

Examining Brand Image, Product Assortment, and Service Quality over Consumer Purchase Intentions for Over-the-Counter Products in Banjarmasin Pharmacy

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Abstract:- This research aims to determine and analyze the influence of brand image, product assortment and service quality, both partially and simultaneously, on purchasing decisions for OTC products at Kimia Farma 61 Veteran pharmacy. The research population was all customers who came to Kimia Farma 61 Veteran pharmacy. The sampling technique used was accidental sampling and to determine the sample size using the Lemeshow formula. Based on calculations using the Lemeshow formula, a sample of 96.04 was obtained which was rounded up to 100 customers. The data analysis method used is multiple linear regression analysis. The results of the research found that brand image partially had a positive and significant effect on the decision to purchase OTC products at Kimia Farma 61 Veteran pharmacy with a calculated t value of $4.079 > t$ table 1.985 and a significance value of $0.000 < 0.05$, product assortment partially had a positive and significant effect on decision to purchase OTC products at Kimia Farma 61 Veteran pharmacy with a calculated t value of $4.398 > t$ table 1.985 and a significance value of $0.000 < 0.05$, and service quality partially has a positive and significant effect on the decision to purchase OTC products at Kimia Farma 61 Veteran pharmacy with value t count $3.664 > t$ table 1.985 and significance value $0.000 < 0.05$. Furthermore, brand image, product assortment and service quality simultaneously have a positive and significant influence on the decision to purchase OTC products at Kimia Farma 61 Veteran pharmacy with a calculated F value of $158.948 > F$ table 2.70 and a significance value of $0.000 < 0.05$.

Keywords:- Brand Image, Product Assortment, Service Quality, Purchasing Decisions.

I. INTRODUCTION

In the midst of dynamic urban life and the post-pandemic situation that has occurred, a prime body condition is needed to maintain productivity in carrying out daily activities. However, with various limitations, ease of purchasing medicines and access to other health services is needed to support this. Apotek Kimia Farma is here to provide integrated health solutions through drug services and other forms of health services. Kimia Farma Pharmacy 61 Veteran is the first Kimia Farma pharmacy in Banjarmasin City, South Kalimantan Province. One of the drug services at the pharmacy is selling OTC (Over the Counter) drugs. OTC drugs are drugs that can be purchased without a doctor's prescription. Some OTC drugs relieve aches, pains, itching, and some drugs have functions in preventing or curing several diseases [9]. There are at least 2,000 - 3,000 product items available specifically for OTC drugs at competitive prices, providing a variety of choices for customers visiting Kimia Farma 61 Veteran pharmacy.

Purchasing decisions are behaviors that arise in response to objects that show the customer's desire to make a purchase [7]. In preliminary observations at the Kimia Farma 61 Veteran pharmacy, it was found that there were several problems that occurred regarding purchasing decisions for OTC products, including: 1) There are OTC drugs that customers need that are considered too expensive. 2) The OTC drugs needed are not available or empty, even though customers think that Kimia Farma pharmacies have complete drug availability. 3) Service from pharmacy employees who are considered less friendly by customers.

In strengthening the problems that occur related to purchasing decisions, it can be seen from the sales level of OTC products in the first quarter of 2024, which is summarized in table 1 as follows:

Table 1. Sales Rate of OTC Medicines at Kimia Farma Pharmacy

Period	Total Sales of OTC	Sales (\pm)
January	161.155.633	
February	177.637.513	16.481.880 (Up)
March	161.181.430	16.456.083 (Down)
April	165.719.303	4.537.873 (Up)
Grand Total	665.693.879	

Sumber: Apotek Kimia Farma Cabang Banjarmasin (2024)

Based on table 1, it can be seen that the sales level of OTC products at the Kimia Farma 61 Veteran pharmacy experienced fluctuating conditions in the first quarter of 2024. The decline in the sales level of OTC drugs is due to problems related to purchasing decisions for these OTC drugs at Kimia Farma pharmacies. Several factors are thought to influence purchasing decisions for OTC drugs at Kimia Farma pharmacies including the brand image of the pharmacy itself, the product assortment available at the pharmacy, and the quality of service provided by the pharmacy.

