

The Influence of Brand Awareness and Brand Image toward the Status of Pioneer Brand and Consumers' Interest

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Abstract- Basically, a market leader is the first brand being launched (the pioneer brand). However, there come up some new brands following those pioneer brands with the same product categories. The pioneer brands must attempt to maintain their position to compete with the following brands because they will always attempt to be the market leader. In the competition among pioneer brands and following brands, the pioneer brands have a better quality compared to the following brands which are having chances to be more easily remembered, aware, and chosen. The brands analyzed in this study were Sariwangi and Sosro. Sariwangi is the pioneer brand, but in fact the consumers are still choosing other tea bags. The objective of this research is to reveal the influence of brand awareness and image toward the status of pioneer brand and consumers' interest. The sampling technique used 100 respondents. The data were analyzed using SEM and SMARTPLS. Based on the hypotheses test, it is revealed that (1) brand awareness has a positive influence toward brand image with T-statistic 35.932 for Sariwangi and 18.519 for Sosro, (2) brand image has positive influence toward pioneer brand with T-statistic 7.671 for Sariwangi and 4.244 for Sosro, (3) brand awareness has a positive influence toward pioneer brand with T-statistic 3.644 for Sariwangi and 2.785 for Sosro, (4) brand awareness has a positive influence toward consumers' interest with T-statistic 2.766 for Sariwangi and 3.868 for Sosro, (5) pioneer brand has a positive influence toward consumers' interest with T-statistic 5.636 for Sariwangi and 6.074 for Sosro, and (6) brand image has no positive influence toward consumers' interest with T-statistic 1.929 for Sariwangi and 0.549 for Sosro. Therefore, it is concluded that Sariwangi and Sosro have the same SEM structure.

Key words: *brand awareness, brand image, consumers' interest, status of pioneer brand.*

I. INTRODUCTION

One of the strategies to attract consumers is by giving brands toward the product being sold. Brands are closely related to perceptions, so the competition happens among the producers is basically a perception competition and is not merely a product competition (Tjiptono, 1997). Producers compete to show their brands' quality to lead the market. Basically, a market leader is the first brand being launched (the pioneer brand). However, there come up some new brands following those pioneer brands with the same product categories. The pioneer brands must attempt to maintain their position to compete with the following brands because they will always attempt to be the market leader. In the competition among pioneer brands and following brands, the pioneer brands have a better quality compared to the following brands which is having chances to be more easily remembered, aware, and chosen. Therefore, it can increase consumers' interest to buy (Kardes, et al., 1993 & Rettie, et al., 2002). From those better qualities, consumers will tend to remember and be aware of pioneer brands compared to the following brands, so that it attracts consumers to buy the product.

In the current situation in Indonesia, there is a competition in the commodity of tea. Tea is consumed by Indonesian people in the form of powder, bag, or packed. However, some Indonesians prefer tea bag to the others as one of the ways to consume it. The development of tea bag products in Indonesia with some brands, as reported by Top Brand Index in 2012, comprises Sariwangi, Sosro, Bendera, Poci, 2 Tang, and Tong Tji. The first rate among those products is Sariwangi which is also a product of black tea with the form of tea bag in Indonesia in 1973. It can be inferred that Sariwangi succeeds to lead the market and to make its brand known by the societies. Even though Sariwangi is the pioneer brand and is also the market leader, some consumers tend to choose other products of tea bag. It is affected by some factors such as the influence of perception of the price, the quality of the product, the brand, the promotion and the like.

According to the data reported by General Secretary of Agriculture Ministry (2015), the price of domestic tea in the form of dry leaves in the period of 2005-2013 tends to increase with the average development of 6%. The increase of this price decreases consumers' interest to buy tea products. Beside the price which is continually increasing, people tend to be unaware of certain brand when buying tea products, especially tea bag. Moreover, the perception of pioneer brand status of a product of tea bag is no longer the main consideration in choosing the tea products bought. Based on the data from *Badan Pusat Statistik* which is gathered by General

Secretary of Agriculture Ministry (2015), it is reported that the decrease in tea consumption in Indonesia from 2002 to 2014 is continually happening from 0.77 kg/person/year to 0.61 kg/person/year.

