

The Moderating Role of Brand Image in the Impact of Product Quality and Product Variety on Purchase Interest

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Abstract: Instant noodles, often known as instant ramen, are a popular type of meal in Indonesia as they are delicious, affordable, and easy to prepare. The goal of this research is to determine the effect of product quality and variety on purchasing intent, with brand image as a moderating variable. This study's population consists of frequent instant noodle consumers in Jakarta, with an unknown population size. The sampling method used was non-probability sampling, and the sample size was 120 participants. Data was collected using questionnaires sent to eligible respondents. The data was then analyzed using a structural equation model (SEM) analytical technique with PLS (Partial Least Square) utilizing SmartPLS 3.0 software. According to the data, both product quality and variety of products influenced consumers' willingness to buy instant noodles. Lastly, this study found the moderating effect of brand image does not exist on the impact of product quality and product variety on purchasing intention.

1 INTRODUCTION

Instant noodles, also known as instant ramen, are a kind of meal that consists of noodles that have been precooked and dried before being packaged for sale in blocks with powdered seasonings and/or oil. Instant noodles have become a popular cuisine in Indonesia due to their delicious taste, affordability, and ease of preparation. Indonesia is the second-largest manufacturer of instant noodles over the world after China, according to the World Instant Noodle Association (2020). It produces delicious and high-quality instant noodles. According to Top Brand Index Tracking (2020), the four largest instant noodle firms in Indonesia are Indomie (which produces 70% of the country's instant noodles), Mie Sedap, Sarimi, and Supermie. This phenomenon explains a strong intention of Indonesian to purchase instant noodles. Purchase intentions are defined by (Kotler et al., 2018) as the response of consumers who have a favorable attitude toward a product (Roozy et al., 2014). According to earlier research in Indonesia, several variables influence customers' intentions to purchase a product. The research of Yoo et al., (2000) conducted the study that found that the quality of the goods influences the consumers' intention to make a purchase. The research of (Djatkiko & Pradana,

2016) discovered that brand image has an impact on consumers' intents to purchase Samsung Smartphone. Moreover, the research conducted by (Darmawan & Arifin, 2021) has shown the influence of product variety of bar soap on consumers' intentions to buy the bar soap. According to those Indonesian studies on consumer behavior, the quality of the goods, the variety of the product, and the brand image all positively influence purchasing interest. The key issue in this current study was the role of brand image as a moderator between product quality and product variety in customers' desire to purchase instant noodles. The purpose of this study is to evaluate how the role of brand influences the impact of product quality and variety on customers' intentions to purchase instant noodles. Ranked as the world's second-largest producer of instant noodles, this study aids entrepreneurs in comprehending consumer behavior, a key factor influencing consumer purchasing intent.

2 LITERATURE REVIEW

2.1 The Impact of Quality Product on Purchasing Intentions

While several aspects are known to affect consumers' propensity to make a purchase, research has consistently shown that product quality is the single most influential (Lee et al., 2019). Also, Product quality is among the factors that has the greatest impact on consumers' interest in purchasing items, according to the research done by Iskandar et al., (2015). Furthermore, (Yoo et al., 2000) explained that when selecting a product, buyers choose a brand whose product quality has been shown. Interestingly, (Alam, 2020) observed that when customers buy imported cosmetics, they act differently than when they buy local cosmetics. Product quality is one of the influencing variables that influence customer purchasing interest when purchasing imported cosmetic goods; conversely, while purchasing local cosmetic products, product quality is one of the influencing factors that make customers not interested in purchasing. The prior research has encouraged the present study to propose a hypothesis, as follows:

H1: Produk quality impact on consumers' intentions to purchase instant noodles.

