

The Effect of Brand Awareness on Common and Repeat Purchases Decisions for the Products of MSME BUMDesa Kuala Alam Bandar Jaya

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Abstract. This research was undertaken to investigate the effect of brand awareness on common purchase decisions and repeat purchase decisions for BUMDesa Kuala Alam Bandar Jaya MSME products. The population in this study were people living in Bengkalis District and Bantan District conducting research with 100 respondents. The data analysis method utilized in this research involves the use of MANOVA (Multivariate Analysis of Variance). Based on the findings of data analysis, it is evident that an effect of brand awareness on common purchase and repeat purchase decisions simultaneously. This research is expected to contribute to BUMDesa Kuala Alam Bandar Jaya to consider the importance of brand awareness in running MSME business ventures.

Keywords: bumdes kuala alam, brand awareness, common purchase, repeat purchase

1 Introduction

In Bengkalis, there is a *BUMDesa* (Village-Owned Enterprise) called BUMDesa Kuala Alam Bandar Jaya which was established at the end of 2015. BUMDesa Kuala Alam Bandar Jaya is located in Kuala Alam Village, Sungai Alam Village, Bengkalis District, Riau Province in the East of Bengkalis Island. BUMDesa Kuala Alam was formed as a forum for the Kuala Alam Village community to develop village potential to manage assets, services, and other businesses for the welfare of the community [1]. BUMdesa Kuala Alam Bandar Jaya focuses on developing businesses that can enhance the prosperity of the local village community. The businesses developed there include agricultural and plantation product management businesses, such as pineapple processing, as well as fishery businesses such as *lomek* fish, and so on [2].

One of the goals of BUMDesa Kuala Alam Bandar Jaya is that village MSME products are able to excel in the global market. To realize these goals, brand awareness needs to be done so that BUMDesa MSME products are easily recognized by the public and trigger consumer interest in buying products. Brand awareness as the capacity of purchasers to acknowledge or remember the distinctive features of a brand [3]. Strong brand awareness is essential for businesses to succeed in the marketplace [4] due to the fact that consumers typically option for products from familiar brands rather than unfamiliar ones. In the process of making decisions, consumers select products and brands they are familiar with or can recall [5]. Purchase intent is positively correlated with brand awareness [6]. This is substantiated by a study undertaken by Hakim and Keni that brand awareness makes it easier for consumers to make purchasing

decisions.

The market share of MSME owners is still regional, so brand awareness is needed to expand the market share of MSME products. Currently, BUMDesa Kuala Alam Bandar Jaya has done its best to advance the welfare of Kuala Alam community MSMEs, but has difficulty in increasing product sales and expanding the target market. Although, it already has a website and e-commerce to expand market share, brand awareness of products owned by UMKM BUMDesa Kuala Alam Bandar Jaya is still lacking. the cause of the lack of brand awareness is due to less attractive packaging, less unique labels, and limited promotions [8]. To increase the visibility of BUMDesa Kuala Alam Bandar Jaya MSME products, increase brand awareness, and strengthen brand identity, efforts in optimizing brand awareness need to be made to attract consumer interest and decisions to buy MSME products.

Determined on the background above, the author made the decision to carry out a study titled “The Effect of Brand Awareness on Common and Repeat Purchase Decisions for BUMDesa Kuala Alam Bandar Jaya MSME Products.”

2 Research Methods

Quantitative research is the method employed. The location of this research is in the Bengkalis District and Bantan District. In this research, the source of information used is primary data. By giving out questionnaires to the necessary respondents and conducting in person observations at the research site, the data collection technique was implemented. The distribution of this research questionnaire was conducted both in person (directly) online (through social networks; whatsapp).

The study’s population comprises the people of Bengkalis who live in the Bengkalis District and Bantan District areas. The study’s sampling strategy employed a nonprobability sampling method. Quota sampling is the sampling technique used. By selecting participants based on predetermined characteristics, quota sampling is a non random sampling technique that ensures the sample as a whole has the same distribution of characteristic as the larger population [9]. The sample used in this study was selected up to the required number of times from a population with particular characteristics. With the requirements that the respondents have purchased BUMDesa Kuala Alam Bandar Jaya products and are residing in the Bengkalis city area, a sample size of 100 respondents is anticipated.