Based on the above problem, the researcher attempted to conduct research about brands on tea bag products, especially in Bogor. This research was begun by identifying the first tea bag product launched according to consumers' perception. The consumers' perception is very crucial to determine the success of a certain product in the market. Consumers' perception toward the status of pioneer brand was derived from consumers' knowledge comprising the level of awareness and the brand image of the product. Brand awareness is the interest of future buyers to identify, recognize, or remember a certain product (Aaker, 1996) and brand image is perception of brand in consumers' memory which is figured out by some associations such as price, design, wrap, and the like (Keller, 1998). This statement is strengthened by Trout (2001) who states that the first brand getting into consumers' mind is considered as the superior brand (pioneer brand), while the rest is the second rate (following brand).

Following up the recognition of consumers' perception about pioneer status, the researcher attempted to know the influence toward consumers' interest to buy a product. It is expected that the result can depict a picture which can help companies to determine a strategy to maintain their position as the market leader. The objectives of this research are (1) to identify pioneer brand on tea bag products according to consumers' perception, (2) to analyze consumers' perception toward tea bags, and (3) to analyze the influence of brand awareness and brand image toward the status of pioneer brand and consumers' interest, (4) determine the strategies to improve consumers' purchase intention.

II. METHODS

Analytical Construct

The analytical construct of this research is shown in Figure 1.

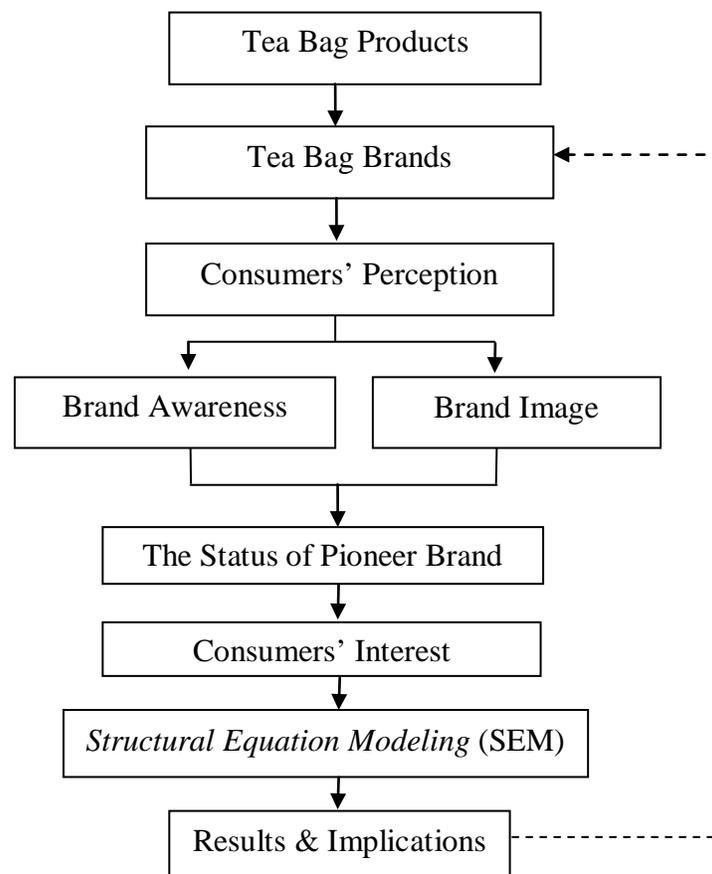


Figure 1: Analytical Construct

Design, Setting, and Time of Research

This research used a Cross Sectional Study. The research was conducted in Giant Botani Square and Giant Yasmin using purposive sampling. The data were collected in February – April 2016 which comprised the data collection and the data analysis. The brands being researched were two well-known brands of black tea in the form of tea bags in Indonesia: Sariwangi and Sosro.

