

THE POWER OF PRODUCT LEADERSHIP IN GENERATING CUSTOMERS' INTENTIONS TO BUY: THE CASE OF DAGADU

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ABSTRACT

Marketing products is frequently not easy. Besides the need for brands and/or products to be recognized by consumers, they must be prominent among the other brands and/or products, which hopefully in turn will develop an interest in them and the intention to buy. The prominent brands and/or products usually become so because they comprise of a number of factors, such as good quality, good design, and good customer value. In addition, the performances of the brands and/or products really meet the consumers' expectations, and conform to the consumers' perceptions of them. While the consumers' intentions to buy are generally generated by their attitudes and subjective norms, the purpose of this study is to investigate the influence of product leadership in producing the customers' intention to buy through the customers' perception of value and quality. Data were acquired from a sample which consisted of 100 respondents who were interested in and wanted to buy Dagadu T-shirts. The sample itself was withdrawn by using the judgment method. The data were then analyzed using Amos 5.0 and SPSS 16.0. The result showed that product leadership affected consumers' perception of value and quality, which sequentially generated the consumers' intention to buy through the consumers' attitude and subjective norm.

Keywords: *product leadership, perceived quality, perceived value, intention to buy*

INTRODUCTION

The market for consumption goods has recently been coloured by new products, either belonging to 'new to the world' products, new product lines, additions to existing product lines, improvements and revisions to existing products, repositioning or cost reductions (Kotler, 2000). Since the products are very similar to one another, this leads to tight competition, which pushes companies to strive hard to attain a larger market share by employing precise and accurate strategies. As a consequence, those who make mistakes in deciding their strategy will likely lose. It is very common that precise and accurate strategy is decided on by study of a situation analysis (Hunger & Wheelen, 2001; Thompson, *et al.*, 2010). This comprises of market analysis, particularly about consumers' behavior and competitors' possible actions. It should be stressed that a good marketing strategy will work well if the marketers can identify which market

is to be defined as the target market (Kotler, 2000). It makes it easier for the company to be more effective, and possess a greater understanding of the market's characteristics, since the market has been closely scrutinized.

Markets have various characteristics. Each can differ from another because of such factors as income, education, gender, religion, geographical aspect, and similar, which lead to variations (Cannon, *et al.*, 2008; Kotler & Keller, 2006). Likewise, the strategies employed by competitors make it difficult to retain customers. As a consequence, a full understanding of the target market, and consideration of competitors' actions are factors that need to be considered before introducing products.

A particular product that of customers' choice should be in accordance with the market's need. It should have a greater competitive advantage than similar products. In other words, the product must have a customer value that is

superior and distinctive (Cravens, 2000). The competitive advantage makes the product easy to differentiate from the others. It absolutely helps customers to make a choice, since similar products confuse customers. Customers want those that match their needs and preferences. However, those that match the market's need do not necessarily have a large market, since only those that are diverse and also superior will be prominent.

As a matter of fact, customers need diversity. Even though a particular product meets the demands for high quality, the absence of comparable products lead customers to dissatisfaction. The need for variety leads to diversification. If a company is able to understand what the market likes, and produces various products to meet these needs, it may lead to the company occupying a dominant position. Under condition, the company's technology should be competent, unless the market's respect will be of jeopardy.

The situation could be worsened if a new potential competitor appears, who may offer items or services of a higher quality. The existing company's products might be inferior, which could result in a movement of customers to the better product. In such a situation, the role of the Research & Development (R & D) department becomes prominent. Innovation becomes a priority, not only for the creation of a new product, but also for the modification of existing items to give them a higher added value to the customers (Kotler & Keller, 2006).

In such situations, products are also frequently imitated. Those belonging to the dominant producer will be immediately copied, in the hope of emulating their success. These products are usually created by market followers to utilize market demands. They are commonly offered at a lower price. Even though the original products are still superior, if the company offering them does not seriously take this into account, a decrease in its market share is almost inevitable.

The threat of similar products, or imitative products and substitutive products, makes any company that wants to be and remain a market

leader work hard. Its products must possess more competitive advantage. The product leadership priority needs the company to understand what the market likes, needs, and wants, and later on to apply them to its products.

Recognizing how customers think in making their buying decisions is also crucial. Though the message has obviously described that the product is in accordance with the market's preference, it might still be perceived in a different way. Therefore, complying customers' perception that the product is what it has been claimed to be, is not easy. However, if the product really is a high technology item, with high quality, high customer value and well-designed, as the market wanted, the similarity in perception is unavoidable.

