

THE EFFECT OF BRAND TRUST AND UNIVERSITY REPUTATION ON STUDENT'S DECISION TO CHOOSE MANAGEMENT STUDY PROGRAM IN THE FACULTY OF ECONOMICS AND BUSINESS UNIVERSITAS MUHAMMADIYAH SUMATERA UTARA

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ABSTRACT

This study aims to determine the effect of brand trust and university reputation on purchasing decisions, namely student decisions in choosing the Management Study Program at the UMSU Faculty of Economics and Business. The approach taken in this research is to use an associative approach, namely research that seeks to examine how a variable has a relationship or relationship with other variables. Sampling was carried out by non-probability sampling technique, and by incidental sampling approach. The population in this study were all students of the 2018/2019 UMSU Management Study Program, and the sample used in this study amounted to 126 respondents using the slovin technique. Data were collected by questionnaire method. The data analysis technique used multiple linear regression, classical assumption test, t test, F test and coefficient of determination. The results showed that the brand trust variable had a significant effect on purchasing decisions, and the university reputation variable had a significant effect on purchasing decisions. Based on the simultaneous test, the variable brand trust and university reputation have a significant effect on purchasing decisions.

Keywords: Brand Trust, University Reputation, and Purchase Decision

1. PRELIMINARY

The large number of universities in Indonesia shows the increasingly fierce competition in the world of educational services, both at the level of private universities and public universities. In addition to the growth of competition in the country, globalization has also encouraged the emergence of very competitive competition in the world of educational services throughout the country (Handayani, 2017). Universities are competing to develop all their potential and ability to compete in order to attract prospective students.

The creation of student decisions in choosing universities and existing study programs can be caused by various supporting factors such as the important role of the brand trust factor (Adiwidjaja & Tarigan, 2017), service quality, operational costs, facilities, achievements and also reputation owned. The purchase decision is an action taken by consumers.

Basically, the reputation of the university has an important role for consumers in choosing and considering continuing their studies at a university, for that a good relationship between the university and consumers must be established. Reputation is not just a good relationship with the community but reputation is also a result information processing that is influenced by various cues itself, the work environment and colleagues, the media and most importantly also from personal experience with the organization (Warta, 2017, p. 14).

There is a public perception that assesses the quality of universities run by the private sector is low, until the assessment at the time of graduation and in obtaining work in the field, which is only because the university is not organized by the government. This has led to some speculation as to whether it is true that the quality of the university is of low value or is it just a lack of education and

information that is obtained and provided to the public.

2. THEORETICAL BASIS

Buying decision

Purchasing decision is a process of solving the problem of selecting from two or more alternative purchasing decision choices (Schiffman & Kanuk, 2007). Consumer decisions are consumer actions in deciding a product that is considered a solution to the needs and desires of these consumers (Fahmi, 2016, p. 57).

There are several factors that can influence purchasing decisions according to (Arianty, Laili, Christiana, & Jasin, 2016, p. 49), namely, cultural factors, social factors, personal factors and psychological factors.

The following is an explanation of the description of the purchasing decision-making process according to (Arianty, Laili, Christiana, & Jasin, 2016) namely, the need for introduction, information seeking, evaluation of alternatives, purchase/purchase decisions, post-purchase behavior.

There are three indicators of purchasing decisions according to Kotler (Ansari, Hurriyati, Gaffar, Adi, & Amanah, 2017) namely, perceived needs, activities before buying, wearing behavior, and post-purchase behavior.

Brand Trust

The existence of brand trust is based on consumer experience with the brand, namely with a process based on experience that has been experienced while using certain Costale products (Rahmawati, 2017). Brand trust is defined as the customer's desire to rely on a brand with the risks faced because the expectations of the brand will lead to positive results, Lau and Lee (Adiwidjaja & Tarigan, 2017).

Factors that influence brand trust according to Lau and Lee (Fauziyah, 2016), namely, *brand characteristics*, company characteristics, customer brand characteristics. The indicators of brand trust according to Delgado (Bastian, 2014) are, brand reliability, and brand intentions.