Measurement indicators using a Likert scale were analyzed using the MANOVA which was processed with the SPSS version 25 software program. The measurement indicators gauge an individual’s or a group’s attitudes, opinions, and perceptions regarding their experience choosing a product using a Likert Scale. In the measurement, the respondents were asked for the opinions on a question with the following rating scale:

Table 1. Likert Scale

No.	Notation	Questions	Score
1	SA	Strongly Agree	5
2	A	Agree	4
3	LA	Less Agree	3
4	D	Disagree	2
5	SD	Strongly Disagree	1

3 Result and Discussion

3.1 Data Validity and Reliability Tests

The questionnaire was used to measure research instruments in the field. To determine the consistency and accuracy of this research questionnaire, a validity test was carried out. Based on the validity test criteria that the significance value < 0.05 indicates valid data while the significance value > 0.05 indicates invalid data. The test results reveal that the significance value of the brand awareness, common purchase, and repeat purchase variables is 0.000, which indicates that each variables significance value is less than 0.05. This shows that the data is valid.

Table 2. Correlations

Correlations				
Heading level	Example	Brand Awareness	Common Purchase	Repeat Purchase
Brand Awareness	Pearson Correlation	1	.642**	.624
1 st -level heading	Sig. (2-tailed)		.000	.000
2 nd -level heading	N	100	100	100
3 rd -level heading	Pearson Correlation	.642**	1	.703**
4 th -level heading	Sig. (2-tailed)	.000		.000
	N	100	100	100
	Pearson Correlation	.624**	.703**	1
	Sig. (2-tailed)	.000	.000	
	N	100	100	100

** Correlation is significant at the 0.01 level (2-tailed).

In addition, to show that the research instrument can be trusted and can be tested for validity, a reliability test was carried out in this study. The Cronbach's Alpha value (Table 4) is 0.847, indicating that it is higher than the Cronbach Alpha value of 0.70. This demonstrates the variable's purported reliability.

Table 3. Case Processing Summary

Case Processing Summary			
		N	%
Cases	Valid	100	100
	Exclude	0	0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure

Table 4. Reliability Test Result

Reliability Statistics	
Cronbach's Alpha	N of Items
.847	3

3.2 The Effect of *Brand Awareness* toward *Common Purchase Decisions*

The data analysis shows that the R Square (R²) values is 0.412, meaning that other factors account for 58.8% of the common purchase decisions, leaving 41.2% of them influenced by brand awareness.

Table 5. Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.642 ^a	.412	.406	.34816

a.Predictors: (Constant) Brand Awareness

The purpose of this study is to ascertain how brand awareness effect typical purchases decisions. The following equation is used in this research analysis to perform a basic linear regression analysis.

$$Y = a + bX$$

The analysis results show that the simple linear regression equation is (Table 6) $Y = 1.156 + 0.705 X$. Using this equation as a basis, it can be explained that the constant coefficient is 1.156, meaning that if there is no brand awareness variable, the common purchase decision will be 1.156 points.

Table 6. Simple Linear Regression Test Results

Model		Unstandardized Coefficients	Std Error	Standardized Coefficient	T	Sig
1	(Constant)	1.156	.358		3.231	.002
	Brand Awareness	.705	.085	.642	8.283	.000

a.Dependent Variable: Common Purchase

Since the t-count value of 8.283 is known to be greater than the t-table value of 1.984, it can be assumed that brand awareness effect common purchases decision. In addition, there is an effect of brand awareness on common purchases decisions, as indicated by the significant value of the brand awareness variable of 0.000 being less than the alpha value of 0.05.

3.3 The Effect of *Brand Awareness* towards *Repeat Purchase*

The data analysis results indicate that the R Square (R²) value is 0.389, indicating that brand awareness accounts for 38.9% of the total effect on decisions to make repeat purchases, with other variables accounting for the remaining 61.1%. This study conducts to determine the effect of brand awareness on repeat purchase decisions. The following equation is used in this research analysis to perform a basic linear regression analysis

$$Y = a + bX$$

Table 7. R Square Test Results (Determinant Coefficient)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.624 ^a	.389	.383	.41092

a.Predictors: (Constant), Brand Awareness

The analysis results show that the simple linear regression equation is (Table 7) $Y = 0.772 + 0.793 X$. Referring to this equation, it can be elucidated that the constant coefficient stands at 0.772, which means that if there is no brand awareness variable, the repeat purchase decision will be 0.772 points.

