

THE EFFECT OF BRAND IMAGE IN PURCHASING OF ONLINE MARKETING
AMONG UTeM STUDENTS

NOR AKMAL NABIHAH BINTI ZAHARI

Report submitted in fulfillment of the requirement for the degree of Bachelor of
Technology Management (Hons) in High Technology Marketing

Faculty of Technology Management and Technopreneurship

University Teknikal Malaysia Melaka

JUNE 2014

VERIFICATION BY SUPERVISOR

I hereby declare that have read this thesis and in my opinion, this thesis is adequate in term of scope and quality for the award Bachelor of Technology Management

(Marketing High Technology)

Signature :

Name of Supervisor : Dr. Amiruddin Bin Ahamat

Date :

Signature :

Name of Panel : Pn. Azrina Binti Othman

Date :

DECLARATION OF ORIGINAL WORK

I, NOR AKMAL NABIHAH BINTI ZAHARI, (910817-03-5826)

“I hereby declare that the work of this research is mine except for the quotations and summaries that have been duly acknowledge.”

Signature :

Name : NOR AKMAL NABIHAH BINTI ZAHARI

Date :

DEDICATION

This research paper is lovingly dedicated
to my respective parents
who have been my ultimate sources of inspiration.
They have given me the drive and discipline to solve any problem with more enthusiasm
and determination.
Without their love and full support, this research project would not have been made
possible.

I miss you both mommy and daddy!

ACKNOWLEDGEMENT



Firstly, I wish to express my gratitude and appreciation to my supervisor, Dr. Amirrudin Bin Ahamat for his patient, advice, encouragement and guidance that was valuable to me. He gives tremendous help, advice and guidance to me until I complete my Research Paper. I would like to thanks to my supervisor for trusting and willing provide and share his idea towards this research which was directly motivate me to perform better in this research.

Nevertheless, I also thanks to UTeM for providing a comfortable learning environments, provide rich of information which sufficient for me to use in my study. I also want to give my appreciation and thanks to my panel Pn. Azrina Binti Othman which gives her opinion, comment and valuable information to my research paper which influence me to produce better research paper.

A final thanks goes to my precious family and friends for their contribution and encouragement in completing my research.

ABSTRACT

Nowadays online marketing is one of the popular business trends which have high demand and it become one of the important method to market the products to the consumers by using internet. Online marketing show the rapid growth today and the various applications was attracting people to use it. In online marketing have important thing that usually highlighted which is brand image of a product in online marketing. The brand image can give the huge impact to the marketer and the consumer as the buyer of the product. Brand image factors can motivate consumer in purchasing decision because brand image usually reflect product itself. The purpose of this research is to analyze factors brand image that can effect purchasing in online marketing. There have several brand image factors that highlighted in my research which is pricing, advertisements, brand name and quality of the product. The quantitative method are used which is online questionnaire in order to prove in the end of the study about what are the factors can effect of brand image in online marketing among UTeM students. SPSS software was being used to analyzed and test the reliability and validity of data. Based on the result run by SPSS software show that have several factors that have effect to brand image. This research was conducted in order to give the reader especially online marketer more information about other factors that can make people more attracting to buy a product in online marketing. So through this research perhaps can give more knowledge and share the factors that they can focus on in order to successful create effective brand image in online marketing.

Keywords: Online Marketing, Brand image, Brand image factors.

