

**ANALYSIS OF BRAND EQUITY EFFECT ON PURCHASE INTENTION
IN ONLINE TRAVEL BOOKING WEBSITE,
STUDY CASE: TIKET.COM**

By

Kurnia Rahmawati
11303041

BACHELOR'S DEGREE
in

BUSINESS ADMINISTRATION
HOTEL AND TOURISM MANAGEMENT CONCENTRATION
FACULTY OF BUSINESS ADMINISTRATION AND HUMANITIES

The logo for Swiss German University (SGU) features the letters 'SGU' in a large, light blue, stylized font. The 'S' and 'U' are solid light blue, while the 'G' is a darker shade of blue with a white outline. A registered trademark symbol (®) is located to the right of the 'U'. Below this, the words 'SWISS GERMAN UNIVERSITY' are written in a smaller, dark blue, sans-serif font. The 'SGU' acronym is also repeated in a dark blue, bold font, with a registered trademark symbol (®) to its right, positioned above the main university name.

SWISS GERMAN UNIVERSITY

SWISS GERMAN UNIVERSITY
The Prominence Tower
Jalan Jalur Sutera Barat No.15, Alam Sutera
Tangerang, Banten 15143 - Indonesia

August 2017

Revision after the Thesis Defense on July 20th 2017

STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institutions, except where due acknowledgement is made in the thesis.

Kurnia Rahmawati

Student

Date

Approved by:

Munawaroh, S.E, M.M.

Thesis Advisor

Date

Dr. Nila K. Hidayat S.E., MM.

Dean

Date

Kurnia Rahmawati

ABSTRACT

ANALYSIS ON BRANDING EQUITY TOWARDS PURCHASE INTENTION IN ONLINE TRAVEL BOOKING WEBSITE, STUDY CASE: TIKET.COM

By

Kurnia Rahmawati

Munawaroh, S.E, M.M., Advisor

SWISS GERMAN UNIVERSITY

The competition between online travel booking websites is getting tougher. Brand equity is an important factor need to be considered in a competitive market, which will lead to purchase intention. Tiket.com as the pioneer local online travel booking website in Indonesia has been awarded as “TOP BRAND” in 2015 and 2016. However, Marketing Magazine, the media which published the award also released the top brand index score which shows that Tiket.com has score that falls far behind its competitor. The purpose of this study is to determine whether brand equity has significant effect towards purchase intention in Tiket.com or not. The independent variables are brand equity dimensions such as brand awareness, brand association, perceived quality, and brand loyalty. Meanwhile, the dependent variable is purchase intention. This research is quantitative research with the type of study causal explanatory. The research uses questionnaire to collect the data. The sample taken was the total of 125 customers of Tiket.com as the respondents using non-probability judgment. Multiple linear regression performed with SPSS version 23 to analyze the data. The result shows that all the hypothesis are accepted except for brand awareness. Brand loyalty has the highest effect towards purchase intention, sequentially followed by perceived quality, brand association, and in significantly brand awareness.

Keywords: Brand Equity, Brand Awareness, Brand Association, Perceived Quality, Brand Loyalty, Purchase Intention



DEDICATION

I dedicate this thesis to my little family and for the future growth of my beloved country Indonesia.



ACKNOWLEDGEMENTS

I thank God for his blessings and never ending help throughout my thesis-making process. I would also like to express my gratitude to these following people who help me through entire my thesis writing process, they are:

1. My Family, My father (Hari Prasetyo Taruno) and my mother (Dwita Fadjari Nurdiyanti) for their endless support even on my lowest point during my thesis work. The concern, motivation, and suggestions they addressed me when I needed the most. Both of you are my heroes.
2. Mrs. Munawaroh, my advisor, for her constant support and advice she gave me despite her busy schedule. Thank you for believe in me, I am grateful to have her as my advisor.
3. Mr. Moch Riyadh Rizky Adam, for his detailed and critical thoughts and also suggestions regarding my thesis even though I am not his responsibility. I would never be as confident as I am now to present my thesis without his help, thank you.
4. Mr. Enrico Ira, who despite his hectic working schedule, always listens to my complaints and provide his best to cheer me up. Thank you for your endless support, countless advice and never-ending affection. You are one of my main motivation.
5. “Biduan” Group – Rasyiqah Saniy, Vyrona Hendrastuti, Sabrina Nuraini Putri, Vanya Syawitri, Mustika Dewi, Cut Adinda, Novritrianti Paramita and Irma Novianti, for their support and jokes which never fails to brighten up my day. Thank you for becoming my sidekicks since high school.
6. “Studento” Squad – Talitha Marsha, Alifia Kurniawati, Janita Prillia, Anbiya Yasmine and Raka Adli for unforgettable memories throughout my university life. Thank you for accepting me with all of my flaws and keep me being rational.
7. Cynthia Febriana, my senior, who always find the time and do her best to help me everytime I have problems in the early stage of my thesis writing process despite her working schedule.
8. To all HTM 2013 friends and lecturers – We had been through many journey and stories together in the last four years, thank you for all the support and memories.

