Analysis of the Effect of Brand Image, Product Quality, and Price Perception on Consumer Purchase Decisions for Toyota Avanza PT.
Hasjrat Abadi Manado during PPnBM policy

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ABSTRACT
This study aims to test and analyze whether brand image, product quality, and price perception have a simultaneous and partial effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy. As respondents, 97 respondents were buyers of Toyota Avanza cars from March 2021 to August 2021. This study uses the analysis method of validity and reliability testing, classical assumption test, hypothesis testing, multiple linear and regression, and coefficient of determination test. This study found that simultaneously or simultaneously brand image, product quality, and price perception affect consumer purchasing decisions for Toyota Avanza during the PPnBM policy. Separately or partially only brand image has no effect on consumer purchasing decisions. Therefore, the Toyota Avanza brand image must continue to be improved even though it is well known.
INTRODUCTION

Background of the problem

The current economic crisis experienced by most countries is more due to the Covid-19 Virus which is spreading throughout the world. In national online news.kontan.co.id published on July 1, 2020, it was reported that the Corona Virus Disease 2019 (Covid-19) had put pressure on the global economy and at least 22 countries’ economies contracted in the second quarter of 2020, which according to Bloomberg data showed 17 the country is technically in an economic recession because it has been two consecutive quarters (January – June) its economy is at a minus level. Even 3 institutions related to the economy and finance predict the following: 1) The World Bank projects global economic growth in 2020 to be minus 5.2%, 2) The International Monetary Fund (IMF) predicts a position of minus 4.9%,

This deteriorating economic situation has plagued all sectors to people's lives and the result is a decline in people's purchasing power. At the end of September or the third quarter of 2020, it shows that household consumption growth has contracted or decreased by 4.04% compared to the first quarter of 2020 of 2.84%. This declining purchasing power is more due to the number of unemployed who have increased to 9.77 million people, the number of formal workers has decreased to 39.53% due to layoffs and job terminations, as many as 14.28% of Indonesia's working age population is affected by the COVID-19 pandemic, , the middle and upper class people have begun to stop their intention to buy goods that are considered non-essential, and this is also due to the decline in purchases of most groups of goods.

The automotive industry sector has also felt the impact of the economic crisis caused by Covid-19. According to the Director General of the Metal, Machinery, Transportation and Electronic Equipment Industry at the Ministry of Industry, Taufiek Bawazier revealed that the Indonesian automotive industry has not been hit by problems for the first time. Including experiencing the impact of the Corona virus in the automotive sector at this time. This sector is indeed heavily impacted by global trends. Indonesia's economic recession has caused car sales to continue to slow and decline. People's purchasing power has decreased significantly due to the COVID-19 pandemic, which caused automotive factories to temporarily close as well as car shows which were even canceled due to social restrictions to avoid contagion of the epidemic. As a result, car sales throughout 2020 also fell. Based on data from the Association of Indonesian Automotive Industries (GAIKINDO), wholesale car sales (distribution from factories to dealers) throughout 2020 were only 532,027 units. In fact, in 2019 car sales were 1,030,126 units at which time the average monthly automotive manufacturers registered as Gaikindo members could sell 80,000 to 90,000 units.

The government's policy through tax incentives for the automotive industry by being subject to a 0% PPNBM tax starting March 1, 2021 can have a big impact on increasing overall car sales, including the Toyota Avanza. Several previous studies did produce research that the PPNBM policy could increase people's purchasing power. Research from Pramesti and Supadmi (2017), found that the PPNBM tax had a significant positive effect on the purchasing power of four-wheeled vehicle consumers. Furthermore, research from Hasibullah, Mursalin, and Su'un (2020), also found that PPNBM had a significant positive effect. The rise and fall of PPNBM imposed on four-wheeled vehicles can affect the ups and downs of people's purchasing power.

Formulation of the problem

1. Do brand image, product quality, and price perception have a significant effect simultaneously on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPNBM policy?
2. Does brand image have a significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy?

3. Does product quality have a significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy?

4. Does price perception have a significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy?

THEORETICAL BASIS

Marketing Management

Armstrong and Kotler (2012), provide an understanding of marketing management as the analysis, planning, implementation, and control of programs designed to create, build, and maintain profitable exchanges with target buyers with a view to achieving organizational goals.

Brand Image

According to Kotler and Keller (2009), brand image is the perceptions and beliefs that consumers have which are reflected and embedded in the minds and memories of consumers. Next according to Schiffman and Kanuk (2008), defines brand image as a perception that can last a long time, is formed from the results of experience, and is relatively consistent in consumers.

