

## Comparison Analysis of Indomaret Brand Equity With Alfamart (Wiliam Iskandar)

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### Abstract

*Indomaret and Alfamart are retail businesses that continue to grow in the city of Medan. With retail growth that continues to grow, brand equity will be an important grower because a brand can be declared good if it has strong brand equity. This study aims to determine the difference in brand equity between Indomaret and Alfamart where the study uses the theory of Building strong brands. The research was conducted by comparing the size of the percentage of answers on the questionnaire. For testing the instrument using validity, reliability and normality tests. Meanwhile, The analysis used by the author is percentage analysis and analysis of the Independent Sample Test. Analysis of the Independent Sample Test is a statistical test used to compare the observation data with the expected data to test the hypothesis. The results show that there are differences in Brand Equity between Indomaret and Alfamart in the minds of consumers based on the dimensions of Brand Awareness, Brand Association, Quality Perception and Brand Loyalty. Of the four dimensions of Brand Equity, there are 2 (two) dimensions which state that there are differences between Indomaret and Alfamart. And there are 2 (two) dimensions which state that there is no difference between Indomaret and Alfamart. From these four dimensions, Indomaret is superior to Alfamart.*

**Keywords:** Brand Awareness, Brand Association, Quality Perception and Brand Loyalty.

### 1. INTRODUCTION

Currently in the era of globalization, the lifestyle of the Indonesian people continues to develop in terms of socio-economic or socio-cultural aspects which are increasingly developing and there are very complex changes that are seen in changes in lifestyle and increasingly fierce business competition. Indonesia is a country that has a fairly high consumption power for retail goods, so it is normal for many foreign or domestic investors to invest in Indonesian retail companies. Retail is a service of a distribution of goods or in a self-service manner and is carried out directly to end consumers and consumers directly take goods from merchandise shelves that are personal for personal use, not business (Adriyanto et al., 2020).

Table 1.1 Forms of retail development in Indonesia

Traditional Retail	Modern Retail
Shop	Mini Market
Shop	Supermarket
Stall	Department Store
Los	Hypermarket
Small merchant run tent	

The modern retail business that is growing in Indonesia is a minimarket. The types of minimarkets that are developing in Indonesia are as follows:

1)Indomaret 2)Alfamart 3)Alfamidi 4)Bright 5)Circle K 6)Yomart 7)Ceriamart 8) Lawson. Minimarkets in Indonesia are played by two growing businessmen, namely the Indomaret and Alfamart businesses

**Table 1.2. Indomaret and Alfamart outlets in Indonesia**

NAME	YEAR		
	2017	2018	2019
Indomaret	15,335	15,526	17,631
Alfamart	13,400	13,522	13,726

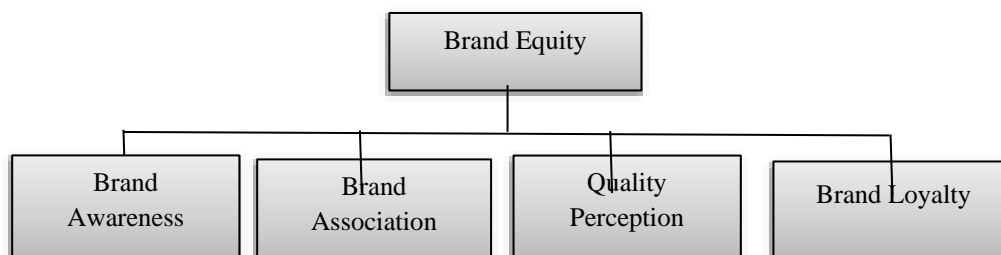
The importance of the brand as the primary identifier of an offering and the “spokesperson”. According to Shabbir and Jing, a strong brand will dominate the market, because the assets of a company are the strength of the brand, which will be useful in predicting the survival of a company in the market. (Juniantari, 2019). Sasmita and Suki(Juniantari, 2019) Brand equity will create great confidence for consumers when comparing brands with competitors and can increase consumer loyalty to products and services, so that it can also create customer availability to pay more to get the brand.