2.2 The Impact of Variety Product on Purchasing Intentions

Kotler et al., (2018) define product variation as a product unit that is part of a brand or product line and may be differentiated from other product units in terms of size, price, appearance, or some other attribute. The significance of product variety regarding purchasing decisions has been shown by a few earlier research. Haitao (2022) and (Darmawan & Arifin, 2021) agree on how variety of product affect consumers' buying intentions. Furthermore, the research conducted (Lestari & Novitaningtyas, 2021). discovered the correlation between the quantity of product variants, the facilities, and the quality of product provided by I-cos Café, Semarang on customers' intentions. Taking into consideration the findings of earlier studies, the following is the formulation of the research hypothesis that will be investigated:

H2: Variety product impact on consumers' intentions to purchase instant noodles.

2.3 The Impact of Brand Image on Purchasing Intentions

Companies build brands via associating certain names, phrases, symbols, and designs with their products to set them apart from rivals' offerings ((Kotler et al., 2018). (Djtmiko & Pradana, 2016) discovered a substantial influence of brand image on consumer's willingness to buy Samsung Smartphone. The findings of (Djtmiko & Pradana, 2016) are consistent with (Kittikowit et al., 2018) study, which indicates that brands, along with other variables such as quality, price, and social media, have been shown to have a beneficial influence on customer purchasing interest. Moreover, prior research of (Haitao, 2022) has found the impact of brand image and price on consumers' willingness to buy a product. Earlier research shown the importance of brand image in raising customers' propensity to purchase a product. As a result, the following hypothesis is suggested in this research.

H3: Brand image impact on consumers' intentions to purchase instant noodles.

2.4 The Impact of Quality Product on Purchasing Intentions Moderated by Brand Image

Prior study has revealed that the quality of a product influences purchasing intentions. (Iskandar et al., 2015); (Lee et al., 2019); (Yoo et al., 2000); (Alam, 2020). Furthermore, numerous prior research have shown the influence of brand image on customer willingness in buying products ((Djtmiko & Pradana, 2016); (Kittikowit et al., 2018); (Haitao, 2022). In previous study, brand image was commonly utilized as a moderating variable to explain its role in affecting the impact of many variables on consumers' purchasing intentions.

The research of (Ats-Tsauri et al., 2022) have found that brand image increased consumer interest in purchasing automobile items. Similarly, the study of (El-Said, 2020) have showed the role of brand image in strengthening the impact of e-customers' reviews on customers' willingness to buy products. The following hypothesis was developed based on the earlier studies that brand image strongly influences the association between product quality and purchase intention:

H4: Quality of product impact on purchasing intentions moderated by brand image for instant noodles.

2.5 The Impact of Product Variety on Purchasing Intentions Moderated by Brand Image

Numerous studies have been conducted in the past (Darmawan & Arifin, 2021); (Lestari & Novitaningtyas, 2021); (Haitao, 2022) have shown the effect of products variety \on customers' intention to make a purchase. Furthermore, numerous prior research have shown the impact of brand image on customer willingness to purchase products ((Djatmiko & Pradana, 2016); (Kittikowit et al., 2018); (Haitao, 2022). In past studies, brand image was frequently used as a moderator variable to explain the influence of the independent variable on the dependent variable. The research of (Ats-Tsauri et al., 2022) have found that the role of brand image exist in increasing the in purchasing automobile items. Similarly, the study of (El-Said, 2020) have showed that brand image increased the influence of online reviews on customers' intention to buy. The variety of products is associated with higher purchase intent, and this study tested the idea that consumers' perceptions of brands moderate this relationship. The following hypothesis was formulated as follows:

H5: Variety of product impact on purchasing intentions moderated by brand image for instant noodles.

3 METHODS

The goal of this study is to see how product quality and variety affect purchasing intent, with brand image acting as a moderating variable. The population of this study is a frequent consumer of instant noodles in Jakarta, with an unknown population size. The sample size was 120, and the sampling method was non-probability sampling.