Such a market response has a great influence on individuals' buying decisions. First of all, it gives self-confidence that what he/she is buying is correct, which is very beneficial. In other words, the customer's attitude toward the product is favorable. Secondly, the customer's conviction becomes greater since his/her peers, such as couples, girl/boy friends, family, friends and the like, support his/her decision (the subjective norm). If the customer's perceived restraints, such as the price of the product, is within their spending range, the increase in the intention to buy is inevitable.

The purpose of the study is to elaborate the relationship between product leadership and perceived value, as well as perceived quality. Can product leadership generate an intention to buy? It is supposed that the increase in the intention to buy is activated by the customer's attitude and subjective norm, which are influenced by the perceived value and perceived quality. The perceived value and perceived quality themselves are fully controlled by the power of product leadership. The empirical data were drawn from Dagadu's customers. It was assumed that the brand was a successful brand which inspired others to imitate it, or try to produce something similar (Trieha, 2014; Wirausaha Online, 2014). Some theoretical reviews, our methods and analysis are provided, and our findings are reported.

LITERATURE REVIEW

Product Leadership. The description of product leadership is as follows. MISC Magazine (2014) define product leadership as: "Offering customers leading edge products that consistently enhance the customers' use or application of the product, thereby making its rivals' goods obsolete". While Hopkin (2011a) had a different viewpoint. He suggested that product leadership was the ability of the product manager to lead the product team. If the product manager succeeded, the product succeeded. With good leadership, ideas flow, solid products are released and sales increase. Hopkin (2011b) also highlighted that the product manager's role was very important. The product manager played a key role in the success of the company. Kalypso (2011) saw product leadership as a new emerging strategy, leaving behind traditional operating models such as customer intimacy and operational excellence, which relied upon product superiority, by delivering innovative products that met ever-evolving customers' needs.

Creating a superior product is not just about how to make a new product, since a new product might be developed from an existing product by adding new features or modifying it. It is a multi-layered process incorporating several key steps, such as analyzing the existing products and their competitors, and studying market trends to meet the future customers' expectations.

When poorly thought out products reach the market, they are likely to fail and disappear. Such an event may happen when a high-level executive pushes a favorite idea through, inspite of negative market research findings, or the market size being over estimated (Kotler, 2000).

Based on the literature mentioned, the product leadership variable can be clearly seen as: "An approach to the market, which relies upon product superiority by delivering innovative products that meet ever-evolving customers' needs." The variable is operated through the following indicators i.e. (1) product's variety, (2) product's competitiveness, (3) superior quality, and (4) easy operating.

Perceived Value. Kotler & Keller (2006: 133) defined what perceived value meant, that is: "The difference between the prospective customer's evaluation of the benefits and all the costs of an offering and the perceived alternatives." The other meaning of perceived value, in fact, can be determined word-by-word, that is 'perceived' and 'value'. The word 'perceived' refers to perception which means the way a consumer looks at a particular object (Kotler, 2000). The word 'value' refers to the total customer value, that is: "The perceived monetary value of the bundle of economic, functional and psychological benefits customers expect from a given market offering" (Kotler & Keller, 2006: 133). If someone is talking about total customer value, he/she cannot ignore the role of total customer cost as a part which greatly contributes to the total meaning of total customer value. The total customer cost itself defined as: "The bundle of costs customers expect to incur in evaluating, obtaining, using and disposing of the market offering, including monetary, time, energy, and psychic costs" (Kotler & Keller, 2006: 133).

So, for the sake of this study, the meaning of perceived value can be established as follows, that perceived value is based on a difference between what a customer gains and what a customer loses from any goods or services. Meanwhile, the value which a customer will obtain can be increased by magnifying its functional or emotional benefits. In addition, it also can be increased by reducing its cost or by a combination of things. For instance, there are 2 (two) products, A and B. A consumer will prefer A if the ratio between A to B is greater than B to A. On the contrary, B is the choice if the ratio A to B is smaller than B to A. Thereby, the variable can be operated through the indicators that follow, (1) good design, (2) instillation of pride, (3) identity, and (4) achievable price.

Perceived Quality. While the meaning of perception is the way a consumer looks at a particular object, the term 'perceived quality' can be interpreted as the way a consumer looks at a quality. The word quality itself is defined as follows, that: "Quality is the total of the features and characteristics of a product or service that

bear on its ability to satisfy stated or implied needs” (Kotler & Keller, 2006: 138).

Companies commonly strive to satisfy consumers by producing high-quality goods. This is so if what the customers accept is equal to what they expect. It is more so if expectations can be exceeded. The total of the features and characteristics of a product or service which is able to meet the needs is known as the conformance quality, while the total features and characteristics of a product or service which satisfies companies’ promises is called performance quality (Kotler & Keller, 2006). The term perceived quality itself can be defined as the way a consumer looks at the total of the features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. The variable is operated through the following indicators (1) good material, (2) fade-proof, (3) durable, (4) unique, and (5) tasteful color.

