

# THE INFLUENCE OF BRAND IMAGE, PRODUCT QUALITY AND PRICE PERCEPTION ON THE COMPETITIVENESS OF ORIFLAME PRODUCTS IN JAKARTA

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## ABSTRACT

This research aims to determine the influence of brand image, product quality and price perception on the competitiveness of Oriflame products in Jakarta. The sample in this study was 100 respondents who had used Oriflame products. This research uses primary data with data collection methods through questionnaires distributed to 100 respondents. The data analysis technique uses inferential analysis with multiple linear regression and uses the Statistical Product and Service Solution (SPSS) Version 23 program. The results of multiple linear regression analysis show that the brand image variable (X1) has an influence of 0.154 or 15.4%, The product quality variable (X2) has an influence of 0.142 or 14.2%, the price perception variable (X3) has an influence of 0.316 or 31.6% on competitiveness. Thus, it can be concluded that brand image variables, product quality variables and price perceptions influence product competitiveness together.

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## 1. INTRODUCTION

The business world is now developing very rapidly. The development of a business triggers competition between various companies. Companies are required to continue to innovate and develop marketing management tactics to be able to face the current competition. Competition occurs when companies emphasize each other's business advantages. Especially for similar companies that are active in the field of care and beauty. The development and competition of companies from various parts of the world is proven by the emergence of many types of brands present, especially in Indonesia.

The Indonesian beauty industry is the third largest market in Asia, Indonesia is a very popular market opportunity for beauty industry players. The emergence of the phenomenon of celebrities involved in the beauty sector, such as those often seen on social media or more familiarly known as beauty influencers, has also encouraged the progress of the care and beauty product industry in Indonesia.

Jakarta is a city where there are many growing beauty and care industries, one of which is Oriflame. Oriflame has been operating in Indonesia since 1986 and is headquartered on Jl. Bulungan No. 16, Jakarta. At that time Oriflame was a pioneer of Multi Level Marketing (MLM) in Indonesia. Oriflame offers care products from head to toe. Oriflame products consist of cosmetics, skin care, hair care, body care, wellness and fragrances. Oriflame is relatively popular in Indonesia, this is proven by the many awards that Oriflame has won, one of which is the Top Brand Award. The results of a national scale survey show the rating of Body Butter / Body Cream products included in the Top Brand Index for 2018-2020 as in table 1.1 below:

**Table 1** Rating of Body Butter / Body Cream Products in the Top Brand Index

No	2018	2019	2020
1.	<b>Oriflame 16.8%</b>	The Body Shop 30.9%	The Body Shop 42.5%
2.	Wardah 16.4%	<b>Oriflame 19.4%</b>	<b>Oriflame 14.2%</b>
3.	The Body Shop 12.7%	Mustika Ratu 13.2%	Mustika Ratu 10.1%
4.	Mustika Ratu 12.5%	Wardah 9.0%	Wardah 9.2%
5.	Dove 11.7%	Dove 8.3%	Dove 7.8%

Source: <http://www.topbrand-award.com>

The brands included in the Top Brand Index compete with each other. Oriflame is not the only brand developing in Indonesia. Now there are many competitors from domestic brands and brands from abroad. In 2020, competitors' sales were increasingly high, causing some Oriflame consumers to switch to competitors (The Body Shop) and causing a decline in Oriflame sales.

**Table 2** Oriflame Jakarta Sales Volume in 2019 and 2020

Month	2019 Sales Level	2020 Sales Rate
January	Rp.22,370,859	Rp.31,725,303
February	Rp. 18,074,103	Rp.38,994,620
March	Rp.47,106,898	Rp.39,342,487
April	Rp.34,250,492	Rp.29,407,201
May	Rp.51,915,586	Rp.38,926,593
June	Rp.71,399,011	Rp.27,136,209
July	Rp.68,667,052	Rp.26,297,655
August	Rp.49,413,661	Rp.16,114,831
September	Rp.21,099,099	Rp. 14,520,407
October	IDR 21,528,997	Rp. 14,608,314
November	Rp. 11,758,713	Rp.9,122,459
December	IDR 20,508,678	Rp. 1,532,960

Source: Activity Report Independent Senior Manager Jakarta, 2020

It can be concluded that Oriflame Jakarta's sales volume has decreased due to sales factors and consumer price perceptions which are influenced by competition from other products. Another factor that influences competitiveness is product quality. In competition like today, companies are required to provide quality products and have added value, so that they look different from competitors' products. According to Kotler and Keller in Anggraeni, Kumadji, & Sunari (2016) "quality is the overall characteristics and properties of a product or service that depend on its ability to satisfy the expected needs of customers. Quality can be met when the company can provide products according to customer expectations and even exceed customer expectations. Companies that offer quality will create good relationships with customers. Good relationships that have been created in the long term will make the company understand the customer's expected needs. Things like this will provide positive benefits for the company."