Product quality

Product quality according to Armstrong and Kotler (2012) is the ability of a product to perform functions including overall durability, reliability, accuracy, ease of operation, product repair, and other inherent attributes. Meanwhile, according to Kotler and Keller (2008). Stating product quality as the ability of an item to be able to provide results or performance that match or even exceed what is desired by the customer.

Price Perception

Price is the amount of money spent for a product or service, or the amount of value exchanged by consumers for benefits or ownership or use of a product or service according to Kotler & Armstrong (2016: 324). Price is a monetary unit or other measure including goods and services that are exchanged in order to obtain ownership rights or use of an item or service. And price is the only element of the marketing mix element that provides income or income for the company compared to other marketing mix elements "Moonti (2015: 96).

Marketing Manufacture

(Basu Swastha and Irawan, 2008) explained that the combination of four variables or activities that are the core of the company's marketing system, namely: product, structure, price, promotional activities, and distribution system. Furthermore, Kotler (2007) states that the marketing mix is a set of marketing tools used by companies to achieve marketing goals in the target market

Consumer behavior

Kotler and Keller (2009: 214), Consumer behavior is the study of how individuals, groups and organizations choose, buy, use and place goods, services, ideas or experiences to satisfy their wants and needs.
Consumer Purchase Decision

Purchasing decisions are an integration process that combines knowledge attitudes to evaluate two or more alternative behaviors, and choose one of them (Nugroho, 2003: 415).

Research Model

![Research Model Diagram]

Source: Data Processing Results, 2021

Research Hypothesis

H1 : image brand, product quality, price perception have a significant positive effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

H2 : image the brand has a significant positive effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

H3 : Product quality has a significant positive effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

H4 : Price perception has a significant positive effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

RESEARCH METHODS

According to Sugiyono (2018), associative research is a study related to the problem of cause and effect or causality to find out more about the relationship between one variable and another. Based on this theoretical statement, it can be stated that the type of research to be carried out is classified as associative research. Why is this research called associative research because based on the problem of this research, it is to analyze the effect of testing the influence of brand image, product quality, and price perceptions on consumer purchasing decisions. The population of this study is all consumers who have bought a Toyota Avanza in March to August 2021 (Month of the Effectiveness of PPnBM). To get the number of samples from this study, it will use the formula for calculating the research sample from Slovin so as to get the sample results. Data collection was carried out in September-August 2021 using a questionnaire. The data analysis technique in this study uses the Validity and Reliability Test to measure the variables and indicators of the research whether it is declared valid or declared reliable and uses the classical assumption test to test moderating variables using SPSS 23.
RESEARCH RESULTS AND DISCUSSION

Validity test
From the results of the validity test, it can be seen that all items are valid because they have a significance value below 0.05 and the r-count value is greater than the r-table (0.195).

Reliability Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach Alpha</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image (X1)</td>
<td>0.347</td>
<td>Reliable</td>
</tr>
<tr>
<td>Product quality (X2)</td>
<td>0.828</td>
<td>Reliable</td>
</tr>
<tr>
<td>Price Perception (X3)</td>
<td>0.884</td>
<td>Reliable</td>
</tr>
<tr>
<td>Consumer Purchase Decision (Y)</td>
<td>0.754</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Data Processing Results, 2021

From the results of data processing in this study, all the variables tested had a Cronbach Alpha value of more than 0.195 so that all variables were reliable. Thus it can be used in this research.

Normality test
Based on normality test, the P plot chart can explain that the existing variables indicate a normal distribution because the points which are indicators are located around the diagonal axis line. If these points are far away or scattered not around this diagonal line, it can be stated that the distribution is not normal.

Heteroscedasticity Test
Based on the heteroscedasticity test, it can be seen in the Tolerance value and VIF Collinearity statistics with the condition that the tolerance value must be above 0.1 and the VIF value is less than 10. The statistical results in the table below show that all variables have a tolerance value above 0.1 and the VIF value is less than 10 (Brand image 1,4; Product Quality 3.5; and Price Perception 2.8). These results mean that all variables have an intercorrelation and are good for further regression testing.

Multicollinearity Test
Based on the multicollinearity test, it is explained that the variables and indicators of this study are basically different and do not have significant similarities and are feasible for the regression model in this study.

F test (simultaneous hypothesis)
This study found that jointly or four times the variables x1 to x3 namely brand image, product quality, and price perception had a significant effect on consumer purchasing decisions. This is because the significance value of F is 0.000 or far below the significance limit of 0.05 (5%). Thus the hypothesis H1 can be accepted.

T test (Partial Hypothesis)
When viewed from the results of the t test (separately or partially) it was found that there was 1 variable that was not significant, namely the brand image variable with a significant t value of 0.129 which was above the significant limit of 0.05 (5%). While other variables, namely product quality (x2) and price
perception (x3) are significant because the significance value of t is below 0.05 (5%). Thus the hypothesis H2 is rejected, H3 is accepted, and H4 is accepted.