University Reputation

Reputation is the assessment of interested parties which is used as the main argument in making choices, reputation is a good name that creates authority and makes the institution respected so that it is an important asset for institutions to survive and develop, reputation provides great benefits when facing turmoil and environmental dynamics, especially in neutralizing or reduce the impact of the crisis, (Warta, 2017, p. 194).

Image is reputation and achievement, although the image is something abstract and cannot be measured systematically, its shape can be felt from the results of good and bad research that comes from the public or the wider community. This assessment can be related to taste respect, a good impression rooted in the values of trust (Radiman, Gunawan, Wahyuni, & Jufrizen, 2018).

The factors that can improve the reputation of the university according to (Warta 2017, p. 194) are, maintaining and improving the quality of the implementation of the Tridharma of Higher Education in accordance with the vision, mission, and basic values adopted by the institution, consistently implementing good university governance. university governance).

There are two indicators on university reputation according to (Warta, 2017, p. 199), namely, the Tridharma of Higher Education, and good university governance.

3. RESEARCH METHODS

This study aims to determine the effect of brand trust and university reputation on purchasing decisions, namely student decisions in choosing the Management Study Program at the UMSU Faculty of Economics and Business. The approach taken in this study is to use an associative



approach, namely research that seeks to examine how a variable has a relationship or relationship with other variables. Sampling was done by non-probability sampling technique, with an incidental sampling approach.

The population in this study were all students of the 2018/2019 UMSU Management Study Program, and the sample used in this study amounted to 126 respondents using the slovin technique. Data was collected by questionnaire method. The data analysis technique was carried out using multiple linear regression, classical assumption test, t test, F test and coefficient of determination. The results showed that the brand trust variable had a significant effect on purchasing decisions, and the university reputation variable had a significant effect on purchasing decisions. Based on the simultaneous test, the variable brand trust and university reputation have a significant effect on purchasing decisions.

4. RESEARCH RESULTS AND DISCUSSION

Research result

This study aims to analyze data derived from data that has been described from previous data based on research instruments that have been validated and have a high level of reliability (reliable).

Classical Assumption Test Normality Test

Normal P-P Plot of Regression Standardized Residual

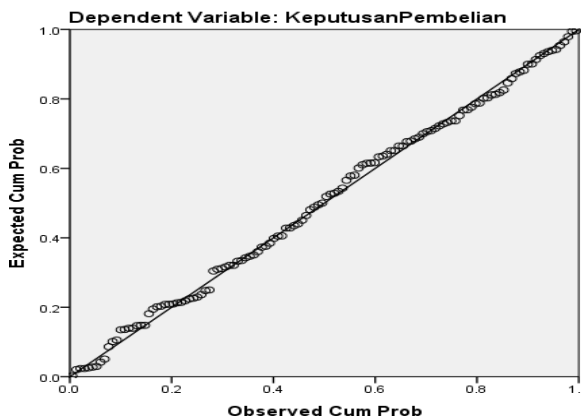


Figure 1

Standardized PP Plot Normality Test

In the picture of the PP normality test plot of regression standardized residual above, it indicates that the regression model has met the criteria previously stated, so the data in the regression model in this study are tend normal.

Heteroscedasticity

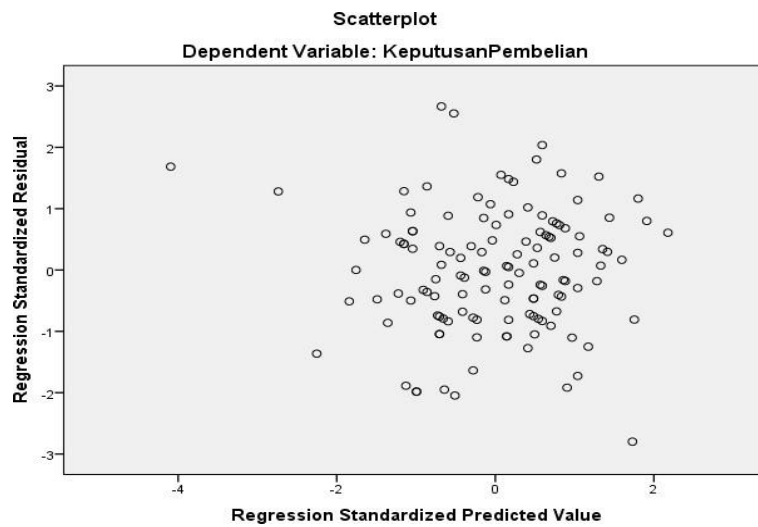


Figure 2
Heteroscedasticity Test Scatterplot

Based on the figure above, it is known that the resulting points are spread out. This shows that this linear regression model is free from heteroscedasticity.

