

The effect of brand image,  
price, service, product quality  
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purchases: A case study of  
Bosowa Berlian Motor Inc. in  
Makassar

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# The effect of brand image, price, service, product quality and promotion on consumer buying decisions for car purchases: A case study of Bosowa Berlian Motor Inc. in Makassar

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**Abstract** This paper aims to analyse how brand image, price, service quality, product quality and promotion of cars at Bosowa Berlian Motor Inc. (part of the Mitsubishi brand that sells cars in South Sulawesi province) affect consumer purchase decisions. This study used path analysis to analyse the pattern of relationships between the independent variables (exogenous) and the dependent variable (endogenous) to determine their direct or indirect effects. The results showed that the brand image, price, service quality, product quality and promotional activities had a significant positive influence by encouraging an increase in consumer interest.

**KEYWORDS:** brand image, car, price, product quality, promotion, service quality

## INTRODUCTION

Marketing is not only directed at satisfying customers but also used to influence the consumer's buying decisions. Buying decisions are the main part in the process of searching and evaluating several alternatives until the actual purchase of a product. Bosowa Berlian Motor Inc. Makassar is the single largest car dealership of the Mitsubishi brand in the eastern part of Indonesia and has many outlets at the provincial and district levels. Every year car sales data increases.

When consumers decide to buy a car, they have several reasons to do so, including the brand image, price, service quality, product quality and promotion of the car. A positive brand image is beneficial for producers as it will encourage consumers to buy products with a good brand image and vice versa. According to Sangadji and Sopiah,<sup>1</sup> a positive brand image can also increase customer satisfaction and loyalty. This is supported by Sari's results<sup>2</sup> — the brand's image becomes the basis of consumers in making buying decisions. Amanah<sup>3</sup> also showed that consumers have easier decisions to buy a product with a positive image. Alamgir *et al.*<sup>4</sup> stated that consumers are more likely to buy a brand that is well known and proven for its quality. Most people buy branded products because that brand shows their status and lifestyle in society. Another result from Giri and Jatra<sup>5</sup> showed that a

brand image could encourage consumers in making buying decisions.

On the other hand, the product price can raise the consumer's interest. Boyd Jr. *et al.*<sup>6</sup> stated that to maintain competitive advantage in the market, a company must understand what dimensions are used by consumers to differentiate its products. This explains how important the product is in supporting sales volume. The statement is supported by Pratiwi,<sup>7</sup> who showed that prices have a significant and positive influence on buying decisions. Affordable prices will tend to make the consumers purchase the product.<sup>8</sup>

Bosowa Berlian Motor Inc. Makassar also uses service quality to attract consumers. Kodu's research<sup>9</sup> showed that high-quality services would encourage the consumer to reach the buying decision. Masiruw *et al.*<sup>10</sup> stated that the greater the quality of services provided, the greater the influence in buying decisions. Soenawandan and Malonda<sup>11</sup> also stated that good service quality had a positive and significant influence on consumer buying decisions. One form of quality service provided by Bosowa Berlian Motor Inc. is to use professional, trained female sales staff who are equipped with knowledge related to the product range.

In reality, the company needs to continuously apply strategies to improve the product and customer service quality. The offered product's quality can influence

the decisions of buyers. Previous research has proven the importance of product quality on buying decisions. Nuri's research<sup>12</sup> showed that the product partially had a positive and significant effect on the level of sales. Amrullah<sup>13</sup> subsequently found that the better the quality of the product, the better the sales volume, while Makis's research<sup>14</sup> showed that if the product quality increases, it has a significant effect on the volume of sales turnover.

To stimulate the desire of consumers to buy Bosowa Berlian Motor's product, promotional activities were carried out, such as advertising in newspapers and magazines and on television. Despite the company's best efforts, there are still problems in attracting customers. This is supported by the results of Arisa,<sup>15</sup> which showed that promotion plays an important role in increasing the volume of sales. Another research by Utari<sup>16</sup> concluded that the better the promotion carried out by the company, the higher the sales volume will be.

Based on this description, this study focuses on examining the influence of brand image, price, service quality, product quality and promotion on consumer decisions in Bosowa Berlian Motor Inc. Makassar.

## METHODOLOGY

### Research design

This study used questionnaires, interviews and a literature study to collect the data. The Likert scale by Sugiyono<sup>17</sup> was used to measure respondents' answers. As the total population for this study is unknown, the number of samples was determined by Paul Leedy's formula. The number of samples for this study should be 96.04 and rounded up to 100 based on the calculation. In this study, 100 respondents were sampled by the nonprobability sampling technique. The technique did not provide the same opportunity for each element or member of the population to be selected as a sample.

