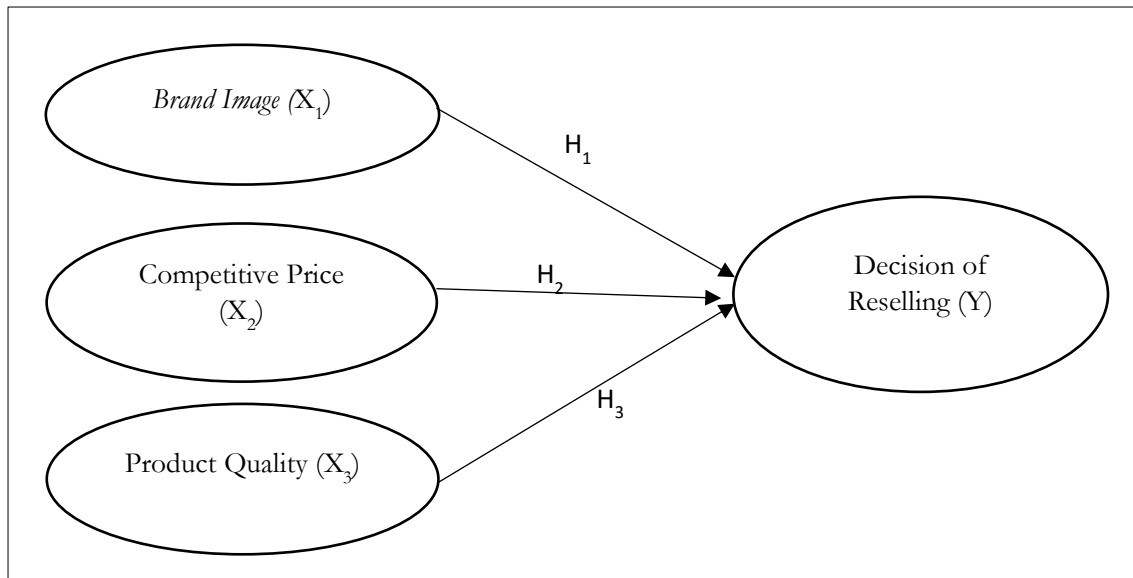
Previous research conducted by Darmawan and Widodo in 2019 stated that green brand image has a positive and significant impact simultaneously on purchase decisions. The past research conducted by Deisy et al. in 2018 stated that price had no effect on repurchase interest. From the former research conducted by Jasmani in 2018, it was stated that product quality had a positive and significant effect on purchasing decisions.

Research methods

The research method used in this research is causality research to determine the effect of brand image, competitive price, and product quality on the decision to resell. The data collection techniques used for this research are interviews and questionnaires. The population used in this study were the workshop shop owners in Pontianak with 78 respondents as the sample. The sampling technique used the census method with sampling based on existing provisions. Rating scale is used in this study and the data will be analyzed using SPSS version 22 computer assistance.

Discussion

The company has a goal to get the maximum profit from the number of product sales, so the company must be able to see the opportunities that exist in the community. Companies must have professional salespeople so the products offered will attract consumers to buy and even be able to resell. Customers who decide to resell the product are also an opportunity for the company to get maximum profit. In this study, the population is all industrial customers. The population of 80 respondents are workshops located in Pontianak who often makes purchases, then the buyers will decide which product that they want to resell. The author used a method for interviewing and filling out a questionnaire consisting of a number of statement items which would be filled out by respondents. The author used this method in order to collect the information obtained from respondents about the brand image, the setting price and the quality of the product. However, at the time of data collection, only 78 of 80 data were retrieved because some respondents did not answer the questions in the questionnaire completely, so they had to be eliminated and could not be used in the study.

The following are the results obtained by author from collecting questionnaires that had been filled out by respondents in this study using the criteria (three-box method). The criteria used in this study is the Rating Scale criteria with a scale of 1-10 with the following explanation: a score of 1.00 – 40 is defined as a low perception; a score of 40.01 – 70 is defined as a moderate perception and a score of 70.01 – 100 is defined as a high perception (Ferdinand, 2014: 232). The following are the results of respondents' answers in this study can be seen in the table below, as Table 1.