Multicollinearity

Table 1
Multicollinearity

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
(Constant)	25,475	2.873		8.866	.000					
Brand Trust	.395	.105	.351	3.757	.000	.539	.321	.274	.611	1,638
University Reputation	.335	.104	.301	3.225	.002	.520	.279	.235	.611	1,638

a. Dependent Variable: Purchase Decision
 Source: SPSS Output Data (2019)

Based on the table above, it is known that multicollinearity shows that the VIF of brand trust is 1.638 which is smaller than five, and the VIF of the university's reputation is 1.638. Thus it is known that there is no multicollinearity in the data.

Multiple Linear Regression Analysis

Table 2
Multiple linear regression

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	25,475	2.873		8.866	.000			
	Brand Trust	.395	.105	.351	3.757	.000	.539	.321	.274
	University Reputation	.335	.104	.301	3.225	.002	.520	.279	.235

a. Dependent Variable: Purchase Decision
Source: SPSS Output Data (2019)

Based on the data from the coefficients table above (in the unstandardized coefficients column), it can be seen that the multiple regression equations for the two predictors of the brand trust and university reputation variables are:

Obtained the value of $Y = 25.475 + 0.395 X_1 + 0.335 X_2$

The above equation shows that Brand Trust (X1) and University Reputation (X2) have a positive coefficient value, which means that all independent variables in this study have a direct influence on the Purchase Decision variable (Y). Assuming that the Brand Trust coefficient (X1) gives a value of 0.395, which means that if the brand trust is carried out well with the assumption that other independent variables are fixed, the purchase decision will increase. The University Reputation Coefficient (X2) gives a value of 0.335, which means that if the reputation of the university is improved, assuming the value of other variables is fixed, the purchasing decision variable will also increase.

Hypothesis testing

t test (Partial)

The Effect of Brand Trust (X1) on Purchase Decisions

Table 3
T test (hypothesis 1)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	25.475	2.873		8.866	.000
Brand Trust	.395	.105	.351	3.757	.000
University Reputation	.335	.104	.301	3.225	.002

Source:SPSS Output Data (2019)

Based on the t-test table data above, it can be seen the value of the coefficients obtained: $t_{count} = 3.757 > t_{table} = 1.979$ or $sig. 0.000 < 0.05$. From these results it can be concluded that H_0 is rejected. This shows that there is a significant influence between the brand trust variable (X1) on the purchasing decision variable (Y) students choose the Management Study Program, Faculty of Economics and Business at Muhammadiyah University of North Sumatra.

The Effect of University Reputation (X2) on Purchase Decisions (Y)

Table 4
T test (hypothesis 2)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	25.475	2.873		8.866	.000
Brand Trust	.395	.105	.351	3.757	.000
University Reputation	.335	.104	.301	3.225	.002

Source:SPSS Output Data (2019)

Based on the t-test table data above, it can be seen that the coefficient acquisition value is: $t_{count} : 3,225 > t_{table} : 1,979$ or $sig. 0.002 < 0.05$. From these results it can be concluded that H_0 is rejected. This shows that there is a significant influence between the university's reputation variable (X2) on the purchasing decision variable (Y) students choose the Management Study Program, Faculty of Economics and Business at Muhammadiyah University of North Sumatra.

F Test (Simultaneous)

Table 5 F . Test
ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	789,247	2	394,624	32,461	.000b
	Residual	1495,293	123	12,157		
	Total	2284,540	125			

a. Dependent Variable: Purchase Decision

b. Predictors: (Constant), University Reputation, Brand Trust

Source: SPSS Output Data (2019)

Based on the F test table data with the above criteria, F_{count} value is 32.461, while the F_{table} value is 3.070 or with a significant value $F_{table} 0.000n < 0.05$ so it can be understood that this value indicates a significant influence between the independent variable (X) on the dependent variable (Y) or it is understood that there is a significant influence between brand trust variables (X1) and university reputation (X2) on purchasing decisions (Y) students choose the Management Study Program, Faculty of Economics and Business at Muhammadiyah University of North Sumatra.