### Confirmatory factor analysis test

Confirmatory factor analysis (CFA) was used to test the dimensionality of a construct. Before analysing the structural model, a measurement model was made to test the validity and reliability of the indicators of the latent construct by CFA. The outer models with reflective indicators are evaluated by convergent and discriminant validity of latent construct indicators, composite reliability and Cronbach alpha for indicator blocks.

Meanwhile, the outer model, with formative indicators, is evaluated through substantive content by comparing the relative weight and the significance of the indicator, Chin in Ghozali.<sup>18</sup> The convergent assumptions of validity and significance must be fulfilled. A convergent validity value of  $\geq 0.50$  was still considered sufficient for the initial measurement. Bootstrapping could be done to find the significance value. If the significance value from the bootstrapping is  $> 1.96$ , then it can be concluded that the construct indicator is valid.<sup>19</sup> The exogenous variables in this study are brand image, price, service quality, product quality and promotion and these were used to carry out the CFA. The test was repeated three times based on the loading factor value result. If the first CFA resulted in a loading factor lower than 0.50, then the variable is excluded from the next stage of the confirmatory test.

### Path analysis

This study used path analysis techniques, which is an extension of multiple linear analysis; path analysis is the use of regression analysis to estimate causality relationships between variables that have been predetermined based on the theory.<sup>20</sup> If the occurring variables were latent, then structural equation modelling (SEM) is used, as it is more precise. The researcher used variance-based SmartPLS 3 software.

Partial least square (PLS) is an alternative model estimation method for managing the SEM and is designed to overcome its limitations. SEM requires complete and large data, normally distributed, and cannot have multicollinearity. Meanwhile, PLS used a distribution-free approach and also worked on small sample data.<sup>21</sup> The final stage in the SEM model is to interpret and modify the model to meet the requirements of the performed tests with the consideration of the produced residual number from the model.<sup>22</sup>

SmartPLS 3 is used based on the consideration that 1) this statistical method is used to test the predictive effect of relations between latent variables in a model, and 2) PLS can be running on a small, not normally distributed sample and able to test the weak theory-based research models.<sup>23</sup>

The hypotheses of this study is presented in Figure 1.

- *1st hypothesis:* Brand image has a positive and significant effect on car-buying decisions;
- *2nd hypothesis:* Price has a positive and significant effect on car-buying decisions;
- *3rd hypothesis:* Service quality has a positive and significant effect on car-buying decisions;
- *4th hypothesis:* Product quality influences car-buying decisions;
- *5th hypothesis:* Promotion has a positive and significant effect on car-buying decisions;

#### Goodness of fit research model evaluation

The goodness of fit evaluation was carried out both on the outer and inner model. The evaluation of the outer model is done by testing the convergent validity, discriminant validity and composite reliability for indicator blocks. Evaluation of structural models or inner models aimed to predict the relationship between latent variables by

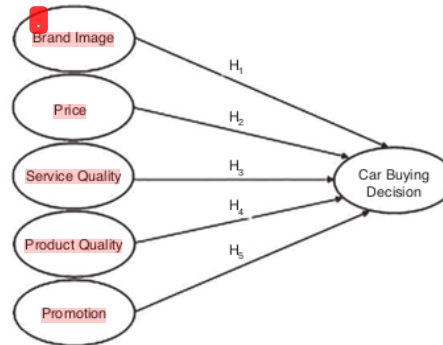


Figure 1: Research structural framework

looking at the magnitude of R-squared for endogenous latent constructs.<sup>24</sup>

The outer model is defined by how each indicator block is related to its latent variables. The design of the measurement model determines the nature of the indicators of each latent variable, whether reflexive or formative, based on the operational definition of the variable. The indicators of the latent variables in this study are all reflective; assuming that the covariance between the measurement models is explained by a variant that was manifestations of the construct domain, the direction of the indicator is from construct to indicator.<sup>25</sup> Validity and reliability of instruments consisting of convergent validity, discriminant validity and composite reliability for indicator blocks.

The inner model is described as the relationship between latent variables based on substantive theory. Designing a structural model of the relationship between latent variables is based on problem formulation or the research hypothesis.

## RESULTS

### CFA test

CFA tests were carried out on the exogenous variables and produced the following results.