## 2. METHOD

This research uses two types of data, namely primary data in the form of a questionnaire, and secondary data obtained through the Top Brand Index. The population that the author took were Jakarta residents. There are countless users of Oriflame products in Jakarta. The research object is Competitiveness (Y) which is influenced by Brand Image (X1), Product Quality (X2), Price Perception (X3). The population of DKI Jakarta in September 2020 was 10.56 million people (BPS DKI JAKARTA PROVINCE, 2021). The author used non-probability sampling, using the Wiliam Formula, the researcher took a sample of 100 respondents to represent the population. The data analysis method used is a statistical analysis method using IBM Statistics 23 software.

## 3. RESULT AND DISCUSSION

### Description of Research Data

The object of this research is product competitiveness which is influenced by brand image, product quality and price perceptions of Oriflame products in Jakarta. The target objects of this research are brand image, product quality and price perception. For the purposes of descriptive analysis, respondent characteristics are included. Respondent characteristics are data about the respondent's personality. These characteristics are needed to make it easier for researchers to analyze respondent data. Such as age, gender, domicile, occupation and monthly income level.

### A Brief History of the Company

#### a. General description

Oriflame is a social selling beauty company engaged in designing, developing, manufacturing and global marketing of products ranging from skin care, cosmetics, fragrances, hair and body care, to accessories and fitness. Oriflame in Indonesia is entrusted to PT. Orindo Alam Ayu which started operating in Jakarta in 1986, and opened branches in Indonesia, namely: Jakarta, Bandung,

Palembang, Medan, Surabaya, Pekanbaru, Makasar. Oriflame develops its formulations and cosmetic products from natural ingredients combined with advanced science.

b. History of Oriflame

Oriflame (PT. Orindo Alam Ayu) started in 1967, in a small office in Stockholm. Two brothers, Jonas and Robert af Jochnick, and their friend, Bengt Hellsten, sit and talk about their dreams. They wanted to create a different company that offered a different type of product. They then came up with the idea of giving people the opportunity to benefit from high-quality beauty products inspired by Swedish nature. At that time, this idea was not common – especially in Sweden. However, this conversation actually marked the beginning of an extraordinary journey that continues to inspire more than 50 years later. Currently, Oriflame is present in more than 60 countries with the number of members selling and promoting beauty and wellness products reaching three million people.

c. Oriflame Marketing Strategy

Oriflame is a direct selling company with Multilevel Marketing, Oriflame products are sold directly to consumers by independent distributors or members, not by Oriflame employees. Oriflame's goal in using a direct selling system is to increase the number of sales by prioritizing product and service quality, so that consumers feel satisfied. Conventional sales involve a whole range of intermediaries to pass the product from the factory to the consumer, where everyone takes advantage, Oriflame shares the profits with distributors which should be for wholesalers, retailers and wholesalers, from the costs that can be saved this allows Oriflame to sell high quality products at competitive prices.

**Respondent Description**

a. Characteristics of Respondents Based on Age

The results of research on 100 respondents or samples, namely those who used Oriflame products, revealed the percentage of respondents based on age, so the following table results were obtained:

**Table 1** Characteristics of Respondents Based on Age

Age	Number of Respondents	Percentage
17-21 Years	57	57%
22-26 Years	31	31%
27-31 Years	3	3%
>31 Years	9	9%

Source: data processed from questionnaire results, processed in 2022

Based on table 1, it can be seen that the number of respondents who have purchased or used Oriflame products aged 17-21 years is 57 people or 57%. Then there were 31 people aged 22-26 years or 31%. Then those aged 27-31 years were 3 people or 3%. And those aged over 31 years were 9 people or 9%.

b. Characteristics of Respondents Based on Gender

The results of research on 100 respondents or samples, namely those who use Oriflame products, know the percentage of respondents based on gender, so the following table results are obtained:

