
The Influence of Perceived Value, Brand Image and Brand Trust on Purchasing Decisions for Social Security Programs at the Palembang Branch of the Employment BPJS

KEYWORDS

Perceived Value,
Brand Image, Brand
Trust, Purchase
Decision

Risqy Agung Prananta¹, Marlina Widiyanti², Zakaria Wahab³, Aslamia Rosa⁴

Universitas Sriwijaya, Palembang, Indonesia^{1,2,3}

Email: risqyrisk@y7mail.com,

marlinawidiyanti@fe.unsri.ac.id, zkwahab@fe.unsri.ac.id

ABSTRACT

The objective of this study was to investigate the factors influencing purchase decisions for social security programs at the Palembang branch of BPJS Employment, focusing on perceived value, brand image, and brand trust. Conducted in 2023, this research employed a purposive sampling method, selecting 200 customers who had purchased the social security program. The findings from multiple linear regression analysis indicate a positive and significant impact of perceived value, brand image, and brand trust on purchase decisions. Based on these results, it is recommended that BPJS Employment consider offering additional benefits or updating existing social security programs to better align with the needs of Indonesian workers. Moreover, maintaining a positive brand image is crucial for BPJS Employment to establish itself as a reputable institution, while ensuring transparency and reliability in service provision is essential to uphold consumer trust in the social security program.

INTRODUCTION

Current business developments cause competition between companies to become increasingly competitive (Korolev et al., 2021). Therefore, companies are required to be able to continue to adapt to business changes and innovate in implementing the company's business strategy so that they can face existing competition. Companies must be able to understand what consumer needs and consumer expectations are now and in the future (Haryanto et al., 2017).

The BPJS Employment (Employment Social Security Administering Agency), since the end of 2019 officially using the nickname BPJAMSOSTEK, is a Public Legal Entity directly responsible to the President of the Republic of Indonesia which protects workers to overcome

certain socio-economic risks resulting from employment relations. As a state institution operating in the field of Social Security, BPJS Employment is the implementer of social security law (Arimbi, 2020a). BPJS Employment was previously called Jamsostek (Workers' Social Security), which was managed by PT Jamsostek (Persero), but according to Law no. 24 of 2011 concerning BPJS, PT Jamsostek changed to BPJS Employment from January 1 2014 (www.wikipedia.com).

BPJS Employment was formed to prevent unexpected expenses if workers experience work accidents and require very high operating costs (Nasikhin et al., 2022). This will affect the use of a person's income to fulfill life's needs in general. Likewise, the risk of death can cause the worker's family to lose income permanently, thereby reducing their welfare. Then there is the risk of old age coming so workers are required to have old age savings so that they can enjoy their old age brightly so that it does not reduce their welfare when they no longer work.

To support government programs, BPJS Employment is committed to continuously improving the quality of services and carrying out promotional activities to introduce the role and function of BPJS Employment services to the wider community (BPJS Employment Vision and Mission). However, every effort undertaken will certainly not be as easy as what was planned. Everything definitely has its own challenges because people's wants and needs are complex things that are difficult to predict at any given time.

There are 2 segmentations in BPJS Employment membership, namely the Non-Wage Recipient (BPU) and Wage Recipient (PU) Sectors. Non-Wage Recipient Participants (BPU) are BPJS employment participants who are usually intended for workers who work independently, such as business owners, artists, doctors, lawyers, and freelancers as well as, informal sector workers such as farmers, public transportation drivers, motorbike taxi partners, traders, and fishermen. Wage Receiving Participants (PU) is a BPJS Employment membership intended for participants who receive wages, salaries, and other forms of compensation from their employers (Jaweng et al., n.d.). BPJS Employment PU participants include State Civil Apparatus (ASN), private employees, BUMN employees, and others (www.bpjsketenagakerjaan.go.id). Data from the BPJS Employment program management report for 2021-2023 shows that the achievement of the participation target for Non-Wage Recipient (BPU) workers is still relatively low when compared to the BPJS Employment participant category in the Wage Recipient (PU) category.