Table 1. **Respondents' Answer Results**

Indicator	Weight Answer	Index Answer (%)	Average
Brand image (X $_1$)			
1. Brand Association	614	61.40	
2. Brand Value	647	64.70	66.33
3. Brand Positioning	691	69.10	
4. Brand Positioning	701	70,10	
Conclusion: The respondents averagely give a moderate perception of the brand image variable			
Competitive price (X $_2$)			
1. Price according to quality	633	63.30	
2. Price is as expected			
3. Cheaper price than competitors	646	64.60	64.03
	642	64.20	
Conclusion: The respondents averagely give a moderate perception of the competitive price variable			
Product Quality (X $_3$)			
1.Quality raw materials	644	64.40	
2.Durability	647	64.70	
3.Easy to use	650	65,50	64.93
4.Not easily broken	656	65,60	
Conclusion: The respondents averagely give a moderate perception of the product quality variable			
Resell Decision (Y)			
1. Selling in large quantities	643	64.30	
2. Always selling products			65.18
3. Always offer products	653	65,30	
4. Sales priority	644	64.40	
	667	66,70	
Conclusion: The respondents averagely give a moderate perception of the reselling variable			

Source: Processed data, 2022

Table 1 shows the respondents' answers to the brand image variable that gave a moderate perception. The findings reveal that the respondents think that the company is lacking in providing product information to consumers. The company must often participate in events so the product's brand image can be embedded in the minds of consumers and provide colors that follow the trend that attract consumers to resell the product for a profit. According to the findings, respondents gave a moderate response to the competitive price variable, so the company must conduct a survey for applying the price according to expectations with the quality provided, and can offer attractive promotions. The findings show that respondents also gave a moderate response related the

product quality of Asoka paint, so it can be said that the company must improve product quality by using quality materials without using hazardous materials and renewing cans that are not easily damaged as well as creating paint with leak-proof protection and anti-fungal.

Tabel 2. **Statistical Test Result**

Validity Test $X_{1.1} = 0.000$ $X_{1.2} = 0.000$ $X_{1.3} = 0.000$ $X_{1.4} = 0.000$	$X_{2.1} = 0.000$ $X_{2.2} = 0.000$ $X_{2.3} = 0.000$	$X_{3.1} = 0.000$ $X_{3.2} = 0.000$ $X_{3.3} = 0.000$ $X_{3.4} = 0.000$	$Y1.1 = _{0.000}$ $Y_{1.2} = 0.000$ $Y_{1.3} = 0.000$ $Y_{1.4} = 0.000$
Reliability Test $X_{1.1} = 0.765$ $X_{1.2} = 0.806$ $X_{1.3} = 0.798$ $X_{1.4} = 0.800$	$X_{2.1} = 0.803$ $X_{2.2} = 0.799$ $X_{2.3} = 0.764$	$X_{3.1} = 0.785$ $X_{3.2} = 0.795$ $X_{3.3} = 0.796$ $X_{3.4} = 0.782$	$Y_{1.1} = 0.811$ $Y_{1.2} = 0.803$ $Y_{1.3} = 0.791$ $Y_{1.4} = 0.805$
Normality Test Kolmogorov Test-Smirnov test (KS test or KS test)			0.200
Multicollinearity Test Tolerance VIF	$X_1 = 0.636$ $X_1 = 1.573$	$X_2 = 0.584$ $X_2 = 1.711$	$X_3 = 0.604$ $X_3 = 1.657$
Heteroscedasticity Test	$X_1 = 0.060$	$X2 = 0,677$	$X_3 = 0.874$
Autocorrelation Test	$1,713 < 2.262 < 2,287$		(DU<DW<4-DU)
Correlation Test	$X1 = 0,000$	$X2 = 0,000$	$X3 = 0,000$
Coefficient of Determination Test (R^2)	R Square (%) = 0.632 or 63.2%		
Multiple Linear Regression Test	$X_1 = 0.311$; $X_2 = 0.090$; $X_3 = 0.592$		
F test	F count = 42,314	Sig<0.05 = 0.000	
t test	$X_1 = 0.636$ Sig = 0.000	$X_2 = 0.584$ Sig = 0.547	$X_3 = 0.584$ Sig = 0.000