**Table 2** Characteristics of Respondents Based on Gender

Gender	Number of Respondents	Percentage
Woman	93	93%
Man	7	7%

Source: data processed from questionnaire results, processed in 2022

Based on table 2, it can be seen that the number of respondents who have used Oriflame products based on gender level, there are more women, namely 93 people or 93%. And there are 7 men or 7%.

c. Characteristics of Respondents Based on Income Level

The results of research on 100 respondents or samples, namely those who use Oriflame products, show the percentage of respondents based on income level, so the following table results are obtained:

**Table 3** Characteristics of Respondents Based on Income Level

Income	Number of Respondents	Percentage
< Rp.1,000,000	45	45%
Rp.1,000,000 - Rp.3,000,000	26	26%
> Rp. 3,000,000	29	29%

Source: data processed from questionnaire results, processed in 2022

Based on table 3, it can be seen that the number of respondents for Oriflame products based on the respondent's monthly income level is less than Rp. 26%, and the number of respondents' income was more than IDR 3,000,000 as many as 29 people or 29%.

d. Characteristics of Respondents Based on Domicile

The results of research on 100 respondents or samples, namely those who used Oriflame products, revealed the percentage of respondents based on domicile or place of residence, so the following table results were obtained:

**Table 4.** Characteristics of Respondents Based on Domicile

Domicile	Number of Respondents	Percentage
DKI Jakarta	100	100%
Outside DKI Jakarta	0	0%

Source: data processed from questionnaire results, processed in 2022

Based on table 4, it can be seen that the number of respondents using Oriflame products based on domicile or place of residence is 100 people or 100% who live in DKI Jakarta.

**Perception Level Analysis**

Analysis of brand image, product quality and price perception on competitiveness is an analysis taken from questionnaires distributed to Oriflame product users in Jakarta. This research was conducted to determine the influence of brand image, product quality and price perception on the competitiveness of Oriflame products based on the results of quantitative answers using a Likert scale.

**Table 4.** likert scale.

Statement	Scale
Strongly Agree (SS)	5
Agree (S)	4
Undecided (RR)	3
Disagree (TS)	2
Strongly Disagree (STS)	1

Source: Sugiyono (2017:94)

Based on the statements in the questionnaire that was given to 100 respondents, various responses were obtained for the variables Brand Image (X1), Product Quality (X2), and Price Perception (X3) on Competitiveness (Y). Data analysis in the research used the method statistical calculations and SPSS version 23 program tools, with the following results:

a. Descriptive Analysis of Brand Image (X1)

The average value of each indicator in the independent variable brand image (X1) can be seen in table 5 below:

**Table 5** Total Brand Image Mean Score (X1)

Statement	Mean
<b>Brand Identity</b>	4.44
The Oriflame brand is known to many people	
<b>Brand Personality</b>	4.35
The Oriflame brand has a brand image that matches quality product	
The Oriflame brand has a positive brand image in the eyes of consumers	4.29
<b>Brand Association</b>	4.31
The Oriflame brand has a classy impression for consumers	
<b>Brand Attitudes and Behavior</b>	4.33
The Oriflame brand is easy to remember in the minds of consumers	
<b>Brand Benefits and Advantages</b>	4.55
The Oriflame brand has a wide variety of products	
<b>Total Score Mean</b>	<b>26,27</b>
<b>AverageMeanBrand Image (X1)</b>	<b>4,378</b>

Source: data processed from questionnaire results,

processed in 2022. Based on table 5, it shows that of the 100 respondents studied. The total mean score for Brand Image (X1) in general is 4.378. This shows that for every indicator of the brand image variable that was asked to respondents, an answer was obtained that was at least good. Of the six answers, the highest was that the Oriflame brand had many product variations, which was

correct from the indicators of brand benefits and advantages with a score of 4.55. Meanwhile, the lowest answer is that the Oriflame brand has a positive brand image in the eyes of consumers with a score of 4.29.

b. Descriptive Analysis of Product Quality (X2)

The average value of each indicator in the independent variable product quality (X2) can be seen in table 6 below:

**Table 6** Total Product Quality Mean Score (X2)

Statement	Mean
<b>Performance(Performance)</b>	4.21
Oriflame products use natural ingredients	
<b>Reability(Reliability)</b>	4.29
Oriflame packaging design is attractive to consumers	
<b>Features(Specialty)</b>	
Oriflame provides various product variants that are not outdated (up to date)	4.34
<b>Conformance(Conformance to specifications)</b>	4.25
The quality of Oriflame products matches the prices offered	
<b>Durability(Durability)</b>	4.25
The quality of Oriflame products is durable and long-lasting	
<b>Total Score Mean</b>	<b>21.34</b>
<b>AverageMeanProduct Quality (X2)</b>	<b>4,268</b>