Data Analysis

This research aims to answer a question about the influence of brand awareness and brand image toward the status of pioneer brand and consumers' interest in tea bags. The data collected were then analyzed using Structural Equation Modeling (SEM) in Microsoft Excel 2007 and SMART PLS 3.0.

Descriptive Analysis

This type of analysis describes patterns consistently in the data, so the results can be learned and translated promptly and meaningfully. The purpose of the descriptive analysis is to create a description of factual data systematically and accurately about the facts and the correlation between phenomena being investigated or researched.

Structural Equation Modeling (SEM)

According to Fonell (1987), SEM is considered as the second generation of multivariate analysis. This statement is in line with Haryono and Wardoyo (2012) who argue that SEM method is the development of multi-regression analysis which is basically the same as multivariate analysis. This analysis has a high flexibility to correlate theories and data. The analysis technique is oriented to prediction which is able to describe the concept of model with implied variable measured through the indicators.

Variables and Indicators

The model analysis of correlation among variables in this research is illustrated on figure 2.

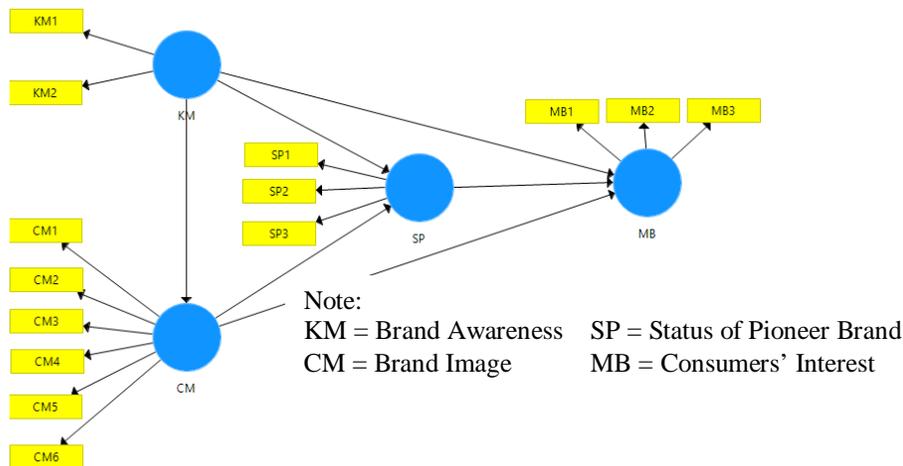


Figure 2: The Model of Analysis of Correlation among Variables

Research Hypotheses

The research hypotheses are as follows:

- H₁ : Brand awareness influences positively toward brand image.
- H₂ : Brand image influences positively toward the status of pioneer brand.
- H₃ : Brand awareness influences positively toward the status of pioneer brand.
- H₄ : Brand awareness influences positively toward consumers' interest.
- H₅ : Brand image influences positively toward consumer' interest.
- H₆ : The status of pioneer brand influences positively toward consumers' interest.

III. FINDINGS AND DISCUSSION

Table I: Respondents' Characteristics

No.	Characteristics	Percentage (%)	
1.	Sex	Male	34
		Female	66
2.	Age	16-18	2
		19-24	16
		25-35	56
		36-50	15
		51-65	11
3.	Occupation	Private officer	45
		House wife	17
		Self-employment	14
		University student	10
		Teacher	6
		Pensionary	4
		Government officer	3
		Others	1
4.	Education Level	Senior High School	1
		Diploma 1	24
		Diploma 3	20
		Undergraduate	35
		Postgraduate	20
5.	Number of Family Members	1-2	12
		3-4	58
		>5	30
6.	Monthly Income	Less than 3.000.000,00	51
		3.000.000,00–6.000.000,00	32
		6.000.000,00-9.000.000,00	14
		More than 9.000.000,00	3

Source: primary data, 2016.

