

## THE LEVEL OF AWARENESS, DIFFERENTIATION, AND BRAND VALUE IN CONSTRUCTING FARMER PERCEPTION INFLUENCING THE DECISION OF CORN SEED HIBRIDA PURCHASE

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### Abstract

Looking at the competition in a market that is so tight, a consumer perception of a brand is very important, because manufacturers know that knowledge is used to marketing strategy. The perception of a person can form due to lack of awareness, differentiation, and the value provided by a brand. The purpose of the implementation of research i.e. knowing the level of awareness, differentiation, and value brand in the construct perceptions of farmers in hybrid corn seeds, and analyzing the simultaneously and the partially influence variables of brand awareness, differentiation, and value of brand that affect the decision of the purchase of hybrid corn by farmers. The results obtained the overall perception of the farmers who formed on the basis of the level of awareness, differentiation, and value brand of the majority are on a negative category, due to the logistical regression model using the result that there are simultaneously influence toward brand awareness, brand differentiation, and value brand of hybrid corn seed purchase decisions. From the test partial correlation revealed that the variable brand value most affecting of farmers' decision in buying a hybrid corn seeds merk X.

Keywords: *Perception, Awareness, Differentiation, Brand Value.*

### Introduction

Brand is a tool to increase the company's earnings, because brand will be difficult to be imitated by competitors (Knapp, 2000). With the brand, the consumer's perception of a product can be known. Consumer's perception is a process where a variety of stimuli is selected, organized and interpreted into meaningful information (Ferrinadewi, 2008). Perceptions become important for the producers of cause can find out how their brand position after released in the market. Consumer's perception of a brand can be found by measuring the level of awareness, differentiation, and value brand as long as it is perceived by the consumer (Sadat, 2009).

Brand awareness according to Aaker (1997) is the ability to identify prospective buyers and recall that a brand is part of a specific product category. In accordance with the definition of brand awareness and ability to remember and recognize the brand of a product then in relation to the psychological process in the concept of farmer perceptions of farmers is important enough influence on the decision to purchase a hybrid corn seed.

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Therefore, the attribute that is used to measure the brand awareness are name, slogan, design, packaging, and logo.

Brand differentiation is the creation of brand new products and have different characteristics and uniqueness. The concept of differentiation of the brand include some attributes of the brand, the quality and service as well as the facilities and prices. However in this research of differentiation can be measured by using the price and service. Price and service are attributes that are easily observed and in a simple easy to understand by the farmers so that the measurement of perception in terms of brand differentiation is easy to do.

The value of a brand is a promise that contains a number of reasons customers should buy a brand. Brand value is measured in the study of the emotional value and functional value. The emotional value includes the ego and self-esteem, and the functional values include pest resistant disease, the age of the harvest , rendemen , and production.

To build consumer perceptions about a brand is not easy , moreover , the perception of farmers systematic effort it takes so simple , easy accepted by farmers in accordance with the purpose and the desire of producers . To build a positive perception systematic and simple of a brand will allow farmers to take the decision in purchasing a particular brand of seed corn hybrids.

This research is focused on farmers ' perceptions that influence the purchasing decisions of hybrid corn seed brand x. as for farmer's perception of the component measured by brand awareness, brand differentiation, and value brand. The third component is able to describe the process of psychological consumers (farmers) in providing their interpretation of a brand of seed corn hybrids (consumer perception). Thus knowable how perceptions of hybrid corn seed farmers against brand X and its influence on purchase decisions.

The aim of this research is to find out the level of brand awareness, brand differentiation and brand value in construct the perception of farmers hybrid corn seed brand X, and to analyzes the simultaneously and the partial affecting variable of awareness, differentiation and value brand that influence decision purchase hybrid corn seeds the brand X by farmers.

### **The Theoritical Framework**

To know how a brand can shape perceptions of consumers, can be done by first knowing the level of awareness, the degree of differentiation, and level the value of existing brands in the consumer's self (Sadat, 2009). Next to measure these levels required a special approach that should be noted on the respective levels (awareness, differentiation, and value). Such approaches include brand awareness can be approached with brand identity, differentiation can be approached with positioning, and brand value can be approached with the value proposition.