Source: data processed from questionnaire results, processed in 2022

Based on table 6, it shows that of the 100 respondents studied. The total mean score for Product Quality (X2) in general is 4.268. This shows that for every indicator of the product quality variable that was asked to respondents, the answer was at least good. Of the five answers, the highest was that Oriflame provided various product variants that were not outdated (up to date) with a score of 4.34. Meanwhile, the lowest answer is that Oriflame products use natural ingredients with a score of 4.21.

c. Descriptive Analysis of Price Perception (X3)

The average value of each indicator in the independent variable Price Perception (X3) can be seen in table 7 below:

**Table 7** Total Price Perception Mean Score (X3)

Statement	Mean
<b>Matching Price with Benefits</b>	
The prices offered by Oriflame are in accordance with the benefits given	4.15
<b>Price compliance with product quality</b>	4.21
Oriflame product prices are in accordance with product quality	
<b>Competitive price</b>	
The prices offered vary according to affordability consumer	4.2
Oriflame often provides discounts (discounts)	4.45
<b>Total Score Mean</b>	<b>17.01</b>
<b>AverageMeanPrice Perception (X3)</b>	<b>4,252</b>

Source: data processed from questionnaire results, processed in 2022

Based on table 7, it involves 100 respondents studied. The total mean score for price perception (X3) in general is 4.252. This shows that for every indicator of the price perception variable that was asked to respondents, an answer was obtained that was at least good, of the four answers the highest was that Oriflame often gave discounts (discounts) with a score of 4.45. Meanwhile, the lowest answer is that the price offered by Oriflame is in accordance with the benefits provided with a score of 4.15.

d. Descriptive Analysis of Competitiveness (Y)

The average value of each indicator in the independent variable Competitiveness (Y) can be seen in table 8 below:

**Table 8** Total Competitiveness Mean Score (Y)

Statement	Mean
<b>Competitive price</b> Oriflame product prices are more affordable than other brands	3.78
<b>Product quality</b> The quality of Oriflame products is better than other brands	3.79
<b>Flexibility</b> The products produced by Oriflame can compete with brands other	4.27
<b>Total Score Mean</b>	<b>11.84</b>
<b>Average Mean Competitiveness (Y)</b>	<b>3,946</b>

Source: data processed from questionnaire results, processed in 2022

Based on table 8, it involves 100 respondents studied. The total mean score for Competitiveness (Y) in general is 3.946. This shows that for every variable indicator of competitiveness that was asked to respondents, an answer of at least doubt was obtained, of the three answers the highest was that the products produced by Oriflame can compete with other brands with a score of 4.27. Meanwhile, the lowest answer is that the price of Oriflame products is more affordable compared to other brands with a score of 3.78.

## Research Analysis Results

### Instrument Test

#### 1. Validity test

The validity and reliability tests that will be carried out in this research will use a sample of 100 respondents. The validity test was carried out to test whether the questionnaire statement proposed as an instrument in this research was suitable for use. The calculation is by comparing the calculated r with the r table. Using the r table formula, namely  $df = (N-2)$ , in this study the number of 100 respondents is  $100-2 = 98$ . With a significance level of 0.05, the r table = 0.1966. If the calculated r has a value greater than the r table where the correlation coefficient is more than 0.196 then the entire statement is declared valid so it can be used in research This.

##### a). Brand Image Variable (X1)

Below are the results of the validity test calculation which consists of six brand image variable statements (X1) using the SPSS version 23 program as a tool to calculate a sample of 100 respondents, so that the following results are obtained:

**Table 9** Brand Image Validity Test Results (X1)

Questionnaire	r Count	r Table	Information
X1_a	0.712	0.196	Valid
X1_b	0.687	0.196	Valid
X1_c	0.658	0.196	Valid
X1_d	0.734	0.196	Valid
X1_e	0.726	0.196	Valid
X1_f	0.582	0.196	Valid

Source: Primary Data SPSS 23 Output Item-Total Statistics. Processed 2022

Based on the results of table 9 data, it can be seen that all the questionnaire statements submitted have a Corrected Item Total Correlation value that is greater than the r table value in the N-100th sample, namely 0.196, which means that the overall r count > r table. From the output of the Validity Test, the largest coefficient value for the brand image variable (X1) is found in the fourth statement, namely 0.734, while the smallest value is found in the sixth statement with a value of 0.582. From the overall output results of the proposed validity test using the SPSS 23 program as a calculation tool for the brand image variable (X1), it is declared valid so that all statement items from the brand image variable (X1) can be used for the next stage.

