

## ABSTRACT

Mayasari, Ika, 2014. Thesis. Title: *Brand Equity Effect to The Customer's Decision to Purchase a Honda Beat Motorcycle in Malang*

Advisor : Dr. H. Nur Asnawi, M.Ag

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Company competition nowadays is getting tighter, especially when brand holds an important role and being the most valuable company asset. Brand affects customer's perspective toward a product and also beneficial for the customer with a low-risk purchasing. The higher the image of a brand, the stronger the company to reach the competitive benefit they aimed. A brand should have strong brand equity so that a brand can have a strong image in customer's mind. This research is aimed to know the effect of brand equity both simultaneously and partially, and which variable dominate the customer's decision to purchase a Honda Beat motorcycle in Malang.

This research used quantitative research with casual investigation approach. In this research, there were two variables i.e. independent variable which consists of brand awareness (x1), perceived quality (x2), brand association (x3), and brand loyalty (x4), whereas dependent variable consists of purchasing decision (y). The population for this research was Honda Beat customers in Malang and the sample taken was 165 respondents, but later decreased to 150 customers that is eligible to be researched based on criteria set in this research beforehand. The sampling technique used was non-probability sampling by using purposive sampling way. Kinds of data used in this research were primary and secondary data. The data analysis was done by using validity test, reliability and double linear regression analysis, and hypothesis test.

From the research findings, it was shown that based on the result of simultaneous test (F-test)  $F_{count}$  obtained was 95,081 and significance by 0,000 where  $F_{count} > F_{table}$  ( $95,081 > 2,434$ ) thus it can be concluded that  $H_0$  was rejected and Brand awareness (x1), brand association (x2), brand loyalty (x3), and perceived quality (x4) were significantly affects to purchasing decision (y) simultaneously. Based on the result of partial test (t-test)  $t_{count}$  obtained was 1,100 and significant variable of x1 by 0,273 where  $t_{count} < t_{table}$  ( $1,100 > 1,976$ ), therefore  $H_0$  was accepted and it can be concluded that x1 did not significantly affect the purchasing decision (y). Meanwhile from brand association variable (x2) was obtained  $t_{count}$  value by 6,172 and significant value by 0,000 where  $t_{count} > t_{table}$  ( $6,176 > 1,976$ ), brand loyalty (X3) with  $t_{count}$  3,506 and significance value 0,001 where  $t_{count} > t_{table}$  ( $3,506 > 1,976$ ), and perceived quality (x4) with  $t_{count}$  by 3,666 and significance value by 0,000 where  $t_{count} > t_{table}$  ( $3,666 > 1,976$ ), thus  $H_0$  was rejected and a conclusion was made that x2, x3, and x4 significantly affect the purchasing decision (y). Then, based on dominance test, it was obtained that brand association indicator (x2) was the most dominant indicator, where x2 had the highest standardized coefficient than the other indicator which was  $R_i^2 = 0,616$ .