ABSTRAK

Pemasaran dalam talian pada hari ini menjadi satu corak perniagaan yang popular dimana mendapat sambutan yang tinggi dan menjadi satu kaedah yang penting untuk memasarkan produk kepada pengguna menggunakan talian. Hari ini, pemasaran dalam talian menunjukkan pertumbuhan yang pesat dan pelbagai applikasi yang ditawarkan dapat menarik orang ramai untuk menggunakannya. Pemasaran dalam talian ini biasanya mempunyai beberapa perkara penting yang diketengahkan iaitu imej jenama sesuatu produk. Imej jenama boleh memberi yang impak besar kepada pemasar dan pengguna sebagai pembeli produk. Faktor imej jenama boleh mendorong pengguna membuat keputusan untuk membeli kerana kebiasaannya imej jenama akan mencerminkan produk sendiri. Tujuan kajian ini adalah untuk menganalisis faktor imej jenama yang boleh memberi kesan ke atas pembelian dalam talian. Terdapat beberapa faktor imej jenama yang diketengahkan dalam kajian saya iaitu harga, iklan, jenama dan kualiti produk. Kaedah kuantitatif digunakan dalam kajian ini untuk membuktikan di akhir kajian mengenai apakah faktor-faktor yang boleh memberi kesan kepada imej jenama dalam kalangan pelajar UTeM. Perisian SPSS telah digunakan untuk menganalisis dan menguji kebolehpercayaan dan kesahihan data. Berdasarkan keputusan yang dikendalikan oleh SPSS menunjukkan beberapa faktor yang mempunyai kesan kepada imej jenama. Kajian ini dijalankan untuk memberi pembaca terutama pemasar dalam talian lebih banyak maklumat mengenai faktor-faktor lain yang boleh membuat orang lebih menarik untuk membeli produk dalam pemasaran dalam talian. Jadi, melalui kajian ini mungkin boleh memberi ilmu dan berkongsi faktor yang mereka boleh memberi tumpuan kepada untuk berjaya mewujudkan imej jenama yang berkesan dalam pemasaran dalam talian.

Kata kunci: Pemasaran dalam talian, imej Jenama, faktor imej Jenama.

TABLE OF CONTENT

CHAPTER	TOPIC	PAGE
	VERIFICATION BY SUPERVISOR	i
	DECLARATION OF WORK	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	TABLE OF CONTENT	vii
	LIST OF TABLES	x
	LIST OF FIGURES	xi
	LIST OF ABBREVIATIONS	xii
CHAPTER 1	INTRODUCTION	
	1.0 Introduction	1
	1.1 Research Background	2
	1.2 Problem statement/Research Questions	4
	1.3 Research Objectives	6
	1.4 Scope/Limitation of study	6
	1.5 Significant of study	8
CHAPTER 2	LITERATURE REVIEW	
	2.1 Introduction	9
	2.2 Online marketing	9
	2.3 Brand image	11
	2.4 Approaches in measuring brand image	13
	2.5 Consumer purchase behavior	15

	2.6 Theoretical Framework	17
	2.7 Hypothesis	18
	2.8 Summary	19
CHAPTER 3	RESEARCH METHODOLOGY	
	3.1 Introduction	20
	3.2 Research Design	21
	3.3 Quantitative research	22
	3.4 Primary and Secondary data sources	23
	3.5 Location of research	24
	3.6 Method for collecting primary data	24
	3.7 Sampling	25
	3.8 Time horizon	26
	3.9 Validity and reliability	26
	3.9.1 Construct validity	27
	3.9.2 Internal validity	27
	3.10 Summary	28
CHAPTER 4	RESULT AND DISCUSSION	
	4.1 Introduction	29
	4.2 Result and Analysis	29
	4.3 Reliability and Validity	31
	4.3.1 Reliability analysis for pilot test	32
	4.3.2 Reliability analysis for overall research	33
	4.4 Demographic analysis.	
	4.4.1 Gender frequency	34

4.4.2	Course frequency	35
4.4.3	Age frequency	36
4.4.4	Marital status frequency	37
4.4.5	Frequency of amount income money	38
4.4.6	Frequency of use of internet	39
4.5	Descriptive analysis	40
4.6	Inferential statistic (Pearson Correlation)	41
4.7	Multiple regression analysis	43
4.7.1	Hypothesis testing	45
4.8	Discussion	49
4.9	Summary	52
CHAPTER 5	CONCLUSION AND RECOMMENDATIONS	
5.1	Introduction	53
5.2	Implications of research	53
5.3	Limitations	55
5.4	Future recommendation	56
5.5	Conclusion	57
	REFERENCES	58
	APPENDICES	62