The Relationship between Product Leadership, Perceived Value and Perceived Quality. Commonly, any company that wants to be a market leader needs to create superior products (Kalypso, 2011). They should meet the markets’ needs and wants, and be characterized by their superiority and distinctiveness (Cravens, 2000). If so, then the products are assumed to be able to overcome competitors’ offerings and the company is worthy to stand as a product leader (Hopkin, 2011; Kalypso, 2011). While a product represents a set of attributes and benefits (Peter & Olson, 2002), in the context of arousing the consumers’ needs, they are supposed to act as stimuli. Meanwhile, the superior products which have superior features demonstrate a company’s strategy to invest in superior values (Kotler, 2000; Kotler & Keller, 2006), which in turn, generate a favorable perceived value and perceived quality. Therefore, hypotheses can be drawn as follows:

- H1: Product leadership influences perceived value.
 H2: Product leadership influences perceived quality.

Attitude, Subjective Norm, and Behavioral Intention. These three variables will be clarified

in accordance with what Ajzen (1991) suggested, in which they actually were components of his theory *i.e.* the Theory of Planned Behavior (TPB). In this theory, the emergence of the behavioural intention could be predicted from one’s attitude and subjective norm (Ajzen & Fishbein, 1980; Ajzen, 1991). Attitude itself usually consisted of two components, *i.e.* outcome belief and outcome evaluation. Outcome belief relates to a tendency for a particular outcome. The power of this outcome belief is magnified by the outcome evaluation, which significantly contributes to the form of the behavioural belief. It is understandable that only a significant outcome will affect an individual’s attitude.

The subjective norms appear as normative beliefs and as motivation to comply. The normative belief is concerned with what other people want him/her to do, and his/her motivation to comply with this. As in attitude, the two factors should be multiplied to get greater power. Social pressure will be taken into account if appropriate to his/her motivation to comply.

The three variables can be clarified as follows:

- a. Behavioural Intention (BI), is a want correlating with ‘self’ and an action in the future. Some people may have an opinion that an intention is really a plan to do something with regard to a certain objective. A behavioural intention is generated primarily by a decision making process, which integrates factors such as the attitude towards behaviour and subjective norms, to evaluate alternatives, which in turn leads to choosing one of them. The behavioural intention varies in its power, depending on the probability of actually doing something.
- b. Attitude toward behaviour or action (Ab), illustrates one’s total evaluation about doing something. The power and evaluation of a conspicuous conviction about a particular action’s consequences can be formulated as follows:

$$Ab = \sum_{i=1}^n bi ei$$

bi = Behavioral belief

ei = Outcome evaluation

- c. Subjective Norms, exemplify one's perception about what other people think what he/she should do. A normative belief is concerned with what other people want him/her to do and his/her motivation to comply. The formula is as follows:

$$SN = \sum_{j=1}^m NBj.MCj$$

NB = Normative beliefs

MC = Motivation to comply

The Relationship between Perceived Value, Perceived Quality, Attitude, and the Subjective Norm. Kotler & Keller (2006: 133) suggested that perceived value was: "The difference between the prospective customer's evaluation of the benefits and all the costs of an offering and the perceived alternatives." On the other hand, perceived quality was the way a consumer saw the quality (Kotler, 2000). Any perception will be automatically administered by either affective or cognitive systems, which in turn generated outcomes, such as attitude (Peter & Olson, 2002). Also, an attitude can be produced by knowledge and needed perception, along with direct experience and information related to the object (Schiffman & Kanuk, 2000).

While superior products generate a favourable response in a particular consumer, it may also happen regardless of the number of consumers present in the market. If so, a similar perception by the consumers may be present in the market, which can lead to favourable responses and attitudes later on among the consumers. Consequently, the consumer will be convinced that what he/she likes about the product will be similar to the other consumers. Furthermore, he/she is ready to comply with what he/she will do with the other customers' wants. As a result, the consumer's subjective norm is apparently well-

built. So, four hypotheses can be drawn as follows:

- H3: Perceived value influences attitude
 H4: Perceived value influences the subjective norm
 H5: Perceived quality influences attitude
 H6: Perceived quality influences the subjective norm

The Relationship between Attitude, Subjective Norm, and Intention to Buy. Referring to the Theory of Planned Behaviour, it is known that behavioural intention is predicted by attitude and the subjective norm (Fishbein & Ajzen, 1975; Ajzen, 1991). Thereby, hypotheses can be formulated as follows:

- H7: Attitude influences the intention to buy
 H8: The subjective norm influences the intention to buy

RESEARCH MODEL

Referring to the theory and hypotheses, a research model was drawn as follows (see Figure 1). The model was based on the phenomena arising in the market in which the relationship between the variables could hopefully be beneficial in developing the theory, even though some variables, *i.e.* attitude, the subjective norm and behavioural intention refer to the term TPB. Thus, it was neither similar to, nor an extension of, TPB.