##### b). Product Quality Variable (X2)

Below are the results of the validity test calculation which consists of six product quality variable statements (X2) using the SPSS version 23 program as a tool to calculate a sample of 100 respondents, so that the following results are obtained:

**Table 10** Product Quality Validity Test Results (X2)

Questionnaire	r Count	r Table	Information
X2_a	0.736	0.196	Valid
X2_b	0.788	0.196	Valid
X2_c	0.781	0.196	Valid
X2_d	0.782	0.196	Valid
X2_e	0.765	0.196	Valid

Source: Primary Data SPSS 23 Output Item-Total Statistics. Processed 2022

Based on the results of table 10 data, it can be seen that all the questionnaire statements submitted have a Corrected Item Total Correlation value that is greater than the r table value in the N-100th sample, namely 0.196, which means that the overall r count > r table. From the output of the Validity Test, the largest coefficient value for the product quality variable (X2) is found in the second statement, namely 0.788, while the smallest value is found in the first statement with a value of 0.736. From the overall output results of the proposed validity test using the SPSS 23 program as a calculation tool for the product quality variable (X2), it is declared valid so that all statement items from the product quality variable (X2) can be used for the next stage.

c). Price Perception Variable (X3)

Below are the results of the validity test calculation which consists of six statements of the price perception variable (X3) using the SPSS version 23 program as a tool to calculate a sample of 100 respondents, so that the following results are obtained:

**Table 11** Price Perception Validity Test Results (X3)

Questionnaire	r Count	r Table	Information
X3_a	0.829	0.196	Valid
X3_b	0.858	0.196	Valid
X3_c	0.730	0.196	Valid
X3_d	0.703	0.196	Valid

Source: Primary Data SPSS 23 Output Item-Total Statistics. Processed 2022

Based on the results of table 11 data, it can be seen that all the questionnaire statements submitted have a Corrected Item Total Correlation value that is greater than the r table value in the N-100th sample, namely 0.196, which means that the overall r count > r table. From the output of the Validity Test, the largest coefficient value for the price perception variable (X3) is found in the second statement, namely 0.858, while the smallest value is found in the fourth statement with a value of 0.703. From the overall output results of the proposed validity test using the SPSS 23 program as a calculation tool for the price perception variable (X3), it is declared valid so that all statement items from the price perception variable (X3) can be used for the next stage.

d). Competitiveness Variable (Y)

Below are the results of the validity test calculation which consists of six statements of the competitiveness variable (Y) using the SPSS version 23 program as a tool to calculate a sample of 100 respondents, so that the following results are obtained:

**Table 12** Competitiveness Validity Test Results (Y)

Questionnaire	r Count	r Table	Information
Yes	0.787	0.196	Valid
Y_b	0.808	0.196	Valid
Y_c	0.685	0.196	Valid

Source: Primary Data SPSS 23 Output Item-Total Statistics. Processed 2022

Based on the results of table 12 data, it can be seen that all the questionnaire statements submitted have a Corrected Item Total Correlation value that is greater than the r table value in the N-100th sample, namely 0.196, which means that the overall r count > r table. From the output of the Validity Test, the largest coefficient value of the competitiveness variable (Y) is found in the second statement, namely 0.808, while the smallest value is found in the third statement with a value of 0.685. From the overall output results of the proposed validity test using the SPSS 23 program as a calculation tool for the competitiveness variable (Y), it is declared valid so that all statement items from the competitiveness variable (Y) can be used for the next stage.

