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Case study: The influence of brand image, product quality, and price perception on purchasing decisions in Daihatsu Xenia car consumers in Sleman Regency

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#### Abstract

Transportation has become a basic necessity so that private motorized vehicles are rife in the community because they can be used flexibly. Car type motorized vehicles are the main choice because of their more comfortable and safe advantages. Low Multi Purpose Vehicle (LMPV) is the most popular car class in Indonesia. These things are used by car manufacturers to innovate to produce various types, types, models, prices, etc. to attract consumers. Toyota Avanza and Daihatsu Xenia are produced in the same factory but different brands, but the sales level of Daihatsu Xenia is much lower than Toyota Avanza. The purpose of this study was to determine the influence of brand image, product quality, and price perception on Daihatsu Xenia purchasing decisions in Sleman Regency. This study used casual associative method with quantitative approach. The study was conducted in March-July 2023 in Sleman Regency. Sampling with non-probability sampling with purposive sampling type as many as 90 people from Sleman community involved in buying/using Daihatsu Xenia. The analysis techniques used are descriptive analysis and multiple linear regression. The results showed that brand image, product quality, and price perception had a partial or simultaneous effect on Daihatsu Xenia's purchasing decision in Sleman Regency. The contribution of brand image, product quality, and price perception simultaneously to purchasing decisions was 81.4% and the remaining 18.6% was influenced by other variables not included in the research model. Product quality variables are a dominant influence and affect positively.

Keywords: Brand image, product quality, price image, purchashing decision

## 1. Introduction

Transportation has become a basic need for the community to support activities on land. Private transportation is preferred over public transportation because it is flexible to use in terms of time and route (Firdausi and Sambodja, 2016) <sup>[5]</sup>. Types of motor vehicles such as motorcycles and cars are the most often used by the public. However, the comfort and safety aspects are superior to car vehicles so that people if financially able will choose a car. The increasing demand for cars will automatically affect the development of the automotive industry. The opportunity for the development of the automotive industry in Indonesia is utilized by car manufacturers. This supports the fulfillment of the needs as well as the existence of car vehicles in the community. Car manufacturers innovate by producing different types, classes, brands, types and prices providing various options for potential customers

However, there is one class that is most favored by people in Indonesia, namely the low multipurpose vehicle class or LMPV (Low Multi-Purpose Vehicle) which has large capacity capacity. This car belongs to the class of family cars, also includes social, practical and economical cars. Vehicles with the LMPV concept are most popular with the people of Indonesia, including in Sleman Regency, Yogyakarta. The number of LMPV car sales (table 1) shows a high number and the car with the highest sales for 4 consecutive years is the Toyota Avanza. The large demand for a good and quality product makes and encourages companies competing to improve the quality of their products and maintain brand image.

Attitude towards brand image (brand image) is a mental statement that assesses positive or negative, good is not good, likes or dislikes a product, so as to generate interest from consumers to buy or consume goods or services presented by producers (Assael, 2004) [3].

Table 1: Number of LMPV Class Car Sales in Nasmoco Mlati

No.	Merk	Number of Sales			
NO.	Merk	2019	2020	2021	2022
1.	Toyota Avanza	1.464	1102	1084	1286
2.	Honda Mobilio	449	285	311	378
3.	Daihatsu Xenia	366	215	218	412
4.	Suzuki Ertiga	212	148	190	229
5.	Nissan Grand Livina	280	116	95	108
6.	Chevrolet Spin	158	62	18	10
7.	Other	5910	4750	5869	5530

Source: Sales Department Nasmoco Mlati

Unlike the Toyota Avanza, the twin type is Daihatsu Xenia which is in the class and produced by the same factory (PT. Astra) but has a brand image (brand image) is not good. This is in line with people's assumptions, the resale price / used Daihatsu Xenia is much lower than Toyota Avanza. If marketers pay attention to quality, even reinforced by advertising, and reasonable prices, consumers will not think long to make purchases of products (Kotler, Philip and Armstrong, 2008) <sup>[7]</sup>. In addition to brand image and product quality, price plays an important role in consumer buying interest. Price is one of the important variables in marketing, where price can influence consumers in making decisions to buy a product (Augusty, 2006) <sup>[4]</sup>.