Table 1: CFA and bootstrapping results on brand image variables

Manifest variable	Loading factor (outer loading)			Note	t-Statistics (O/STDEV)	p-value	Note
	Stage 1	Stage 2	Stage 3				
CM1	0.361	-	-	Reduced	-	-	-
CM2	0.264	-	-	Reduced	-	-	-
CM3	0.537	0.592	0.598	Valid	2.849	0.005	Significant
CM4	0.700	0.718	0.715	Valid	4.458	0.000	Significant
CM5	0.582	0.654	0.650	Valid	3.791	0.000	Significant
CM6	0.686	0.732	0.733	Valid	3.775	0.000	Significant
CM7	0.821	0.769	0.768	Valid	5.231	0.000	Significant
CM8	0.736	0.692	0.695	Valid	4.280	0.000	Significant
CM9	-0.012	-	-	Reduced	-	-	-
CM10	-0.058	-	-	Reduced	-	-	-

### Brand image

The brand image variable consists of ten manifest variables: (CM1) during the product launch, the consumers were introduced to the car; (CM2) Toyota manufacturers produce popular cars and attract my heart; (CM3) advanced security features and facilities made me comfortable using it; (CM4) car size and contents are according to my current needs; (CM5) the offered products have passed a series of standardised tests and feasibility; (CM6) the durability of the product is proven and has an official certificate; (CM7) there are several variants and colours catering for the tastes of consumers; (CM8) affordable prices make me able to buy this product; (CM9) the location of car sales is very strategic; (CM10) this distributor had a network of companies in each region. The CFA followed by bootstrapping was conducted to test the validity of the outer model and the manifest variables. The final stage of the CFA showed that only six statement items had more than 0.5 loading factor: CM3, CM4, CM5, CM6, CM7 and CM8. Bootstrapping was then performed to determine the significance value of each indicator. The results showed that all six of them have t-count values above t-table (1.96), which is significant (see Table 1).

### Price

The price variable consists of ten manifests: (H1) the price offered was very competitive and offered other packages; (H2) the price I paid is in accordance and following action; (H3) when I bought it, I got a discount on the purchase price; (H4) discounts are given unconditionally and without restrictions; (H5) payments that can be spread out over time help the financial flow; (H6) the discounted price was very helpful for me in running my current business; (H7) the discount did not affect my credit and instalments; (H8) the loans offer an affordable interest expense; (H9) the amount of time given in the credit scheme did not make my daily life difficult; (H10) the payment settlement provided a reasonable period. After that, the CFA and bootstrap analysis was conducted. The final stage of the CFA showed only five statement items with a loading factor value above 0.5: H1, H2, H4, H5 and H6 (see Table 2). The bootstrapping results showed that those five have t-count values above t-table (1.96) or considered significant (see Table 3).

### Stable quality

The service quality consists of ten manifest variables: (KL1) the location of the distributor/workshop was very strategic

Table 2: CFA results on price variable

Manifest variable	Loading factor (outer loading)			Note
	Stage 1	Stage 2	Stage 3	
H1	0.675	0.697	0.701	Reduced
H2	0.616	0.613	0.615	Reduced
H3	0.270	-	-	Reduced
H4	0.592	0.668	0.663	Valid
H5	0.671	0.744	0.740	Valid
H6	0.616	0.656	0.655	Valid
H7	0.406	-	-	Reduced
H8	0.205	-	-	Reduced
H9	0.351	-	-	Reduced
H10	0.309	-	-	Reduced

Table 3: Bootstrapping result of price variable

No	Manifest	T-Statistics ( O/STDEV )	P Values	Note
1	H1	6.090	0.000	Significant
2	H2	3.827	0.000	Significant
3	H4	4.151	0.000	Significant
4	H5	4.667	0.000	Significant
5	H6	5.052	0.000	Significant

and easy to reach; (KL2) offices facilities are comfortable, attractive, clean, safe and use modern equipment to provide information; (KL3) employees served all communities according to procedures throughout working hours; (KL4) employees gave a good impression to visiting customers and were informative about service needs; (KL5) employees carried out their duties correctly and precisely; (KL6) employees provided complaint services through non-face-to-face media; (KL7) employees served transactions quickly, precisely and efficiently; (KL8) employees had sufficient knowledge to answer questions and problems; (KL9) employees were friendly and polite in serving customers; (KL10) employees were patient and sympathetic in serving the community. Similar CFA tests were conducted, resulting in six item statements with a loading factor value above 0.5: KL4, KL5, KL6, KL7, KL8 and KL9 (see Table 4). Bootstrapping analysis showed

the significant value of all six statements (t-statistics >1.96) (see Table 5).