## 2. THEORY STUDY

### Brand Equity

Brand equity is an added value to a product or service and is also an added value to the services of a company which is reflected in the consumer's feelings when thinking and acting related to the brand, which has ties to price and market share and brand portability (Kotler & Philip(Sustainable, 2020). The level of brand recognition, brand quality, brand associations and other brand assets can be influenced by the strength of brand equity. According to Aaker, a brand, value, symbol is an asset or liability from brand equity that can be an increase or decrease in the value of a product or service that the company will provide to customers.(Sustainable, 2020).

Chart 2.1 Elements of Brand Equity  
Elements of Aaker's Model Brand Equity



### **Brand Awareness**

Brand awareness is one of the important factors in the company to maintain and strengthen a brand of products or services. Brand awareness is a consumer's memory ability to remember a brand which is a category of a particular product, which is stated (Aaker(Sustainable, 2020).

### **Brand Association**

Brand association is an information asset stored in the memory of consumers which then form certain associations that are linked to the brand. A strong brand association will help a brand have a position and stand out in every competition(Aeker & Sutikno, 2020).

### **Quality Perception**

The perception that customers have of a brand of a product or service is part of the quality of the brand. A consumer's decision to consume a product from a certain brand, so that consumers have satisfaction when consuming the product and want to make a purchase can be influenced by perceived quality.(Sutikno, 2020).

### **Brand Loyalty**

A customer's loyalty to the brand of a product or service can be seen from the possibility of whether a consumer will turn to another product brand, if there are some changes in a product brand either in the form of price or attributes of the brand. Brand loyalty delivers safe and predictable level of demand for the company, although competitors may imitate manufacturing processes and product design, they will not be able to easily match the impressions that have lingered in the minds of people and organizations over the years through product experiences and marketing activities.(Sjaklif et al., 2020).

## **3. RESEARCH METHOD**

### **Population and Sample**

The population of this study is consumers who have been or are regular consumers who shop at Indomaret and Alfamart. Conducting research using samples can help researchers to conduct research faster and the cost of using samples is lower than if conducting research based on population.

To determine the number of samples in this study, I used the theory of Hair et. al (2014; 172), stated that "The minimum ratio of observations to variables is 5:1". (The minimum ratio of observations for each variable is 5:1), which means that every 1 variable question indicator is multiplied by 5. In this study there were 17 questions. In other words, the number of questions is 17 times 5 to make 85 minimum samples. In this study there are two objects, namely: Indomaret and Alfamart, therefore the sample in this study is multiplied by 2. So the sample in this study is  $85 \times 2 = 170$  samples.

From the number of samples 170 that have been determined. And with the research object that has been determined there are 2 namely Indomaret and Alfamart, so this research was conducted for 85 Indomaret consumers and 85 for Alfamart consumers who will fill out the predetermined questionnaire.

### **Questionnaire Measurement Scale**

The data collection in this study is a technique of distributing questionnaires or questionnaires. According to(Sugiyono, 2017)In filling out the questionnaire in the form of a Liker scale, five choices will be provided using scores, as follows:

Table 3.1 Questionnaire Measurement Scale

NO	Information	Score
1	Strongly Agree (SS)	5
2	Agree (S)	4
3	Disagree (KS)	3
4	Disagree (TS)	2
5	Strongly Disagree (STS)	1

### Hypothesis

Based on the theory, previous research and seen from several problem formulations, therefore several hypotheses can be put forward that have been raised. The hypotheses that have been raised are as follows:

H1 : There is a significant difference in brand awareness between Indomaret and Alfamart.

H2 : There is a significant difference in brand association between Indomaret and Alfamart.

H3 : There is a significant difference in perceived quality between Indomaret and Alfamart.

H4 : There is a significant difference in brand loyalty between Indomaret and Alfamart.