Value relating to customer perceptions of the value of social security programs offered by BPJS Ketenagakerjaan (Rubianisa et al., 2019). The brand image relates to how the BPJS Employment brand is understood by the public, including reputation, positive/negative images, and general perceptions of the brand. Meanwhile, brand trust includes the level of consumer trust and confidence in BPJS Ketenagakerjaan as a social security service provider.

Table 1.
Data on Participants Registered in the BPJS Employment Category Non-Wage Recipient (BPU) Participants for 2021-2023

No	Year	Target	Realization	Achievement
1	2021	69.824	61.138	87,56%
2	2022	73.366	58.013	79,07%
3	2023	72.516	55.267	76,21%

Source: BPJS Employment Palembang Branch

Table 1. shows that BPU participants can decide for themselves objectively whether or not they want to use employment social security services from BPJS Employment according to their perceptions. This is because BPU participants are BPJS consumers who are the most objective and dynamic in using social security services from BPJS (Wahab & Widiyanti, 2019). The selection of this program is not pressured by government regulations such as the BPJS Employment program in the PU category. BPJS Employment participants in the BPU category register their participation based on their own decisions without intervention or coercion from other parties or binding rules (Prasetya et al., 2022).

Current business developments intensify competition among companies, necessitating continual adaptation and innovation in business strategy to remain competitive, while understanding present and future consumer needs and expectations becomes imperative (Farahmand, 2019). The BPJS Employment (BPJAMSOSTEK), now officially known as BPJAMSOSTEK since the end of 2019, is a Public Legal Entity under the direct authority of the President of Indonesia. It safeguards workers against socio-economic risks arising from employment, succeeding the former entity PT Jamsostek in 2014 under Law no. 24 of 2011. The formation of BPJS Employment aims to mitigate unforeseen expenses resulting from work-related accidents, which can significantly impact an individual's financial stability. Moreover, the risk of death or old age underscores the importance of ensuring continuous income and savings for workers and their families, thereby maintaining their welfare (Packard et al., 2019). To fulfill its mandate and support government initiatives, BPJS Employment endeavors to enhance service quality and promote awareness of its services among the populace. However, this endeavor is fraught with challenges, given the complexity of human wants and needs, making predictions difficult. BPJS Employment's membership comprises two segments: Non-Wage Recipients (BPU) and Wage Recipients (PU) (Nurdiana et al., 2024).

Despite promotional efforts, BPU participation remains relatively low compared to PU participation, as indicated by data from the BPJS Employment program management report for 2021-2023 (Feldman, 2024). Research objectives include analyzing current business dynamics and their impact on competition, investigating consumer needs and expectations, assessing the effectiveness of BPJS Employment's services in mitigating socio-economic risks for workers, evaluating factors influencing participation rates among Non-Wage Recipients (BPU) compared to Wage Recipients (PU) in BPJS Employment programs, and examining customer perceptions regarding the value, brand image, and trustworthiness of BPJS Employment's social security programs. The expected benefits from this research encompass informing companies' strategies for adaptation and innovation, tailoring offerings effectively, improving outreach and engagement, enhancing the efficacy and relevance of BPJS Employment's services, and facilitating improvements in brand positioning, communication strategies, and service delivery, ultimately enhancing trust and engagement with BPJS Employment programs.

METHODS

The research method involves the use of purposive sampling of consumers who purchased social security programs at the Palembang branch of BPJS Ketenagakerjaan in 2023, with a total of 55,267 self-employed workers (non-wage workers). The sample collection technique and sample measurement are not explicitly mentioned in the text provided. The research time was conducted during 2023, with the research location at the Palembang branch of BPJS Ketenagakerjaan.