Brand identity according to Sadat (2009) is the expected traits can be attached to the main of customers. So when seen or heard the brand then consumers will know the information about the brand. Further disclosed that there are components within the brand identity among other names, logos, colors, design and packaging, slogan, tagline, brand character, endoser, and web site URL. However, not all components of the brand identity in the outlines used in this research. Components that are not used are made up of a tagline, brand, character, endoser web site and URL. It is based as education level which is owned by farmers are generally considered low (average PRIMARY SCHOOL graduate), so it is possible when these components are used then the farmers will not understand it. Therefore, in this study, attributes that are considered in the form of attributes that are common and are often seen by farmers i.e. brand name, logo, colour, slogan, design dan packaging.

A good brand identity without a strong brand positioning is quite useful, because other companies are able to imitate it. Brand positioning is an effort put the brand in the minds of customers. Efforts can be made in the form of an emphasis on the belief the brand, the benefits, features and attributes, based on the difference of usage, the emphasis on competition, categories, based on the issues, personalities, claims to be the most and through the imagination (Sadat, 2009). However, in this study are not all attempts are used, because there are several of these efforts will be difficult measured in the field. Therefore taken one effort is expected to ease in measuring such emphasis on the difference.

Kartajaya (2010) asserting that a brand/product will be as different when viewed in terms of price, quality, and service. For consumers who have low incomes, price is a constraint in choosing a brand, different from consumers who have high income becomes an issue price is not meaningful. As in the micro economic theory which States that the existence of price changes will exert influence power of substitution and income effects on

consumers (Case, 2002). For a consumer, services provided the company is significant in choosing a brand. Consumers are disappointed to a brand, one of which caused the quality of which is not in accordance with the offer of the company. Firmansyah (2000) in his research stating that quality, service, facilities and prices affect consumers in choosing the Inn. This indicates that service and price holds an important role in the decision a consumer. However, in this study the components used in the positioning is just the price and service. This is because the quality is of the functional value of the categories contained within a brand. Functional value in this research are classified into the components of the value proposition.

Sadat (2009) reveals that the value proposition is a combination between conformance with customer needs attributes possessed by the brand. He further said that the proposition value classed for the emotional and value functional. The emotional value is the value that comes from within the consumer, whereas the value of a function is the value that comes from the product. The emotional value of the examined more affective system leads to existing in themselves consumers. Peter & Olson (1999) classifies these affective system into the emotions, feelings, moods, and evaluation. However, the emotional value in this research include the extraction of the affective (emotion, feelings, moods and evaluation), the attributes are the ego and self-esteem. The extraction was done because of the emotions, feelings, moods, and evaluation when applied directly in the field then the measuring will be difficult and tend to be biased. It caused the respondent to be faced is the low educational level of the farmers so it is difficult to express his heart. The Ego can describe how a consumer choose a brand, is based on the influence of others or indeed comes from the decision itself. Self-esteem can describe how a consumer choose a brand, whether you want to show the identity or for suggestions from others. While the functional value is the value that comes from the seed products ability to resist pests diseases, age harvest short, high production and high yield.

Of the three approaches the concept of perception can be formed so that raises a judgment or interpretation the brand of a product by the consumer. Through three of these variables would describe the perception of farmer who influenced him in purchasing decisions of hybrid corn seed brand X. Consumer perception is one form of communication between consumers with the manufacturer regarding the accepted or whether the brand of a product on the market

## Hypothesis

1. Variable levels of brand awareness, differentiation, and value proposition that construct the perception of farmer simultaneously have influence on purchasing decisions brand X
2. The value brand of the variable partially is the most influence the decisions of purchase a hybrid corn seed brand X. This is because the variable value contains the meaning of the benefits obtained by farmers after using hybrid corn seed and farmers more concern with the value variable than other variable.

## Research Methods

The study is done in the village Pelem, sub-districts Pare, district Kediri. The determination of the location of the research done on purpose (purposive) on the grounds that this region is a region that has an intense competition between the manufacturers of hybrid corn seed, where there are about four multinational scale manufacturers who compete at these locations.

Based on the results of a preliminary survey conducted on the merchants (shops), corporations, and other villages, does not acquired data or information on the address/place of residence as well as the number of peasant farmers to plant corn seeds brand X. With such considerations in this research are used in determining the method of accidental sampling respondents will be interviewed. As for the criteria of farmers who become the respondents i.e. farmers who ever wears the seeds brand X or is using seeds brand X. when any farmers who is found not to meet those criteria then the interview will not be done. The number of respondents that are used in this research as much as 55 farmers.

