



## **THE INFLUENCE OF BRAND IMAGE, PRODUCT QUALITY AND PRICE ON DECISION TO BUY DAIHATSU CARS IN SURABAYA**

**Mochamad Irfan**

Universitas Mayjen Sungkono, Mojokerto  
correspondence: irfanmoc@gmail.com

### **Abstract**

The company must have superior innovation and creativity in order to create a competitive advantage in the face of the emergence of other competitors. One of the rapidly growing industries is the automotive industry, especially cars. With so many car brands available on the market, what happens is that the competition for car companies is getting tougher to grab a wider market share than other companies. The purpose of this research is to know the partial, simultaneous influence of brand image, product quality, price on purchase decisions. This study uses research subjects from Daihatsu car consumers in the city of Surabaya. Samples were taken based on a certain technique called purposive sampling using the Cochran formula so that a total of 96 people were used as samples. There is also a technique used to analyze the data which generally uses multiple linear regression analysis. This study has a regression model with the determination  $Y = 25.015 + 2.048 X.1 + 2.256 X.2 + 1.583 X.3$ . The findings of this study can reveal that partially and simultaneously the brand image, product quality and price variables have a significant influence on car buying decisions. Other findings can also be stated that the biggest influence is given by brand image when compared to product quality and price.

Keywords: brand image, product quality, price, purchase decision.

## Introduction

Industrial development in Indonesia has experienced rapid and rapid progress. This situation makes the conditions of business competition increasingly stringent. This causes companies to have superior innovation and creativity in order to create competitive advantages in facing the emergence of other competitors engaged in the same industry.

The automotive industry, especially cars, is one of the many industries whose development has increased significantly from time to time. During its production activities, besides the function of the car which is considered as a means of transportation for goods and passengers, the company is also required to pay attention to its type and design. This is one of the competitive strategies in marketing in facing competition and providing opportunities for prospective buyers to choose the brand, price, type, and product quality according to the needs and purchasing power of the people. With so many car brands available on the market, what is happening is that the competition for car companies is getting tighter to seize a wider market share than other companies. While trying to expand the market, the dominant company still has to protect the business from competitors (Tjiptono, 2008).

The rapid development of a company is influenced by the increasing consumer buying interest in a product which is influenced by consumer purchasing decisions for the product. Purchase decisions are consumer decisions regarding preferences for existing brands in the choice set (Kotler & Keller, 2009).

The brand image described by Kotler and Keller (2016) can reveal that brand image is a process carried out by a person based on his choice, control and interpretation because there is input of information so that a meaningful image in the minds of consumers can be created. A strong brand will be able to help customers reduce quality evaluation risk in their involvement with purchasing decisions. If the involvement of the purchase decision is high, then the customer becomes loyal to a brand based on extensive experience and knowledge about the product. If the involvement of the purchase decision is low, then the brand plays a role in facilitating product recognition. Research conducted by Irfan and Putra (2020) succeeded in proving that purchasing decisions occur because there is an influence given by brand image.

The role of products that have very high quality in terms of satisfying consumers, but on the other hand its relation to creating profit for the company is also strong. Therefore, what Lasender (2013) stated in this regard is that the higher the product quality from the company, the greater the satisfaction that arises from consumers. Darmawan (2019) stated that the accuracy of adjusting user expectations with the inherent quality of the product, supported by pricing according to the capabilities of the target market, will bring satisfaction to its users. Research from Bestary (2019) supports this because the research findings are that product quality can affect purchasing decisions.

In addition to the variables above, price is also a determining factor both in generating buying interest and consumer buying decisions. Price can be interpreted as a form of consumer economic sacrifice with the aim that products and services can be owned. In the marketing literature, Darmawan (2019) explains that price is a monetary measure or the like which includes goods and services to be exchanged so that consumers have the right to buy and use them. There is research conducted by Sinambela et al. (2020) regarding this matter which produces a finding that price can influence purchasing decisions, the effect is significant.

Based on what has been described, it can be seen that the purpose of this study is to determine the effect of brand image, product quality and price on the decision to buy a Daihatsu car.

## Method

Survey research is a type of research that is in this study. All consumers who come from Surabaya and have purchased Daihatsu cars are the population. Therefore, this number is unknown, so a theory must be used to support it. As Sarwono (2011) explained that an unknown number of samples can use the Cochran formula. It was from the Cochran formula that this study obtained a sample of 96 respondents.