All the samples are Indonesians who live in Jakarta and routinely consume instant noodles, which are used as sample criteria in this study. Data is collected by using questionnaires that have been validated and verified for their reliability and validity. Then, a structural equation model (SEM) analysis technique with PLS (partial least squares) using SmartPLS 3.0 software was used to analyze the data. Previous study has identified eight product quality indicators: the performance of product features, product reliability, product consistency, product durability, service ability, the aesthetics of product, the quality of product; 4 indicators of the variety product (brand variations, product completeness, size

variations, quality product variations); 3 indicators of brand image (product attributes, benefits obtained by consumers, brand personality); and three indicators of buying intentions (transactional purchasing interest, referral purchasing interest, preferred purchasing interest, and exploratory purchasing interest.

4 RESULTS AND DISCUSSIONS

4.1 Characteristics of Respondents

Table 1: Respondent's Profile.

| Gender | Total of number | Percentage (%) |
|---------------|-----------------|----------------|
| Male | 44 | 36,7% |
| Female | 76 | 63,3% |
| | 120 | 100% |
| Age | Total of number | Percentage (%) |
| 11 – 15 years | 6 | 4,9% |
| 16 – 21 years | 64 | 53,4% |
| 22 – 26 years | 50 | 41,7% |
| | 120 | 100% |

Source: processed questionnaire

There were 120 respondents who satisfied the sample requirements and completed the questionnaire given via the Instagram account platform. As seen in Table 1, many respondents are male and most of them are 16 – 23 years old.

4.2 Evaluating the Measurement Model

The SmartPLS 3.0 software was utilized to describe the correlations between the latent variables and their indicators. Because all the indicators utilized are reflective, validity testing refers to loading factors with the results larger than 0.7 and the values of AVE greater than 0.5 (Ghozali, 2015).

Table 2: Factor Loading.

| Indicators | Outer Loadings |
|------------|----------------|
| QP.1 | 0,738 |
| QP.2 | 0,792 |
| QP.3 | 0,741 |
| QP.4 | 0,789 |
| QP.5 | 0,877 |
| QP.6 | 0,828 |
| QP.7 | 0,876 |
| QP.8 | 0,815 |
| VP.1 | 0,759 |
| VP.2 | 0,963 |
| VP.3 | 0,962 |
| VP.4 | 0,726 |
| PI.1 | 0,879 |
| PI.2 | 0,933 |
| PI.3 | 0,793 |
| PI.4 | 0,932 |
| BI.1 | 0,734 |
| BI.2 | 0,866 |
| BI.3 | 0,904 |

Source: processed questionnaire (2022)

Table 3: AVE.

| Variables | Average Variance Extracted (AVE) |
|----------------------------|----------------------------------|
| Purchasing intentions (PI) | 0.734 |
| Quality of product (QP) | 0.654 |
| Variant of product (VP) | 0.810 |
| Brand Image (BI) | 0.702 |

Source: processed questionnaire (2022)

As shown in Table 2, all the loading factors for the indicators of quality product, product variation, purchase intents, and brand image are greater than 0.7. Furthermore, as seen in Table 3, the AVE for each variable of purchasing intents, product quality, product variation, and brand image is greater than 0.5. As a result, the need for the measurement model's validity test is accepted.

Table 4: Composite reliability, Cronbach's Alpha, and AVE.

| Variables | Composite reliability | Cronbach's Alpha |
|----------------------------|-----------------------|------------------|
| Purchasing intentions (PI) | 0.932 | 0.907 |
| Quality of product (QP) | 0.938 | 0.925 |
| Variant of product (VP) | 0.927 | 0.877 |
| Brand Image (BI) | 0.875 | 0.793 |

Sources: processed questionnaire (2022)

As the value of composite reliability and Cronbach's alpha for each variable of purchasing intents, product quality, product variation, and brand image is greater than 0.7, reliability requirement is fulfilled. Given that the measurement model has met the criteria for validity and reliability, the model that was developed for this study can be utilized to test the hypothesis.

4.3 Evaluating the Structural Model

The structural model test seeks to predict causal linkages (cause-effect links) between latent variables or variables that cannot be directly quantified. (Ghozali, 2015). The structural model is tested by referring to the value of R² and the amount of coefficient, as shown below.