RESULTS

1. Variabel perceived value (X1), has a beta value of 0.507 with a significant value of 0.000 which is smaller than 0.05. This shows that the perceived value variable has a positive and significant influence on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. This demonstrates that the first hypothesis, which is valid, has a positive and significant effect on the perceived value variable.
2. Variabel brand image (X2), has a beta value of 0.286 with a significant value of 0.039 which is smaller than 0.05. This shows that the brand image variable has a positive and significant influence on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. This demonstrates that the second hypothesis regarding the brand image variable can be accepted because it has a positive and substantial influence.
3. Variabel brand trust (X3), has a beta value of 0.381 with a significant value of 0.000 which is smaller than 0.05. This shows that the brand trust variable has a positive and significant influence on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. This demonstrates that the third hypothesis regarding the brand trust variable can be accepted because it has a positive and significant influence.

DISCUSSION

The Influence of Perceived Value on Purchasing Decisions for Social Security Programs at BPJS Employment Palembang Branch

The results of this research show that the perceived value of the BPU program indicators in BPJS Employment Meets My Needs shows the lowest value (Tambunan, 2023). It is suspected that the social security program offered by BPJS Employment does not yet cover consumer needs. Several respondents said that the social security program offered by BPJS Employment has not been able to fully meet consumer needs in protecting workers in Indonesia. The quality indicators for the BPU program at BPJS Employment are according to standards show the highest score (Syumantra & Aslami, 2022). This shows that the social security program offered by BPJS Employment in the Non-General Worker (BPU) category is in accordance with standards. The social security program offered by BPJS Employment meets the standards required by workers in Indonesia.

The Influence of Brand Image on Purchasing Decisions for Social Security Programs at BPJS Employment Palembang Branch

The results of this research show that the brand image variable in the program indicators at BPJS Employment meets my needs and shows the lowest value (Oktaviono & Tambunan, 2018). It is suspected that some consumers feel that the social security program offered by BPJS Employment has not been able to meet consumers' overall needs in choosing a social security program. Meanwhile, the BPJS Employment indicator is already familiar among the general public, showing the highest value. This shows that BPJS Employment is already familiar among the people in Indonesia as a state institution (Nismawati et al., 2022). BPJS Employment which is a Public Legal Entity that is directly responsible president of the Republic of Indonesia protects workers to overcome certain socio-economic risks resulting from employment relationships.

The Influence of Brand Trust on Purchasing Decisions for Social Security Programs at BPJS Employment Palembang Branch

The results of this research show that the brand trust variable in the BPJS Employment indicator has never disappointed me and shows the lowest value. It is suspected that several consumers said they had experienced poor service in the claims process. Respondents said that the queuing process at the BPJS Employment office, especially during the Covid-19 pandemic, saw an influx of workers wanting to cash out (br Ginting & Aslami, 2022). This happened due to the large number of workers in Indonesia who were laid off and the economy in Indonesia was not yet conducive. So when submitting a claim there was quite a queue. This also results in less conducive service due to the large number of consumers and not too many service personnel.

The BPJS Employment reputation indicator among the community is good, showing the highest score. This shows that BPJS Employment has a good reputation in Indonesian society. BPJS Employment which is a Public Legal Entity is directly responsible president of the Republic of Indonesia and protects workers to overcome certain socio-economic risks resulting from employment relationships (Arimbi, 2020b). Has a vision of realizing employment social security that is trustworthy, sustainable, and prosperous for all Indonesian workers. Making BPJS Employment a state institution that already has a good reputation for protecting workers in Indonesia (Heniyatun et al., 2018).

CONCLUSION

Perceived value has a positive and significant effect on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. Brand image has a positive and significant effect on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. Brand trust has a positive and significant effect on purchasing decisions for social security programs at the Palembang branch of BPJS Employment. The perceived value, brand image, and brand trust all show positive and significant impacts on the purchasing decisions of social security programs at the Palembang branch of BPJS Employment.

REFERENCES

- Arimbi, D. (2020a). Legal status of the social security administrator (BPJS) as a public legal entity. *Jurnal Dinamika Hukum*, 19(3), 829–855.