METHOD

The sample was drawn using convenience and judgment technique (Cooper & Schindler, 2008). Data were collected by questionnaires, distributed to respondents who were interested in and wanted to buy a Dagadu T-shirt. After being examined for their data completion, 100 questionnaire forms were admitted out of 104 forms (96.15% response rate), which met the sample adequacy requirement (Ghozali, 2005; Hair, *et al.*, 1998). A 5 point Likert scale was used, ranging from 1 (= completely disagree) to 5 (= completely agree). The instrument, which denoted the indicators, was firstly justified

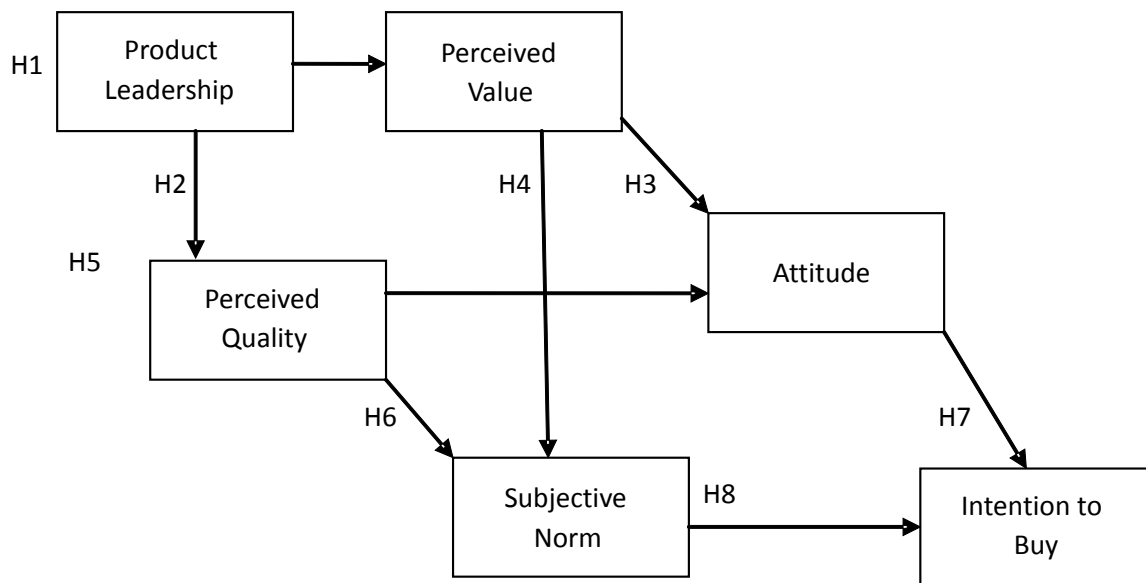


Figure 1. Research Model

through a factor analysis, and then Cronbach's alpha analysis. Further, data were analyzed by employing Amos5.0.

RESULT AND DISCUSSIONS

Test of Validity. A test of the KMO and a Bartlett's test were first conducted to check whether the sample adequacy met the pre requirements and whether the factor analysis could be employed. Table 1 shows that all the variables *i.e.* Product Leadership (PL), Perceived Value (PV), Perceived Quality (PQ), Attitude toward behaviour (Ab), Subjective Norm (SN), and Intention to Buy (IB) had sample adequacy, which was denoted by all of them having scores of more than 0.5 (Ghozali, 2008). Likewise, the outcome of the Bartlett's test showed a favorable condition, denoted by the significance of Chi-square, indicating that the exercise of factor analysis was certainly approved (Ghozali, 2008).

The total variance explained all the variables (PL, PV, PQ, Ab, SN, and IB), and demonstrated that a rotation was not required, since only one component had an eigenvalue score > 1 . Thereby, the assessment of validity is pleased from component 1 only, which points to the indicators, since their loading factor $>$ that most indicators *i.e.* Product Leadership1 (PL1), Product Leadership2(PL2), Product Leader-

ship3(PL3), Product Leadership4(PL4), Perceived Value1(PV1), Perceived Value2(PV2), Perceived Value3(PV3), Perceived Quality1(PQ1), Perceived Quality2(PQ2), Perceived Quality3(PQ3), Perceived Quality4(PQ4), Perceived Quality5(PQ5), behavioral belief2 (b2), behavioral belief3(b3), outcome evaluation1 (ev1), outcome evaluation2(ev2), outcome evaluation3(ev3), Normative Belief1 (NB1), Normative Belief2(NB2), Normative Belief3(NB3), Motivation to Comply1 (MC1), Motivation to Comply2 (MC2), Motivation to Comply3 (MC3), Intention to Buy2 (IB2), Intention to Buy3(IB3), Intention to Buy4(IB4) were valid indicators, since their loading factors were > 0.5 (Gozali, 2008), But with the exception of Perceived Value4(PV4) and Intention to Buy1 (IB1) which were < 0.5 . However, according to Ferdinand's basis, the PV4 still included a valid indicator, since Ferdinand (2002) only required 0.4 as the border line. A different situation exists for IB1, with a loading factor of < 0.4 which must cause it to be rejected.