TABLE OF CONTENTS

STATEMENT BY THE AUTHOR.....	2
ABSTRACT.....	3
DEDICATION.....	5
ACKNOWLEDGEMENTS	6
LIST OF FIGURES	11
LIST OF TABLES	12
CHAPTER I - INTRODUCTION	14
1.1 Background	14
1.2 Research problem	20
1.3 Research Objectives	20
1.4 Research Questions	21
1.5 Significance of the Study	21
1.6 Scope and Limitations	21
1.7 Hypotheses Proposed	22
1.8 Thesis Structure	22
CHAPTER II - LITERATURE REVIEW	24
2	24
2.1 Framework of Thinking	24
2.2 Brand	25
2.3 Brand Equity	25
2.3.1 Brand Awareness	30
2.3.2 Perceived Quality.....	30
2.3.3 Brand Association.....	32
2.3.4 Brand Loyalty	35
2.4 Service Brand Equity	37
2.5 Online Brand Equity.....	38
2.6 Purchase Intention	40
2.6 Brand Equity and Purchase Intention	41
2.6.1 Brand Awareness – Purchase Intention	42
2.6.2 Brand Association – Purchase Intention.....	42
2.6.3 Perceived Quality – Purchase Intention.....	43
2.6.4 Brand Loyalty – Purchase Intention	44
2.7 Previous Study.....	45

2.8	Study Differences	58
2.9	Research Model.....	59
2.10	Hypothesis Development	60
CHAPTER III – RESEARCH METHODOLOGY		62
3.1	Research Process	62
3.2	Type of Study	63
3.3	Unit Analysis & Unit Observation	63
3.3.1	Unit Analysis	63
3.3.2	Unit Observation.....	63
3.4	Population and Sample.....	63
3.4.1	Population	63
3.4.2	Sampling size	64
3.4.3	Sampling Method.....	65
3.5	Type of Data.....	65
3.6	Time Dimension.....	65
3.7	Data Collection Method	66
3.8	Operational Variable	68
3.9	Data Testing	71
3.9.1	Pre-Testing.....	71
3.9.2	Post-Testing	71
3.10	Validity and Reliability	72
3.10.1	Validity	72
3.10.2	Reliability.....	72
3.11	Data Analysis	73
3.11.1	Classical Assumption Test.....	73
3.11.2	Normality Test	73
3.11.3	Heteroscedasticity Test.....	74
3.11.4	Multi Collinearity Test.....	74
3.11.5	Hypothesis Testing (T test).....	74
CHAPTER VI – RESULTS AND DISCUSSION		76
4.1	Respondent Characteristics	76
4.1.1	Gender.....	76
4.1.2	Age.....	77
4.1.3	Occupation	78
4.1.4	Average Income per Month	78
4.2	Result on Validity and Reliability Test	79

4.2.1	Pre test result.....	79
4.2.1.1	Brand Awareness	79
4.2.1.2	Brand Association.....	80
4.2.1.3	Perceived Quality.....	81
4.2.1.4	Brand Loyalty	82
4.2.1.5	Purchase Intention.....	83
4.2.2	Post Test result.....	83
4.2.2.1	Brand Awareness	84
4.2.2.2	Brand Association.....	85
4.2.2.3	Perceived Quality.....	86
4.2.2.4	Brand Loyalty	87
4.2.2.5	Purchase Intention.....	88
4.3	Post Test Result.....	89
4.3.1	Normality Test	89
4.3.2	Heteroscedasticity Test.....	89
4.3.3	Multicollinearity Test	90
4.4	Regression	91
4.4.1	ANOVA Result.....	91
4.4.2	Hypothesis Testing	91
4.4.3	Model summary	93
4.5	Chi Square Test per Indicator.....	93
4.5.1	Brand Awareness	93
4.5.2	Brand Association.....	94
4.5.2.1	Trust – Personal Information	94
4.5.2.2	Trust – Confident Transaction	95
4.5.2.3	Customer Service – Quick Service	96
4.5.2.4	Customer Service – Easy to get in Touch.....	97
4.5.2.5	Differentiation – Unique.....	98
4.5.2.6	Differentiation – Front Liner	99
4.5.3	Perceived Quality.....	100
4.5.3.1	Web Functionality – Web Appearance	100
4.5.3.2	Web Functionality – Easy to Use	101
4.5.3.3	Service Quality – Variety of Payment Method.....	102
4.5.3.4	Service Quality – Promotions	103
4.5.3.5	Service Quality – Membership Rewards	104
4.5.3.6	Easy to Remember Domain	105

4.5.4	Brand Loyalty	106
4.5.4.1	Brand Loyalty – Loyalty.....	106
4.5.4.2	Brand Loyalty – Recommend Others	107
4.5.4.3	Brand Loyalty – First Choice	108
4.6	Discussion	109
4.6.1	Brand Awareness	109
4.6.2	Brand Association.....	110
4.6.3	Perceived Quality.....	113
4.6.4	Brand Loyalty	116
CHAPTER V – CONCLUSION AND RECOMMENDATION.....		119
5.1	Conclusion.....	119
5.1.1	Descriptive Analysis Conclusion	119
5.1.2	Inductive Analysis Conclusion	120
5.2	Recommendation.....	121
5.2.1	Managerial Implications	121
5.2.1.1	Brand Awareness and Tiket.com	121
5.2.1.2	Brand Association and Tiket.com.....	122
5.2.1.3	Perceived Quality and Tiket.com.....	124
5.2.1.4	Brand Loyalty and Tiket.com	128
5.2.2	Further Research	129
GLOSSARY.....		130
REFERENCES.....		131
APPENDICES		138
APPENDIX 1 – Respondents’ Demographic		138
APPENDIX 2 – Data Tabulation Pre-Test		143
APPENDIX 3 – Data Tabulation Post-Tes		144
APPENDIX 4 – Questionnaire		149
APPENDIX 5 – R Table		158
APPENDIX 6 – T Table		160
CURRICULUM VITAE.....		161