- Arimbi, D. (2020b). Legal status of the social security administrator (BPJS) as a public legal entity. *Jurnal Dinamika Hukum*, 19(3), 829–855.
- br Ginting, M., & Aslami, N. (2022). Payment System For Old Age Security Claims At Bpjs Employment Of Medan City Branch Office. *Cashflow: Current Advanced Research On Sharia Finance And Economic Worldwide*, 1(4), 77–84.
- Farahmand, N. F. (2019). Strategic Planning and Innovation: Driving Growth and Sustainability in Organizations. *Journal of Business and Economic Options*, 2(1), 26–34.
- Feldman, O. (2024). *Communicating political humor in the media: How culture influences satire and irony*. Springer Nature.
- Haryanto, J., Kashif, M., Moutinho, L., & Pasharibu, Y. (2017). What if the future never comes? Understanding consumer perceptions of future anticipatory efforts of brands. *Asia Pacific Journal of Marketing and Logistics*, 29(3), 669–685.
- Heniyatun, H., Rusdijjati, R., & Sulistyaningsih, P. (2018). Protection of Informal Workers as Participants Through the Magelang Regional Social Security System. *Varia Justicia*, 14(2), 78–86.
- Jaweng, R. E., Murwito, I. S., Rheza, B., Mulyati, S., Damanik, M. I., & Karlinda, E. (n.d.). *Long Road to Business Licence Reform: Evaluation on Implementation of Business Ease Improvement in the Region*. Komite Pemantauan Pelaksanaan Otonomi Daerah.
- Koroley, V. I., Sekerin, V. D., Gorokhova, A. E., Vasina, N. V. E., & Skubriy, E. V. (2021). Current Trends in the Cooperation among Competing Companies in High Technology. *Technology*, 104–115.
- Nasikhin, N., Khasanah, C. F., Salim, N., & Randy, M. (2022). Analysis of Compliance Companies in Paying BPJS Employment Contributions. *Bertuah Jurnal Syariah Dan Ekonomi Islam*, 3(1), 11–36.
- Nismawati, I., Umaruzzaman, U., & Mahadewi, E. P. (2022). Implication of BPJS for Private Health Insurance Marketing and Business Competition in Indonesia. *International Journal of Health and Pharmaceutical (IJHP)*, 2(3), 580–588.
- Nurdiana, N., Soemitra, A., & Daulay, A. N. (2024). Determinant Factors of Gojek Drivers' Interest in Using Social Security Administrator Employment in Medan City. *Journal La Sociale*, 5(3), 564–576.
- Oktaviono, Y. H., & Tambunan, D. B. (2018). The effect of Hospital X's participation in BPJS program on its service quality and financial performance. *The Fifth International Conference on Entrepreneurship*, 3, 42–52.
- Packard, T., Gentilini, U., Grosh, M., O'keefe, P., Robalino, D., & Santos, I. (2019). *Protecting all: Risk sharing for a diverse and diversifying world of work*. World Bank Publications.
- Prasetya, D., Djamhari, E. A., Ramdlaningrum, H., Layyindah, A., Wahyu, M. F. R., Harja, I. T., Aidha, C. N., & Indrayanti, K. R. (2022). *Disability Groups in the Workplace: Conditions and Challenges in Indonesia as a G20 Country*.

-
- Rubianisa, C., Nazaruddin, N., & Sadalia, I. (2019). *Analysis on the Level of Satisfaction in Developing the Loyalty of BPJS Ketenagakerjaan*.
- Syumantra, R. F., & Aslami, N. (2022). Analysis of Service Quality Dimensions Towards Customer Satisfaction At BPJS Employment in Medan Branch Office. *Journal of Humanities, Social Sciences and Business*, 1(4), 7–14.
- Tambunan, R. (2023). Efforts Of Bpjs Ketenagakerjaan In Socializing Of An Old-Age Security Program To Informal Workers In The City Of Medan. *Dia: Jurnal Administrasi Publik*, 21(01), 338–353.
- Wahab, Z., & Widiyanti, D. M. (2019). The Effect of Perceived Value and Personal Selling on Participants' Decision on Employment BPJS Bengkulu Branch (Case Study on Wage NonRecipient Category Customers). *International Journal of Management and Humanities*, 3(12), 43–48.