

The Impact Of Product Innovation And Brand Trust On Purchasing Interest And Its Effect On Purchasing Decisions Empirical Study at Es Teh Indonesia

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Abstract—This electronic document is a “live” template and already defines the components of your paper [title, text, heads, etc.] in its style sheet. This study discusses the effect of product innovation, brand trust on purchase intention and its impact on purchasing decisions in the case study of Indonesian iced tea. The purpose of this research itself is (1) to determine the effect of Product Innovation on Purchasing Decisions. (2) To determine the effect of Brand Trust on Purchasing Decisions. (3) To determine the effect of Purchase Interest on Purchasing Decisions. (4) To determine the effect of Product Innovation on Purchase Decisions through Purchase Interest. (5) To determine the effect of Brand Trust on Purchase Decisions through Purchase Intention. The data collection method in this study used a questionnaire with a total of 385 consumers in Indonesian iced tea. To analyze the data, use an analysis model with SEM-PLS or Structural Equation Modeling - Partial Least Square. Meanwhile, to process data using an analysis test tool, namely SmartPLS 3.3.3. The results of this study indicate that partially product innovation has a significant effect on purchasing decisions with a significant value of $0.000 < 0.05$. Partially, brand trust has a significant effect on purchasing decisions with a significant value of $0.000 < 0.05$. Partially, purchasing interest has a significant effect on purchasing decisions with a significant value of $0.000 < 0.05$. Partially product innovation has a significant effect on purchasing decisions through purchase intention with a significant value of $0.000 < 0.05$. And partially brand trust has a significant effect on purchasing decisions through purchase intention with a significant value of $0.000 < 0.05$.

Keywords—product innovation; brand trust; purchase intention; purchase decision.

I. INTRODUCTION

Progress in an era of disruption moment this is very impactful for the business world, so the business world filled with many competitors who have various type innovation product. Product with unique innovation will interesting attention consumers and create consumer interested with product the. Many business people are trying For innovate products and business people must too implement marketing strategies to attract consumers feel satisfied and loyal to the product will purchased.

Business with Lots innovation is business food and Drink but current business This currently crowded discussed by society is business drink. Because, drinks can innovated with various various flavors included from material basically, for example drink made from base Tea. Drink with material base Tea own unique flavors and drinks Tea also has a distinctive and calming aroma.

One of business drink Tea The largest in Indonesia is Iced Tea Company. Iced tea is one of company *Startup* that starts from exhibition until be one business that owns Lots outlet with a total of 504 outlets spread across in Island Java with a total of 226 outlets and outside island Java with a total of 278 outlets (Source : detik.com). Iced tea in a way continuously do innovation product that makes interest buy consumer the more increase and decide For buy Iced Tea products. This matter make iced tea can be one quite business big in Indonesia. The Problem formulations of this study are : How influence innovation product to decision

purchase ?, How influence trust brand to decision purchase ?, How interest buy to decision purchase ?, How influence innovation product to decision purchase through interest buy ? and How influence trust brand to decision purchase through interest buy ?

II. METHOD

Types of research This including into the type of study quantitative, researcher spread questionnaire through *gform*. On research This Object The author 's research thorough is the Indonesian Iced Tea that stands from in 2018. In research this, subject research to be writer get is consumer Bogor city ever buy Indonesian Iced Tea drink. This research uses a *non-probability* sampling technique

$$n = \frac{Z^2 pq}{e^2}$$

because the number of members of the population is unknown, and *purposive sampling* as the sample determination technique. Because the population is very large and the sample for this research is infinite *and* the number can change from time to time, it is not possible for the researcher to study everything in the population due to various limitations such as limited funds, energy and time, so the researcher uses a sample that is taken from a predetermined population. To determine the unknown population size, the following Cochran formula was used to determine the sample (Sugiyono, 2017):

Where:

The level of confidence used is 95% where Z value of 1.96 and maximum error rate as big as 0.5 %. Amount size sample in This Study as following ;

$$n = \frac{(1,96)^2(0,5)(0,5)}{(0,5)^2} = 384.16$$

Based on the calculation, then amount minimum sample required used in study is 384.16 respondents, however researcher will round it off become 385 respondents.