## 2. Reliability Test

Reliability test is a test used to determine the consistency of the questionnaire which is an indicator. After the validity test is declared valid, a reliability test is then carried out using Cronbach's Alpha formula. Where an instrument can be said to be reliable. If it has a reliability coefficient or alpha of more than 0.6. The reliability tests that will occur are presented in the table below:

**Table 13** Instrument Reliability Test Results for Brand Image Variables (X1), Product Quality (X2), Price Perception (X3) and Competitiveness (Y)

No.	Variable	Reliability	Alpha	Information
1	Brand Image (X1)	0.772	0.6	Reliable
2	Product Quality (X2)	0.828	0.6	Reliable
3	Price Perception (X3)	0.785	0.6	Reliable
4	Competitiveness (Y)	0.635	0.6	Reliable

Source : Primary Data SPSS 23. Output Reliability. Processed 2022

In table 13, it can be concluded from each questionnaire that the variables brand image (X1), product quality (X2), price perception (X3) and competitiveness (Y) in this study are reliable which is aimed at the Cronbach's Alpha value. All variables have good values. i.e. more than 0.6. So in this research it can be said to be good and acceptable, as seen from the Reliability statistical output, namely the Cronbach's Alpha value for all the variables above, it is said to be good.

### Classic assumption test

#### 1. Normality test

One Sample Kolmogorov-Smirnov Test, or Normality Test is used to determine the population distribution, whether it follows a theoretical distribution (normal, Poisson, or uniform). The aim is to test whether in the regression model, the dependent variable and the independent variable both have a normal distribution. Distribution data is said to be normal if the level of significance value is  $> \alpha = 0.05$  and if on the contrary  $< \alpha = 0.05$  then it is said to be abnormal. Below is a table of results from the Normality Test in this study.

**Table 14** Normality Test Output One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residuals
N		100
Normal Parameters, b	Mean	.0000000
	Std. Deviation	1.44621383
Most Extreme Differences	Absolute	.074
	Positive	.074
	Negative	-.038
Statistical Tests		.074
Asymp. Sig. (2-tailed)		.200c,d

- Test distribution is Normal.
- Calculated from data.
- Lilliefors Significance Correction.
- This is a lower bound of the true significance.

Source: Primary Data SPSS 23. Output Reliability. Processed 2022

The results from Table 14 above show that the Asymp Sig value. (2-tailed) is 0.200. This means that the regression model in this study has dependent variables and independent variables that have a normal sample distribution based on the significance value  $> \alpha = 0.05$ . So it can be said that the distribution of competitiveness results originating from brand image, product quality and price perception is normally distributed at a significance level  $> \alpha = 0.05$ .

#### 2. Multicollinearity Test

The multicollinearity test is used to determine whether or not there are deviations from the classic assumption of multicollinearity, namely the existence of a linear relationship or Variance Inflation Factor (VIF) value. If the Tolerance value is  $> 0.1$  or  $VIF < 10$ , then it can be used so it can be said that there is no multicollinearity in the table. researched. To find out whether multicollinearity occurs, you can see table 4.15 below.



**Table 15** Coefficientsa Multicollinearity Test Output

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	2,482	1,584		1,567	,120		
Image Brand	,107	,094	,154	1,141	,257	,398	2,515
Quality Product	,095	,097	,142	,983	,328	,347	2,880
Perception Price	,265	,104	,316	2,559	,012	,474	2,109

a. Dependent Variable: Competitiveness

Source: SPSS Output 23. Coefficient, linear regression. Processed 2022

Based on table 15 (Coefficients) it can be seen that the variance inflation factor (VIF) for each independent variable has the following values:

- The VIF value of the Brand Image variable (X1) is  $2.515 < 10$  and the tolerance value is  $0.398 > 0.10$
- The VIF value for the Product Quality variable (X2) is  $2.880 < 10$  and the tolerance value is  $0.347 > 0.10$
- The VIF value for the Price Perception variable (X3) is  $2.109 < 10$  and the tolerance value is  $0.474 > 0.10$ . Thus, it can be concluded that the regression equation model does not have multicollinearity and can be used in this research.

### 3. Heteroskedasticity Test

In a good Heteroskedasticity Regression test, heteroscedasticity should not occur. This test is carried out with the aim of testing whether a regression model has unequal variance from one observation to another. A good regression model is homoscedastic, or there is no heteroscedasticity. In this research, the author used the Heteroscedasticity Test with the Glejser test where the test results are in the table below:

**Table 16** Glejser Test Output  
Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1,738	,926		1,878	,063
Brand Image	-.029	,055	-.085	-.528	,599
Quality Product	,040	,057	.121	,705	,483
Perception Price	-.039	,061	-.095	-.647	,519

e. Dependent Variable: ABS\_RES

Source: SPSS Output 23. Coefficient, linear regression. Processed 2022

Table 16 above shows the results of each independent variable, namely Brand Image (X1), Product Quality (X2), and Price Perception (X3). By using the Gletjer model, significant results were obtained greater than 0.05, which means that this research data does not have heteroscedasticity problems so this research can be continued.

