The Effect of Customer Delight, Brand Image, and Product Innovation on The Purchase Decision of The Erigo Brand in The City of Surabaya

Rafif Satriatama¹, Siti Mujanah*¹,2
¹,2, Faculty of Economics and Business, Universitas 17 August 1945 Surabaya, Indonesia
e-mail: sitimujanah@untag-sby.ac.id 2
* Corresponding Author: E-mail: sitimujanah@untag-sby.ac.id

ARTICLE INFO
ABSTRACT

Received November 2022
Accepted December 2022
Published December 2022

Keywords: Brand Image, Customer Delight, Product Innovation, Purchase Decision

This study aims to determine the effect of customer satisfaction, Brand image, and Product innovation on consumer purchasing of Erigo brand products in Surabaya. This type of research is quantitative research. The population is all customers of the Erigo brand in Surabaya. The number of samples taken is 100 respondents who are taken incidentally. The sampling technique used is the prior probability sampling technique; this technique is randomization or coincidence. The data collection method used is a survey with a questionnaire instrument that is using a questionnaire. The result of this study shows that customer delight in the brand image has a significant effect on purchasing decisions but not on product innovation which is not significant for purchasing decisions for the Erigo brand in the city of Surabaya. Meanwhile, simultaneously, Customer delight, brand image, and product innovation influence purchasing decisions for the Erigo brand in Surabaya.

Introduction

Creative industries are now emerging, art, design, film, and fashion. This creative industry is believed to be able to improve the skills of individuals and groups to create prosperity and create jobs by generating and exploiting the creative power and creativity of the individual. Creative industries are seen as increasingly important in supporting prosperity in the economy. Various parties argue that human creativity is a significant economic resource and that the twenty-first-century industry will depend on knowledge production through creativity, innovation, and rapidly developing technologies.

Fashion is the center of attention in the creative industry because it is an industry that is needed in daily activities to protect the body and beautify its appearance. That there are many opportunities in this clothing business. Fashion is one of the companies currently a creative industry in the world, including Indonesia, contributing significantly to Indonesia’s economic growth. By utilizing creativity and innovation in every design on t-shirts, long sleeves, short pants, and jackets, millennials are now interested in owning these items. According to [1] Customer delight is a people-oriented dimension. Customer delight will be formed when someone feels comfortable with a

According to [2], customer pleasure is a positive emotional response from consumers when consuming products or services. This pleasure occurs when the
customer gets something unexpected and impacts consumer behavior. Furthermore, nowadays, brands like Erigo are examples of one of the most famous brands in Indonesia. Because basically, our local brands have quality and value for sale; it is just a matter of how we must continue to innovate their products, especially in this era where there have been many trade wars that have affected the world’s purchasing power and the flow of goods. Foreign fashion brands such as Zara, Supreme, H&M, Uniqlo, and others are much favored by young Indonesians. Because it has good quality, is extraordinary, popular, and prestige.

Nevertheless, in today’s modern era, many local clothing brands have emerged that are no less good than foreign products in terms of design, quality, and innovation. Consumers are becoming increasingly critical in choosing the best product for them. Understanding consumers is an essential element in developing marketing strategies [3].

Kotler and Keller (2016) in his book mentioned that brand image is a name, term, sign, symbol, design, or a combination of these, which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. If we look in more detail, the quality of our domestic products is not much different from foreign products, and maybe there are even higher quality ones. The only difference is the popularity of these brands, which are already worldwide. According to Kotler and Keller (2016), brand image is a name, term, sign, symbol, design, or a combination of these,

This innovation made by erigo makes a brand ergo in demand by millennials, attractive designs launched by ergo following the progress of globalization in the current era. Erigo is one of the local fashion brands whose name soared around 2015. This was done initially because Erigo, originally called Selected and Co., had to rebrand the name or fashion brand. Initially, Erigo came up with his first product, batik, which is suitable for traveling. Street style and traveling are the primary keys for Erigo to soar. Unlike the distro clothes that may be widely known, Erigo presents a calmer style without losing the impression of streetwear. You can find a variety of jacket models with unisex models. Erigo also pampers lovers of simple style and does not have too many statements in its product design. Erigo also presents jacket designs that are rarely owned by other local brands, such as the Sukajan embroidery jacket, which looks artistic and catchy. According to Kotler and Keller (2016), innovation is a new product, service, idea, or perception from someone. Innovation is a product or service consumers perceive as a new product or service.