The brand image formed in the eyes of the public is the assumption that the drugs available and sold by Kimia Farma pharmacies are relatively expensive drugs and there are still customers who think it is the same to buy drugs at Kimia Farma pharmacies or at other drug stores, which has an impact on customers who do not want to buy OTC products at Kimia Farma pharmacies. The problem with Kimia Farma pharmacy assortment products, especially in OTC products, is that the drugs needed by customers are sometimes unavailable or empty. With the OTC drugs that customers need unavailable or empty, customers decide not to buy OTC drugs at Kimia Farma pharmacies even though they are offered replacement drugs that are the same in terms of quality and usefulness. In addition, problems that occur related to the quality of services at Kimia Farma pharmacies that cause customers to cancel or not buy OTC products are customers who feel disappointed with the attitude of Kimia Farma pharmacy employees who do not serve them wholeheartedly and there are still employees who are less friendly to customers. As is known, through good service quality encourages customers to make purchasing decisions.

Research on the effect of brand image, product assortment, and service quality on purchasing decisions has been widely conducted. Research conducted by [1] found that partially the brand image variable has a positive and significant effect on purchasing decisions. Research conducted by [10] found that the product diversity variable partially had a significant effect on purchasing decisions. Research conducted by [2] found that service quality is significant and directly proportional to purchasing decisions.

II. LITERATURE REVIEW

According to Dharmmesta in [14], marketing management is one of the main activities carried out by companies to maintain the continuity of their company, develop, and earn profits. Marketing management is one of the most important activities in a company or trading business that is carried out to increase its business and also maintain the survival of the company it is running. According to [7], marketing management has functions: 1) Exchange function, products must be sold and purchased at least once in the marketing process. 2) Planning Function, buyers must study their own market to find out and determine the quality, type and strength of the products they need. 3) Contact-Finding Function, including assembling activities and discussions between sellers and buyers. 4) Contract Function, the final agreement in the form of a sale and purchase contract and transfer of property rights. 5) Facilities Provision Function, activities that assist the operation of the marketing system in order to operate more smoothly.

[19] explains that a purchasing decision is a process of making a purchase decision which includes determining what to buy or not to make a purchase. Meanwhile, according to [6], purchasing decisions are consumer behavior to determine a product with certain considerations such as quality, cost, benefits and risks. There are 5 (five) stages in the purchasing decision process [19]:

- Problem Recognition: analyzing consumer wants and needs.
- Search: search for resources used to fulfill a desire.
- Alternative Evaluation: alternative assessment by looking for criteria used by consumers to determine alternatives.
- Choice: the product selection made by this consumer proves that an actual purchase has occurred.
- Out Comes: the chosen product has satisfied the consumer or made him hesitate from the decision taken, here the assessment process occurs after buying.

Measurement of purchasing decisions made by consumers is mediated by 5 indicators according to [7]: Consider, Choose, Utilize, Buy, and Evaluate.

Brand image is the consumer's perception of a brand as a reflection of the associations that exist in the consumer's mind [4]. Brand image is a characteristic related to consumer perceptions of a brand and represents internal and external characteristics so that it can influence consumers (Hasan in [2]). There are 3 (three) indicators used in measuring the brand image of a product [7]: Attributes, Consumer benefits, and Brand personality. According to [16] brand image is motivated by:

A. Brand Association Advantages

The superiority of brand association is one of the factors forming brand image, where the product excels in competition.

B. Strength of Brand Association

The strength of brand associations is how information enters the consumer's memory and how the process persists as part of the brand image.

C. Uniqueness of Brand Association

The uniqueness of brand association is a distinctive feature of a brand that inevitably must be shared with other brands.