Explanation of the sample is part of the population so that the sample can be interpreted as a number of members selected in the entire population (Sekaran, 2006). Based on calculations using the Cochran formula, the minimum sample size in this study is 96 consumers who have bought cars in the city of Surabaya. The sampling method used in this study was purposive sampling, namely taking a basic sample based on certain criteria (Sekaran, 2006). The sampling criteria were: 1) Over 20 years old, 2) Have

bought and know information about Daihatsu cars. 3) Residing or domiciled in the city of Surabaya.

One by one the indicators owned by the variables will be explained as follows. Indicators of purchasing decisions include four things, namely: (1) a stable product; (2) buying habits; (3) buying because there are recommendations from other people; (4) re-buy. The four indicators are based on Kotler and Armstrong (2008). Brand image has five characteristics that form its indicators, namely: (1) brand identity; (2) brand character; (3) brand collections; (4) brand attitude and behavior; (5) usability and superior brand models. This is in accordance with the opinion of Kotler and Keller (2016). Product quality has nine indicators that make it up, starting from: (1) its shape; (2) product character; (3) capabilities; (4) consistent; (5) product durability; (6) reliable products; (7) easy to repair; (8) the model; (9) the design. According to Kotler and Keller (2016). Prices will use indicators as described by Kotler and Keller (2016) including: (1) affordable prices; (2) the price is adjusted according to the quality; (3) competitive prices; (4) the perceived benefits are equal to the price. These indicators will be converted into a set of statements written on the questionnaire. The answers given in the questionnaire have a value as measured by a Likert scale. The eight ranges will explain the value because starting from 8 means very much agree, 7 means very much agree, 6 agree, 5 quite agree, 4 do not agree, 3 do not agree, 2 means strongly disagree, 1 means very disagree.

The data will be analyzed using multiple linear regression analysis techniques. With this technique, it is possible to predict changes in the dependent variable based on changes in the value of the independent variable. In addition, the regression model can also be known. The involvement of the variable brand image (X1), product quality (X2) and price (X3) is set to be the independent variable and there is only one dependent variable involved, namely purchase decision (Y). The provisions used to formulate the results of multiple linear regression analysis are:  $Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3$ .

Information:

Y = Purchase decision

a = Constant

$\beta_1$  = Multiple regression coefficient of brand image independent variable

- $\beta_2$  = Multiple regression coefficient independent variable product quality
- $\beta_3$  = Multiple regression coefficient of price independent variable
- X.1 = Brand image variable
- X.2 = Product quality variable
- X.3 = Price variable

Quality data will be tested using validity and reliability tests first. After that, testing the classical assumptions before the regression model, t-test and F-test, the coefficient of determination test determines the results.

## Result and Discussion

Based on the questionnaire that has been given to the respondents, the results of the characteristics of the respondents have been obtained.

**Table 1. Profile of Respondents.**

Characteristics of Respondents		Total Responden	
Description	Group	Amount	%
Gender	Woman	27	28
	Man	69	72
Age	20 - 25 years	2	2
	26 - 34 years	36	38
	35 - 44 years	43	44
	> 45 years	15	16
Salary nominal	< 5,000,000	6	6
	5,000,000 - 7,500,000	9	10
	7,500,000 - 10,000,000	22	23
	> 10,000,000	59	61

The source is obtained from the results of data tabulation

Based on the results of the descriptive analysis of respondents from 96 people, it is known that there are more male respondents than female respondents. The respondent group is more at the age of 35 -44 years or 44% and the nominal salary is above 10,000,000 (61%).

The validity test states that the instruments used to obtain data in research can be processed further or not. The limit set is 0.3 for each statement item responded to by the respondent (Sugiyono, 2019). Table 2 is the result of the SPSS output for the validity test. Every variable in this

study reaches a valid level. This is because the statements made in the questionnaire produce values according to what is specified, that is, the correlation value exceeds the limit of 0.30.

**Table 2. Reliability Test**

Variables	Cronbach's Alpha	Status
Brand image (X.1)	0.767	Reliable
Product quality (X.2)	0.852	Reliable
Price (X.3)	0.798	Reliable
Purchase decision (Y)	0.813	Reliable

Source: SPSS Output Results

The basis used for the reliability test is the Cronbach alpha value at the limit  $\alpha > 0.60$  which is listed in each of the variable results. The SPSS output of the reliability test is in Table 2. Based on table 2, brand image has a value of 0.767, product quality is at 0.852, price with a value of 0.798 and a value of 0.813 belongs to the purchasing decision variable. All the results reach reliable so that the next stage can be tested.