Because of that, people buy clothes no longer because of need but prestige. However, that does not affect the interest of local brand lovers to buy because they know that our brand is also not inferior to foreign brands. According to [4], Most consumers, both individual consumers and organizational buyers, go through almost the same mental process in deciding what products and brands to buy. Local brand purchasing decisions are also influenced by their prices which are not too expensive, so that the upper, middle, and even the bottom are quite capable of having it, which is also not far from our sense of satisfaction using the brand. According to [5] as a stage in the buyer decision-making process where consumers will buy a particular product or service. Therefore consumer decision-making must go through a selection process that is taken
by one of several alternative problems solving with accurate follow-up. After that, consumers can evaluate their choices and can then determine the attitude to be taken next [6].

Thus the studies that have been conducted show that customer delight, brand image, and product innovation can affect one's loyalty to purchasing decisions. Even though the local brand is not only Erigo, Erigo can now be said to be the best-selling local brand in the fashion world with prices and quality that are on par with foreign brands, making Erigo the best local brand. Ease of discovering the latest updates and the ordering process via the web and E-commerce.

Research Methods

Customer Delight. Customers are essential people in the world of business and other marketing. We, as a company, must know what customers want and need. That is the primary goal of the company. This strategy can make customers satisfied and happy, which can encourage customers to come back again. [7] states that so far, customer satisfaction is seen as the primary goal that will be the key to the success and existence of the company. However, further studies explain consumer behavior, which explains higher satisfaction levels. This level will result in more loyalty to the company, called "customer delight." Building long-term customer relationships will be complicated if expectations and needs are not adequately understood. Following customer management, companies must be able to understand customer wants and needs and then utilize existing resources to satisfy and retain customers. Customers who are not served well will likely switch to other companies that can meet customer satisfaction [8].

Providing something more than what is expected and needed by customers to create customer satisfaction can be said to exceed customer expectations. Exceeding customer expectations does not mean being the best in the world, but being able to realize and understand what it takes to satisfy customers and make customers happy (delight) [2]. Companies must understand customer wants and needs and utilize existing resources to satisfy and retain customers. Customers who are not served well will likely switch to other companies that can meet customer satisfaction. Providing something more than what is expected and needed by customers to create customer satisfaction can be said to exceed customer expectations. Exceeding customer expectations does not mean being the best in the world but being able to realize and understand what it takes to satisfy customers and make customers happy [9].

Companies must understand customer wants and needs and utilize existing resources to satisfy and retain customers. Customers who are not served well will likely switch to other companies that can meet customer satisfaction [10]. Providing something more than what is expected and needed by customers to create customer satisfaction can be said to exceed customer expectations. Exceeding customer expectations does not mean being the best in the world, but being able to realize and understand what it takes to satisfy customers and make customers happy (delight) [11].

Customer delight is expected to be the key to getting customer loyalty, and customer loyalty is a profit driver for the company [6]. Executives from well-known companies engaged in services emphasized that it is not enough to provide satisfaction
for customers. It is a priority to move customer satisfaction into customer delight. Some data state a low correlation between customer satisfaction and loyalty. Delighted consumers are an essential asset for the company. Their role is more significant than just buying products because they also spread positive word of mouth about the company [12].

