

The Influence of Brand, Price, And Product Quality on The Purchase Decision of Packaged Drinking Water at The Regional Office VII of BKN Palembang

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Abstract

This study explores the impact of brand, price, and product quality on purchasing decisions for bottled drinking water (BDW) among employees of Regional Office VII BKN Palembang. Recognized brands, such as Aqua and Le Minerale, dominate consumer preferences due to their established reputation and trustworthiness. The research identifies brand as a significant factor in shaping perceptions of safety and quality, which influences decision-making. Price is another critical element, especially for budget-sensitive consumers. While affordability drives initial purchases, the perceived value and balance between cost and quality determine long-term preferences. Product quality, including taste, cleanliness, and packaging, emerges as the most important factor influencing customer loyalty and repeat purchases. The research employs a qualitative methodology through in-depth interviews, participatory observation, and documentation. Data collected from 15 informants, comprising employees with varied roles and income levels, reveal diverse factors influencing their choices. The study highlights the importance of product certification (e.g., BPOM, SNI) in fostering trust among consumers. Findings show that 60% of respondents prioritize brand reliability, 25% emphasize price considerations, and the remainder focus on consistent quality for repurchase decisions. This study underscores the critical interplay between brand, price, and quality in influencing consumer behavior. It provides valuable insights for BDW producers to design targeted marketing strategies by strengthening brand appeal, maintaining competitive pricing, and ensuring consistent quality. Such efforts can help companies effectively address the diverse needs of Palembang's BDW consumers and enhance market competitiveness.

Keywords: brand, price, product quality, purchasing decision, bottled drinking water

1. Introduction

Bottled Drinking Water (BDW) has become one of the essential needs for modern society, especially in major cities like Palembang. With increasing awareness of health and the practical lifestyle, the demand for BDW products continues to rise (Kustianti, 2019). This trend is also observed among employees at Regional Office VII of BKN Palembang, who consume bottled drinking water daily for its practicality and efficiency. Amidst the increasingly competitive industry, factors such as brand and price play a crucial role in influencing consumer decisions in choosing products. The brand, as an indicator of quality and trust, plays a significant role in shaping consumer perceptions of a product. Consumers tend to choose well-known brands with good reputations, as they are considered more reliable and of higher quality (Amalia, 2019). On the other hand, price often becomes a primary consideration, especially for cost-sensitive consumers (Laoli & Hasan, 2020). The balance between a reputable brand and competitive pricing often creates a dilemma for consumers when deciding on a product. In the context of Palembang, with its diverse demographics and varying income levels, preferences for BDW brands and prices can vary. This study examines employees working in a government institution with different backgrounds and income levels to analyze the influence of brand and price on BDW purchase decisions. It also seeks to understand other factors influencing

consumer preferences. By understanding these dynamics, BDW business players can design more effective marketing strategies to meet local consumer needs (Anggraini et al., 2020).

2. Literature Review

Brand. A brand is a unique identity used to distinguish a product or service from similar products or services in the market. A brand encompasses elements such as name, logo, symbol, design, or a combination of these elements that create a specific perception in the minds of consumers (Fetrisen & Aziz, 2019). Beyond just an identifier, a brand reflects the quality, reputation, and values upheld by a product or company. In the business context, a brand plays a crucial role in building trust, consumer loyalty, and competitiveness in the market (Sitompul, 2019).

Price. Price is the amount of money charged for a product or service, or the value exchanged by consumers to gain the benefits of owning or using the product or service (Supriyatna, 2020). As a vital element of the marketing mix, price acts as a key determinant of buyer choices and is the only component that generates revenue for a company, while other elements incur costs. Proper pricing can influence consumer perceptions of product quality, with higher prices often associated with better quality (Hakim & Saragih, 2019). Therefore, pricing strategies must consider various factors, including production costs, consumer purchasing power, competitor pricing, and the perceived value of the product to consumers.

Product Quality. Product quality refers to the level of excellence or value of a product, determined by the extent to which it meets or exceeds consumer expectations. Product quality encompasses various aspects, such as durability, reliability, functionality, aesthetics, safety, and ease of use (Todar et al., 2020). High-quality products are typically achieved through robust manufacturing processes, proper selection of raw materials, and the implementation of stringent quality control standards. Additionally, quality includes the conformity of a product to predetermined specifications or standards, both in terms of design and performance (Qolbi & Hermansyah, 2023). High product quality not only enhances customer satisfaction but also contributes to consumer loyalty, brand image, and market competitiveness (Pratiwi et al., 2020). In the business context, maintaining and improving product quality is a key factor in building consumer trust and achieving long-term success.