**Multiple Regression Test Results**

| Coefficientsa |
|---|---|---|---|---|---|
| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. |
| | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.016 | 1.544 | 3.896 | .000 |
| | Brand Image | .203 | .133 | .114 | 1.532 | .129 |
| | Product quality | .195 | .061 | .366 | 3.186 | .002 |
| | Price Perception | .346 | .086 | .417 | 3.998 | .000 |

a. Dependent Variable: Consumer Purchase Decision

*Source: Data Processing Results, 2021*

The results of the regression equation line are:

\[ Y = 6.016 + 0.203x1 + 0.195x2 + 0.346x3 \]

This regression equation line explains:

- Image brand (x1), product quality (x2), and price perception (x3) have a positive influence on consumer purchasing decisions (y)
- Although not significant, brand image (x1) can increase consumer purchasing decisions by 0.203
- Product quality (x2) has a positive effect on increasing consumer purchasing decisions by 0.195
- Price perception (x3) has a positive effect on increasing consumer purchasing decisions by 0.346

**Multiple Correlation Test Results**

| Model Summaryb |
|---|---|---|---|---|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .807a | .651 | .640 | 1.326 |

a. Predictors: (Constant), Price Perception, Brand Image, Product Quality

b. Dependent Variable: Consumer Purchase Decision

Judging from the results of the SPSS statistical test in the R section of the summary model, the value is 0.807 or 80.7%. These results mean that the relationship between brand image variables (x1), product quality (x2), and price perceptions (x3) on consumer purchasing decisions (y) belongs to a close variable relationship.

**Coefficient of Determination Test Results**

The results of the SPSS statistical test summary model in the R square column show a value of 0.651 or 65.1%. These results explain that the contribution of the three independent variables to the dependent variable is large enough above 50%, which is 65.1% so that it can be stated that the brand image variable (x1), product quality (x2), and price perception (x3) have a significant contribution. large on the consumer purchasing decision variable (y).
Model Summary

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a. Predictors: (Constant), Price Perception, Brand Image, Product Quality
b. Dependent Variable: Consumer Purchase Decision

Discussion

1. The influence of brand image, product quality, and price perception on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy.

The results given by GoRide to customers/service users do not affect the results of the Hypothesis H1 test through the F test found that brand image, product quality, and price perceptions have a significant simultaneous effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy. The results of multiple regression also found that all independent variables had a positive influence on increasing consumer purchasing decisions. The findings of this study explain that at the time of the tax reduction policy for the purchase of new cars including the Toyota Avanza, consumers in buying will consider the brand image, product quality, and price factors of the Toyota Avanza. The results of this study certainly agree with previous research from Amron (2018) with the research title The Influence of Brand Image, Brand Trust, Product Quality, and Price on the Consumer's Buying Decision of MPV Cars. This research from Amron found that when consumers decide to buy an MPV car, they will consider the brand image, product quality, and price factors of the car.

2. The influence of brand image on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

The results of hypothesis testing H2 found that brand image has no significant effect on consumer purchasing decisions. Although it has a positive regression equation value, the brand image factor has no effect on consumer purchasing decisions. The results of this study are certainly very surprising because to the knowledge of the research that the Avanza brand car, which is a product of a long-known Japanese car manufacturer, Toyota is a very well known brand or its brand image is no longer in doubt. However, these results explain that when consumers buy Avanza cars, they really know the brand image of this car, so they ignore or do not doubt the toughness of the Toyota Avanza brand image. Usually when a salesperson Hasjrat Abadi meets with consumers, consumers who come to Hasjrat Abadi do not ask about the achievements or awards of the Toyota Avanza. Many consumers who buy the Avanza really believe in the toughness of this brand so that the Toyota Avanza brand image is no longer a problem. The results of this study do not agree with research from Suhud and Willson (2019) and Simbolon, Handayani, and Nugraedy (2020), and Tirtaatmaja, Tampi, and Punuindoong (2019) which found that brand image factors affect car purchase decisions for Toyota products. because of the results of respondents no longer looking for or questioning the brand image of Toyota. Many consumers who buy the Avanza really believe in the toughness of this brand so that the Toyota Avanza brand image is no longer a problem. The results of this study do not agree with research from Suhud and Willson (2019) and Simbolon, Handayani, and Nugraedy (2020), and Tirtaatmaja, Tampi, and Punuindoong (2019) which found that brand image factors affect car purchase decisions for Toyota products. because of the results of respondents no longer looking for or questioning the brand image of Toyota. Many consumers who buy the Avanza really believe in the toughness of this brand so that the Toyota Avanza brand image is no longer a problem.
Tampi, and Punuindoong (2019) which found that brand image factors affect car purchase decisions for Toyota products, because of the results of respondents no longer looking for or questioning the brand image of Toyota.