Proves that there is a non-linear relationship between satisfied (merely satisfied) with loyalty and describes it in a curve called the Delight Curve [2]. "Functional performance (how the business conducts itself) is non-linearly related to the satisfaction customers experience; satisfaction is non-linearly related to the evoked loyalty." Their role is more extensive than just buying products because they also spread positive word of mouth about the company; further, they mention a non-linear relationship between satisfied (merely satisfied) with loyalty and describe it in a curve called the Delight Curve. "Functional performance (how the business conducts itself) is non-linearly related to the satisfaction customers experience; satisfaction is non-linearly related to the evoked loyalty."

Figure 2.1 Delight Curve

Level of customer satisfaction
Source: Afwan Hariri

Figure 2.1 explains that the company only looks for the middle area of the delight curve, the zone of satisfaction. In the zone of satisfaction, the company only plays to make consumers not feel disappointed but leaves a significant increase in loyalty. The first area is called the Zone of Pain. In this area, the company’s services cause customer dissatisfaction. In the third area, service improvements, however minor, increase customer satisfaction levels. This area is called the Zone of Delight. To make customers loyal, there are several steps to create customer delight (customer delight) so that customers can become loyal (customer loyalty).

Several indicators form customer delight, the following are each indicator of customer delight, according to [10], are as follows: (a) Get high value, (b) Promotion according to reality, (c) Specially treated, (d) Responsible for consumer complaints, (e) Consumers get more than expected.
Brand Image. According to [13] brand image is a name, term, sign, symbol, design, or a combination of these intended to identify the goods or services of one seller or group of sellers and differentiate them from those of competitors. [14] states that a company’s brand image affects customer satisfaction. [13] also define a brand as a name, term, sign, symbol, design, or a combination thereof intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. The result of the research conducted by [15] mentions that brand image significantly affects purchasing decisions, [16] also supported this study in their research that Brand image significantly affects purchasing decisions. [17] conveyed from her research that brand image significantly and positively influences consumer buying decisions.

According to [3] the factors that affect brand image are divided into seven 1) Quality or quality, related to the quality of products offered by manufacturers with certain brands; 2) Can be trusted or relied upon, relating to the opinions and agreements formed by the community about a product that is consumed; 3) Usefulness or benefits, which are related to the function of a product that consumers can utilize; 4) Service, which relates to the task of producers in serving their consumers; 5) Risk is related to the profit and loss experienced by consumers; 6) Price, in this case, what consumers spend to influence a product, can also affect the image related to the high or low or the amount of money in the long term; and 7) Image, which is owned by the brand itself, in the form of customers, opportunities and information related to a brand of a particular product. The indicators of the brand image, according to [18], are as follows: (1) Product attributes are related to the brand, such as packaging, taste, price, and others. (2) Consumer benefits (consumer benefits) are the use of the brand’s product. (3) Brand personality is an association regarding a brand’s personality if the brand is human.

Product innovation, uses research from [19] "Product innovation is a combination of various processes that influence each other, which means that innovation is not a concept of a new idea, a discovery or also not a development. Of a new market, but innovation is the epitome of all these processes. Meanwhile, according to [5], product innovation is a combination of various processes that influence each other, which means that innovation is not a concept of a new idea, a discovery, or also not a development. Of a new market, but innovation is the epitome of all these processes.

Research conducted by [20] indicates that variables of product innovation have no significant effect on the purchase decision. However, the result of the research by [21] explained that innovation is also known as “New Product Development” or New Product Development. The new product, referred to as the original product, is product development, product modification, and new brands developed by the company through their research and development efforts (Kotler and Armstrong, 2008:309). New Product Development is a systematic process that identifies and analyzes new product opportunities according to the organization’s mission.

[13] Argue that four indicators are fundamental in influencing the level of innovation adoption, including the following: (1) Relative Advantage, the degree to which the innovation looks better than the old product. The level of excellence of innovation, whether it is better than previous innovations or from things that are usually
done. (2) Compatibility: the degree to which an innovation matches individual values and experiences. The level of compatibility of innovation, whether it is considered consistent or following existing values, experiences, and needs. (3) Divisibility is the degree to which innovation can be tried bit by bit (4) Communicability is the degree to which the results of using innovation can be observed or explained to others.