## 4. RESEARCH RESULTS AND DISCUSSION

### Validity test

Table 4.1. Indomaret Validity Test

Items	r count	r table	Information
<b>Brand Awareness</b>			
When I hear the word market or a place to shop for modern daily products, Indomaret is the first thing that comes to my mind.	0.717	0.181	Valid
When I want to shop at a modern market, the first place I think of is Indomaret.	0.797	0.181	Valid
I can easily recognize Indomaret employees when I see the uniforms of Indomaret employees.	0.746	0.181	Valid
The Indomaret brand can be recognized when you see the logo from Indomaret.	0.813	0.181	Valid
<b>Brand Association</b>			
Indomaret has procedures for arranging goods and placing prices in a good way and easy to find.	0.703	0.181	Valid
Indomaret was founded by a company that has a good reputation.	0.700	0.181	Valid
Indomaret can be easily found around highways and residential areas.	0.739	0.181	Valid
The existence of a modern market really helps me when I want to shop for my daily needs.	0.646	0.181	Valid
The facilities at Indomaret are very helpful when shopping.	0.706	0.181	Valid
<b>Quality perception</b>			
The products in Indomaret have good quality.	0.434	0.181	Valid
The price of the product in Indomaret is in accordance with the quality of the product.	0.526	0.181	Valid

The quality of service at Indomaret is in accordance with the price set	0.435	0.181	Valid
Products at Indomaret have the right power for consumption in each package and have a fairly long shelf life.	0.542	0.181	Valid
<b>Brand Loyalty</b>			
I feel committed and loyal to the modern market of Indomaret.	0.717	0.181	Valid
Indomaret is my first choice when I want to shop at the modern market.	0.746	0.181	Valid
I will continue to shop at Indomaret as long as it provides comfort and satisfying service and products.	0.797	0.181	Valid
Indomaret is a mini market that sticks in my mind.	0.813	0.181	Valid

**Table 4.2. Alfamart . Validity Test**

Items	r count	r table	Information
<b>Brand Awareness</b>			
When I hear the word market or a place to shop for modern daily products, Alfamart is the first thing that comes to my mind.	0.797	0.181	Valid
When I want to shop at a modern market, the first place I think of is Alfamart.	0.769	0.181	Valid
I easily recognize Alfamart employees when I see the uniforms of Alfamart employees.	0.736	0.181	Valid
The Alfamart brand can be recognized when you see the logo from Indomaret.	0.732	0.181	Valid
<b>Brand Association</b>			
Alfamart has procedures for arranging goods and placing prices in a good way and easy to find.	0.753	0.181	Valid
Alfamart was founded by a company that has a good reputation.	0.725	0.181	Valid
Alfamart can be easily found around highways and residential areas.	0.751	0.181	Valid
The existence of a modern market really helps me when I want to shop for my daily needs.	0.704	0.181	Valid
The facilities at Alfamart are very helpful when shopping.	0.766	0.181	Valid
<b>Quality perception</b>			
The products in Alfamart have good quality.	0.809	0.181	Valid
The price of the product at Alfamart is in accordance with the quality of the product.	0.794	0.181	Valid
The quality of service at Alfamart is in accordance with the price set	0.772	0.181	Valid
The products at Alfamart have the right power for consumption in each package and have a fairly long shelf life.	0.763	0.181	Valid
<b>Brand Loyalty</b>			

I feel committed and loyal to Alfamart's modern market.	0.795	0.181	Valid
Alfamart is my main choice when I want to shop at the modern market.	0.812	0.181	Valid
I will continue to shop at Alfamart as long as the Alfamart provides comfort and service as well as satisfying products.	0.762	0.181	Valid
Alfamart is a minimarket that sticks in my mind.	0.757	0.181	Valid

### Reliability Test and Normality Test

Table 4.3. Indomaret Data Reliability and Normality Test Results

Variable	Cronbach Alpha	Kolmogorov-Smirnov	Information
Brand Awareness	0.769	0.296	Reliable and Normal
Brand Association	0.735	0.265	Reliable and Normal
Quality perception	0.750	0.202	Reliable and Normal
Brand Loyalty	0.769	0.296	Reliable and Normal

Table 4.4. Alfamart Data Reliability and Normality Test Results

Variable	Cronbach Alpha	Kolmogorov-Smirnov	Information
Brand Awareness	0.754	0.306	Reliable and Normal
Brand Association	0.791	0.287	Reliable and Normal
Quality perception	0.792	0.283	Reliable and Normal
Brand Loyalty	0.787	0.265	Reliable and Normal

### Independent Sample Test

The reference used in decision making in this study is as follows, if the probability or significance (sig 2 tailed) < 0.05 so it can be stated that the hypothesis raised in this study has a significant difference between the brand equity of Indomaret and Alfamart is accepted, and if probability or significance (sig 2 tailed) > 0.05 can be stated that the hypothesis raised in this study does not have a significant difference between the brand equity of Indomaret and Alfamart.