#### Product quality

The product quality consists of ten manifest variables: (KP1) the company has several variants in each type of production; (KP2) product quality can be proud of other products; (KP3) the design of the offered products is very attractive to consumers; (KP4) products had a variety of features that were complete and present; (KP5) the product was the current leading brand; (KP6) product packaging was very environmentally friendly and attracted consumers; (KP7) the size of the product was in line with consumer needs; (KP8) the quality of service provided by the company to consumers prioritises customer satisfaction; (KP9) the company provided a guarantee of the quality of its products; (KP10) these products could penetrate the

Table 4: CFA of service quality variable

Manifest variable	Loading factor (outer loading)			Note
	Stage 1	Stage 2	Stage 3	
KL1	0.361	-		Reduced
KL2	0.490	-		Reduced
KL3	0.519	0.405	-	Reduced
KL4	0.556	0.615	0.627	Valid
KL5	0.680	0.690	0.689	Valid
KL6	0.721	0.699	0.667	Valid
KL7	0.778	0.791	0.782	Valid
KL8	0.608	0.675	0.706	Valid
KL9	0.566	0.597	0.620	Valid
KL10	-0.104	-	-	Reduced

Table 5: Bootstrapping result, brand image variable

No	Manifest	T-Statistics ( O/STDEV )	P Values	Note
1	KL4	8.515	0.000	Significant
2	KL5	10.675	0.000	Significant
3	KL6	10.834	0.000	Significant
4	KL7	21.090	0.000	Significant
5	KL8	9.191	0.000	Significant
6	KL9	7.603	0.000	Significant

Table 6: CFA results of product quality variables

Manifest variable	Loading factor (outer loading)			Note
	Stage 1	Stage 2	Stage 3	
KP1	0.535	0.576	0.596	Reduced
KP2	0.610	0.687	0.749	Reduced
KP3	0.252	-	-	Reduced
KP4	0.730	0.754	0.735	Valid
KP5	0.755	0.775	0.792	Valid
KP6	0.530	0.554	0.515	Valid
KP7	0.564	0.497	-	Reduced
KP8	0.455	-	-	Valid
KP9	0.322	-	-	Valid
KP10	0.263	-	-	Reduced

market and are able to compete with other products. The CFA showed only five item statements with above 0.5 loading factor value: KP1, KP2, KP4, KP5 and KP6 (see Table 6). The bootstrapping analysis showed significance in all of the statements (see Table 7).

### Promotion

Similar to other factors, the promotion consisted of ten manifest variables: (PR.1) the company announced and launched the product to the general public before it is marketed; (PR.2) products offered successfully attracted consumer interest;



Table 7: Bootstrapping results, variable product quality

No	Manifest	T-Statistics ( O/STDEV )	P Values	Note
1	KP1	3.760	0.000	Significant
2	KP2	5.891	0.000	Significant
3	KP4	5.123	0.000	Significant
4	KP5	5.845	0.000	Significant
5	KP6	2.503	0.013	Significant

Table 8: CFA results of promotion variable

Manifest variable	Loading factor (outer loading)			Note
	Stage 1	Stage 2	Stage 3	
PR1	0.487	-	-	Reduced
PR2	0.359	-	-	Reduced
PR3	0.328	-	-	Reduced
PR4	0.712	0.728	0.727	Valid
PR5	0.756	0.733	0.729	Valid
PR6	0.725	0.749	0.747	Valid
PR7	0.558	0.647	0.650	Valid
PR8	0.578	0.602	0.607	Valid
PR9	0.077	-	-	Reduced
PR10	-0.035	-	-	Reduced

Table 9: Bootstrapping results promotion variable

No	Manifest	T-Statistics ( O/STDEV )	P Values	Note
1	PR4	12.850	0.000	Significant
2	PR5	14.432	0.000	Significant
3	PR6	17.563	0.000	Significant
4	PR7	8.375	0.000	Significant
5	PR8	7.192	0.000	Significant

(PR3) communicative and easy-to-understand product advertisements; (PR4) advertising narrative and advertisement stars succeed in attracting consumers; (PR5) the company dared to invest heavily to finance this product; (PR6) the company can supply products that were offered to consumers; (PR7) the company always gave attention and assistance to the community through corporate social responsibility [CSR] programmes; (PR8) the company continued to maintain lasting good relations with consumers; (PR9) the company had reliable salespeople who understood the

products offered; (PR10) sales were able to attract consumer interest through persuasive communication. There were only five statement items with above 0.5 loading values: PR4, PR5, PR6, PR7 and PR8 (see Table 8). All of them were considered significant based on the bootstrapping analysis (see Table 9).