The Purchase Decision. Consumers make purchasing decisions before buying products or using services offered by companies [22]. According to [23] The purchasing decision is "the selection of an option from two or choices." The purchase decision can be interpreted as a person's decision to choose one of several. [24] stated that purchasing decisions are the stages in which consumers buy various products and brands, starting with need recognition, information search, information evaluation, making purchases, and then evaluating post-purchase decisions. According to Kotler and Armstrong (2016:177), purchasing decisions are components of consumer behavior, where consumer behavior is the study of what a person or group looks like in determining, buying, consuming, and what products, ideas, or experiences are to satisfy consumer needs. Decision-making is an individual activity directly involved in obtaining and using the goods offered. The purchasing decision is a problem-solving approach to human activities to buy an item or service to fulfill their wants and needs. It consists of recognizing needs and desires, searching for information, evaluating alternative purchases, purchasing decisions, and behavior after purchase (Swastha and Handoko, 2000:15).

The purchasing decision is the stage in the decision-making process where consumers buy [9] Decision-making is an individual activity directly involved in obtaining and using the goods offered. The purchasing decision is a problem-solving approach to human activities to buy an item or service to fulfill their wants and needs. It consists of recognizing needs and desires, searching for information, evaluating alternative purchases, purchasing decisions, and behavior after purchase. There are four indicators in a person's purchase decision for a product are divided (Kotler and Keller, 2016), which are: (a) Stability of an item and service, (b) Habits in purchasing goods and services. (c) Recommend to others, (d) Make a repeat purchase.

This study aims to analyze the influence of customer delight, brand image, and product innovation on consumer buying decisions, bearing in mind that some of the research results of these three variables can influence consumer buying decisions. This research design uses an explanatory causal type of research which explain the causal relationship (clause) between variables in the study. The method used in research is quantitative research methods. The type of data used in this study is quantitative data derived from respondents' answers to the written question system in the questionnaire. In comparison, the source of data used is primary data, the leading data obtained directly from filling out the questionnaire.

The population in this study are buyers of the Erigo brand in the Surabaya area, East Java province. Because the number of consumers in the region is the largest, a part of the population is taken for samples to represent the population and to draw conclusions, and the sampling technique used is probability sampling on buyers of the
Erigo brand in the Surabaya area, East Java province with random sampling technique. The data was collected using survey techniques. Meanwhile, the instrument used was a questionnaire. After the data was collected, then analyzed using regression analysis and hypothesis testing, while the analysis was carried out using SPSS software.

Result and Discussion

Results

Before the data were analyzed, the validity and reliability of the instrument were first tested [25]. A validity test is used to measure whether a questionnaire is valid. This validity test is carried out by comparing the results of the correlation or r at an error rate of 0.05, and the correlation calculation results show valid numbers for all statement items after issuing several invalid statements. While the validity test was used to determine the consistency of the answers to each statement the respondents answered, the validity test results were carried out with the help of SPSS version 25.0. The results showed that all instruments from Customer Delight, Brand Image, Product Innovation, and Customer Decision were declared reliable.

This study also analyzes the classic assumption test as a requirement in the use of parametric statistics, namely the multiple linear regression test, which is used to find out that this data analysis can be continued with statistical parameters, namely the Normality Test, Multicollinearity Test, and Heteroscedasticity Test. The normality test aims to determine whether the dependent variable and independent variable have a contribution to the regression model or not. The test used is the Kolmogorov-Smirnov with a significance value of 5% or 0.05. If the statistical test results are more than or equal to 0.05, the data can be said to be normally distributed. It is known that the normality test results show an Assumption and P Probability Significant (2-tailed) value of 0.200, which is more than the value of 0.05, so it can be said that research data is typically distributed and declared valid.