Methods of data collection on this research was conducted through interviews. Data obtained from the results of the interview are then processed by using an analysis of description and analysis of logistic regression (logit). Logit analysis is used with the aim to find out if the brand image (variable brand awareness, differentiation, and value brand) has an influence on purchasing decisions brand seeds brand X by farmers. Logistic regression variables can be explained as follows:

a. Dependent Variable

$Y = 1$ , if the farmers decided to buy a hybrid corn seed brand X

$Y = 0$ , if the farmers decided not to buy a hybrid corn seed brand X

b. Independen Variable

Independen variables are the variables that influence the decisions of farmers in buying seed corn hybrids include:

$X_1$  = Variable brand awareness

$X_2$  = Variable brand differentiation

$X_3$  = Variable brand value

The formulation of logistic regression in this research become :

$$Li = \ln\left(\frac{P}{1-P}\right) = y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3$$

Dimana  $\beta_0$  = Constanta

$\beta_1 - \beta_6$  = Coefisien regresion

For analyzing using logit , this research using computer program which is the software SPSS 16 for windows

## The Result

### The Levels of Brand Awareness

Brand awareness is the ability to identify consumer brands in a variety of different situations (Ferrinadewi, 2008). Further it is said that high brand awareness within a consumer can occur due to the high frequency of consumers exposed by the same brand. In this case the variable specified with an attribute awareness of brand are names, logos, slogans, as well as the design and packaging. From the results of the interview revealed the level of awareness of farmers brand X as follows:

Table 1. Brand Awareness of Brand X

Scale	Category	Interval	Amount	%
1	Strongly Disagree	11 - 19.8	0	0%
2	Disagree	19.9 - 28.7	0	0%
3	Quite Agree	28.8 - 37.6	11	20%
4	Agree	37.7 - 46.5	27	49%
5	Strongly Agree	46.6 - 55.4	17	31%

What is meant by category strongly agree, when respondents who is interviewed can answer questions less than a set amount of time so that the consumer can be classified are keenly aware of brand. Category agree when respondents do twice error in filling letters is missing so respondents can be classed aware of brand. Category quite agree when respondents do three times error in filling letters is missing so respondents can be classed quite aware of brand. Category disagree when respondents do four times error in filling letters is missing so respondents can being inducted into category not aware of brand. While category strongly disagree when respondents do five times error in filling letters lost or when respondents sent fill letters are gone, respondents answer not know therefore respondents this can being inducted into strongly unaware of brand.

From table 1 known as much as 49% of the farmers are aware of the brands X. This happens when farmers were treated to a question about attribute name, brand awareness such as logos, slogans, as well as the design and packaging, farmers did not need a long time to respond to the questions asked. Farmers' ability to provide answers quickly, due to the level of exposure of farmer with brand X belongs to high. High rates of exposure of the brand can be seen in the frequency of farmers in using brand X. When the frequency of the use of seeds brand X continues to be improved then it might be the level of brand awareness is going to be higher.

### **The Level of Brand Differentiation**

Differentiation is something that distinguishes certain brands with other brands. In this differentiation consists of attributes used in price and service. From the results of the processing of the data revealed that the level of differentiation of the brand are as follows:

Table 2. The level of differentiation of the brand X

Scale	Category	Interval	Amount	%
1	Strongly Disagree	5.0 - 9.0	1	2%
2	Disagree	9.1-13.1	34	62%
3	Quite Agree	13.2-17.2	13	24%
4	Agree	17.3-21.3	7	0%
5	Strongly Agree	21.4-25.4	0	0%

From table 2 it can be seen there as much as 62% of the farmers belong in the category disagree. This means that price and service provided the company is considered to be the foremost objective is not in buying brands X. For farmers with high prices and friendly service is not necessarily give good quality assurance on the seeds. Farmers will feel very disappointed when the seeds are purchased at a high price but the quality is obtained does not comply with expectations.