Test of Reliability. The Cronbach's alpha analysis was exercised by employing SPSS 16.0. The result showed that most variables were reliable, indicated by the Cronbach's alpha score > 0.6 (Ghozali, 2008) (Table 2). An exception is

Table 1. Test of KMO, Bartlett's Test, Variance Explained and Factor Loading
PV, PQ, Ab, SN, IB, Variables

Var	KMO	Bartlett's Test			Variance Explained			Factor Loading	
		App Chi-sq	df	Signif	Comp	Eigen val	% Var	Item	Komp 1
PL	0.594	58.039	6	0.000	1	1.917	47.035	PL1	0.622
								PL2	0.624
								PL3	0.857
								PL4	0.638
PV	0.672	52.342	6	0.000	1	1.925	48.131	PV1	0.799
								PV2	0.779
								PV3	0.674
								PV4	0.476
PQ	0.688	112.456	10	0.000	1	2.472	49.448	PQ1	0.712
								PQ2	0.783
								PQ3	0.707
								PQ4	0.670
								PQ5	0.636
Ab	0.702	433.079	15	0.000	1	4.010	66.838	b1	0.802
								b2	0.794
								b3	0.853
								ev1	0.772
								ev2	0.823
								ev3	0.859
SN	0.667	469.648	15	0.000	1	3.997	66.615	NB1	0.806
								NB2	0.882
								NB3	0.793
								MC1	0.798
								MC2	0.856
								MC3	0.756
IB	0.605	36.174	6	0.000	1	1.728	43.199	IB1	0.349
								IB2	0.680
								IB3	0.753
								IB4	0.759

Source: data analysis

the IB variable (in which the IB1 had already been dismissed) as its Cronbach's alpha score < 0.6. However, it was assumed to be reliable since its score was close to 0.6.

The Structural Equation Model. The model had one initial independent variable (PL) and five dependent variables (PV, PQ, Ab, SN, IB) of which four were treated as independent variables to some extent as well. Since the purpose of the study was to understand the relationship between the one initial independent variable (PL) and the primary dependent variables (PV, PQ), likewise among the four dependent variables, separately and simultaneously, a

structural equation model was employed (Hair, *et al.*, 1995).

Table 2. Test of Reliability
PL, PV, PQ, Ab, SN, and IB Variables

Variables	indicators	Cronbach's Alpha
PL	PL1, PL2, PL3, PL4	0.614
PV	PV1, PV2, PV3, PV4	0.606
PQ	PQ1, PQ2, PQ3, PQ4, PQ5	0.738
Ab	b (b1, b2, b3)	0.813
	ev (ev1, ev2, ev3)	0.816
	b+ev	0.900
SN	NB1, NB2, NB3	0.851
	MC1, MC2, MC3	0.824
	NB + MC	0.898
IB	IB2, IB3, IB4	0.594

Source: Analysis Data

An initial structural equation model was drawn by connecting all the variables as hypothesized. This model was not thoroughly appropriate to what was expected, since all the indicators, *i.e.* Chi-Square/Prob, Cmin/df, GFI, AGFI, TLI, RMSEA, did not meet the criteria. Consequently, a modified model was generated by connecting $e1 \leftrightarrow e2$, $e3 \leftrightarrow e4$, $z1 \leftrightarrow z2$, and $z3 \leftrightarrow z4$. This modified model seemingly produced better scores than before (Table 3, Figure 2).

Table 3 denotes that although not all the model's indicators meet the criteria, some

(Cmin/df, GFI, and TLI) equal the requirements. It meant that the model's data were in accordance with the structural parameters. As a consequence, the model was worthy of use.