Source: Processed data, 2022

Based on table 2 above, the results of the validity test and the results of the reliability test are in accordance with the provisions. The results of the classical assumption test consisting of normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test are in accordance with the provisions of hypotheses 1, 2, and 3 that are accepted. The coefficient of determination test (R2) obtained 63.2%. This indicates that brand image, competitive price, and product quality affect the decision to resell, while the remaining 36.8 percent is influenced by other variables. The results of the multiple linear regression test show that the quality of the product most influences the decision to resell. The result of the calculated f test is 42.314, which is greater than the F table, which is 2.73 and the significance is 0.000 0.05. The t-test results show that the competitive price variable has no effect on the decision to resell, so the second hypothesis is rejected.

The results of this study indicate that the competitive price variable has no effect on the decision to resell. The results of this hypothesis are supported by previous research conducted by Deisy et al. in 2018 where the competitive price variable also has no effect on purchasing decisions due to the increasing number of mobile phone products sold by companies that produce cellphones because consumers do not consider price as a factor in making purchases. Research conducted by Safitri in 2020 reveals the competitive price variable also has no effect on repurchase interest at Lazada because consumers think more about brand image and service quality factors than price. Research conducted by Nasution et al. in 2019 shows that the competitive price variable that does not influence on purchasing decisions for the needs that are not influenced by price.

Therefore, it can be concluded that the price is not the main factor that influences consumers' decisions to resell products because industrial customers prioritize the quality factor of the paint

product rather than thinking about the price of the product that the price not too thought about by industrial customers by adding a brand or brand image. The image of a product that is already good has begun to be embedded in the minds of consumers. Regarding this decorative paint, it will much easier for industrial customers to buy and not hesitate to resell the product in the market because good quality product will always lead to demand from the consumers that are always looking for the needs in renovating their homes, in decorating the walls of their homes or offices more attractive.

Conclusion

Based on the analysis result for decision to resell Asoka paint, which can be seen from the three variables as brand image, competitive price, and product quality, it can be concluded that the brand image and product quality variables affect the decision to resell while competitive price does not affect it as well as for the results of the managerial implications. The results are obtained based on the theory used in this study so it is concluded that the company must continue to maintain the brand image of the product properly, so the people will not hesitate to buy it and to improve the brand image which helps customers who decide to resell products by company to be easier to sell the already well-known products.

The quality of the product must always be maintained using quality materials so the product will not be damaged too early, such as easy to fade, dry quickly, difficult to use, damaged easily, and the unsuitable colors offered to consumers. By keeping the quality of raw materials, the colors will stay good. Then, the colors produced must also follow the trends, so the colors produced will be sought by consumers as they need. The various colors produced will increase the interest of consumers to buy new colors.

The author recommends that the company must participate in events or become event sponsors to make Asoka paint products more familiar because before making purchases, the consumers often look for information about the products they need with no issues, consumers will not hesitate to make a purchase. The company must also keep the quality of raw materials, so that the paint products are produced well. That way, people will not feel disappointed with the colors produced. Also, the company should update the color of Asoka paint by following the trends that will attract customers to resell the product.

For the price of the company's products, although it has no influence on the decision to resell, the company should continuesto conduct price surveys in the community setting the price of product in accordance with the quality of the product provided. The price is same as the expectations of the community both from the benefits they receive and the money they spent to fulfill their needs.

For further research, this study cannot describe all the factors that can increase the decision to resell Asoka paint. It is because there are many factors beside mentioned in this research that might influence the decision to resell. Therefore, the next researchers are expected to be able to identify more factors that not mention in this study which might influence the decision to resell.

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