### The Level of Brand Value

The value of a brand is a brand that can be given benefits to consumers, the perceived benefits of emotional and functional benefits of brand (Sadat, 2009). In this case the brand value is determined based on the attributes of the ego and self esteem, resistant to pests and diseases, the age of the harvest, production, and yield. From the results of processing of data obtained results about consumer perceptions of brands X as follows:

Tabel 3. The Level of Brand Value of Brand X

Scale	Category	Intervals	Amount	%
1	Strongly Disagree	12 - 21.6	0	0%
2	Disagree	21.7 - 31.3	0	0%
3	Quite Agree	31.4 - 41	11	20%
4	Agree	41.1 - 50.7	27	49%
5	Strongly Agree	50.8 - 60	17	31%

The category referred to by strongly agree , if farmers felt seed of brand X able to provide benefit beyond the farmer . Category agree when the seed of brand X able to provide benefit in accordance with the farmer . A category quite agree when the seed of brand X able to provide benefit modest for farmer . Category disagree when the seed of brand X benefit not in accordance with the farmer . While the category of strongly

disagrees if not at all , there 's the advantage that is to be proud of farmers ' using of brand X .

From 3 tables above can be seen that a total of 49 % farmers said they agreed brand X having the benefit of emotionally or functional . This means that until recently seed brand X are still able to provide mutual benefits for a farmer . Besides conclusions may be drawn that farmers consider the value to be obtained from the use of brand X in the future.

### Peceptions of Farmers

Perception is a process where a variety of stimuli is selected, organized and in the interpretation of a meaningful information (Ferrinadewi, 2008). It further said, that stimuli include (1) product prices are expensive, (2) assessment of another person, (3) the threat of physical, psychological, that great due to the usage of the product, (4) the consequences to terminate other products are preferred, (5) the results of usage can be proven, yet still affect your buying decision a consumer in the future. In this study, the stimuli are measured in the form of a brand name, logo, slogan, brand design and brand packaging, price, service, ego and self esteem when farmers consume brand, the ability of seeds to resistant to pests and diseases, harvest age short, high production and high yield. From the results of interviews conducted on 55 farmers who ever used the brand X, obtained the following results:

Table 4. Decision Purchase Basen on Perception

Perception Category	Interval	Amount of person	Decision of purchase*			
			Buying	%	Not buying	%
Positif	116,4 – 133	10	7	70	3	30
Netral	99,7 – 116,3	19	7	37	12	63
Negatif	83 – 99,6	26	9	35	17	65

Note \* : The level of perception from 55 responden basen on awareness level, differentiation, and value brand.

From table 4 can be seen that there are three levels of category perception shared by farmers (consumers) are positive, neutral, and negative. The positive perception of the meaning of the category has a variety of stimuli that brands are captured by the senses, farmers are thought to have a useful benefit for farmers. Neutral perception category means

that the various stimuli brand that is captured by the senses, farmers are thought to have benefits that mediocrity for farmers, while the negative perception of the category that has the meaning of stimuli-brand, is considered to have no useful benefit.

Upon the columns intervals , value was obtained from the total perception farmers using hybrid corn seeds brand X . The total value of was then sought the lapse of the class . After a lapse of its class sought and obtained value as there are on the table 4 .

Of the 26 people are farmers who have a negative perception of brand X, are known to have 17 people decided not to buy a while decided to buy there is 9 people. On a positive perception of the categories, there are 10 people are farmers, which of these there are three people who decided not to buy and 7 persons who decide to buy. These conditions show that the result of a perception of a brand so farmers will increasingly affect the decision to purchase. Farmers who have negative perceptions of a brand, then the purchase decision will further lead to not buy. This is in accordance with the theory of perception which is revealed by the Ferrinadewi (2008) stating that a consumer who has a negative perception of a product or brand would tend not to buy it, because a consumer will attempt to avoid the risk that occurs when still consume the brand.

From table 4 can be seen that farmers who have a very small number of perception positif compared to farmers who have a negative perception. This means farmers are the future, respondents tend not to buy brand X in the next growing season. This is in accordance with the data obtained from the field that the number of farmers who decided to buy brand X in the next planting season amounted to 23 people while planning not to buy as many as 32 people.

### **The Influence of Simultaneously**

When the calculation is performed simultaneously from the variable levels of awareness, differentiation, and value brand, it will be retrieved results calculation of 32.5%. This means the influence of the variable awareness, differentiation, and value brand was only able to influence the decisions of farmers to buy 22 of 32.5% of NK. This condition may be caused due to a case of the white spot or bulai (kind of disease) of farming corn farmers. The disease is not only attacking one brand seed corn hybrids, but has all the other hybrid corn seed brands. With the presence of the disease, causing great loss of farmers and are planning to not berusaha tani first corn until there is a resolution solution to address it.