3. Effect of product quality on consumer purchasing decisions Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

The results of hypothesis testing H3 found that product quality had a significant effect on consumer purchasing decisions. These results illustrate that when consumers buy a Toyota Avanza when the car purchase tax discount or PPnBM applies, they still pay attention to the product quality factor. Indeed, the quality of the Toyota Avanza product is unquestionable. The factor of toughness and vehicle capacity has become a priority for consumer choice since this car brand existed. Starting from the shape, characteristics to product design are indicators of product quality, which of course remains a concern for consumers when buying this Toyota brand car. When this purchase tax discount was imposed by the government, the quality of the Toyota Avanza was still being considered by Toyota manufacturers. Although there is a price reduction, what is reduced is the tax obtained by the government and manufacturers will not reduce the quality of this Avanza car. The results of this study certainly agree with the research from Putra, Djoko, and Nugraha (2015) with the research title Effect of product quality, brand image, and price on the decision to purchase a Toyota Avanza brand car at PT. Nasmoco Majapahit Semarang. Although the object of research and time is different, they are both researching the Toyota Avanza. This study found that product quality factors affect consumer purchasing decisions for Toyota Avanza. and Nugraha (2015) with the research title Effect of product quality, brand image, and price on the decision to purchase a Toyota Avanza brand car at PT. Nasmoco Majapahit Semarang. Although the object of research and time is different, they are both researching the Toyota Avanza. This study found that product quality factors affect consumer purchasing decisions for Toyota Avanza. and Nugraha (2015) with the research title Effect of product quality, brand image, and price on the decision to purchase a Toyota Avanza brand car at PT. Nasmoco Majapahit Semarang. Although the object of research and time is different, they are both researching the Toyota Avanza. This study found that product quality factors affect consumer purchasing decisions for Toyota Avanza.

4. The effect of price perception on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

This study supports research by hypothesis test results H4 found that price perception factors affect consumer purchasing decisions for Toyota Avanza at PT. Hasjrat Abadi Manado during the PPnBM policy. Taxes from the government are one of the components that make up the final price of cars sold to the public. Usually our government will impose a tax called the Luxury Goods Value Added Tax or PPnBM. Cars are classified as luxury goods so they need to be taxed. At the time the Covid-19 health crisis hit Indonesia, it also had an impact on the economic crisis and car purchases were sluggish. To encourage car purchases, the government agreed to APRINDO’s request to reduce the PPnBM tax, thereby reducing the price of cars, including the Toyota Avanza. The price of the Toyota Avanza has indeed decreased significantly so that since PPnBM was implemented in March, sales of the Toyota Avanza began to increase until August when this research was conducted. These results explain that the perception of the reduced price of the Toyota Avanza as a result of the reduction in PPnBM greatly influences the consumer's decision to buy a Toyota Avanza in Manado through PT. Hasjrat Abadi as the sole distributor agent in North Sulawesi Province and its surroundings. This study supports research from Tirtaatmaja, Tampi, and Punuindoong (2019) who conducted research on the same research object, namely the Toyota Avanza PT. Hasjrat Abadi who found that the price factor affects the decision to buy a Toyota Avanza.
CONCLUSION

Based on the tests and discussions that have been carried out in this study, it can be concluded that:

1. Brand image, product quality, and price perception have a significant simultaneous effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during PPnBM policy

2. Brand image has no significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy. These results prove that the brand image of Toyota has been formed and as a result of the research, respondents do not need to find out more about the brand image of Toyota

3. Product quality has a significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy. Despite having competitors from newcomers who offer the same products but have more sophisticated features, the respondents believe more in the quality of products from Toyota that have been tested. In addition to having good product quality, Toyota has spare parts and workshops that are easier for users to reach, so that the quality of Toyota's products can be maintained.

4. Price perception has a significant effect on consumer purchasing decisions for Toyota Avanza PT. Hasjrat Abadi Manado during the PPnBM policy. From this research, since the COVID-19 pandemic, which has reduced the Indonesian economy, including North Sulawesi. Price perception is one of the determining factors for people to buy products from Toyota coupled with the reduction of Value Added Tax on Luxury Goods which is very significant in reducing the price of these goods.

5. PPnBM from the government provides an opportunity for Toyota where Ressler, namely PT. Abadi's desire to boost his sales during the ongoing economic recovery

6. The product from Toyota, namely the Toyota Avanza, is well known and there is no need to doubt it for its quality. Coupled with the price reduction from the PPnBM effect, the Toyota Avanza is more attractive to buy

BIBLIOGRAPHY