Table 4.5. T-Test Results

Sub Variable	Means	Paired Differences Means	Sig. (2-tiled)
Brand Awareness			
Indomaret	17.5765	1.0118	0.040
Alfamart	16.5647		
Brand Association			
Indomaret	21.7176	0.7176	0.173
Alfamart	21.00000		
Quality perception			
Indomaret	17.3176	1.1177	0.027
Alfamart	16.2000		
Brand Loyalty			
Indomaret	17.5765	0.6823	0.175
Alfamart	16.8941		

Judging from the output table "Independent Sample Test" brand awareness shows that sig.(2-tailed) is 0.040 in other words smaller than 0.05. So, based on the decision making determined based on the independent sample test, where there is a conclusion that  $H_0 1$  is rejected and  $H_1 1$  is accepted which means that there is a significant difference in brand awareness between Indomaret and Alfamart in the minds of consumers. And seen from the output table "Independent Sample Test" brand association shows that sig.(2-tailed) is 0.173 in other words greater than 0.05. So, based on the decision making that has been determined based on the independent sample test test, where there is a conclusion that  $H_0 2$  is accepted and  $H_1 2$  is rejected where there is no significant difference in the association of the Indomaret brand with Alfamart in the minds of consumers.

Judging from the output table "Independent Sample Test" the perception of quality shows that sig.(2-tailed) is 0.027 in other words smaller than 0.05. So, based on the decision making that has been determined based on the independent sample test test, where there is a conclusion that  $H_0 3$  is rejected and  $H_1 3$  which means that there is a significant difference in the perception of quality between Indomaret and Alfamart in the minds of consumers. Meanwhile, seen from the output table "Independent Sample Test" brand loyalty shows that sig.(2-tailed) is 0.175, in other words, it is greater than 0.05. So, based on the decision making that has been determined based on the independent sample test test, where there is a conclusion that  $H_0 4$  is accepted and  $H_1 4$  is rejected which means that there is no significant difference in brand loyalty between Indomaret and Alfamart in the minds of consumers.

## 5. CLOSING

### Conclusion

This study examines the comparison analysis of Indomaret's brand equity with Alfamart. Based on the results of research on 85 respondents for Indomaret and 85 respondents for Alfamart, there are significant differences in brand equity of Indomaret and Alfamart based on indicators of brand equity. Of the four brand equity indicators, there are two elements, namely Brand Awareness and Quality Perception which states that there are differences between Indomaret and Alfamart. And there are two elements, namely Brand Association and Brand Loyalty which states that there is no difference between Indomaret and Alfamart. And of the four variables, the Indomaret brand is superior to Alfamart.

### Suggestion

1. For Brand Awareness there is a significant difference between Indomaret and Alfamart. And judging from the average, Indomaret is superior to Alfamart. Suggestions for Alfamart to remain able to survive in a market that continues to grow, further increase Alfamart Brand Awareness in the minds of consumers. By increasing recognition, such as promoting Alfamart products, not only in-house or indoor promotions, but by carrying out promotions by walking in the area closest to Alfamart by carrying Alfamart logo banners and promotional brochures for goods at Alfamart. Adding existing facilities at Alfamart, such as adding ATM machines and adding transaction payment machines for online application payments, electricity token payments and top-up credit. And become a sponsor in certain events that are held in the neighborhood around the Alfamart area. So that you can build an Alfamart stand at sponsored events, the name and logo of Alfamart can also be displayed on the banners at the event. And can make posters to be seen by hundreds to thousands of people who are at the event.

2. For perceived quality, there is a significant difference between Indomaret and Alfamart. Suggestions for Alfamart is to increase the assurance of customer perceptions of the quality in Alfamart, such as the quality of service at Alfamart by increasing the friendliness and attention of employees to what is needed by customers. And increase reliability by paying attention to timeliness when opening and closing Alfamart outlets and showing the sympathetic nature of employees to consumers who are confused about finding the products they need.

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