The multicollinearity test aims to test whether a regression model has a relationship between independent (independent) variables. This can be seen from the tolerance value; if it is more than or equal to 0.10 and the VIF value is less than 10, then it can indicate the existence of multicollinearity between the independent variables. At the same time, the Variance Inflation Factor (VIF) calculation results show that the tolerance value of all independent variables is more than 0.10 and VIF is less than 10, so it can be said that in the regression model, there is no multicollinearity problem.

Meanwhile, the heteroscedasticity test was carried out to test whether the regression model has variances and residuals from one observation to another. The analysis results show that the scatterplot image does not form a specific pattern, and the dots spread over it. Moreover, below the number 0 on the Y axis, thus it can be said that the test results do not occur heteroscedasticity.

Linear Multiple Regression Analysis

The results of multiple linear regression analysis through SPSS calculations can be seen in table 1.
Table 1. The Result of Coefficients Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients B</th>
<th>Std. Error</th>
<th>Standardized Coefficients Beta</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>5.547</td>
<td>1.711</td>
<td></td>
<td>3.242</td>
<td>.002</td>
<td></td>
</tr>
<tr>
<td>Customer Delight</td>
<td>.204</td>
<td>.081</td>
<td>.254</td>
<td>2.533</td>
<td>.013</td>
<td>.298 3.357</td>
</tr>
<tr>
<td>Brand Image</td>
<td>.506</td>
<td>.118</td>
<td>.503</td>
<td>4.292</td>
<td>.000</td>
<td>.219 4.569</td>
</tr>
<tr>
<td>Product Innovation</td>
<td>.093</td>
<td>.091</td>
<td>.135</td>
<td>1.022</td>
<td>.309</td>
<td>.173 5.797</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Decision

Based on the table above, the regression equation is obtained as follows:

\[ Y = 5.547 + 0.204 (X_1) + 0.506 (X_2) + 0.093 (X_3) \]

The result of the multiple linear regression equation above contains implications:

a) The constant 5,547 means that if the variable customer delight, brand image, and product innovation does not exist \((X_1, X_2, \text{and} \ X_3 = 0)\), then the Purchase Decision is at number 5,547.

b) The regression coefficient \(X_1\) (Customer Delight) of 0.204 means that each additional point of the price perception variable will increase the Purchase Decision by 0.204 times.

c) The regression coefficient \(X_2\) (Brand Image) 0.506 means that each point added to the brand image variable will increase the Purchase Decision by 0.506 times.

d) The regression coefficient \(X_3\) (product innovation) is 0.093, which means that every point added to the product innovation variable will increase purchase intention by 0.093.

T-test Analysis

The t-test is used to test the hypothesis partially, or the effect of each variable \(X\) on variable \(y\), and the results can also be seen in table 1, which can be explained as follows:

1. Test the Customer Delight \(X_1\) Variable. The sig value is obtained. \(X_1\) 0.013 <0.005 with a t count of 2.533 > t table 1.660, which means that H1 is accepted so that it can be said that customer delight significantly affects consumer buying decisions.
2. Test the Brand Image Variable \(X_2\). The sig value is obtained. \(X_2\) 0.000 <0.005 with a t count value of 4.292 > t table 1.660, which means H2 is accepted; therefore, it can be said that brand image significantly affects consumer buying decisions.
3. Product Innovation Variable Test \(X_3\). The sig value is obtained. \(X_2\) is 0.309 <0.005 with a t count of 1.022 > t table 1.660, which means H3 is rejected. This means that product innovation has no significant effect on consumer buying decisions.

F-Test Analysis

The F-test is used to test the hypothesis simultaneously, or the effect of each variable \(X\) on variable \(y\), and the results can also be seen in table 2.
**Table 2. The Result of ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1258.545</td>
<td>3</td>
<td>419.515</td>
<td>78.973</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>509.965</td>
<td>96</td>
<td>5.312</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1768.510</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Decision  
b. Predictors: (Constant) Customer Delight, Brand Image, and Product Innovation

Based on the data above, the sig. 0.000 < 0.005 and Fount value 78.973 > F table 2.699. This means that H3 is accepted, and the variables X1, X2, and X3 have a simultaneous and significant effect on variable Y.