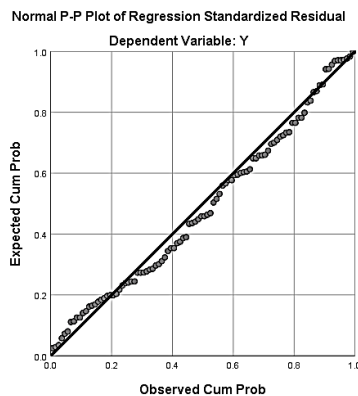


Figure 1. Normality Test  
Source: SPSS Output Results

The results of the normality test which are also included in the classical assumptions will use Figure 1. If you look at the dispersion that occurs in Figure 1, the points spread around the diagonal line and also move towards the diagonal line so that the assumption of normality is achieved because there is a normal data distribution.

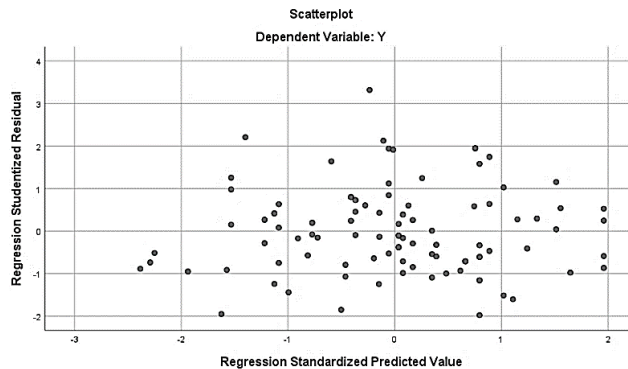


Figure 2. Heteroscedasticity Test  
Source: SPSS Output Results

Autocorrelation test using statistical methods from Durbin-Watson. From the SPSS output, a DW value of 1.864 is obtained. This value indicates that there is no autocorrelation problem. Multicollinearity detection uses the magnitude of the tolerance and VIF results. This provision includes if the tolerance value is below 1 and VIF is also below 10, then it is true that there is no multicollinearity disorder. Tolerance obtained a value of 0.882 and VIF achieved a value of 1.231. With these results, there is no correlation between the independent variables so that a good regression model can be achieved.

For the last stage, a heteroscedasticity test is needed. Through figure 2 we can know the result. The result is that the points are spread randomly and are located on the Y axis. For this reason, a conclusion based on what has been discussed is that the problem of heteroscedasticity is not found.

Table 3. t test and Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25.015	2.761		9.061	.000
	X.1	2.048	.383	.375	5.350	.000
	X.2	2.256	.433	.379	5.210	.000
	X.3	1.583	.342	.296	4.623	.000

Source: SPSS Output Results

Several stages starting from testing the validity, reliability, classical assumptions have been explained based on the results in the SPSS output, then the results of multiple linear regression analysis can be seen. The benefit of doing the t test is to be able to find out the partial effect that brand image, product quality and price have on purchasing decisions. SPSS output results as shown in Table 3. The regression model obtained from the SPSS processing results is as follows:  $Y = 25.015 + 2.048 X_1 + 2.256 X_2 + 1.583 X_3$ . The form of the regression model means that there is a constant value of 25,015 which is the value achieved when the brand image, product quality and price variables have a value equal to zero, the purchase decision has a value of 25,015. Each variable has a positive value which interprets that from the variable brand image, product quality, price can positively influence purchasing decisions. The value of the regression coefficient based on the independent variables can also explain the magnitude of the increase in purchasing decisions for each addition of these independent variables. It can also be stated that there are dominant independent which is given by brand image.

The significance of each independent variable is at 0.000 which is smaller when compared to the significance at the 0.05 level. This means that it is true that based on the independent variables tested partially it can significantly influence purchasing decisions. The influence that occurs is positive and one way which, if described, it can be stated that the increase in purchasing decisions is due to the role of brand image, product quality and price.

Table 4. ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2533.135	3	844.378	62.217	.000 <sup>b</sup>
	Residual	1302.865	92	13.572		
	Total	3836.000	95			

Source: SPSS Output Results

Make a comparison based on the sig probability value, then this includes simultaneous testing (F test). The limit is not more than 0.05. The results in table 4, when compared with the limits, are satisfactory because F-count at a value of 62,217 and a significance at a value of 0.000 which shows below 0.05. For that it can be stated based on the simultaneous influence of brand image variables, product quality and price are significant to purchasing decisions.