Evaluation of Assumptions. The evaluation of normality was first carried out, employing a univariate test (Ferdinand, 2002; Ghozali, 2008). It scrutinized the skewness value to see whether its critical ratio (c.r) values were less than or equal to ± 2.58 . As a matter of fact, all the c.r values were less than ± 2.58 . This indicated that univariately the data distribution was normal. To check further, a multivariate test was also carried

Table 3. The Second Indicators Resulted from Modification of the Model

Indicators	Initial Scores	Second Scores	Threshold	Justification
Chi-square/Prob	258.151/0.000	55.754/0.002	29.588/p>0.05	Not meet the criterion
Cmin/df	7.823	1.923	≤ 5	Meet the criterion
GFI	0.727	0.901	High	Meet the criterion
AGFI	0.544	0.813	$\geq 0,9$	Not meet the criterion
TLI	0.750	0.966	$\geq 0,9$	Meet the criterion
RMSEA	0.263	0.097	0.05 to 0.08	Not meet the criterion

Source: Data Analysis

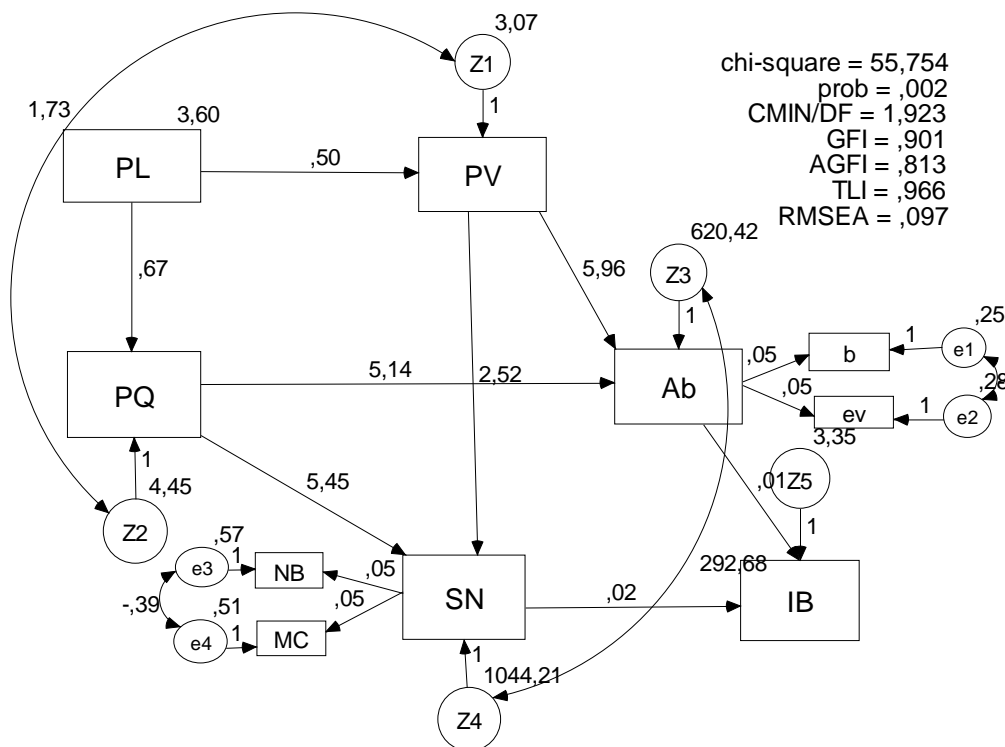


Figure 2. Modified Model of the Initial Structural Equation Model

out. The result of the data analysis showed that the multivariate critical value was 13.687. It was more than the 2.58 required. As a result, the normality test needed a bootstrap analysis.

A Bollen-Stine bootstrap analysis illustrated the following, (a) the model fitted better in 446 bootstrap samples, (b) it fitted equally well in 0 bootstrap samples, (c) it fitted badly, or failed to fit in 54 bootstrap samples, (d) testing of the null hypothesis showed that the model was correct, Bollen-Stine bootstrap $p = 0.110$. As a matter of fact, the probability resulted ($p = 0.110$) indicated that the model was not rejected. Therefore, although multivariately the data's distribution were abnormal, it was worthy of use.

The next evaluation of assumption was about the outliers which was carried out by a univariate test or a multivariate test (Ferdinand, 2002). The univariate test was successfully exercised by firstly converting the data to Z-scores, in which they should be less than ± 3.0 (Hair, *et al.*, 1995). The result indicated that some variables such as PL1, PV1, NB3, and IB2 were more than ± 3.0 which points to outliers. To check further, it required a multivariate outliers test. It demonstrated, by determining the *Chi-square* value which subsequently could be used as the upper limit, which could be calculated by searching on a *Chi-square* table, whose degree of freedom was equal to the amount of variables employed, which were 10, under the degree of significance ($p = 0.001$). The *Chi-square* value found was

29.588. In fact, all the scores for Mahalanobis distance were less than 29.588, except for the numbers 53, 29, and 33 which inevitably suggested outliers. However, because of no specific reason to dismiss these, the outliers were likely worth using (Ferdinand, 2002).