**Determinant Coefficient (R²)**

**Table 3. Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. An error in the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.844a</td>
<td>.712</td>
<td>.703</td>
<td>2.305</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Inovasi Produk, Customer Delight, Citra Merek  
b. Dependent Variable: Keputusan Pembelian

From the table above, it is explained that to find out how much the variability of the independent variables is in explaining the dependent variable indicated by the R square value of 0.712. It means that the variability of the variables Customer Delight (X1), Brand Image (X2), and Product Innovation (X3) can explain Purchase Decisions (Y) of 0.712 or 71.2%. The remaining 28.8% is explained by other variables not examined in this study.

**Discussion**

**The Effect of Customer Delight on Purchasing Decisions.** Based on the results of research data analysis, the promotion variable (X1) positively affects purchasing decisions (Y). This is supported by the t-count value, where the t-count value of the promotion is 2.533 with a significance level of 0.013 < 0.005 and the regression coefficient value is 0.204, so this study proves that the variable Customer delight has a positive and significant effect on purchasing decisions for Erigo products in City of Surabaya. The results of this study can confirm the theory according to Kotler and Armstrong (2016: 314). Customer Delight is the number of people who will buy and be charged for a product or service or the amount of value exchanged by consumers for the benefits of having or using a product or service. The results of this study are the same or in line with
what was done by [10]; the variable customer delight is stated to have a significant effect on purchasing decisions.

**The Effect of Brand Image on Purchasing Decisions.** Based on the results of research data analysis, the Brand Image variable (X2) positively affects purchasing decisions (Y). This is supported by the t-count value, where the t-count value of product quality is 4.292 with a significance level of 0.000 < 0.005 and a regression coefficient value of 0.506. This study proves that the brand image variable positively and significantly affects purchasing decisions for Erigo products in Surabaya. The results of this study can confirm the theory of [26] According to Tipton, Brand Image is a form of marketing communication, meaning marketing activities that seek to disseminate information, influence or persuade and or remind the target market of the company and its products to be willing to accept, buy and be loyal to products offered by the company concerned. This theory was also found in the research of [16]. Brand Image variables affect Purchase Decisions.

**The Influence of Product Innovation on Purchasing Decisions.** Based on the results of research data analysis, the product innovation variable (X3) does not affect purchasing decisions (Y). This is supported by the results of the t-count partial test, where the t-count value of product innovation is 1.022 with a significance level of 0.309 > 0.005 and a regression coefficient value of 0.093. in the city of Surabaya. The results of this study can confirm the theory from [9] with the result that product innovation has no significant effect on purchasing decisions. Product innovation is a form of marketing communication, meaning marketing activities that seek to disseminate information, influence or persuade and or remind the target market of the company and its products to be willing to accept, buy and be loyal to the products offered by the company concerned. Product innovation is not significant for purchasing decisions because consumers do not see innovation in purchasing products. This theory is also found in research by [18] which states that product innovation is not significant for purchasing decisions.

**Conclusions**

Based on the results of data analysis and discussion, a conclusion can be drawn; from the results of the t-test, it is found that Customer Delight has a significant effect on Purchasing Decisions, besides that Brand Image has a significant effect on Purchasing Decisions. Product Innovation has no significant effect on Purchasing Decisions, but when tested simultaneously shows that Customer Delight, Brand Image, and Product Innovation have a significant effect on Purchasing Decisions. The implications of the results of this study indicate that Erigo users in Surabaya are considered to have customer delight, and customers highly consider brand image. Therefore it must be maintained. Attract the interest of buyers. The results of this study are expected to be used as a tool as an ingredient in maximizing product sales. Further research is suggested to examine the factors that influence the brand image of a product.

**References**