In addition to the cases of white spot or bulai that causes low level of purchase seed corn brand x, that farmer not at all affected with attributes brand name , as logo , slogan in choosing seed hybrid corn. Farmers more kind of chose hybrid corn seeds having benefits in conformity with expectation farmer . Decision farmers in choosing hybrid corn seeds , average affected by fellow farmers ( friends ) . Farmers more so to friend because farmers having second thoughts if friend will not providing news the lie about quality seeds being used .

### **The Partial Calculations**

#### **A. Brand Awareness ( $X_1$ )**

Calculation of partially unknown variable contribution brand awareness against the decision of the purchase of 9.67486 E-05%. This value is not more than 1% so it can be inferred that the variable brand awareness has little effect against decisions of farmers in buying a hybrid corn seed brand x. This is because farmers are more influenced by fellow farmer (friends) who have used the brand before. A strong brand awareness more because farmers have used the brand before or brand X familiar to farmers, so that farmers recognise the brand attributes such as name, logo, slogan, design and packaging brands. Ferrinadewi (2008) revealed that, when consumers are more familiar with the product then the easier it is for him to remember information presented because consumers will easily build a map or associative networks.

#### **B. Brand Differentiation ( $X_2$ )**

Of the result of reckoning in partial , contribution given by variable differentiation brand against an onset of decision purchase of 2,34258e-04 % . This value no more than 1 % so can categorized if variable differentiation brand has little effect of the decision purchase hybrid corn seeds brand x. It because prices and service given by a company less into consideration farmer when will buy brand X

#### **C. Brand Value ( $X_3$ )**

From the results of the calculation of partial, unknown variable value contribution given to the brand X brand purchasing decisions of 99.99568%. This value is very significant difference with other variables (brand awareness and brand differentiation), it indicates that a variable's value brand has the important role of hybrid corn seed purchase

decisions brand X by farmers. Therefore it can be concluded that before choosing to buy brand X, farmers first considering production, yield, harvest, as well as the ability of aged seeds for tolerant to pests and diseases of plants.

## **Conslusions and Recommendations**

### **Conslusions**

1. The level of awareness of farmers against brand X in the category agrees with a percentage of 49 per cent. This condition indicates that the farmers have known brand X both in terms of name, logo, slogan, as well as the design and packaging. The level of brand differentiation in a category does not agree with a percentage of 62 percent. The condition indicates if the price and the service is not a major factor for farmers in choosing a hybrid corn seed brand x. brand value Rate of hybrid corn seeds for farmers is brand X in the category agrees, with the peresentase of 27 percent. This means in the purchase decision considering the benefits to farmers. When viewed as a whole, the perception of farmers formed based on the level of awareness, differentiation, and value brand of the majority are on a negative category. This means there needs to be improvements in the system of marketing that has been around, so that in the future the company may compete with the better.
2. Note that the influence of simultaneously from the level of brand awareness, brand differentiation, and value brand of hybrid corn seed purchase decisions brand X 0,325 amounting to or equal to 32.5%. The low level of this influence purchase brand X is low because farmers are not affected by the attribute's name, slogan, logo, brand and packaging design, price and service. In his decision to buy a hybrid corn seeds, farmers are more influenced by a friend (fellow farmers). This is because the farmers had intensified when friends won't give you the news that lie about the quality of the seed that is used.
3. From the results of the partial correlation test used to look at the influence of each independen variable with respect to dependen variable, it is known that the variable brand value is most influencing of farmers ' decision in buying a hybrid corn seed brand X. Contribution given these variables against the occurrence of hybrid corn seed purchase decisions brand X of 99.99%. This indicates that the farmer is seen when looking to buy a hybrid corn seed values are functional or emotionally to be obtained later.

## Recommendations

### 1. For Company

In buying a hybrid corn seed, into consideration farmers is the value that is obtained after using these seeds (emotional and functional value), then the company must be able to maintain the quality of the produced. So when the company is capable of doing so, farmers will feel satisfied and proud to use brand X

### 2. Next Researcher

More deepen this research by adding other attributes that should be able to figure out the behavior of farmers against the hybrid corn seed brand and apply it against other hybrid corn seed brands. So the information about the influence of the brand against the decision of farmers can be enriched.

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