### Multiple Linear Regression Analysis

Multiple linear regression analysis is a form of analysis that discusses the extent of the influence of the independent variable (X) on the dependent variable (Y). The independent variables are Brand Image (X1), Product Quality (X2), and Price Perception (X3) then the dependent variable is Competitiveness (Y). In calculating the regression coefficients in this study, the SPSS version 23 program was used. Below is table 4.18, the output results are as follows:

**Table 17** The Influence of Brand Image, Product Quality and Price Perception on the Competitiveness of Oriflame Products in Jakarta

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,482	1,584		1,567	,120
Brand Image	,107	,094	,154	1,141	,257
Quality Product	,095	,097	,142	,983	,328
Perception Price	,265	,104	,316	2,559	,012

a. Dependent Variable: Competitiveness

Source: SPSS Output 23. Coefficient, linear regression. Processed 2022

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Based on table 4.18, it can be seen that the multiple linear regression equation known in the Standardized Coefficients column is as follows:

$$Y = 0.154 X_1 + 0.142 X_2 + 0.316 X_3$$

The interpretation of the results of this equation is as follows:

- The regression coefficient for the Brand Image variable (X1) obtained a value of 0.154. The result is that if the brand image increases by 1 point, it will increase competitiveness by 0.154.
- The Product Quality regression coefficient (X2) obtains a value of 0.142. The result is that if product quality increases by 1 point, it will increase competitiveness by 0.142.
- The Price Perception regression coefficient (X3) obtained a value of 0.316. The result is that if the price perception increases by 1 point, it will increase competitiveness by 0.316.

### Model Feasibility Test

#### 1. F Test (Model Feasibility)

To test the significance of the influence of the independent variables, namely Brand Image, Product Quality, and Price Perception on the dependent variable, namely Competitiveness, using the ANOVA test (F Test). The test results use a significance level of 0.05, namely as follows:

**Table 18** Model Feasibility Test Output (F Test)

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	90,378	3	30.126	13,967	,000b
	Residual	207,062	96	2,157		
	Total	297,440	99			

a. Dependent Variable: Competitiveness

b. Predictors: (Constant), Price Perception, Brand Image, Product Quality

Source: SPSS 23 output. ANOVA. Processed 2022

Based on the output of table 18 above, it can be explained that the calculated F value is 13.967 with a sig value of 0.000. Based on the results of calculations assisted by the SPSS Version 23 program, a value of sig = (0.000) was obtained which is smaller than Alpha or the allowable error limit level, namely 5% ( $\alpha = 0.05$ ). Meaning of Sig value. in the Anova table, the model is said to be significant because it is below the specified alpha value limit of  $0.000 < 0.05$ . So it can be concluded that in this research the model is said to be significant and suitable for use in this research based on the Sig value obtained, that all independent variables can explain any changes in the value of the dependent variable because they have a significant influence.

#### 2. Determination Coefficient Test (R2)

This test is used to find out how much influence the independent variable has on the dependent variable. To find out this percentage, researchers used the Adjusted R Square summary model. Below is a model summary table.

**Table 19** Output Coefficient of Determination (R2)

Model Summary b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.551a	.304	.282	1,469

a. Predictors: (Constant), Price Perception, Brand Image, Product Quality

b. Dependent Variable: Competitiveness

Source: SPSS 23 output processed in 2022

In Table 19 it can be seen that the Determination Coefficient Test value (Adjusted R Square) is 0.282 or 28.2%. This means that the relationship between the independent variable and the dependent variable is 28.2% of the variation in competitiveness is determined by the variables brand image, product quality and price perception, and the remaining 71.8% (100%-28.2%) is explained by other variables not included in this research.

#### 3. t test (Research Hypothesis Test)

This t test aims to test the influence of each independent variable of brand image, product quality and price perception on the dependent variable of Oriflame product competitiveness. An independent variable is said to have an influence on the dependent variable if the calculated t value  $>$  t table with a research significance level of 0.05. And the degrees of freedom  $df (nk-2) = 100-3-2 = 95$ . So we get a t table of = 1.661. Based on the t test calculations from SPSS, it can be seen in the table below:

**Table 20 t test  
Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,482	1,584		1,567	,120
Brand Image	,107	,094	,154	1,141	,257
Product quality	,095	,097	,142	,983	,328
Price Perception	,265	,104	,316	2,559	,012

a. Dependent Variable: Competitiveness

Source: SPSS Output 23. Coefficients. Processed 2022

Based on table 4.21 in this research it can be explained as follows:

- The Influence of Brand Image on Competitiveness**  
 The results of the analysis in the table show a constant regression coefficient value of 1.567 and a t value of 1.141 with a significance value of 0.257 which is greater than alpha 0.05, which means there is no significant influence of the Brand Image variable on Competitiveness, so the first hypothesis (H1) is rejected.
- The Influence of Product Quality on Competitiveness**  
 The results of the analysis in the table show a constant regression coefficient value of 1.567 and a t value of 0.983 with a significance value of 0.328 which is greater than alpha 0.05, which means there is no significant influence of the Product Quality variable on Competitiveness, so the second hypothesis (H2) is rejected.
- The Influence of Price Perceptions on Competitiveness**  
 The results of the analysis in the table show a constant regression coefficient value of 1.567 and a t value of 2.559 with a significance value of 0.012 which is smaller than alpha 0.05, which means there is a significant positive influence of the Brand Image variable on Competitiveness, so the third hypothesis (H3) is accepted.

## Discussion

### The Influence of Brand Image on Competitiveness

Based on the results of this research, it can be explained that the brand image variable does not have a positive and significant effect on competitiveness with a significant value of 0.257, which means the value is greater than 0.05. This means that increasing competitiveness is not influenced by brand image.

The results of this research are in line with previous research conducted by Omega Wulan Wilar, Fredrik G. Worang & Djurwati Soepeno (2017). with the research title "Analysis of Product Differentiation Strategy, Service Quality, and Brand Image on Competitive Advantage at Pt. Bank Central Asia, Tbk. Manado Main Branch Office" with research results that Brand Image has a significance level of 0.614 > 0.05, Brand Image (X3) has no significant effect on Competitive Advantage (Y).

### The Influence of Product Quality on Competitiveness

The research results show that a significant value of 0.328 means greater than 0.05, meaning that product quality does not have a positive and significant effect on competitiveness. These results are not in accordance with the results of previous research conducted by Rifaldi Permana Putra (2020), which found that product quality had an influence on the competitiveness of pineapple honey products. However, this does not mean that the quality of Oriflame products is not good, but the company's level of competition is high. When testing the feasibility of the brand image equation model, product quality and price perception on competitiveness are feasible models.

Therefore, researchers continue to advise Oriflame to continue to maintain and improve its product quality, this is because in previous research there were positive and significant results from product quality on competitiveness.

### The Influence of Price Perceptions on Competitiveness

The results of this research show a significant value of 0.012, which means it is smaller than 0.05, meaning that the Price Perception variable has a positive and significant influence on competitiveness. Therefore, the better the price perception, the better the competitiveness. This is in line with research conducted by Octa Nilam Lukkita Aga (2018), there is a significant influence of price on the competitiveness of Ibu Suparni boutiques.

With the increasing price perception for Oriflame products, it will certainly have an increasing impact on competitiveness. Therefore, it is important for Oriflame to continue to improve price perceptions in the

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eyes of consumers through the products it produces. Because price perception can be a trigger to increase competitiveness.

#### 4. CONCLUSION

In accordance with the results of research and explanations from the previous chapter, as well as discussions accompanied by supporting theories and concepts regarding this research entitled The Influence of Brand Image, Product Quality and Price Perception on the Competitiveness of Oriflame Dijkarta Products, the following conclusion is obtained: Brand Image has no significant effect positive and significant on the Competitiveness of Oriflame products in Jakarta. Brand image is proven to have no significant effect on competitiveness as shown in the t test results with a significance value of 0.257. Product quality does not have a positive and significant effect on the competitiveness of Oriflame products in Jakarta. Product quality is proven to have no significant effect on competitiveness as shown in the t test results with a significance value of 0.328. Price perception has a positive and significant effect on the competitiveness of Oriflame products in Jakarta. Price perception is proven to have a positive and significant effect on competitiveness as indicated by the results of the t test value of 0.012. In accordance with the conclusions obtained in this research, the author then puts forward suggestions that might be useful, namely: It is necessary to realize that retaining existing customers is much better than looking for new consumers to become customers. Therefore, it is recommended for companies to maintain the values they have obtained so that customers remain loyal. And further improve brand image, product quality and price perception. For future researchers, they will be able to add other independent variables that have not been researched so that there will be developments in science.

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