

Brand Image Analysis of Online Shopping Sites in Indonesia: A Case Study in Bina Nusantara University

Kuspuji Catur Bagus Wicaksono*, Yunita Wijaya Handranata, Deva Prudensia Setiawan and Dewi

Management Department, BINUS Business School, Undergraduate Program, Bina Nusantara University (BINUS), Alam Sutera, Tangerang, Indonesia

ABSTRACT

The aim of this study was to show differences in brand images of online shopping sites, namely Lazada, Tokopedia and Bukalapak based on six factors: *attributes, benefits, culture, value, personality* and *users*. Data is obtained from questionnaires distributed to respondents from Bina Nusantara University students. The study period was from March to November 2016. Data was analysed using ANOVA. Results showed differences in terms of *attributes, culture* and *value* except *personality*. These results can be useful for new or current companies that already have or about to create new online shopping sites to enhance their brand image and differentiate their online shopping site.

Keywords: Attributes, brand image, culture, online shopping sites, value

INTRODUCTION

The development of information technology in Indonesia provides new opportunities for various types of companies - both large and small - to use it as a new tool in their

marketing. The company may conduct its marketing by distributing brochures and catalogues to its customers through its own company website, or through other online communication, such as via e-mail, Facebook, and Line. The brochures and catalogues contain information about the company specifically its business activities as well as the products of goods or services traded.

Online shopping companies are different from traditional companies in the sense they are not constrained by the size of their stock. In addition, the company can use online facilities as a marketing medium to deliver

ARTICLE INFO

Article history:

Received: 6 October 2017

Accepted: 2 April 2018

Published: 30 August 2018

E-mail addresses:

kuspuji2910@binus.ac.id (Kuspuji Catur Bagus Wicaksono)

yunita_wijaya@binus.ac.id (Yunita Wijaya Handranata)

dpsetiawan@binus.edu (Deva Prudensia Setiawan)

dewi.creation@binus.edu (Dewi)

* Corresponding author

ISSN: 0128-7702

e-ISSN: 2231-8534

information of their products and services, where they no longer have to make and print brochures and catalogues.

Online shopping sites, such as www.lazada.co.id, www.tokopedia.com and www.bukalapak.com sell thousands of products ranging from household products, fashion, health products, beauty, watches, jewellery and electronic products from various brands and varying prices. According to ecomeye.com, Bukalapak.com is number ranked second among the top 25 Indonesian online shopping and ecommerce website followed

by Lazada.co.id at number 3 and Tokopedia.com position at 6. The sites face tight competition, with their own advantages and shortcomings in selling their products. Therefore, each online shopping site must have a brand which can compete with other online shopping sites. The research question is: "Is there a difference in the brand image of each of the Indonesian online shopping sites?" This study will look at the factors that affect the brand image, namely *attributes*, *benefits*, *value*, *culture*, *personality* and *users*.

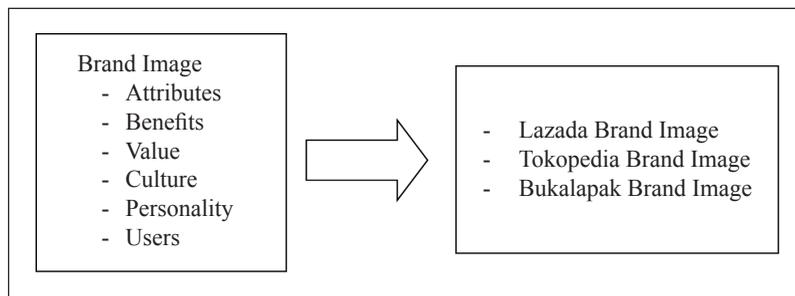


Figure 1. Brand research model
Source: Moon and Millison (2000)

The following hypotheses were formulated:

- There is no (H0) or existing (H1) difference in terms of fixtures to the brand image of the online shopping site.
- There is no (H0) or existing (H1) difference in terms of benefits to the brand image of the online shopping site.
- There is no (H0) or existing (H1) cultural differences to the brand image of the online shopping site.
- There is no (H0) or existing (H1) difference in personality to the brand image of the online shopping site.
- There is no (H0) or existing (H1) difference in terms of the user to the brand image of the online shopping site.
- There is no (H0) or (H1) difference in value to the brand image of the online shopping site.

The purpose of this research is to know the difference between www.lazada.co.id, www.tokopedia.com and www.bukalapak.com on brand image by analysing attributes, benefits, value, culture, personality and users. The samples collected came from Bina Nusantara University students who were familiar with the three online shopping sites. This research focuses on brand image, not covering other brand strategies.