#### *Buying decision*

The purchase decision consists of ten manifest variables: (KB1) I chose a Toyota car because this vehicle is suitable for my

Table 10: CFA result of purchase decision variable

Manifest variable	Loading factor (outer loading)			Note
	Stage 1	Stage 2	Stage 3	
KB1	0.478	-	-	Reduced
KB2	0.497	-	-	Reduced
KB3	0.568	0.639	0.643	Valid
KB4	0.677	0.693	0.689	Valid
KB5	0.716	0.671	0.659	Valid
KB6	0.768	0.782	0.778	Valid
KB7	0.612	0.686	0.694	Valid
KB8	0.605	0.640	0.650	Valid
KB9	0.107	-	-	Reduced
KB10	-0.088	-	-	Reduced

Table 11: Bootstrapping results of buying decision variable

No	Manifest	T-Statistics ( O/STDEV )	P Values	Note
1	KB3	9.356	0.000	Significant
2	KB4	11.251	0.000	Significant
3	KB5	10.758	0.000	Significant
4	KB6	20.929	0.000	Significant
5	KB7	9.003	0.000	Significant
6	KB8	8.424	0.000	Significant

daily needs; (KB2) Toyota cars made it easy for me to do daily activities; (KB3) I am not interested in using products other than this brand; (KB4) a luxurious and elegant look made me tend to choose this product; (KB5) affordable prices made me able to have my dream car without disturbing my daily life; (KB6) Toyota is a well-known product brand which is very familiar in any country; (KB7) testimony of previous users helped me greatly to choose this product; (KB8) this brand was very compatible with my lifestyle and I trusted in this product; (KB9) in choosing to make a purchase I am more pleased with the way the central office provided an official and complete explanation; (KB10) selection of this sales distributor offered me the best product and preference. There were only six statement items whose loading factor value was above 0.5: KB3, KB4, KB5, KB6, KB7 and KB8 (see Table 10).

All of them were significant based on the bootstrap analysis (see Table 11).

#### The goodness of fit evaluation in outer model Convergent validity

Based on the outer loading testing table, the value of loading factors between latent constructs and indicator scores showed manifest variables CM4, CM6, CM7, H1, H5, KB6, KL7, KL8, KP2, KP4, KP5, PR4, PR5 and PR6 met high convergent validity due to loading factor values above 0.70.<sup>26</sup> Indicators CM5, CM8, H2, H4, H6, KB3, KB4, KB5, KB6, KB8, KL4, KL5, KL6, KL9, KP1, PR7 and PR8 were only medium validity, with the loading factor between 0.60–0.70. CM3, KP1 and KP6 were low, with loading factor values of 0.50; 0.50 or more is considered a strong enough validation to explain the latent construct. Thus, it can be concluded that all indicators

Table 12: AVE of each variable

Variable	AVE (original sample)	The square root of AVE
Brand image	0.484	1.000
Price	0.457	1.000
Service quality	0.468	1.000
Product quality	0.470	1.000
Promotion	0.482	1.000
Buying decision	0.472	1.000

Table 13: Composite reliability of each variable

Variable	Composite reliability	Note
Brand image	0.848	Reliable
Price	0.808	Reliable
Service quality	0.840	Reliable
Product quality	0.812	Reliable
Promotion	0.822	Reliable
Buying decision	0.842	Reliable

deserve to be parameters of each latent construct in this research model.

#### *Discriminant validity*

Discriminant validity is related to the principle that the manifest variable of different constructs should not be highly correlated. One way to test the discriminant validity is by comparing the square root of average variance extracted (AVE) for each construct with the correlation value between constructs in the model. Good discriminant validity is shown by the greater number of square root AVE for each construct than the correlation. The results showed each of the variables had a good fit in discriminant validity (see Table 12).

#### *Composite reliability*

Composite reliability is a reliability test the aim of which is to prove the accuracy, consistency, and accuracy of instruments in measuring constructs. This study used composite reliability in testing construct reliability with a minimum value of significance of 0.6.<sup>27</sup> Based on the results, it can be stated that all variables have a good

level of accuracy, consistency, and accuracy of instruments to measure the constructs (see Table 13).

#### *Hypothesis testing of structural models (goodness of fit inner model)*

In this study, the hypothesis will be tested by looking at the path coefficient values of the test results. The results of the hypothesis test can be seen in Figures 2 and 3 and Table 14.