According to Kotler & Armstrong in [6] explains that product assortment (product diversity) is the buyer's consideration for the choice of products presented by the seller. Product diversity is the completeness of the product which concerns the quality of the product, the breadth and depth offered and the availability of a product at any time (Engles in [10]). Product assortment is the availability of all types of products as well as the number of products offered with the tastes needed by consumers produced by a producer. [7]

mediates 3 (three) indicators in measuring product diversity, especially for stores (in this study is a pharmacy), namely:

- Product categories
- Product variations
- Number of SKUs selected

According to [7] service quality is the totality of features and characteristics of a product or service that has the ability to satisfy stated or implied needs. Service quality is all forms of activities carried out by companies to meet consumer expectations [15]. According to [8] there are 5 (five) indicators used in measuring service quality, namely:

- Tangible
- Empathy
- Responsiveness
- Reliability
- Assurance

III. METHODOLOGY

This research has a quantitative approach by analyzing data on the relationship between the independent variable (brand image, product assortment, and service quality) and the dependent variable (purchasing decision). This research was conducted at the Kimia Farma 61 Veteran pharmacy which is located at Jl. Veteran No.51 B, Melayu, Central Banjarmasin District, Banjarmasin City. This research was conducted in June with the population being all customers who come to the Kimia Farma 61 Veteran pharmacy whose number is unknown and can be said to be in the infinite population category. Therefore, the sampling technique used is accidental sampling of 100 customers whose size is obtained from the Lemeshow formula.

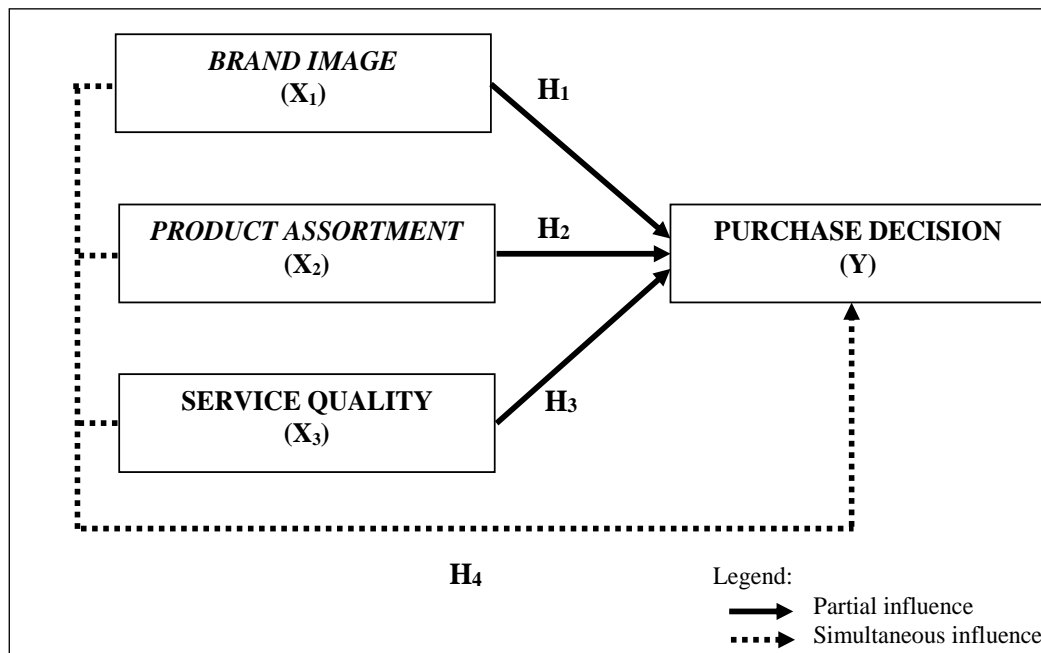


Fig. 1 Conceptual Framework

The indicators of the study are described in detail as follows:

Table 2. Research Variable and Indicator

Variables	Indicator	Questionnaire Items	Scale
Purchase Decision (Y)	Consider	Y1 - Y2	Likert
	Choose	Y3 - Y4	
	Utilize	Y5 - Y6	
	Buy	Y7 - Y8	
	Evaluate	Y9 - Y10	
Brand Image (X ₁)	Atribute	X1.1 - X1.3	Likert
	Consumer benefits	X1.4 - X1.6	
	Brand personality	X1.7 - X1.9	
Product Assortment (X ₂)	Product category	X2.1 - X2.3	Likert
	Product variants	X2.4 - X2.6	
	Number of optional SKUs	X2.7 - X2.9	
Service Quality (X ₃)	Tangible	X3.1 - X3.2	Likert
	Empathy	X3.3 - X3.4	
	Responsiveness	X3.5 - X3.6	
	Reliability	X3.7 - X3.8	
	Assurance	X3.9 - X3.10	

Source: Tinjauan Pustaka (2024)

- Based on this framework, the hypotheses in this study are:
- H1: Brand image partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.
 - H2: Product assortment partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.
 - H3: Service quality partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.
 - H4: Brand image, product assortment, and service quality simultaneously have a positive and significant effect on

purchasing decisions for OTC products at Kimia Farma 61 Veteran pharmacies.