Tea Bag Brands in Consumers' Mind

Top of mind

Top of mind brand is the first brand remembered and considered by consumers or the first concept being questioned about a category of a product. Based on the results of the research, it is found that respondents state Sariwangi brand as the tea bag brand which is mostly remembered with the percentage of 76%.

Brand Recall

Brand recall is the recalling of remembered brands after calling the first brand mentioned previously. Based on the results of the research, it is found that Sosro brand is in the first place on the analysis of brand recall with the percentage of 22.4%.

Brand Recognition

On *brand recognition*, it is found that 25% of respondents are necessarily reminded about the existence of Sosro brand and 4% of respondents are necessarily reminded about the existence of Sariwangi brand.

Marketing Media

Marketing media utilized by both brands, Sariwangi and Sosro, achieved the same result which is advertisement on television. It is the most used mass media to know the existence of Sariwangi (45.1%) and Sosro (44.8%).

Consumers' Perception on Tea Bags

In this part, it is presented perceptions which are the description of products based on consumers' wants and needs. There are 15 perceptions as the assessment of tea bags. The results show that reasonable price becomes the main consideration when

determining and choosing tea bag products. The perception also becomes consumers' main consideration to choose Sariwangi and Sosro.

The Status of Pioneer Brand on Tea Bag Products

From all respondents, 81 of them choose Sariwangi as the pioneer brand and 19 others choose Sosro as pioneer brand. This finding proves consumers' knowledge and perception toward pioneer brand on the category of tea bags suit the fact in which Sariwangi is the first brand launched in Indonesia in 1973 in the format of tea bag (www.unilever.co.id).

SEM Analysis on Sariwangi Tea Bag

Outer Model Analysis

SEM analysis on this part is begun with the evaluation of loading factor value on the achieved model.