#### *Hypothesis testing 1*

The first hypothesis stated that brand image had a positive and significant effect on consumers' buying decisions at Bosowa Berlian Motor Inc. Makassar. The test results showed that the path coefficient influences brand image on purchasing decisions by 0.017, and its significance was based on the t-statistic value ( $4.553 > 1.96$ ) and p-value ( $0.001 < 0.05$ ). It could be concluded that the hypothesis is true.

#### *Hypothesis testing 2*

The second hypothesis stated that prices had a positive and significant effect on consumers'

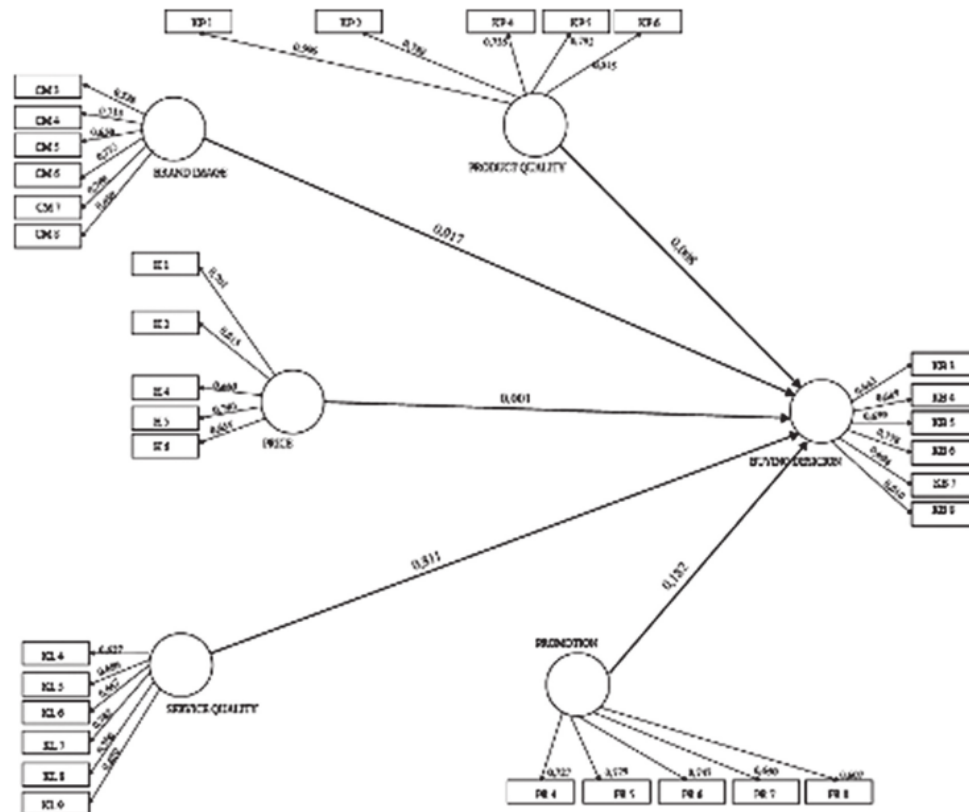


Figure 2: Path diagram of the inner model hypothesis testing results

buying decisions at Bosowa Berlian Motor Inc. Makassar. The test results showed that the path coefficient of prices influenced the buying decisions by 0.001 and considered significant with a t-statistic of 2.055 ( $>1.96$ ) and a p-value of 0.000 ( $<0.05$ ).

**Hypothesis testing 3**

The third hypothesis stated that service quality had a positive and significant effect on consumers' buying decisions at Bosowa Berlian Motor Inc. Makassar. The result showed that service quality had a positive and significant effect by 0.811 on buying decisions at Bosowa Berlian Motor Inc. Makassar (t statistic 7.973 and p-value 0.000).

**Hypothesis testing 4**

The fourth hypothesis stated that product quality had a positive and significant effect on consumers' buying decisions at Bosowa Berlian Motor Inc. Makassar. Product quality had a positive and significant effect by 0.008 on buying decisions at Bosowa Berlian Motor Inc. Makassar (t-statistic 2.917 and p-value 0.000).