Coefficient of Determination

Table 6 Coefficient of Determination
Model Summaryb

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.588a	.345	.335	3.487

a. Predictors: (Constant), University Reputation, Brand Trust

b. Dependent Variable: Purchase Decision

Source:SPSS Output Data (2019)

Based on the results of the regression test of the coefficient of determination of the summary model in the table above, it can be seen that the coefficient of determination (R square) obtained in this study is 0.345. This means that 34.5% of the purchasing decision variables can be explained by

the independent variables, namely brand trust (X1) and university reputation (X2). While the remaining 66.5% is influenced by other variables that are not included in this study.

5. DISCUSSION

Research Results on the Effect of Brand Trust (X1) on Purchase Decisions (Y)

It can be seen that based on the results of testing the research hypothesis about the effect of the brand trust variable on purchasing decisions, the t table results are 1.979, and the t count value is 3.757 with the meaning that $t_{count} > t_{table}$ with a significant value of $0.000 < 0.05$. From these results it can be concluded that H_0 is rejected. This shows that there is a significant influence between the brand trust variables on the purchasing decision variables of students choosing the Management Study Program at the Faculty of Economics and Business, Muhammadiyah University, North Sumatra.

The results of this study are in line with previous research conducted by Suryawardana and Endang (2015, p.265) which states that trust has a positive effect on purchasing decisions. Next is the results of research conducted by Adiwidjaja & Tarigan (2017) with the results of research that brand trust has a positive effect on purchasing decisions. Likewise, the results of research conducted by (Amron, 2018) state that brand trust has a significant effect on purchasing positively and can affect consumer decisions in determining the purchase of MPV cars.

Research Results on the Effect of University Reputation (X2) on Purchase Decisions (Y)

In the results of testing the research hypothesis about the effect of the university's reputation variable (X2) on purchasing decisions (Y) it was obtained t table of 1,979, and the acquisition of t count of 3,225 with the meaning that $t_{count} > t_{table}$ with a significant value of $0.002 < 0.05$. the results concluded that H_0 was rejected. This shows that there is a significant influence between the university's reputation variable on the purchasing decision variable of students choosing the Management Study Program at the Faculty of Economics and Business, Muhammadiyah University of North Sumatra.

The results of this study are supported by previous research conducted by Ansari, Hurriyati, Gaffar, Adi, & Amanah, (2017, p. 4) which states that the positive university reputation variable has a significant effect on purchasing decisions. Furthermore, the results of this study are in line with previous research conducted by Suryawardana and Endang (2015) which stated that the company's reputation had a positive effect on purchasing decisions. The results of research conducted by Wibowo (2014) stated that the implication of a good university reputation is to encourage potential students to choose the university as their main priority.

Research Results on the Effect of Brand Trust (X1) and University Reputation (X2) on Purchase Decisions (Y)

Through testing the hypothesis about the effect through the F test above, it can be seen that the F_{count} value is 32.461, while F_{table} is 3.070 with a significant level of 0.05.

The results of this study are in line with previous research conducted by Suryawardana and Endang (2015, p.) that the influence of brand trust and university reputation together has a positive and significant effect on purchasing decisions. The results of research conducted by Wibowo (2014) stated that the implication of a good university reputation is to encourage potential students to choose the university as their main priority.

6. CONCLUSION

There is a significant influence between the brand trust variables on purchasing decisions (student decisions) choosing the Management Study Program at the Faculty of Economics and Business, Muhammadiyah University of North Sumatra. There is a significant influence between the university's reputation variable on purchasing decisions (student decisions) choosing the

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Management Study Program at the Faculty of Economics and Business, Muhammadiyah University of North Sumatra. The existence of a significant influence between the variable brand trust and university reputation has a significant effect on purchasing decisions (student decisions) to choose the Management Study Program at the Faculty of Economics and Business, Muhammadiyah University of North Sumatra.

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