LITERATURE REVIEW

The first study conducted on this topic was by Maunaza (2012) titled 'The Influence of Brand Image on Consumer Buying Interest (A Study of Lion Air Airline as a Low Cost Carrier)'. She showed how consumer use of Lion Air was influenced by its brand image.

The second study was conducted by Evawati (2012), titled 'Product Quality and Brand Image of Mc Donald's: Influence on Consumer Satisfaction'. The research method was quantitative causal, with data collected through the distribution of questionnaires to consumers of Mc Donald's – Alfa Indah, West Jakarta. Forty respondents were chosen via convenience random sampling. The questionnaire consisted of a set of closed questions whereby respondents either strongly disagreed or to strongly agreed. The study showed brand image and product quality positive and significant effect on consumer satisfaction.

The third study was conducted by Wicaksono (2011), titled 'Differentiation Analysis of Brand Image of Indonesian Local News Websites'. The research method for this study was descriptive which sampled

50 (fifty) graduate respondents from Bina Nusantara University that had experience with multiple Indonesian local news sites. The result of multiple comparison tests showed that culture had a significant impact on purchase decision.

The fourth study was conducted by Sallam (2016), titled 'The Impact of Brand Image and Corporate Branding on Consumer Choice: The Role of Brand Equity'. The role of independent variables e.g. (brand image and corporate branding) on brand equity and the impact of brand equity on consumer choice was studied. The results showed that brand image had no impact on brand equity while the latter had a positive impact on customer's choice.

The fifth study was by Momeni, Khesal, Roustapisheh and Zohoori (2013), titled 'Factors Influencing Brand Image in the Banking Industry of Iran'. This research concentrated on factors influencing relationships between service quality, brand image and advertisements. The study highlighted that two important factors may affect brand image in the banking industry, namely advertisements and service quality which included *tangibles*, *reliability*, *assurance*, *responsiveness*, and *empathy*.

According to Kotler and Armstrong (2014), brand image was a set of beliefs that existed in certain brands. Consumer confidence may differ based on experience related to perceptions, vagueness and certain vulnerabilities. In addition, brand has two uses: to establish relationships between buyers and sellers and bring similar things to interested parties in the company, including

employees and partners. The brand makes selection easier, because it lowers search costs and speeds up transaction time, minimises risk with certainty in quality and ease in procuring and reaffirming the brand identity. The advantage for the seller is to provide a premium price for the brand, differentiation, marketing focus, simplification of message delivery, lower sales costs, certainty of future sales increase, obstacles for other competitors to enter and efficiency in finding and maintaining consumers.

Kotler and Keller (2012) emphasised the website was a significant part of the brand-building programme because it was a form of communication which provides information, association, and profit based on brand strategy. One of the key benefits of internet sites over other media is its controlled environment. Consumers choose to enter the site by typing the URL or directly via the web link. They can also choose where they want to go and how long they are on the site, and they are involved with the processes and messages of a brand.

Brand identity is a set of unique association brands used to create or maintain the brand by designers of marketing strategies (Aaker, 1996). This association shows what a brand offers and the promise made by the company to the consumer. The identity of a brand provides guidance on the purpose and intent of the mark. Brand identity can help in the relationship between the brands itself and its customers through the benefits it provides.

The present study shows if differences in the brand image of these online shopping websites are.

MATERIALS AND METHODS

The data for this study was obtained by distributing questionnaires to 650 selected Bina Nusantara University students who were familiar with various online shopping sites, especially Lazada, Tokopedia and Bukalapak. This descriptive analysis explains the difference in brand image in online shopping websites of Lazada, Tokopedia and Bukalapak by analysing variables, such as *Attributes, Benefits, Values, Culture, Personality* and *Users*. The sample was determined using Slovin's Formula (Equation 1). Out of 1000, we found that only 650 respondents had visited and shopped in all of the three online shopping sites. Our research is also about the brand image analysis of the three online shopping websites. Variables in this questionnaire used a five level Likert scale. Moreover, the measured variables are explained in several indicators and each indicator contains several sub-indicators.

This research employed validity and reliability tests to measure the reliability of the instrument for each variable. By using significant alpha $\alpha = 0.05$, if the results obtained from data processing were greater than 0.05 it can be said that there is a difference between the population or sample of the variables studied. Multiple comparisons were performed with the aim of comparing each online shopping site to one another.