IV. RESULTS AND DISCUSSION

❖ Results

A. Respondent Identification

Respondent Description The description of respondents in this study consists of gender, age, occupation, income, nominal purchases, and frequency of purchase. The results are as follows:

Table 3. Respondent Description

Gender		
Description	Frequency	Percentage
Male	37	37%
Female	63	63%
Total	100	100%
Age		
17-20 years old	5	5%
21-40 years old	62	62%
41-60 years old	30	30%
> 60 Years	3	3%
Total	100	100%
Occupation		
State-Owned Enterprises	20	20%
Civil servant	22	22%
Student	15	15%
Entrepreneur	18	18%
Other	25	25%
Total	100	100%

Source: Primary data, processed (2024)

B. Validity and Reliability Test

Based on the calculation results, it is found that the rTable of this study is 0.1986 significant at the 5% point or 0.05. The results of statistical analysis show that each statement item in each indicator of this study has a value of rCount greater than rTable 0. 1986 significant at 0.00 <0.05. These results indicate that all questionnaire statement items are valid. In addition, reliability testing of questionnaire items is measured based on the Cronbach's Alpha value. The statistical data was analyzed and indicated a Cronbach's alpha brand image value of 0.911> 0.60, product assortment 0.867> 0.60, service quality 0.938>

0.060, and purchasing decisions 0.939> 0.60. So it can be concluded that the data for each research variable is reliable.

C. Hypothesis Test

The analysis technique used in this research is multiple linear regression analysis. This type of measurement is considered the most appropriate for measuring the effect of independent variables on one dependent variable under study. This analysis is carried out to determine the direction and magnitude of the influence of the independent variables on the dependent variable. The results of multiple linear regression output in this study are presented in table 4 below:

Table 4. Analysis of Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-2.661	2.064		-1.289	.200
Brand Image	.411	.101	.339	4.079	.000
Product Assortment	.387	.088	.325	4.398	.000
Service Quality	.336	.092	.313	3.664	.000

a. *Dependent Variable: Purchase Decision*

Source: Primary data, processed (2024)

With a t-table of 1.996, it can be concluded that:

- Brand image, obtained the t value of 4.079> t table 1.985 and the significance value obtained is 0.000 <0.05. Thus, it is concluded that H1 is accepted, meaning that brand image partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.
- Product assortment, obtained t value 4.398> t table 1.985 and the significance value obtained is 0.000 <0.05. Therefore, it can be concluded that H2 is accepted, meaning that product assortment partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.
- Service quality, obtained t value 3.664> t table 1.985 and the significance value obtained is 0.000 <0.05. Therefore, it can be concluded that H3 is accepted, means that service quality partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy.

In short, the variables of brand image, product quality, and promotion have a significant positive effect on purchasing decisions and the hypothesis is statistically proven.

Table 5. F Test Results

Model	Nilai F	Nilai Sig.
1. Regression	158.948	.000 ^b

a. *Dependent Variable: Keputusan Pembelian*

b. *Predictors: (Constant), Kualitas Pelayanan, Product Assortment, Brand Image*

Source: Primary data, processed (2024)

Based on the output of table 15, the Sig value = 0.000 <0.05 and the calculated F value is 158.948. In the F table (F α), a value of 2.70 is obtained so that F count 158.948> F table 2.70. This indicates that H4 is accepted, meaning that brand image, product assortment, and service quality simultaneously have a positive and significant effect on purchasing decisions for OTC products at Kimia Farma 61 Veteran pharmacy.

❖ *Discussion*

A. The Effect of Brand Image on Purchasing Decisions

Based on the test results, it is found that brand image partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy. The calculated t value obtained is 4.079> t table 1.985 and the significance value obtained is 0.000 <0.05 so that H1 is accepted. This proves that. Brand image which is the image of the Kimia Farma pharmacy has become the perception of customers and is the first reference or place that will be visited by customers when customers need medicine, especially OTC drugs. The brand image of the Kimia Farma pharmacy embedded in the minds of customers will play an important role in attracting customer attention in making

purchases. The positive and well-known image of the Kimia Farma pharmacy is able to drive purchasing decisions and increase sales volume and which is an indication of that.