**Hypothesis testing 5**

The fifth hypothesis stated that promotion had a positive and significant effect on consumers' buying decisions at Bosowa Berlian Motor Inc. Makassar. Promotion had a positive and significant effect and influenced the buying decisions at Bosowa

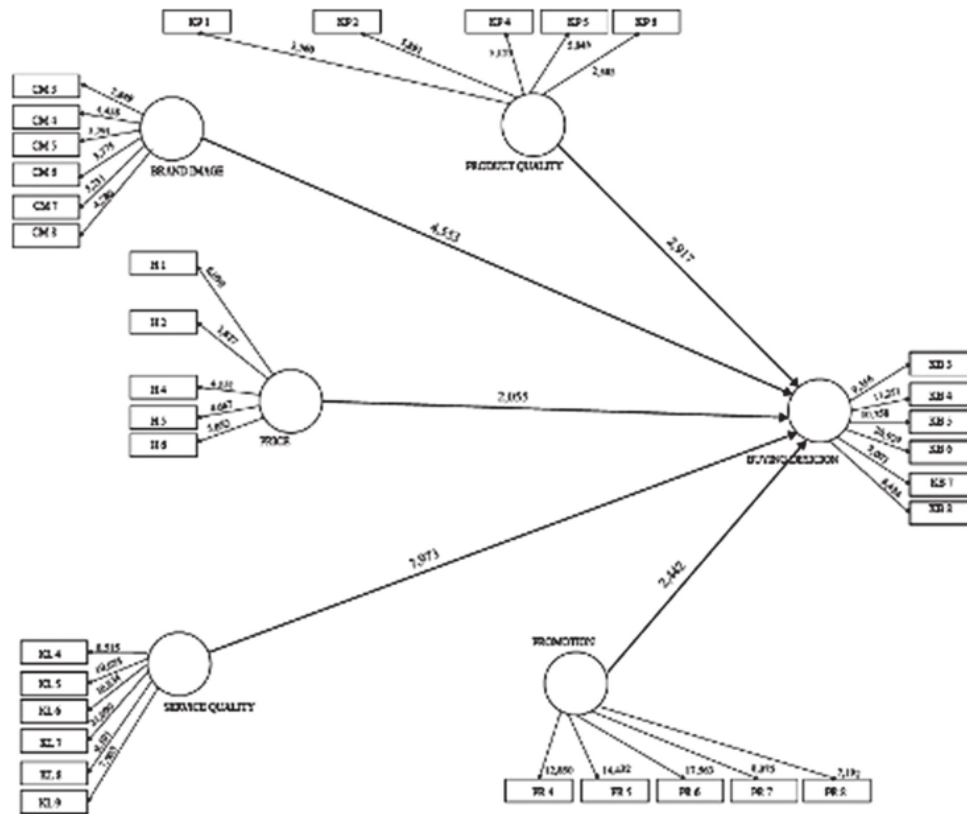


Figure 3: Bootstrapping result diagram

Table 14: Inner model path coefficient test results

	Original sample (O)	T Statistics ( O/STDEV )	P-Values	Note
Brand image → buying decisions	0.017	4.553	0.001	Positive and significant
Price → buying decisions	0.001	2.055	0.000	Positive and significant
Service quality → buying decisions	0.811	7.973	0.000	Positive and significant
Product quality → buying decisions	0.008	2.917	0.000	Positive and significant
Promotion → buying decisions	0.182	2.442	0.002	Positive and significant

Berlian Motor Inc. Makassar by 0.182 (t-statistic 2.442 and p-value 0.002).

**Coefficient of determination testing**

The test is used to measure the effect of all independent variables on car-buying

decisions. The value of the determination coefficient can be seen in Table 15.

The value 0.986 showed that the influence of brand image, price, service quality, product quality and promotion on car-buying decisions at Bosowa Berlian

Table 15: Determination coefficient testing result

R-squared	R-squared adjusted
0.987	0.986

Motor Inc. Makassar was 98.7 per cent, while the remaining 1.3 per cent is influenced by other factors which were not examined in this study.

## DISCUSSION

### The effect of brand image on purchase decisions

According to Kotler and Keller,<sup>28</sup> an image is several trusts, ideas and impressions held by someone about an object. Brand image is the perception and trust of consumers, as reflected by the associations that are embedded in consumer memory. The test results showed that brand image had a positive and significant effect on consumers' car-buying decisions at Bosowa Berlian Motor Inc. Makassar.

Several theoretical studies support the results of this study. Sari<sup>29</sup> stated that the brand image is the basis for consumers to make a buying decision. Meanwhile, Amanah<sup>30</sup> stated that every company will always strive to maintain the superiority of its brand image because most consumers often associate a good brand image with the quality of the product itself. The results of this study are from empirical studies by Alamgir *et al.*,<sup>31</sup> which stated that consumers are more like to buy cars with a well-known brand for their proven quality and performance. Most people buy branded products to show their status and lifestyle in society. Giri and Jatra's<sup>32</sup> research also found that brand image had a significant positive influence on the buying decision of the Toyota MPV type car in Denpasar City.