Deep data analysis techniques This Study using Partial Least Square (PLS). PLS is a Structural Equation Modeling (SEM) equation model with approach based on *variance* or *component-based structural equation modeling*. This Study has a complex model as well as amount Limited sample, so in data analysis using SmartPLS software. SmartPLS use method *bootstrapping* or doubling in a way random. Therefore assumption normality No will become problem. Additionally, with did it *bootstrapping* so SmartPLS No requires minimum number of samples, so can applied For study with amount sample small.

PLS-SEM analysis consists of two sub models, namely the measurement model (*measurement model*) or *outer model* and structural model (*structural model*) or *inner model*.

III. RESULT AND DISCUSSION

A. Characteristics Respondent

This research is to collect data and uses a questionnaire method. With a division into the characteristics of the respondents below Population used in This Study is buyer Indonesian Iced Tea drink in Bogor City with amount population amounting to 385 people, this data obtained from source distributed questionnaires via Google Form.

TABLE I. STATISTIC DISTRIBUTION OF RESPONDENTS BY DEMOGRAPHICS

No	Gender	Frequencies	Percent (%)
1	Man	187	48.60%
2	Woman	198	51.40%
	Total	385	100%
No	Domicile	Frequencies	Percent (%)
1	East Bogor	56	14.5%

2	West Bogor	94	24.4%
3	Central Bogor	75	19.5%
4	South Bogor	69	17.9%
5	North Bogor	54	14%
6	Cereal Soil	37	9.6%
	Total	385	100%
No	Age	Frequencies	Percent (%)
1	<15 Years	2	0.5%
2	15-20 Years	108	28.10%
3	21-25 Years	175	45.5%
4	26-30 Years	35	9.1%
5	31-35 Years	35	9.1%
6	>35 Years	30	7.8%
	Total	385	100%
No	Education Final	Frequencies	Percent (%)
1	High school/ equivalent	195	50.6%
2	Bachelor	33	8.6%
3	Undergraduate	157	40.8%
	Total	385	100%
No	Occupation	Frequencies	Percent (%)
1	Student / Students	197	51.2%
2	Employee	122	31.7%
3	Businessman	42	10.9%
4	Other	24	6.2%
	Total	385	100%
No	Income Per month	Frequencies	Percent (%)
1	<Rp 1,500,000	155	40.3%
2	IDR 1,500,000 - IDR 3,000,000	45	11.7%
3	IDR 3,000,000 - IDR 5,000,000	63	16.4%
4	>Rp 5,000,000	122	31.7%
	Total	385	100%

Source : Processed Primary Data

Based on the data obtained in Table I are filling in questionnaire study This consists of Men 187 people or 48.60 % and women as much 198 people or 51.40 % so amount respondents who fill in study questionnaire as much 385 people or 100%. Based on the data obtained in Table 4. 2 are filling in questionnaire study This domiciled from East Bogor as many as 56 people or 14.5 %, Bogor West as many as 94 people or 24.4%, Bogor Central as many as 75 people or 19.5%, South Bogor as many as 69 people

or as many as 17.9%, North Bogor as many as 54 people or 14%, and Tanah Sereal as many as 37 people or 9.6% so that amount respondents who fill in study questionnaire as much 385 people or 100%.

Based on the data obtained in Table 4. 3 are filling in questionnaire study This aged from <15 Years as many as 2 people or 0.5 %, aged 15-20 years as many as 108 people or 28.10%, aged 21-25 years as many as 175 people or 45.5%, aged 26-30 years as many as 35 people or as much as 9.1%, aged 31-35 years as many as 35 people or as much as 9.1% and age >35 years as many as 30 people or 7.8% so that amount respondents who fill in study questionnaire as much 385 people or 100%.

Based on the data obtained in Table 4. 4 are filling in questionnaire study This own educate final in high school/ equivalent as many as 195 people or 50.6 %, then D3 as many as 33 people or 8.6%, and S1 as many as 157 people or 40.8% so amount respondents who fill in study questionnaire as much 385 people or 100%. Based on the data obtained in Table 4. 5 are filling in questionnaire study This own work like Student / Students as many as 197 people or 51.2 %, Employees as many as 122 people or 31.7%, Entrepreneurs as many as 42 people or 10.9%, and Employment other as many as 24 people or as much as 6.2% so amount respondents who fill in study questionnaire as much 385 people or 100%.

Based on the data obtained in Table 4.6 are filling in questionnaire study This own income per month amounting to <Rp. 1,500,000 for 155 people or 40.3 %, IDR 1,500,000 - IDR 3,000,000 as many as 45 people or 11.7%, IDR 3,000,000 - IDR 5,000,000 as many as 63 people or 16.4%, and income per month > IDR 5,000,000 for 122 people or as much as 31.7% so that amount respondents who fill in study questionnaire as much 385 people or 100%.