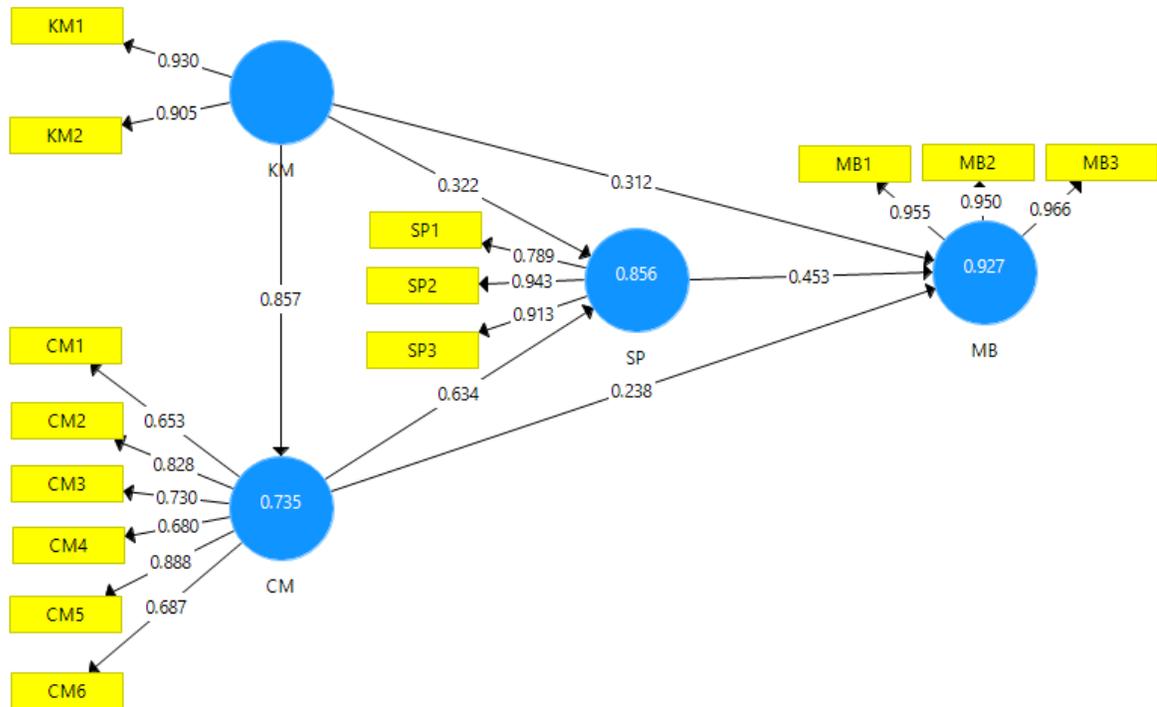


Figure 3: The Result of Model Analysis of Sariwangi

The model evaluation was conducted without passing through the process of elimination because the indicator on the achieved model is representing each of all latent changes.

Table 2: The Result of Composite Reliability, Cronbach's Alpha, and AVE

	Composite Reliability(>0.7)	Cronbach's Alpha (>0.7)	AVE (>0.5)
Brand Image	0.911 (Reliable)	0.852 (Reliable)	0.773 (valid)
Brand Awareness	0.914 (Reliable)	0.813 (Reliable)	0.841 (valid)
Consumers' Interest	0.970 (Reliable)	0.954 (Reliable)	0.915 (valid)
Status of Pioneer Brand	0.914 (Reliable)	0.860 (Reliable)	0.781 (valid)

Source: primary data, 2016.

The last analysis of the outer model analysis was by identifying the value of cross loading criteria which is also testing the construct validity. The measurement of cross loading was done by comparing the correlation between the indicators to the construct and the construct from other blocks. The result of the measurement shows that each of indicator blocks has a higher loading factor value for each implied variable measured and compared with other implied variable indicators.

Inner Model Analysis

Table 3: The Result of R – Square

	R Square
Brand Image	0.735
Consumers' Interest	0.927
Status of Pioneer Brand	0.856

Source: primary data, 2016.

There is an analysis of path coefficient in the inner model analysis. This analysis is for testing the significance of the correlation gained after the model passes through the process of bootstrapping. The process of bootstrapping on Sariwangi brand maximizes 100 original data to 500 data which are the simulation data.

Table 4: The Value of *Bootstrap* Path Coefficient of Sariwangi

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistic (O/STERR)</i>	<i>P Values</i>
BI -> CI	0.238	0.231	0.123	1.929	0.054
BI -> SPB	0.634	0.641	0.083	7.671	0.000
BA -> BI	0.857	0.862	0.024	35.932	0.000
BA -> CI	0.312	0.313	0.113	2.766	0.006
BA -> SPB	0.322	0.315	0.088	3.644	0.000
SPB -> CI	0.453	0.458	0.080	5.636	0.000

Source: primary data, 2016.

Based on the bootstrapping result, it is found that the influences among variables which gain the standard are the influence of brand awareness toward brand image, brand image toward the status of pioneer brand, the status of pioneer brand toward consumers' interest, brand awareness toward the status of pioneer brand, and brand awareness toward consumers' interest. However, the influence of brand image toward consumers' interest does not show significant influence.

In this model, there is a direct influence from brand awareness toward the status of pioneer brand and brand awareness toward consumers' interest which is shown by the comparison of coefficient of original sample on table 5.

Table 5: The Comparison of Original Sample Coefficient of Direct and Indirect Correlation

No.	Correlation	Correlation among Variables	Original Sample Coefficient
1.	Direct	Brand awareness → status of pioneer brand	0.322
2.	Indirect	Brand awareness → brand image → status pioneer brand	0.857 x 0.634 = 0.543
3.	Direct	Brand awareness → consumers' interest	0.312
4.	Indirect	Brand awareness → brand image → status of pioneer brand → consumers' interest	0.857 x 0.634 x 0.453 = 0.246

Source: primary data, 2016.