LIST OF TABLES

NO	TOPIC	PAGE
4.1	Reliability Analysis for pilot test	30
4.2	Reliability Analysis for overall research	31
4.3	Statistics gender of respondents	32
4.4	Statistics course of respondents	33
4.5	Statistics age of respondents	34
4.6	Statistics marital status of respondents	35
4.7	Statistics income spent in a month	36
4.8	Statistics use of internet for online shopping	37
4.9	Descriptive analysis	38
4.10	Pearson Correlation Analysis	39
4.11	Multiple regression analysis	42

LIST OF FIGURE

NO	TOPIC	PAGE
2.1	Theoretical Framework	16
4.3	Gender of respondents	32
4.4	Course of respondents	33
4.5	Age of respondents	34
4.6	Marital status	35
4.7	Income spent in a month	36
4.8	Use of internet for online shopping	37

LIST OF ABBREVIATIONS AND SYMBOL

ABBREVIATIONS	TITLE
SPSS	Statistical Package for Social Science
R	Value that indicates strength and direction of correlation
P	Level significant
N	Number of items
UTeM	University Teknikal Malaysia Melaka
FPTT	Faculty of Technology Management and Technopreneurship

CHAPTER 1: INTRODUCTION

1.0 INTRODUCTION

Nowadays online marketing become one of the important strategies to market the products or services to the consumers. The online marketing also was grow up rapidly and the important of it application can attract people to use it. Besides that online marketing also shows that it implementation in the market give a lot of advantages to the consumer and also to marketers.

The important of the internet as a marketing and advertising medium has grown rapidly in recent years and will continue grow. As in the offline world, the online marketing has generated a variety of marketing instruments of its own (Klapdor, 2013), The internet has brought about huge advantages to e-marketers as it provides ease advertising, possibility of increased sales, fast/convenient way of effecting electronic contracts and access to a global marketplace (Gay et al., 2007).

The definition of online marketing generally very subjective and people have different opinion and word to describe, but actually it still come out with same meaning. Marketing over the internet actually refers to a lot of definition. It may be referred to simply as internet marketing, internet advertising, eMarketing, or online marketing. But it just means one thing and that is to market over the internet. Marketing over the internet is very advantageous that is why many business owners want this to be incorporated to their business .Most users of this kind of marketing are those owning

online business. But even owners of conventional business may find marketing over the internet very beneficial (Harris, [2008]).

In online marketing, actually have many factors can influence the success and failure of online marketing today, but the most important thing that usually highlighted that can affect online marketing which is brand image of a product in online marketing. The brand image can give the huge impact to the marketer and the consumer as the buyer of the product. Brand image can motivate consumer in purchasing behavior because brand image usually reflected the product itself. If the brand image is good and positively can attract consumer to buy that product it means the product are good and can fulfill the consumer satisfaction in online marketing.

1.1 BACKGROUND OF STUDY

My study basically focused on what are the factors effect of brand image in online marketing. As we know, brand image can give a lot effect to consumer especially in online marketing because online marketing almost be the trend and sources in market the product in any area of industry. Brand image can be measured in many aspects such as advertising, price, quality and brand name of the product. So the brand image need to build in the right way in order to gain consumer purchase and successful in the marketplace.

Consumer can be classified in several target groups, but in my research study it is focused on student perspective. It means how brand image can influence students purchasing. As we know students nowadays have high critical thinking and very sensitive with buying process of their need and want in daily life. The students will

concern many aspects in their buying process in order to meet their needed. If their needed are fully meet with their expectation, it related to loyalty for the product. So the effect of brand image gives impact to student purchasing. The different target group has different perceptions toward these issues, so perhaps in this research we can see how brand image can affect the students purchasing in online marketing.

In online marketing concept, the online product or services was accessed in a short time and all the good or bad information was tracked by consumer. So in this research actually want to identify the potential factors that can improve the student purchasing and in online marketing.