RESULTS AND DISCUSSION

Reliability test results and validity for factors affecting brand image from Lazada, Tokopedia, and Bukalapak are shown in tables 2, 3 and 4. From all of the six factors that affect brand image, *benefits* and *users* got the lowest score for Lazada, Tokopedia, and Bukalapak. Hence, it can be concluded that both of these factors were not feasible to be tested. The ANOVA test should compare at least two out of three online shopping sites.

After reliability and validity tests were conducted to find out the appropriate variables, the next step was to ANOVA test to see if there is any difference in brand images between Lazada, Tokopedia and Bukalapak.

The results showed there was a difference in terms of *attributes*, *culture* and *value* to the brand image of Lazada, Tokopedia and Bukalapak. However, there was no difference in terms of *personality*.

Based on the results in Table 1 and Table 2, the only variables not included in the next research for Lazada are *benefits* and *users*.

Table 1
Instrument variable research

Variables	Indicators	Sub-Indicators	Number of Instrument Items
Attributes (X1)	1. Completeness of product type	1. Various types of products	1
	2. Appearance	2. Site appearance	2
	3. Service	3. 24 hours site service	3
Benefits (X2)	1. Consumer expectations	1. Variety of product that meet customer expectation	4
	2. Benefits of product information	2. Benefits of the product to the consumers	5
	3. Easiness	3. Ease of access to the site	6
Value (X3)	1. Value offered	1. Price variety	7
	2. Reliability	2. Trusted service	8
Culture (X4)	1. Language	1. Use of Indonesian language	9
	2. Technology	2. Use of the latest technology for delivery	10
	3. Shopping culture	3. Make purchases of products online	11
Personality (X5)	1. Personality	1. Personality of online shopping sites	12
	2. Site name	2. Names of online sites that are easy to remember	13
	3. Facilities	3. Convenience of facilities	14
User (X6)	1. Age of consumers	1. Used by teenagers to adults	15
	2. Job	2. Used by those with various job backgrounds	16

Source: Kotler and Armstrong (2014)

Table 2
Reliability test results and validity factors affecting Lazada brand image

Factors that Affect Brand Image	Reliability Test Results and Validity
Attributes	0.662
Benefit	0.08*
Value	0.765
Culture	0.653
Personality	0.86
User	0.450*

Table 3
Reliability test results and validity factors affecting Tokopedia brand image

Factors that Affect Brand Image	Reliability Test Results and Validity
Attributes	0.6
Benefits	0.510*
Value	0.95
Culture	0.633
Personality	0.765
Users	0.211*

The only variables not included in the next research for Tokopedia are *benefits* and *users*.

Table 4
Reliability test results and validity factors affecting Bukalapak brand image

Factors that Affect Brand Image	Reliability Test Results and Validity
Attributes	0.612
Benefits	0.444*
Value	0.812
Culture	0.609
Personality	0.811
Users	0.5*

Based on the results in the above table, the only variables not included in the next research for Bukalapak are *benefits* and *users*.

CONCLUSION

Based on the results above, it can be concluded that there is a difference in terms of *attributes*, *culture*, and *value* for the respective brand images of Lazada, Tokopedia and Bukalapak. Lazada and Tokopedia have the highest results of brand image in terms of *attributes*, which means that they are better in depicting the attributes of an online retail shopping site, variety of products offered and the suppliers, site appearance depicting that it is an online retail shopping and services. Moreover, Lazada seems to perform better than its competitor Tokopedia and Bukalapak in terms of *value* and *culture*. Hence, it can be concluded that Lazada offers products with better price, better quality products, are more reliable in terms of product information, availability and are better at positioning themselves in terms of language used to deliver information. They use the latest technology related with online retail, and they make it easy to access to create comfortable and safe online shopping.

This research has also shown there is no difference in terms of the *personality* factor, which means that all sites have similar appearance and facilities. These results can be useful for new or current companies that are already established but have not decided whether or not to be part of the online shopping business by focusing on

enhancing their brand image in terms of their *attributes*, *culture* and *value* to distinguish from their competitors. According to Stark and Stewart (2011), it is possible to create more customer value by talking to them, surveying them, and watching their actions and reactions. It is important to obtain data related to understanding what is important to your customers and what opportunities are provided by helping the customers. Further research can be done by measuring the level of customer satisfaction with a certain brand image or by repeating the study with different population samples. Understanding and identifying the customers and segments is vital so the online shopping sites can create more value relative to their competitors. Creating a win-win situation with your customers by setting a value that make it clear that customers are receiving value also maximises yours. Satisfied customers that perceive a lot of value in the offering are usually willing to pay more, rather than unsatisfied customers that leave, even at a low price.