Table 5. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.813 <sup>a</sup>	.660	.650	3.684	1.864

Source: SPSS Output Results

Table 5 shows that there is a very strong relationship between the independent and dependent variables because their value reaches 0.813. The coefficient of determination produces a value which, when percentage, is 66%. The results of this percentage give a meaning that to form a purchasing decision requires a contribution from brand image, product quality and price variables of 66%. Independent variables and other factors contribute at a percentage of 34% for the current study.

The first statement based on the results of his research is that brand image plays a significant role in the formation of purchasing decisions. Two findings from Irfan and Putra (2020) also support this. This gives an understanding of this research that the brand image that is constantly being improved, the influence on purchasing decisions is also getting higher. Second, the research results can be stated that product quality plays a significant role in the formation of purchasing decisions with a given role. This result is also supported by Bestary (2019). Third, the results of his research can be stated that the role of price in the formation of purchasing decisions is significant. Research that supports this comes from research by Sinambela et al. (2020) and Khayru et al. (2021) with the result that price has a significant effect on purchasing decisions. Fourth, the results can reveal that a significant dominant role on purchasing decisions is brand image because its value is 5.350. This shows that the better the brand image, the greater the influence given to purchasing decisions.

## Conclusion

A conclusion can be drawn based on the three independent variables consisting of brand image, product quality and price that these independent variables can play a real role in influencing consumers in the decision to buy a Daihatsu car so that it can be seen the magnitude of the significance value given to purchasing decisions and the dominant influence can also be found. It can be described that: (1) there is a significant influence on

purchasing decisions from brand image; (2) there is a significant influence based on product quality on purchasing decisions; (3) there is a significant effect of price on purchasing decisions; (4) there is the most dominant influence of brand image to significantly influence purchasing decisions.

The suggestions that the writer would like to convey based on his research findings are: (1) based on the significant influence of brand image on purchasing decisions, the Daihatsu company is required to maintain a consistent and good brand image and there needs to be more in-depth attention by way of distribution or dealer connections expand again to enter potential areas where later the possibility of consumers to buy Daihatsu products is greater; (2) from the quality of the product that can affect purchasing decisions, the Daihatsu company must continue to strive at all times to provide the best quality and competitiveness in today's technology must be increased again so that it can become a successful market leader, especially in Indonesia; (3) price is also the same as brand image and product quality which can influence purchasing decisions with significant results, for this reason companies need to continue to pay attention that the products produced must be adjusted to competitive prices so that purchasing decisions can be further increased.

## References

- Alamin, S. R. L., D. Nurmalasari, D. Darmawan, & S. Arifin 2021. Comprehensive Relational Value Marketing Framework, *Journal of Social Science Studies*, 1(1), 299 - 304.
- Bestary, A.D. 2019. Pengaruh Kualitas Produk, Citra merek dan Harga Terhadap Keputusan Pembelian, Cikarang. *Skripsi*, Universitas Pelita Bangsa Bekasi.
- Darmawan, D. 2019. Kualitas Produk, Kesadaran Merek dan Harga serta Pengaruhnya terhadap Kepuasan Pelanggan, *Jurnal Administrasi Bisnis*, 8 (2), 75-88.
- Irfan, M. & A. R. Putra. 2020. The Effect of Packaging and Brand Image on Purchase Intentions of Packed Rice Products, *Journal of Science, Technology and Society*, 1(1), 13-22.
- Kotler, P. & K. L. Keller 2016. *Marketing Management*, 15th Edition, Pearson Education.
- Kotler, P. & G. Armstrong. 2008. *Prinsip-prinsip Pemasaran, Jilid 1*, Erlangga, Jakarta.
- Khayru, R.K., M. W. Amri, & M. A. Gani. 2021. Green Purchase Behavior Review of The Role of Price, Green Product, and Lifestyle, *Journal of Marketing and Business Research*, 1(2), 71-82.
- Lasander, C. 2013. Citra Merek, Kualitas Produk dan Promosi Pengaruhnya terhadap Kepuasan Konsumen pada Makanan Tradisional, *Jurnal EMBA*, 1(3).
- Sarwono, S. W. 2011. *Psikologi Remaja*, PT. Raja Grafindo Persada, Jakarta.
- Sekaran, U. 2006. *Metode Penelitian Bisnis*, Salemba Empat. Jakarta.
- Sinambela, E. A. 2020. Pengaruh Variabel Harga dan Citra Perusahaan terhadap Keputusan Pembelian Produk Wingsfood, *Akuntabilitas: Jurnal Ilmu-Ilmu Ekonomi*, 13(1), 55 - 70.
- Tjiptono, F.2008. *Strategi Pemasaran*. Cetakan ke-3, ANDI, Yogyakarta.