In other hand, online marketing is the source to market the product or services, so this research also want to see how effect brand image was related to online marketing. Does the brand image really have relationship between them and influence the student purchasing in online marketing or not.

1.2 PROBLEM STATEMENT/RESEARCH QUESTION

Online marketing is current trend today, people will use online marketing for their business growth because online marketing is the easier way to market their product to the public. As increase the information technology through internet nowadays, all people more choose to make easy purchasing and shopping through online marketing whether working people, housewife, university student and many more.

People who make online marketing need to have different way or method to attract customer to buy their product, this happen because customer have different way to make judgments about product they want buy. Many thing can contribute to the customer purchasing whether that factor are relevant or not but it still depend on customer itself because it individual perception toward product they choose.

Brand image as we know is reflected about product itself, brand image actually come through customer perception about product and service but different customer have their own perception and a lot of factor can be influence to effect the brand image of product to customer mind. People have their right to determine which factors that contributes to positive or negative brand image.

Besides that, different level of group or customer also will have different level of opinion to evaluate what is factor that can affect brand image toward customer purchasing. Different level of customer might have different evaluation to make purchasing and what is their priority in their purchasing. Working people maybe look for financial part for example, maybe they more concern about pricing. Housewife also has their own factors to make purchasing same like students. But today student is one of the big customer who make online purchasing in online marketing, but different type of

student have their own judgment for making purchasing such as price of product, brand of product and many more. It all depends on their attitude, lifestyle, level of income and others.

According to Hansen and Christensen (2007), states that the researchers household behavior and household purchase decisions became an issues. Researcher also state that the continuation of the work on consumer expectations also contributed to the speculative of “The Powerful Consumer”. This research statement show that the consumer have their own perception and evaluation in determine their purchase decision toward product they want buy. Based on researcher statements, it also show that the customer have issues in make purchase decision because of power their power in make decision depend on what they see about the product that offered to them.

The research question is important part in conducted research and the research objective will guided and presented as follows:

- 1) What are the brand image factors that enhance the students purchasing in online marketing.
- 2) What are the relationship between brand image factors and student purchasing in online marketing.

1.3 RESEARCH OBJECTIVE

In doing research project the research objective will be very important to all researcher because it show the function of that research was conduct as reason we do it this study. Any research or study needs to have clear objective to make sure the result will be acceptance. In my research study it has three objectives which are:-

- 1) To identify the brand image factors can improve the student purchasing in online marketing.
- 2) To evaluate the relationship between brand image factors and student purchasing in online marketing.

1.4 SCOPE AND LIMITATION OF THE STUDY

1.4.1 Scope

In this research, the scope of the study can be divided in two scopes which is effect of brand image and online marketing among UTeM students. The two scopes actually related to each other and it compliment to each other. The brand image is the important factor that can influence online marketing. Besides that effect of brand image also can influence target group in many aspect especially in student purchasing to the product offering in online marketing. As we know nowadays, students became more sensitive with their purchase selection in order to satisfied their need and wants. So brand image need be more positively, creative and more relevant optional toward student.

The scope of this research also about online marketing, online marketing are widely used in many field in diversify of industry in order to become more competitive and update with current technology and as well as fulfill the current requirement from consumer that want the easier way in purchasing their need and want. In online marketing, brand image can be one of driver in better buying decisions for consumer.

1.4.2 Limitation

As we know there several factor might influence online marketing but through the study which is the researcher was focused their study on effect brand image to online marketing. So, it was one of the limitation of this study because it hard for the researcher to analyze the entire factor that might influence with a limited timeframe.

The second limitation is this study just focuses on target group of survey only for students group and it may have small sample. This is happen because many group of target market can effect online. In online marketing concept, as we know all the group of consumer will purchase and buy the product through online marketing and it was hard to researcher to make analysis for all aspect and all groups of target consumers. So this one of be the limitation in this study.

1.5 SIGNIFICANT OF THE STUDY

The significant of this study which is through this research we can see how brand image can give the impact to online marketing in student's perceptions. The study was improved the impact of the brand image in attract student make the better purchasing the product in online marketing and try to identify what are the factor that can improve students purchasing. All the aspect of brand image must be identify and analyze in order to find out of good result.