3. Research Method

Qualitative research methodology is an approach used to understand social phenomena or human behavior in depth through exploration of the experiences, views, and perspectives of individuals or groups (Creswell, J. W. (2014)). This method focuses on the meaning and context of the observed phenomena, resulting in rich and complex data. This research was conducted at the Regional Office VII BKN in the city of Palembang, focusing on employees who purchase bottled drinking water products from retail stores or shopping centers. The research subjects are active consumers, specifically employees who regularly purchase these bottled drinking water products.

☐ In-Depth Interview

It is conducted to explore how brand, price, and quality influence purchasing decisions.

Example Question:

➤ "Do you prefer a specific brand when purchasing a product? Why?"

- "How important is the price of the product in influencing your decision?"
- "What do you consider as indicators of product quality?"

□ Participatory Observation:

- Field notes are made to record purchasing patterns, brand preferences, or responses to price and quality.

□ Documentation:

- Collecting supporting data such as product brochures, advertisements, consumer reviews on social media, or information about brands and prices.

Data Sources

- **Primary Data:** Data obtained through in-depth interviews with employees of the Regional Office VII BKN in Palembang, who are active buyers or consumers of bottled drinking water.
- **Secondary Data:** Data from articles or advertisements discussing bottled drinking water products.

Data Analysis Techniques. The data is analyzed using a thematic analysis method, with the following steps:

1. Data Reduction:

- Filtering data from interviews, observations, and documentation to find relevant information related to the themes of brand, price, and quality.

2. Coding:

Grouping data into categories or themes such as:

- Brand preferences.
- Price influence on purchasing.
- Consumer assessment of product quality.

3. Interpretation:

- Looking for relationships between these themes to understand how all three influence purchasing decisions.

4. Data Triangulation:

- Comparing results from interviews, observations, and documentation to enhance data validity.

Data Validation Techniques

1. Member Check:

- Ensuring that the researcher's interpretations align with the informant's understanding.

2. Triangulation:

- Comparing results from various data sources (interviews, observations, documentation).

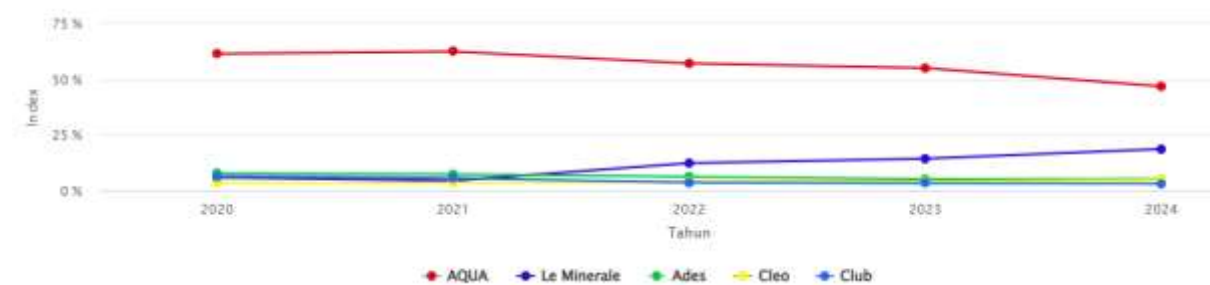
3. Peer Review:

- Discussing research findings with colleagues to avoid bias..

4. Findings and Discussions

The research involves 15 employees from the Regional Office VII BKN in Palembang, selected through purposive sampling. The informants consist of employees with different positions (administrative staff, section heads, and structural officials), aged between 25 and 50 years, with varying income levels. All informants are bottled drinking water consumers who regularly purchase it for daily use at the office or at home.

Figure 1: Bottled Drinking Water Sales Chart (Source: Top Brand Award)



Based on the chart above, Aqua and Le Mineral are the two most popular bottled drinking water products and the most consumed by the Indonesian public. This can also be seen in the table below, which shows the sales results of several bottled drinking water products from various brands available in Indonesia.

