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Analyze the Relationship of Brand Image and Advertisement towards Decision to Become a Customer on Bank BNI Batam Branch

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Analyze the Relationship of Brand Image and Advertisement towards Decision to Become a Customer on Bank BNI Batam Branch

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Abstract. The aim of this research is to explore the relationship of brand image and advertisement towards decision to become a customer on Bank BNI Batam Branch. A hundred respondents of people who have become a customer on Bank BNI Batam Branch have been chosen in the field of research in Batam, Indonesia. The methode instrument was using questionnaires and made up of five variables. The questionnaires distributed were made up of three variables, where two were independent variables and one was dependent variable. By using multiple regression analysis, it is found that each independent variable has strong correlation with the single variable. it can be concluded that the brand image and advertisement have a positive relationship.

1. Introduction

Globalization is very influential on the development of the business world, and has created an increasingly fierce competition system and consistently creates many opportunities and threats for economic players. Business organizations or companies must do certain patterns and strategies to be able to carry out most of their activities at middle pace of information technology development. This situation will force companies to be more responsive to very rapid and dynamic market changes. Indonesia companies must be able to analyze opportunities and challenges in the future. Therefore, in developing marketing strategies, companies must be more consumer-oriented so that the company can identify consumer needs properly [1].

The influence of dynamic market changes is a cause of increasing consumer needs for products and services. Selectively these consumer needs can be influenced by a variety of product variations or with the same product. With the many products offered, then consumers will begin to choose and find information on which brands can meet their needs and desires [2].

For companies, what is done is not only meeting the needs of consumers with the goods or services of their produce. More than that, companies must be able to retain existing consumers and try as much as possible to attract new consumers. The main benefit for the company if it is able to satisfy

consumers' desires, that satisfied consumers will come back to buy products, say good things about the company, and put competing products in a lower order [3]. This will certainly increase sales results and the company will continue to grow in line with increasing consumer confidence.

To understand and influence consumer buying interest, the company must be able to improve the brand image in the minds of consumers as a whole through the attributes they have [4]. A good image is also a top priority used as a reference or basis for determining the choices made by consumers in purchasing decisions. A good image is also one of the effective ways to attract new consumers to make purchasing decisions.

PT. Bank Negara Indonesia (Persero) Tbk, now known as "Bank BNI" was established on July 5, 1946, one year after the proclamation of independence of the Republic of Indonesia (17.08.1945). For more or less standing in the past 61 years, Bank BNI has undergone several changes and brand developments [5].

2. Literature Review

According to [6] purchasing decisions are basically a decision to buy the brands that are preferred by consumers based on considerations among selected brands. From this definition, it appears that consumers will make a decision to purchase one brand from several alternative brands that they know.

According to [7] "Brand image is any impression that exists in someone's mind related to his memory of a brand that is able to add or reduce the value given by a product or service to both the company and the customer which is the basis of the decision purchase". From this definition, it can be seen that brand image can provide its own value in the eyes of consumers, which can help them interpret, process and store information related to the product and brand.

In addition to brand image, advertising also has a strong influence on consumer purchasing decisions. Advertising is a form of one-way communication from the producer to the consumer. Advertising must be able to inform products about consumers and persuade consumers to bring sales and profits to the producers. The main purpose for advertising is to influence consumer purchasing behavior [8].

3. Methodology

3.1. Examine the relationship of brand image and advertisement towards decision to become a customer on Bank BNI Batam Branch, Indonesia.

Dede Ansyari Guci, Ghazali.P.L. et.al**,** [9], survey that a research domain was managed to examine the relationship of brand image and advertisement towards decision to become a customer on Bank BNI, Batam Branch, Indonesia. The questionnaires were a hundred questionnaires which were delivered in people who have become customer on Bank BNI, Batam Branch. Respondents were chosen among the people who had become customer on Bank BNI, Batam branch. The questionnaire was adopted from [10] and [11]. The questionnaire has 3 construct, where 2 construct were independence variables. By using five Likert-Scale for each question of the questionnaire.

The responds from respondents for this research then analyzed using Statistical-Packages for Social-Science (SPSS) version 21 to find the result of Multiple Regression and Coefficient of Determination Test.

4. Results and Discussions

4.1. Multiple Regression Analysis

The design of organizing the study was to analyze the regression. Below is the result of multiple regression analysis for the study.

Table 1. Multiple regression analysis

Variables	Regression Coefficient	t-Count	Sig.	No. of Item
Brand Image	0.320	4.720	0.000	5

| Advertisement | 0.230 | 3.012 | 0.003 | 5 |

F Count = 59.536

$R^2 = 0,760$

From the table 1, multiple regression models can be formulated from the factors that influence the level of decision to become customers at the Bank BNI Batam Branch as follows :

$$Y = 6.936 + 0.320X_1 + 0.230X_2 \qquad (1)$$

The constant of 6.936 indicates that the decision to become a customer at Bank BNI will increase (Y) if brand image factors and advertising are considered constant, meaning that there is an additional decision to become a customer at Bank BNI 6.936 [12].

Regression coefficient of Brand Image (X1) is 0.320 and Advertising is 0.230. This shows the magnitude of the influence of these variables on the decision to become a customer at Bank BNI Batam Branch. The positive sign shows significantly correlated of the positive relationship [12].

4.2 Coefficient of determination test

The coefficient of determination (R2) to show how much the proportion of variations in the independent variable is able to explain variation in bound [13]. From the Table 1 above the regression results show the coefficient of determination (R2) 0.760. This means that 76.0% of the dependent variable is the decision to become a customer at the Bank BNI Batam Branch which is able to be explained by its independent variables namely brand image and advertisement. While 24.0% are influenced by other factors such as systems, locations, competing banks and others.

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5. Conclusion

From the multiple regression analysis and coefficient of determination test result, It shown that each independent variable has strong correlation with the single variable. it can be concluded that the brand image and advertisement have a positive relationship.

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