Besides that, the significant of this study also can create a significant impact of online marketing research. Perhaps through this study, the brand image can be one of the important aspects in online marketing that people will more concern and can develop a good brand image to the online product. Hopefully this research can improve the developing of online marketing in future and can create a good brand image in overall aspect.

CHAPTER 2 : LITERATURE REVIEW

2.1 INTRODUCTION

Brand image in generally one of the factor that contribute to influence the online marketing nowadays, brand image effect the product and services in online marketing and it will effect consumer purchase especially students. So the brand image can be the important factors in developing a good product in online marketing.

2.2 ONLINE MARKETING

Online marketing is one of the part of marketing, marketing actually have many methods to use and implementing in market their product in any industry. Marketing usually can be divided by traditional marketing and online marketing. Traditional marketing usually like used radio, newspaper and billboard while online marketing is mostly based on internet networking. Clarkson (2013) also state that, the online marketing conceptualized based on the existing technology called internet. Thus the online marketing also called as internet marketing or advertising marketing. However, Brown (2007) said, internet marketing can include information management, public relations, customer service, and sales.

Online marketing as general is a term for selling any product or services through the internet. The online marketing became more popular nowadays, as increase the information technology in the world wide recently. Brown (2007), said that electronic commerce and internet have become popular as internet access is more widely available and used. More than one third of consumers who have internet access in their homes report using the internet to make purchases. Clarkson (2013), suggests the usage of electronic media has change the way the people and organizations promote their product.

However according to Croll and Power (2009), the cost of the traditional marketing media is very high, organization never take a back seat to promote products on newspaper and televisions because the impact of these promotional medium generate is very huge and noticeable. This statement show that the newspaper and television have a important role in promoting product or service to the customer but because of their costly for have this type traditional marketing, organization or marketer will used other source to promote their product in order to reduce the cost. This will make them to find other technology sources to sales and promoting their product to customer in systematic and efficient way.

The impact created by both newspapers and television on mindset of customer is very high when compared to any other marketing methods (Clarkson [2013]). Based on the researcher above statement, this is one of the main reasons why, advance marketing methods such as online marketing and innovative customized promotional strategies prevalent in the market. Besides that, we can see organization and marketer will use the development of technology in order to sustain in the market. Besides that, the increasing technology and internet networking in the world nowadays, show that online marketing have better accepted from customer nowadays. It can save money, time, others cost compare to traditional marketing.

2.3 BRAND IMAGE

Basically, brand image is consumer's perception to a products or services that can influence the purchasing. The positive brand image will effect to the consumer purchasing as directly. However, brand image is subjective to describe and different people will defined meaning in different way. This can be seen through the earlier research of brand image was described the brand image don't have exactly meaning or definition and it always changes over time and it actually depend on how consumer see the product itself. Dobni and Zinkhan (1990), posits that brand image has been an important concept in consumer behavior research since the early 1950's. His analysis of 28 prior studies indicates that the definition of the brand image has not necessarily remained stable over a 35 year time period. This statement from Dobni and Zinkhan show in earlier research about brand image showed that brand image is subjective matter because it depend on customers itself, how they look into the products because other people have their own way to evaluation and perceptions.

However, Hanzaee and Farsani (2011), suggest brand image is the perception of a brand in the minds of individuals toward products. Aaker (2001), states that brand image is perceptual concept of a brand that is held by the customers. BusinessDictionary.com (2013), brand image is the impression in the consumer's mind (real and imaginary shortcomings). MSG (2012), state that brand image has not to be created, but is automatically formed. The brand image includes products' appeal, ease of use, functionality, fame, and overall value. The statement above emphasize that the brand image is originally come out from consumer mind toward product, it cannot be create by other person or organization. If the brand image is fulfill customer expectation and current requirement it will lead to positive brand image toward product and also will lead to customer make the purchasing.