Further evaluation of assumption was for multicollinearity and singularity. According to the Amos output, the determinant of the sample covariance matrix was equal to 162,084,353. The value is more than zero. As a consequence, it belonged to no multicollinearity and singularity categories.

Test of Hypotheses. The regression weights output indicated that the influence of PL on PV and PQ were significant. Likewise, for the influence of PQ on Ab and SN. In addition, it was so for the case of the influence of Ab and SN on IB, and the influence of PQ on SN. Conversely, the influence of PV on SN was not significant ($p = 0.214$) (Table 4). The result showed that all the hypotheses proposed were supported by the empirical data, except for H4.

Discussion. The appropriateness of the empirical data with the hypotheses *i.e.* product leadership influences perceived value and perceived quality, was in accordance with the theory and facts. In other words, it was pertinent to the theory that (a) the perceived value and the perceived quality were relevant to the product's superiority (Hopkin, 2011a; Kalypso, 2011), (b) the superior products were characterized by their

Table 4. Regression Weights: (Group number 1 - Default model)

			Estimate of Parameter	Standard Error	Critical Ratio	Probability
PV	←	PL	0.505	0.093	5,435	***
PQ	←	PL	0.666	0.112	5,951	***
Ab	←	PQ	5,138	1,271	4,042	***
Ab	←	PV	5,961	1,565	3,808	***
SN	←	PV	2,522	2,031	1,242	0.214
SN	←	PQ	5,449	1,649	3,304	***
IB	←	SN	0.016	0.006	2,676	0.007
IB	←	Ab	0.013	0.007	2,036	0.042

Source: Amos output

distinctiveness, which offered a superior value as well (Cravens, 2000), (c) a company's strategy to provide excellent features inevitably made a large contribution to the perceived value or the perceived quality (Kotler, 2000; Kotler & Keller, 2006). As a consequence, customers positively appreciate the value and the quality presented.

Meanwhile, some other hypotheses such as (a) perceived value influences attitude, (b) perceived quality influences attitude, and (c) perceived quality influences the subjective norm, were all positively supported by the empirical data, and were appropriate to some factors which are, firstly, the overall evaluation of the customers' values and the product quality offered was positively appreciated by the customers (Peter & Olson, 2002), secondly, a favourable response supported by knowledge, direct experience and other related information, obviously generated customers' positive attitudes (Schiffman & Kanuk, 2000), thirdly, the customers' conviction of other people's perception about the quality offered, increased their perception as well about the same product (Ajzen, 1991).

Conversely, the hypothesis which stated perceived value influences the subjective norm, was not supported by the empirical data. It might be scrutinized as follows, since the subjective norm exemplified the customers' perception about other peoples' thoughts of what he/she should do (Ajzen, 1991), while the different ways a consumer looks at an object generates a distinct perception (Kotler, 2000), thereby, a particular customer might not follow what other people suggest. As a result, whatever meaningfulness a product has for one person, it might be ignored by others.

Whereas the hypotheses of attitude influence the intention to buy, and the subjective norm influences the intention to buy, were both supported by the empirical data. This can be explained by the intention to buy, while being determined by attitude (Fishbein & Ajzen, 1975), and likewise shaped by the subjective norm, obviously suggests that whatever happens to the attitude or the subjective norm, the intention to buy apparently also follows, and the

alteration of intention to buy was in accordance with the change in them.

IMPLICATION

While product leadership denotes a high customer value, the result of the study highlights the important role of the superiority and the distinctiveness of the products offered. The significant influence of product leadership on perceived value or perceived quality puts products whose customer value is both superior and distinctive, in a strategic position. This is likely to not only burden the marketing department, but also other departments such as R & D and the production department, which should be more active in submitting information about competitors and the markets' preferences. Even with the cooperation of other departments to get what the market wants for the future customers' values so the company can plan its products, this is absolutely necessary. Therefore, all parts of the company should prioritize the company's concerns, which include a sense of belonging, and high levels of participation and cooperation.

The significant influence of perceived quality on attitude or the subjective norm, and the significant influence of perceived quality on attitude, gives signals that they are in truth a logical consequence of the consumers' perceptions of both the quality and the value of particular products. A favourable perception of products inevitably generates a favourable attitude and a favourable subjective norm as well. Therefore, the marketing department should cautiously examine the market, particularly to competitors actions in the market, and should take such observations into account. The communication strategy to be used should be selected depending on a precise market understanding.

The establishment of the intention to buy through attitude and the subjective norm gives a signal that marketers should be seriously aware of when examining customers, whether individually or collectively. While probing in a collective way could be carried out in various ways, such as by brand development and brand equity formulation (Santosa, 2013), the individual way could be applied using customer inti-

macy techniques (Santosa, 2011). Both contribute to forming a brand image (Kotler & Keller, 2006) which in turn can apparently generate favourable customers' attitudes and favourable subjective norms.