Determining a price that suits the market can influence purchasing decisions. Affordable prices are better able to lure consumers to buy an item or use services. There is research at PT. Hadji Kalla Polman branch who proved that brand image has a positive influence on car purchase decisions (Alfian, 2012) [1]. Similar research results are also seen in other studies that show there is a positive influence of product quality on car purchase decisions (Andrianto and Idris, 2013) [2]. The existence of different sales levels, price perceptions and brand images on the same product but different brands are interesting problems to be studied further. Therefore, based on these problems, researchers conducted research on the influence of brand image, product quality, and price perception on purchasing decisions on Daihatsu Xenia car consumers in Sleman Regency.

# 2. Methods

This study used a casual associative method, a quantitative approach. The study was conducted in Sleman Regency in March-July 2023. The types of research data are primary data and secondary data. The research instrument used questionnaires and IBM SPSS applications. The independent

variables of this study are brand image, product quality, and price perception. The dependent variable in research is purchasing decision. The population in this study is the people of Sleman Regency who use and/or are involved in purchasing Daihatsu Xenia cars. The sampling technique uses non- probability sampling with a type of purposive sampling totaling 90 respondents. The data analysis techniques used are descriptive analysis, multiple linear regression analysis.

#### 3. Results

# A. Characteristics of Respondents

Data collection was carried out using questionnaires given to 90 respondents. Descriptive analysis of respondents' characteristics was conducted based on gender, age, occupation and income. The results of the analysis (table 2) show the dominant characteristics of respondents from each category, namely: male gender (58.89%), age group >30 years (81.11%), have jobs other than civil servants / TNI / Polri (55.56%), and have an income of  $\geq$  Rp 3.000.000,-(65.56%).

**Table 2:** Descriptive Analysis Results of Respondent Characteristics

Characteristics	Frequency	Percentage
Gender		
Male	53	58,89%
Female	37	41,11%
Total	90	100%
Age		
≥30 Years	73	81,11%
<30 Years	17	18,89%
Total	90	100%
Job		
PNS/TNI/POLRI	40	44,44%
Other	50	55,56%
PNS/TNI/POLRI		
Total	90	100%
Monthly Income		
$\geq$ Rp 3.000.000,-	59	65,56%
< Rp 3.000.000,-	31	34,44%
Total	90	100%

## **B.** Variable Descriptive Analysis

Descriptive analysis of variables using frequency distribution was carried out on all research variables, namely: brand image, product quality, price image and purchasing decision. Each variable determined its own class interval to determine the scoring categorization of respondents' answers on the questionnaire. The results of the analysis in the frequency distribution table (table 3) show that the category with the highest percentage of all variables is the Strongly Agree (SS) category.

Table 3: Variable Frequency Distribution

Class	Category	Frequency	Percentage		
	Brand Image				
5-9	STS	0	0%		
9-13	TS	0	0%		
13-17	N	1	1,11%		
17-21	S	31	34,44%		
21-25	SS	58	64,44%		
Total		90	100%		
Product Quality					

9-16	STS	0	0%
16-23	TS	0	0%
23-30	N	0	0%
30-37	S	27	30%
37-45	SS	63	70%
Total		90	100%
	]	Price Image	
5-9	STS	0	0%
9-13	TS	0	0%
13-17	N	1	1,11%
17-21	S	37	41,11%
21-25	SS	52	57,78
Total		90	100%
	Purc	chasing decision	
5-9	STS	0	0%
9-13	TS	0	0%
13-17	N	2	2,22%
17-21	S	35	38,89%
21-25	SS	53	58,89%
Total		90	100%

## C. Analysis Prerequisite Test

## 1. Normality Test

Test data normality using Kolmogorov-Smirnov One Sample test. The data is declared normally distributed if the

significance value > 0.05 (5%). The normality test result (table 4) shows that the Kolmogorov-Smirnov value is 0.201 which is greater than 0.05 so that the data can be expressed as normally distributed.