Table 8. Simple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficient		
		B	Std Error	Beta	T	Sig
1	(Constant)	.772	.422		1.827	.071
	Brand Awareness	.793	.100	.624	7.898	.000

a.Dependent Variable: Repeat Purchase

Based on the t-count value of 7.898, which denotes a value greater than the t-table value of 1.984, it can be inferred that decisions about repeat purchases are influenced by brand awareness. In addition, the significant value of the brand awareness variable of 0.000 is less than the alpha value of 0.05 which indicates that there is an effect of brand awareness on repeat purchase decisions.

3.4 The Effect of Brand Awareness toward Common Purchase dan Repeat Purchase Decisions

This research attempts to ascertain the effect of brand awareness on common purchase and repeat purchase decisions. The results of the data analysis indicate that the significant value of 0.000 is less than the value of 0.05. It can be inferred that there is an effect of brand awareness on common purchase and repeat purchase decisions simultaneously or together

Table 9. Manova Test Result

Effect	Example	Multivariate Test ^a				
		Value	F	Hypothesis df	Error df	Sig.
Intercept	Pillai's Trace	.994	6808.123 ^b	2.000	82.000	.000
	Wilk's Lambda	.006	6808.123 ^b	2.000	82.000	.000

	Hotteling's Trace	166.052	6808.123 ^b	2.000	82.000	.000
	Roy's Largest Root	166.052	6808.123 ^b	2.000	82.000	.000
BrandAwariness	Pillai's Trace	.754	3.140	32.000	166.000	.000
	Wilk's Lambda	.303	4.190	32.000	164.000	.000
	Hotteling's Trace	2.115	5.355	32.000	162.000	.000
	Roy's Largest Root	2.023	10.492 ^c	16.000	83.000	.000

a. Design: Intercept + BrandAwariness

b. Exact statistic

c. The statistic is an upper bound on F that yields a lower bound on the significance level

According to Table 9, the common purchase variable's significant value of 0.000 is less than the value of 0.05. It is evident from the data that brand awareness has a big impact on typical purchasing decisions. Then, the significant value of the repeat purchase variable is 0.000 smaller than the value of 0.05. It can be inferred that brand awareness significantly affects repeat purchase decisions.

Table 10. Between-Subjects Effects Test Result

Tests of Between – Subject Effects						
Source	Dependent Variable	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	Common Purchase	11.555 ^a	16	.722	6.983	.000
	Repeat Purchase	16.030 ^b	16	1.002	7.524	.000
Intercept	Common Purchase	1087.575	1	1087.575	10447.515	.000
	Repeat Purchase	1073.785	1	1073.785	8064.228	.000
BrandAwariness	Common Purchase	11.555	16	.722	6.938	.000
	Repeat Purchase	16.030	16	1.002	7.524	.000
Error	Common Purchase	8.640	83	.104		
	Repeat Purchase	11.052	83	.133		
Total	Common Purchase	1706.667	100			
	Repeat Purchase	1701.938	100			
Corrected Total	Common Purchase	20.196	99			
	Repeat Purchase	27.082	99			

a. R Squared = .572 (Adjusted R Squared = .490)
b. R Squared = .592 (Adjusted R Squared = .490)

4 Conclusion

According to this study's findings, it can be concluded that brand awareness can affect the decision to buy a product. The results of respondents' responses regarding brand awareness, common purchase decisions, and repeat purchase decisions show that the average respondent agrees with a percentage of 54.70%, 83%, and 62%. Considering the outcomes of the data analysis, the significant value of the brand awareness variable on common and repeat purchases of 0.000 is smaller than the alpha value of 0.05, which indicates that brand awareness has an effect on both common purchase decisions and repeat purchase decisions. Then, according to

the MANOVA analysis, it shows that there is an influence of brand awareness on common purchase and repeat purchase decisions simultaneously. It can be concluded that the importance of brand awareness for consumers to know the strength of the products offered so as to generate intensity and attract consumers to choose the products offered. This research focuses on the importance of brand awareness for MSME, so that the limitations of this research are in the scope of the power of brand awareness in attracting consumer interest in deciding whether to buy a product or not. Furthermore, due to time constraint, the research, limited to mainly population of Bengkalis District and Bantan District. This research can be generalized by future researchers. Based on the limitations of the problem, future researchers can add other variables that influence consumer decisions to buy MSME products. And then, future researchers, it is hoped that it can further expand the scope of respondents who are not only within the scope of Bengkalis District and Bantan District, but are more widespread in Bengkalis Regency.

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