SEM Analysis on Sosro Tea Bag

Outer Model Analysis

On Sosro Tea Bag, all latent changers with the indicators have loading factor value above 0.5 which means it does not have to pass through the elimination step because the indicators on the model achieved sufficiently reflect each of all latent changers.

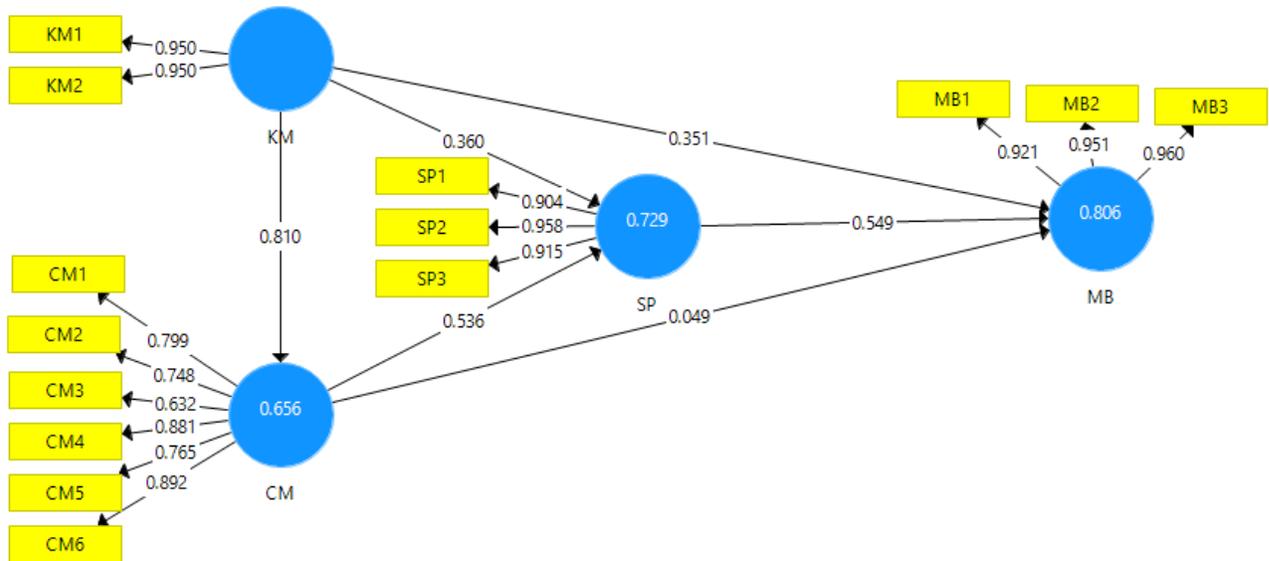


Figure 4: The Result of Model Analysis of Sosro Tea Bag

Table 6: The Result of Composite Reliability, Cronbach's Alpha, and AVE

	Composite Reliability (>0.7)	Cronbach's Alpha (>0.7)	AVE (>0.5)
Brand Image	0.908 (Reliable)	0.878 (Reliable)	0.626 (Valid)
Brand Awareness	0.949 (Reliable)	0.892 (Reliable)	0.903 (Valid)
Consumers' Interest	0.961 (Reliable)	0.939 (Reliable)	0.892 (Valid)
Status of Pioneer Brand	0.947 (Reliable)	0.917 (Reliable)	0.857 (Valid)

Source: primary data, 2016.

Seeing the AVE value, the value of discriminant validity can be evaluated by seeing the result of cross loading value of SEM model of Sosro tea bag. Teh result of the measurement shows that each indicator block has loading factor value higher than each latent variable measured and compared with the indicators for other latent variables.