**Table 4:** Kolmogorov-Smirnov Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		90
Normal Parametersa,b	Mean	.0000000
	Std. Deviation	1.06939481
Most Extreme Differences	Absolute	.201
	Positive	.198
	Negative	201
Kolmogorov-Smirnov Z		.201
Asymp. Sig. (2-tailed)		.000c

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

# 2. Linearity Test

The linearity test is performed using the F-score test. The dependent variable and the independent variable are declared linear if the test results show Fcount < Ftable. The results of the statistical test (table 5) on the brand image variable show that the Fcount value is 1.79 which is smaller than the Ftable which is 3.950. The results of statistical tests (table 5) on the product quality variable obtained the Fcount value is 1.254 which is smaller than the Ftable which is 3.950. The results of statistical tests (table 5) on price perception variables show the same result, namely Fcount is 1.616 smaller than Ftable which is 3.950. All statistical test results show Fcount values < Ftable so that it can be stated that all independent variables

in this study are linear with dependent variables.

 Table 5: Linearity Test Results

Variable	Db	Fcount	Sig.	Ftable
Brand image	1/82	1,790	0,111	3,950
Product Quality	1/82	1,254	0,264	3,950
Price image	1/82	1,616	0,143	3,950

## 3. Multicolinierity Test

Multicollinearity test is carried out to determine the relationship between independent variables interdependent or not. The results of the statistical test (table 6) show that all VIF values of independent variables are smaller than 10 so

that it is stated that there is no dependence between variables.

**Table 6:** Multicolinierity Test Results

Variable	Tolerance	VIF
Brand Image	0,275	3,641
Product Quality	0,243	4,109
Price Image	0,255	3,923

## 4. Heteroscedasticity Test

The heteroscedasticity test is performed using the Gleiser test to find out in the regression model there is an inequality of variance and residual one observation to another observation or not. The results of the statistical test (table 7) show that the significance level > 0.05 so that it can be concluded that there is no difference in variance from residuals of one observation to another observation in the regression model.

**Table 7:** Heteroscedasticity Test Results

Variable	Significant
Brand image	0,181
Product Quality	0,810
Price image	0,077

## D. Multiple Linear Regression Analysis

The results of the prerequisite statistical test show that the research data that has been collected is feasible to continue on multiple linear regression analysis. The hypotheses are:

**Hypothesis I:** Brand image influences the purchase decision of Daihatsu Xenia cars in Sleman Regency

**Hypothesis II:** Product Quality affects the purchase decision

of Daihatsu Xenia cars in Sleman Regency

**Hypothesis III:** Price Image has an influence on the purchase decision of Daihatsu Xenia cars in Sleman Regency

**Hypothesis IV:** Brand image, product quality and price image have an influence on Daihatsu Xenia car purchase decisions in Sleman Regency

Hypothesis testing uses the T-test to determine the effect of each independent variable on the dependent variable. Based on the results of statistical tests (table 8) on the brand image variable, Tcount = -2.869 and sig t = 0.005 so that sig t < 0.05, then hypothesis I can be accepted, namely brand image affects the purchase decision of Daihatsu Xenia cars in Sleman Regency. In the quality variable (table 8) the product obtained Tcount = 8,509 and 0.000 so that sig t < 0.05, then hypothesis II can be accepted, namely product quality affects the purchase decision of Daihatsu Xenia cars in Sleman Regency. In the variable price image (table 8) obtained Tcount = 3.776 and sig t =0.000 so that sig t < 0.05, then hypothesis III can be accepted, namely price image has an influence on the purchase decision of Daihatsu Xenia cars in Sleman Regency.