The results of this study are in line with the results of previous research conducted by [17] which found that brand image has a positive and significant effect on purchasing decisions. However, it is contrary to the results of previous research conducted by [13] which found that brand image partially has no significant effect on purchasing decisions.

B. The Effect of Product Assortment on Purchasing Decisions

Based on the test results, it is found that product assortment partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy. The calculated t value obtained is $4.398 > t$ table 1.985 and the significance value obtained is $0.000 < 0.05$ so that H2 is accepted. This proves that customers are more interested and happy with the various choices and variants of products, especially OTC products at Kimia Farma pharmacies. The more choices and variants of products offered by Kimia Farma pharmacies to customers, the better the effect. This means that the higher the diversity of OTC products, the more sensitive customer needs, the faster the choice. So that the diversity of OTC products available at Kimia Farma pharmacies makes it easier for customers to make purchasing decisions [7]. Customers feel satisfied buying OTC drugs at Kimia Farma pharmacies because many OTC products are offered, which has an impact on purchasing decisions.

The results of this study are in line with the results of previous research conducted by [6] which found that purchasing decisions are influenced by product diversity. However, it contradicts previous research conducted by [18] which found that product diversity has no effect on purchasing decisions.

C. The Effect of Service Quality on Purchasing Decisions

Based on the test results, it is found that service quality partially has a positive and significant effect on purchasing decisions for OTC products at the Kimia Farma 61 Veteran pharmacy. The calculated t value obtained is $3.664 > t$ table 1.985 and the significance value obtained is $0.000 < 0.05$ so that H3 is accepted. This proves that good service quality is an important factor in determining purchasing decisions (Wibowo & Soedjono in [12]). Good service quality must be provided and maintained and improved, especially by the Kimia Farma pharmacy because it has an impact on customers who make them happy, feel at home and enjoy the products available or offered by the Kimia Farma pharmacy so that purchasing decisions occur. Even if customers are satisfied with the services provided by the Kimia Farma pharmacy, customers make repeat purchase decisions at the Kimia Farma pharmacy again.

The results of this study are in line with the results of previous research conducted by [5] which found that service quality has a significant influence on purchasing decisions. However, it contradicts previous research conducted by [3] which found that service quality has no significant effect on purchasing decisions.

D. The Effect of Brand Image, Product Assortment and Service Quality on Purchasing Decisions

Based on the test results, it is found that brand image, product assortment, and service quality simultaneously have a positive and significant effect on purchasing decisions for OTC products at Kimia Farma 61 Veteran pharmacies. From the test, a significance value of $0.000 < 0.05$ was obtained and the calculated F value was $158.948 > F$ table 2.70 so that H4 was accepted. The results of this study are in line with the results of previous research conducted by [11] which found that the department store image, product diversity and service quality which are thought to jointly (simultaneously) influence purchasing decisions are proven to be accepted.

V. CONCLUSION

Based on the discussion of the statistical test results presented above, it can be concluded that: 1) Brand image partially has a positive and significant effect on purchasing decisions for OTC products, 2) Product assortment partially has a positive and significant effect on purchasing decisions for OTC products, 3) Service quality partially has a positive and significant effect on purchasing decisions for OTC products, and 4) Brand image, product assortment, and service quality simultaneously have a positive and significant effect on purchasing decisions for OTC products at Kimia Farma 61 Veteran pharmacies.

Thus, the company further will be able to build a good and positive brand image in the minds of customers because it will influence customers to decide to make purchases. It is necessary for business people to be able to provide more choices or product variants because the more diverse the products available, the greater the opportunity for customers to make purchases, of course by providing the best service to customers because good service quality will be able to encourage customers to decide to buy the products offered. Further research is recommended to use a larger and wider sample size by considering the addition of research variables that influence purchasing decisions with a more diverse combination so that the research results are accurate and accountable. In addition, it is advisable to use a different research method with this research so that it can compare the research results obtained.

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