Inner Model Analysis

Table 7: The Result of R-Square

	R-Square
Brand Image	0.656
Consumers' Interest	0.806
Status of Pioneer Brand	0.729

Source: primary data, 2016.

Table 8. The Value of *Bootstrap Path Coefficient of Sosro*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic ((O/STERR))	P Values
BI -> CI	0.049	0.066	0.090	0.549	0.583
BI -> SPB	0.536	0.561	0.126	4.244	0.000
BA ->BI	0.810	0.817	0.044	18.519	0.000
BA -> CI	0.351	0.345	0.091	3.868	0.000
BA -> SPB	0.360	0.334	0.129	2.785	0.006
SPB -> CI	0.549	0.537	0.090	6.074	0.000

Source: primary data, 2016.

On Sosro, there is a direct correlation to the same variables of Sariwangi which is direct influence from brand awareness toward the status of pioneer brand and brand awareness toward consumers' interest. On the table 9, it is shown the comparison original sample coefficient of direct and indirect correlations among variables.

Table 9. The Comparison of *Original Sample Coefficient of Direct and Indirect Correlation*

No.	Correlation	Correlation among Variables	Original Sample Coefficient
1.	Direct	Brand awareness→status of pioneer brand	0.360
2.	Indirect	Brand awareness→brand image→status of pioneer brand	$0.810 \times 0.536 = 0.434$
3.	Direct	Brand awareness→consumers' interest	0.351
4.	Indirect	Brand awareness →brand image→status of pioneer brand→consumers' interest	$0.810 \times 0.536 \times 0.549 = 0.238$

Source: primary data, 2016.

IV. CONCLUSION

Based on the result of the analysis and the discussion conducted, the conclusion can be drawn as follows:

1. The majority of respondents choose Sariwangi (81%) as the pioneer brand with the category of tea bag product, while Sosro is chosen by the rest respondents (19%).
2. Regarding the consumers' perception toward tea bags, it is concluded that the majority of consumers are interested to buy Sariwangi and Sosro because of their reasonable price with the percentage of 12.54% for Sariwangi and 12.45% for Sosro.
3. In this research, Sariwangi and Sosro have 5 significant positive among variables such as brand awareness influences brand image, brand image influences the status of pioneer brand, the status of pioneer brand influences consumers' interest, brand awareness influences the status of pioneer brand, and brand awareness influences consumers' interest. There is only one variable which does not show the correlation – the correlation of brand image toward consumers' interest. The result of the influences among variables through SEM model analysis can answer the problem on how to manage a brand so that it can increase consumers' interest. Based on the research, it is found three processes of strategy which can be utilized to increase consumers' interest in buying Sariwangi and Sosro tea bags. The first process is shown in table 5.

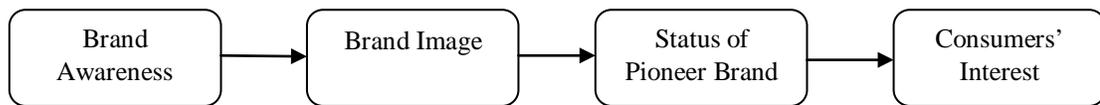


Figure 5. The Sequence of Process 1 of the Increase of Consumers' Interest on Sariwangi and Sosro Tea Bags

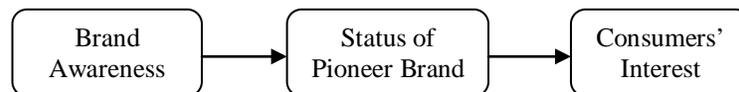


Figure 6. The Sequence of Process 2 of the Increase of Consumers' Interest on Sariwangi and Sosro Tea Bags

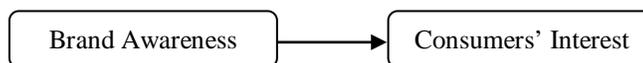


Figure 7. The Sequence of Process 3 of the Increase of Consumers' Interest on Sariwangi and Sosro Tea bags

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