Table 5: Coefficient of determination.

| Variable | R Square | R Square Adjusted |
|-----------------------|----------|-------------------|
| Purchasing Intentions | 0.967 | 0.966 |

Sources: processed questionnaire.

Table 4 shows that of the variables that affected consumers' interest in buying instant noodles, 96.7% were related to product quality, variety, and brand image, while 3.3% were unrelated. This research yielded a coefficient of determination of 0.967.

4.4 Hypothesis Testing

4.4.1 The Impact of Product Quality on Purchase Intention

Based on the results of this study, product quality impact on consumers' intention as the value t statistics is 11.979, greater than the value of t table of 1.96, hence, the H1 is accepted. This provides support for the first hypothesis, which states that consumers' desire to buy instant noodles is positively and significantly influenced by product quality. The results of this research are in line with the results of previous research, which explains that product quality is the most important aspect influences consumer' willingness to buy a product (Iskandar et al., 2015); (Lee et al., 2019); (Yoo et al., 2000). According to this study, the availability of information on nutritional value, product composition, presentation method, delicious taste, information about the product's validity period, and clear consumer service provided by the instant noodles' producer explain the quality of instant noodles and their impact on consumer interest in purchasing instant noodles products.

4.4.2 The Impact of Product Variety on Purchase Intentions

The study found the impact of product variety on consumer interest in buying instant noodles, with the value of t -statistic 8.764 > t -table of 1.96. This supports previous research that product variants have a significant impact on purchase interest. The availability of various flavors, sizes, and pricing influences consumer interest in purchasing instant noodles. Therefore, hypothesis H2 is accepted, indicating that product variety has a major influence on customer purchasing intentions.

The outcomes of this study back up previous findings that product variety has a significant impact on consumers' willingness in purchasing a product (Djarmiko & Pradana, 2016); (Kittikowit et al., 2018); (Haitao, 2022). From the results of this research, this study has learned how product variety impact on consumers' purchasing intentions.

4.4.3 The Impact of Brand Image on Purchase Intentions

According to this research, brand image significantly influences consumers' intentions to buy instant noodles, with a t -statistic value of 5.342 > t -table of 1.96. The image of instant noodles, known as a delicious, affordable, and easy-to-serve product,

positively affects consumer interest in purchasing instant noodles. This supports the findings of previous research showing that brand image has a positive and significant influence on purchase interest. (Djarmiko & Pradana, 2016); (Kittikowit et al., 2018); (Haitao, 2022). Hence, H3 is accepted. This study explains the significance of developing a brand image for food products in order to raise consumers' intention to purchase instant noodles.

4.4.4 The Impact of Product Variety on Purchasing Intentions Moderated by Brand Image

The findings of testing H4 generated the t statistics of $0.551 < t$ table of 1.96, indicating that H4 is not accepted. This finding did not support the findings of (Ats-Tsauri et al., 2022), who discovered there is an influence of brand image on the quality of brand image on consumer purchasing interest. Furthermore, the results of this study contradict the study of (El-Said, 2020), which found that brand image plays a role in increasing consumer interest in booking hotel services.

4.4.5 The Impact of Product Variety on Purchasing Intentions Moderated by Brand Image

The results of testing H5 obtained a t -statistic of 0.398 < t -table of 1.96, which explains that H5 is not accepted, meaning brand image does not play a role in the impact of product variety on consumers' intention to buy instant noodles. Contrary to previous research by (Ats-Tsauri et al., 2022), which found that brand image affects the influence of quality on consumer purchase interest, this study's results do not support this idea. In addition, the study's findings go counter to those of (El-Said, 2020), which indicated that consumers' perceptions of a brand can influence their propensity to book a hotel's services.

5 CONCLUSION

According to this study, product quality impacted on consumers' intentions to buy instant noodles. Furthermore, the study found that product variety has a substantial influence on customer interest in instant noodles. Moreover, according to the findings of this study, brand image has not been shown to moderate the influence of product quality on purchase intention. Finally, brand image has not been shown to

moderate the influence of product variety on buy intention.

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