Table 1. Bottled Drinking Water Sales Chart (Source: Top Brand Award)

Name Brand	2020	2021	2022	2023	2024
Ades	7.80	7.50	6.40	5.30	5.50
AQUA	61.50	62.50	57.20	55.10	46.90
Cleo	3.70	3.70	4.20	4.20	5.10
Club	6.60	5.80	3.80	3.50	3.30
Le Minerale	6.10	4.60	12.50	14.50	18.80

A. Brand Influence

1. Trust in Certain Brands: The majority of informants stated that they tend to buy bottled drinking water brands that are widely recognized, such as Aqua and Le Minerale. This trust factor is based on the brand's reputation and the quality perception that has been built over the years.
 - "I prefer Aqua because it has been proven safe and its taste has been consistent for years," said a section head.

- Some informants also associate the brand's popularity with product quality and safety guarantees.
- 2. **Positive Associations with Famous Brands:** Well-known brands are often associated with values such as health, cleanliness, and safety. Informants mentioned that they feel more comfortable consuming bottled drinking water from large brands compared to lesser-known ones.
- 3. **Influence of Advertisements and Branding:** Aggressive marketing campaigns, such as TV commercials and social media promotions, also influence purchasing decisions. Informants stated that advertisements create a positive impression of certain brands, especially those frequently featured in major events or sports events

B. Price Influence

1. **Price as a Comparison Factor:** Informants with middle-income tend to be more sensitive to price differences between brands. They prefer brands with affordable prices but still offer good quality, such as Alfa or other local brands.
 - "If there's a discount, I'll definitely buy the cheaper brand, but I usually still pay attention to the quality," said an administrative staff member.
2. **Price and Purchase Quantity:** Some informants stated that price becomes a primary consideration when buying in large quantities, such as for stock at home or office activities..
 - "For family needs, I tend to choose the cheaper ones because water consumption is quite high," said an employee.
3. **Price and Quality Compromise:** Although sensitive to price, informants do not entirely disregard quality. The majority stated that they are willing to pay more if the more expensive product offers better quality.

C. Product Quality Influence

1. **Taste and Cleanliness of Water:** All informants agreed that water quality, especially in terms of taste and cleanliness, is very important. They avoid brands that taste unpleasant or have a certain odor.
 - "If the water tastes strange, I immediately stop buying it, even if the brand is well-known," said a section head.
2. **Product Packaging:** Informants also pay attention to the quality of the packaging, such as the strength of the bottle and its design. Bottles that are easily damaged or leak are considered indicators of poor quality.
3. **Trust in Certifications:** BPOM and SNI certifications are one of the assurances for informants that the products they consume are safe. Some informants mentioned that they check the label to ensure the product has official approval.

D. Purchase Decision

1. **Brand as a Dominant Factor:** About 60% of informants admitted that they often choose well-known brands over others due to a sense of security and trust.

2. Price as an Important Consideration: Around 25% of informants mentioned price as the main factor influencing their purchase decisions, especially for those with a limited budget.
3. Quality as a Determining Factor for Repurchase: Informants stated that consistent quality is the main factor that makes them repurchase a particular product.

A. Brand as a Primary Determinant

Trust in well-known brands shows that branding has a significant influence in shaping purchase decisions. The reputation built through consistent quality and effective marketing strategies makes brands like Aqua and Le Minerale the top choices. This aligns with consumer behavior theory, which states that a brand is a symbol of quality and a guarantee for consumers.

B. Price as a Flexible Factor

Price is an important variable, especially for consumers with middle-income. Informants showed that while price is important, they still consider quality. This phenomenon indicates a compromise between economic needs and the need for safe, quality products.

C. Quality as a Guarantee of Loyalty

Product quality is the main factor in ensuring repeat purchases. Consumers are not only looking for cheap products but also those that meet standards for taste, cleanliness, and safety. This shows that quality is a long-term investment for producers to maintain consumer loyalty.

5. Conclusion and Recommendations

Brand has the greatest influence on the purchasing decisions of employees at the Regional Office VII BKN Palembang due to factors of trust and reputation. Price influences purchasing decisions, especially for consumers who are budget-sensitive. Product quality (taste, cleanliness, and packaging) is a determinant of consumer loyalty.

1. For Producers:
 - Strengthen brand image by focusing on campaigns that highlight safety and quality.
 - Offer a variety of products at different price points to reach a broader consumer segment.
 - Ensure product quality consistency to maintain consumer loyalty.
2. For Consumers:
 - Educate yourself about product quality through label information and official certifications.
 - Consider not only the price but also the long-term value of the product.
3. For Future Researchers:
 - Conduct quantitative research to strengthen these findings with statistical data.

- Expand the scope of the research to include consumers outside the office environment.

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