

ABSTRACT

Fixed broadband market is always growing and attracting many operators to compete in this market. The reduction of market share of fixed broadband PT Telkom was caused by purchase intention of Indihome product was lower than purchase intention of product from the other competitor. Based on analysis of Marketing Intelligent unit, 4 of 5 brand indicators was on the weak category .

Based on the literature study on the previous research, the variables that had influence to purchase intention, i.e: brand equity (with the dimensions, i.e: brand awareness, perceived quality, brand association, and brand loyalty), and brand preference. The impact analysis of brand equity to brand preference and purchase intention, must be done to understand the customer perception to brand equity, brand preference and purchase intention, also the relationship between the variables.

This research used the model that stated brand equity and brand preference had a positive influence to purchase intention. The data collected by having questionnaire that distributed to to the candidate customer through on line (using google form and SMS). There were 403 respondents. The data was analysed in descriptive and verificative with Structural Equation Model–SEM with variance based, i.e Partial Least Square (PLS) with SmartPLS 3.0 software.

Based on the result of descriptive analysis, the respondents had given the moderate evaluation to the variables, i.e: brand equity (67.04%), brand preference (60.55%), and purchase intention (64,37%). On the other hand, scores of the sub variables of brand equity were brand loyalty (62.62%), perceived quality (63.81 %), brand association (67.03%), and brand awareness (73.16%). From those sub variables, only brand awareness had high category, the other sub variables had moderate category. Based on the result of verificative analysis with Partial Least Square, showed that brand equity had a significant positive influence to brand preference, brand equity had a significant positive influence to purchase intention, brand preference had a significant positive influence to purchase intention, also brand equity had a significant positive influence to brand preference and purchase intention direct and indirect.

Based on the result of the research, the suggestions that could be proposed were Telkom had to enhanced the dimension of brand equity that had positif effect on brand preference and purchase intention, the need of adding another variable that had effect on purchase intention for the future research.

Keywords: *brand equity, brand preference, purchase intention*