B. Results of Data Analysis

In PLS, testing each relationship is carried out using simulation with the *Bootstrapping method* on the sample. This test aims to minimize the problem of abnormal research data. Test results using the *Bootstrapping method* from PLS analysis are as follows :

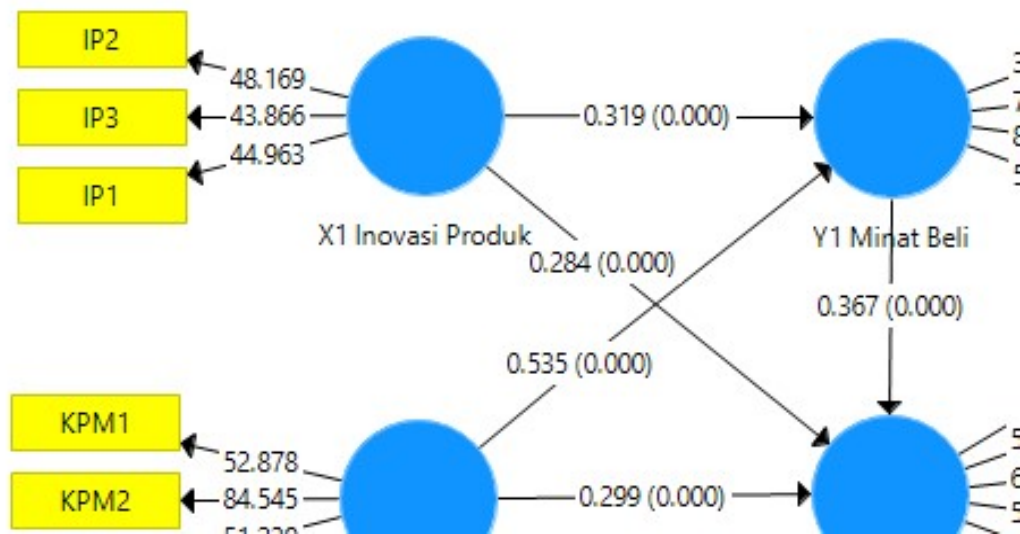


Fig. 1 Results of research path structural bootstrapping test calculations

Source : research data processed using SmartPLS 3.3.3 Software in 2023

Analysis structural model coefficients used For test hypotesis with method know which relationships matter in a way significant. If the p- value < a (0.05) then connection the significant, on the contrary If p- value > a (0.05) then connection the No significant (Joseph F Hair et al., 2017, p.216) .

TABLE II. HYPOTHESIS TEST RESULT

Hypothesis	Path Coefficient	Original Sample (O)	T Statistics (O/STDEV)	P Values	Information
H1	X1 Innovation Product -> Y1 Purchase Interest	0.319	5.135	0,000	accepted
H2	X2 Brand Trust -> Y1 Purchase Interest	0.535	8,337	0,000	accepted
H3	Y1 Purchase Interest -> Z1 Purchase Decision	0.367	6,194	0,000	accepted
H4	X1 Innovation Product -> Z1 Purchase Decision	0.284	5,604	0,000	accepted
H5	X2 Brand Trust -> Z1 Purchase Decision	0.299	5,169	0,000	accepted

Source : Research data processed use software SmartPLS 3.3.3 2023

Based on table II results show that :

- X1 Product Innovation -> Y1 Purchase Interest has an Original Sample (O) value of 0.319 and a P Value of 0.000 which is less than 0.05. Based on these values, it can be seen that there is a significant positive influence. So **H1 is accepted** and H0 is rejected.
- X2 Brand Trust -> Y1 Purchase Interest has an Original Sample (O) value of 0.535 and a P Value of 0.000 which is less than 0.05. Based on these values, it can be seen that there is a significant positive influence. So **H2 is accepted** and H0 is rejected.
- Y1 Purchase Interest -> Z1 Purchase Decision has an Original Sample (O) value of 0.367 and P Values 0.000 which is less than 0.05. Based on these values, it can be seen that there is a significant positive influence. So **H3 is accepted** and H0 is rejected.
- Product Innovation Based on these values, it can be seen that there is a significant positive influence. So **H4 is accepted** and H0 is rejected.
- X2 Brand Trust -> Z1 Purchase Decision Original Sample (O) value of 0.299 and P Values 0.000 is smaller than 0.05. Based on these values, it can be seen that there is a significant positive influence. So **H5 is accepted** and H0 is rejected.