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APPENDIX

Observation number	Mahalanobis d-squared	p1	p2
82	36,968	0.000	0.006
3	34,887	0.000	0.000
1	34,389	0.000	0.000
53	33,980	0.000	0.000
29	30,264	0.001	0.000
33	29,879	0.001	0.000
80	28,646	0.001	0.000
78	22,322	0.014	0.000
5	20,677	0.023	0.001
35	20,200	0.027	0.000
57	20,056	0.029	0.000
42	18,793	0.043	0.001
58	17,679	0.061	0.007
89	17,147	0.071	0.011
40	16,696	0.081	0.015
73	16,198	0.094	0.025
39	14,771	0.141	0.236
54	14,284	0.160	0.336
96	14,192	0.164	0.282
94	13,767	0.184	0.378
25	13,727	0.186	0.304
85	13,698	0.187	0.234
52	12,808	0.235	0.582
31	12,674	0.242	0.561
12	11,855	0.295	0.864
97	11,382	0.329	0.944
48	11,033	0.355	0.972
72	10,732	0.379	0.985
86	10,685	0.383	0.979
6	10,410	0.405	0.989
18	10,004	0.440	0.997
100	9,986	0.442	0.995
98	9,905	0.449	0.994
41	9,761	0.462	0.995
65	9,658	0.471	0.995
62	9,561	0.480	0.994
63	9,443	0.491	0.994
8	9,230	0.510	0.997
84	8,968	0.535	0.999
95	8,727	0.558	0.999
76	8,671	0.564	0.999
64	8,661	0.565	0.999
67	8,600	0.570	0.998
74	8,455	0.585	0.999
9	8,397	0.590	0.998
27	8,396	0.590	0.997
36	8,119	0.617	0.999
19	7,919	0.637	1.000
44	7,632	0.665	1.000

Observation number	Mahalanobis d-squared	p1	p2
46	7,532	0.674	1.000
20	7,458	0.682	1.000
91	7,427	0.685	1.000
2	7,276	0.699	1.000
34	7,143	0.712	1.000
92	7,131	0.713	1.000
71	7,028	0.723	1.000
45	6,862	0.738	1.000
30	6,776	0.746	1.000
23	6,726	0.751	1.000
51	6,722	0.751	1.000
59	6,675	0.756	1.000
56	6,652	0.758	0.999
87	6,624	0.760	0.999
10	6,620	0.761	0.998
37	6,614	0.761	0.996
61	6,552	0.767	0.995
26	6,537	0.768	0.991
32	6,254	0.793	0.997
38	6,208	0.797	0.996
17	6,065	0.810	0.997
55	5,641	0.844	1.000
15	5,562	0.851	1.000
16	5,391	0.864	1.000
90	5,288	0.871	1.000
49	5,262	0.873	1.000
7	5,218	0.876	1.000
83	5,046	0.888	1.000
66	4,939	0.895	1.000
75	4,862	0.900	1.000
11	4,774	0.906	1.000
14	4,303	0.933	1.000
24	4,161	0.940	1.000
50	4,102	0.943	1.000
13	3,953	0.949	1.000
43	3,783	0.957	1.000
60	3,551	0.965	1.000
68	3,265	0.974	1.000
77	3,225	0.976	1.000
47	3,186	0.977	1.000
79	3,143	0.978	1.000
28	2,988	0.982	1.000
4	2,814	0.985	1.000
70	2,702	0.988	1.000
81	2,702	0.988	1.000
22	2,561	0.990	0.999
99	2,359	0.993	0.999
88	2,124	0.995	0.999
93	1,837	0.997	0.998
69	1,782	0.998	0.978
21	1,706	0.998	0.830

Sample Covariances (Group number 1)

	PL	PQ	PV	SN	Ab	ev	b	MC	NB	IB
PL	3,597									
PQ	2,394	6,048								
PV	1,816	2,942	3,988							
SN	28,072	40,374	26,086	1,329,980						
Ab	35,096	<u>48,612</u>	38,888	655,620	1,102,000					
ev	1,466	2,133	1,657	29,538	50,484	2,598				
b	1,808	2,396	1,914	33,980	55,860	2,352	3,080			
MC	1,206	1,902	1,188	62,124	30,872	1,401	1,616	3,416		
NB	1,439	1,899	1,181	70,686	33,768	1,531	1,774	2,915	4,322	
IB	0,577	1,704	1,166	30,156	25,318	1,291	1,114	1,560	1,624	4,174

Condition number = 42,205,720

Eigenvalues

1,895,573 553,892 4,937 3,488 1,942 1,8290.9080.4530.1370.045

Determinant of sample covariance matrix = 162,084,353