In terms of *attributes*, according to Lea (2013), there were no fixed checklist. The writer suggests to cultivate a customer-centred culture across the organisation. A successful customer-centred culture is indicative of a united and focused company, highly dependent on a strong web of internal relationships between executives and employees, spanning a wide range of departments. Companies which focus on customer experience recognise that the strategy is largely dependent on interdependency across functional groups.

The ability to generate and scale customer-generated marketing content not only within the online shopping sites, but through other marketing media improves customer loyalty.

In terms of *culture* of the company, what sets customer experience is delivering the basics well - addressing touchpoint gaps and pain points – to focus on cultural alignment where it improves the customer experience. By realizing the long-term benefits of sustainable business growth through higher revenues and decreased costs, the sites can reap the rewards of customer retention, recommendation, lower marketing and operational costs. This is also related to improving customer experience by improving the employee experience. According to Morgan (2015), most companies today operated in a top down ‘waterfall’ environment. Values and priorities at the executive level trickle down quickly becoming the reality of those in all departments. If customer service does not have what its need to be successful, it is because it is not a priority to those making decisions at the top. If customer service has everything it needs to serve the customers, and they seem eager to satisfy the customers, that is because it is a priority of the executive leadership. According to Brown (2012), increasing customer focus would improve business performance so the question then becomes, how? There are several ways business leaders can help customer to improve the level of focusing on their business, and can get everyone within the company involved in creating an impact on their customers. Not just sales,

marketing, and customer services who deal with customers on daily interactions, but also non-customers facing staff such as finance, and human resources can have a powerful impact. To help employees connect their work with customers, a company needs to provide the tools and communication to help them connect their work with the bigger picture - not only relying on phone lines. Recognizing customer-focused behavior is important because individuals demonstrating the right customer-focused behavior need to be highlighted and recognized in a meaningful way. If employees believe they will be recognised they will be motivated to do things differently.

REFERENCES

- Aaker, D. (1996). *Building strong brands*. New York: Free Press.
- Brown, C. (2012, October 2). *7 Ways to boost your customer focused culture*. Retrieved August 14, 2016, from <http://blog.marketculture.com/2012/10/02/7-ways-to-boost-your-customer-focused-culture/>
- Buii, M. (2015, September 29). *Top 25 Indonesia online shopping & ecommerce website - reviews and comparisons*. Retrieved July 14, 2016, from <http://ecomeye.com/blog/indonesia/qucik-review-25-most-visited-indonesian-online-shopping-sites-ecommerce-in-2015/>
- De Vaus, D. (2002). *Analyzing social science data*. London: Sage Publications.
- Evawati. (2012). Kualitas produk dan citra merek (brand image) mc donald's: Pengaruh terhadap kepuasan konsumen. *Jurnal Ilmu Ekonomi dan Sosial*, 1(2), 184-199.
- Kotler, P., & Armstrong, G. (2014). *Principles of marketing* (15th ed.). New Jersey: Pearson Prentice Hall.
- Kotler, P., & Keller, K. L. (2012). *Marketing management*. Jakarta: Erlangga.
- Lea, W. (2013, October 14). The 5 attributes of a customer-first business. Retrieved August 14, 2017, from <http://www.salesforce.com/blog/2013/10/customer-company-attributes.html>
- Maunaza, A. (2012). *Pengaruh brand image terhadap minat beli konsumen (Studi pada maskapai penerbangan lion air sebagai low cost carrier)*. Universitas Indonesia, Indonesia.
- Moon, M., & Millison, D. (2000). *Firebrands: Building brand loyalty in the internet age*. New York, NY: McGraw-Hill/Irwin
- Momeni, S., Khesal, S. M., Roustapisheh, N., & Zohoori, M. (2013). Factors influencing brand image in the banking industry of ilran. *Interdisciplinary Journal of Contemporary Research in Business*, 5(2), 502-208.
- Morgan, B. (2015, February 2). *5 Ways company culture can improve your customer experience*. Retrieved August 14, 2017, from <http://www.forbes.com/sites/blakemorgan/2015/02/02/5-ways-company-culture-can-improve-your-customer-experience/>
- Sallam, A. M. (2016). The impact of brand image and corporate branding on consumer's choice: The role of brand equity. *International Journal of Marketing Studies*, 8(1), 98-106.
- Stark, K., & Stewart, B. (2011, December 28). *5 Steps to creating more customer value*. Retrieved March 28, 2017, from <http://www.inc.com/karl-and-bill/5-steps-to-creating-more-customer-value-.html>
- Wicaksono, K. C. B. (2011). Analisis perbedaan brand image situs berita berbahasa Indonesia online lokal. *Binus Business Review*, 2(2), 673-682.