Hypothesis testing to determine the effect of all independent variables simultaneously on the dependent variable using the F- test. If sig f < the value of  $\alpha$  then H0 is not accepted, meaning that the independent variavel simultaneously affects the dependent variable. The results of the statistical test (table 8) show sig f = 0.000 which is smaller than the value of  $\alpha$  = 0.05 so that hypothesis IV can be accepted. While the contribution of independent variables simultaneously in influencing purchasing decisions amounted to  $R^2$  = 0.814.

Table 8: Multiple Liniear Regression Test Results

Variable	Regression Coefficient	Tcount	Sig t
(Constant)	0.659		
Brand Image	-0.285	-2.869	0.005
Product Quality	0.501	8.509	0.000
Price Image	0.349	3.776	0.000
Fcount	125.816		
Sig f	0.000		
Multiple R	0.902		
R2	0.814		

### 4. Discussions

Based on the results of data analysis using statistical tests, it can be seen that overall independent variables consisting of brand image, product quality, and price perception have a significant effect on Daihatsu Xenia car purchase decisions in Sleman Regency. While the magnitude of the influence of the three product attributes on purchasing decisions was 81.4% and the remaining 18.6% was influenced by other variables that were not included in the research model.

Likewise, the results partially show that the variables of brand image, product quality, and price image partially affect the purchase decision of Daihatsu Xenia cars in Sleman Regency. While the most dominant variable influencing purchasing decisions is product quality. This is in line with reasearch in Jambi City on Wuling's car buying interest that product quality is dominant and positively has an influence (Sihombing, Johannes and Ekasari, 2021) [9].

When viewed from the regression coefficient which is negative (-0.285). Based on the results of statistical tests, it was found that hypothesis I was acceptable (sig t 0.000 < 0.05), meaning that brand image influenced the purchase

decision of Daihatsu Xenia cars in Sleman Regency. A good brand image will drive consumer purchasing decisions towards certain products. In research on the purchase decision of Toyota Avanza car at PT. Agung Toyota Sipin Jambi is proven that brand image is closely related (Halim, Hierdawati and Amrizal, 2022) [6].

Product quality variables partially have a significant effect on Daihatsu Xenia car purchase decisions in Sleman Regency. When viewed from the positive regression coefficient (0.501) shows that the better the product quality, the higher the purchase decision. Consumers always assess the performance of a product, this can be seen from the ability of the product to create product quality with all its specifications so that it can attract consumers to make purchases of the product. There are other research results that show that product quality turns out to have a positive influence on purchasing decisions (Nugraheni, 2016) [8]. The price image variable is partially significant to the decision to purchase Daihatsu Xenia cars in Sleman Regency. When viewed from the regression coefficient which is positive (0.349). Based on the results of statistical tests, it was found that hypothesis II was acceptable

(sig t 0.000 < 0.05), meaning that brand image influenced the purchase decision of Daihatsu Xenia cars in Sleman Regency. This result is in line with research in Jambi City that price perception is one of the influences of car purchase interest (Sihombing, Johannes and Ekasari, 2021) [9].

## 5. Conclusion

# Based on the results of the study, it can be concluded that

- 1. Brand image, product quality, and price image partially affect the purchase decision of Daihatsu Xenia cars in Sleman Regency. Product quality is a dominant and positive influence on the purchase of a car.
- 2. Brand image, product quality, and price image simultaneously affect the purchase decision of Daihatsu Xenia in Sleman Regency. The contribution of the influence of the three variables simultaneously was 81.4% and the remaining 18.6% was influenced by other variables that were not included in the study.
- 3. Dealers should improve marketing strategies for Daihatsu Xenia products so that brand image, product quality, and good price perception can be utilized optimally as product marketing forces and can increase product sales.
- 4. This research can be used as a reference for future research using qualitative methods so that analysis of variable influence can be carried out more deeply.

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