C. Discussion

Based on results testing hypothesis 1 in the people of Bogor City, Respondents Already feel that Innovation Products made by Es Teh Indonesia can be influencing consumer buying interest. Innovation Product the good one can interesting attention consumer so consumers have interest even Already do decision purchase For buy Indonesian Iced Tea. This hypothesis in line with study previously researched by Dharmati Djaharuddin, Farhan Djufri, Andi Ismail, Mabrur, St. Hardiyanti (2017), with title “ Influence Innovation "Product and Brand Image on Tupperware Consumer Buying Interest at Dian Nugraha Sakti in Makassar ”, proves that innovation product influential positive and significant to interest buy so from That hypothesis 1 acceptable.

Based on the results of testing hypothesis 2 in the people of Bogor City. It can be stated that Brand Trust can influence Purchase Intention. Interesting innovation make something brand can trustworthy and p This make consumer become have interest For do purchase and at the end do decision purchase. This hypothesis is in line with previous research examined by Anggraini, Rr. Hawik Indiworo, Qristin Violinda (20 22) with the title " The Influence of Brand Image, Product Innovation and Brand Trust on Interest in Buying Samsung Smartphone Products (Case Study of Upgris Students) ", proves that Brand Trust matters positive and significant to interest buy, therefore hypothesis 2 can be accepted.

Based on results Testing hypothesis 3 in the people of Bogor City. Can stated that Purchase Interest can be influencing purchasing decisions among the people of Bogor City. Interesting innovation as well as own trust brand so Consumer have interest For buy and finally do decision purchase. This hypothesis in line with study previously examined by above base brand nor interest consumer. This matter supported by research previously carried out by Willya, Siti Nurjanah (2019) with title “ Influence

Packaging Products and Taste on Buying Interest Which Impact on Purchasing Decisions Customer Drink Energy ”, states that Purchase Intention has an influence positive and significant on Purchasing Decisions, then from That hypothesis 3 can accepted.

Based on the results of testing hypothesis 4 in the people of Bogor City. It can be stated that product innovation can influence purchasing decisions among the people of Bogor City. Interesting innovation can make consumer direct do decision purchase. This hypothesis is in line with previous research examined by Yogi Sugiarto Maulana, Alisha (2020) with the title " Product Innovation and Its Influence on Consumer Purchase Interest (Case Study at Ichi Bento Restaurant, Banjar City Branch) ", which shows that product innovation is an important part from a series of purchasing decisions and there is a significant influence of product innovation on purchasing decisions, the higher the product innovation, the higher the decision to buy buy, hence hypothesis 4 acceptable.

Based on results Testing hypothesis 5 in the people of Bogor City. Can stated that Brand Trust can influencing purchasing decisions among the people of Bogor City. Brands that can trusted consumer can influence decision purchase. This hypothesis in line with study previously researched by Nadya Calista Adriana And Ngatno, (2020) with title " Influence *Brand Image* d a n *Brand Trust* Against the Decision Purchase Through Interest Buy As Variable Intervening (Studies On Consumer Sariayu Martha Tilaar at City Semarang) ”, which shows that Brand Trust matters in a way positive and significant on Purchasing Decisions via Purchase Interest, then from That hypothesis accepted.

IV. CONCLUSION AND RECOMMENDATION

Based on statistical test results show that Innovation Product (X1) has an effect positive and significant to Purchase Interest (Y). This matter show the more Good Innovation A product created by Es Teh Indonesia will increase consumer buying interest. Brand Trust (X2) has an effect positive and significant to Purchase Interest (Y). The more big trust brand produced by Es Teh Indonesia against consumer so will increase Purchase Interest.

Purchase Interest (Y) has an effect positive and significant on Purchasing Decisions (Z). The more high consumer buying interest, then will impact in Purchasing Decisions Indonesian Iced Tea drink. Innovation Product (X1) has an effect positive and significant on Purchasing Decisions (Y). Innovation Interesting product from Indonesian Iced Tea will impact on Purchasing Decisions consumer. Brand Trust (X2) has an effect positive and significant on Purchasing Decisions (Y). High Brand Trust towards Indonesian Iced Tea will impact on Purchasing Decisions consumer.

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