### The price effect on buying decisions

According to Kotler and Armstrong,<sup>33</sup> price is the amount of money billed for a product or service, or the amount of value

exchanged by customers to benefit from owning or using a product or service. The test results showed that price had a positive and significant effect on consumers' buying decisions at Bosowa Berlian Motor Inc. Makassar.

The results of this study are supported by Tjiptono,<sup>34</sup> who showed that price had a major role in the decision process of buyers. This is also in line with the opinion expressed by Simamora.<sup>35</sup> For product prices to generate consumer interest, the price must be appropriate to the consumer. An empirical study conducted by Pratiwi<sup>36</sup> showed that prices had a significant and positive influence on buying decisions. Each company should be able to offer the most appropriate price that can provide the most benefits, both in the long term and short term. If the price is wrong, it can cause difficulties and failure for the company. Martini<sup>37</sup> found the price had a significant effect on the buying decision of a Honda brand systematic motorcycle in the community of Kudus Regency.

### The service quality effect on buying decisions

Kotler and Keller<sup>38</sup> stated that service quality is an action or activity that can be offered from one side to another side, which is intangible and not the result of ownership. The test results showed that service quality had a positive and significant effect on consumers' car-buying decisions at Bosowa Berlian Motor Inc. Makassar.

The results of this study are supported by Tjiptono,<sup>39</sup> who stated that service quality is the expected level of excellence and control to meet consumer desires. If the services are received or perceived as expected, the quality of service is considered good and satisfying. If services exceed consumer expectations, then the quality of service is perceived as ideal. On the other hand, if the services received are lower than expected, then the quality of service is perceived as poor. Kodu's research<sup>40</sup> showed

that the existence of quality services would encourage consumers' buying decisions. Also, it can encourage consumers to establish strong ties with the company. Masiruw *et al.*<sup>41</sup> stated that the good quality of services provided by Hasjrat Abadi Manado Inc. to Toyota Rush cars consumers greatly influenced the decision to buy the car. Soenawandan and Malonda<sup>42</sup> found that service quality had a positive and significant influence on consumer buying decisions of D'Stupid Baker Surabaya. Interestingly, Zulkarnaim and Triyonowati<sup>43</sup> stated that service quality did not significantly influence consumer buying decisions at Apollo WTC Outlet Surabaya. This may be caused by the similarity in service of mobile phone outlets in general, so it did not have too much influence on consumers' buying decisions on Samsung mobile phones.

#### Effect of product quality on purchasing decisions

Tjiptono<sup>44</sup> stated that the product is anything that can be offered by producers to be considered, requested, sought, bought, used or consumed by the market as fulfilling the needs or desires of the relevant market.

Some theoretical literature has supported the results of this study. According to Boyd Jr *et al.*,<sup>45</sup> if a company wants to maintain its competitive advantage in the market, the company must understand what dimensions are used by consumers to differentiate the company products from competing products. This explains how important the product is to support sales volume. Empirically, the results of this study are supported by the results of Arisa,<sup>46</sup> Amrullah<sup>47</sup> and Makis,<sup>48</sup> all of these studies found that the better the quality of products, the better sales volume will be.

#### Effect of promotion on purchasing decisions

Tjiptono<sup>49</sup> stated that promotion is one of the determining factors for the success of a marketing programme. Promotion is a form

of marketing communication that tries to disseminate information, influence/persuade, and remind the target market to accept, buy and be loyal to the products offered by the company concerned. The test results showed that promotion had a positive and significant effect on consumers' car-buying decisions.

Alma<sup>50</sup> stated that promotion is a type of communication that provides an explanation that convinces prospective consumers about goods and services. The purpose of promotion is to get attention, educate, remind and convince potential customers. Empirical studies by Arisa,<sup>51</sup> Utari<sup>52</sup> and Makis<sup>53</sup> showed that the promotion increase would have a significant effect on the volume of sales turnover.

## CONCLUSION

Brand image, price, service quality, product quality and promotion have a positive influence on customers' decision to buy cars from the Bosowa Berlian Motor company in Makassar. The effect is significant and leads to an increase in customer interest. Therefore, it is recommended for the seller to maintain those indicators continuously.

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# The effect of brand image, price, service, product quality and promotion on consumer buying decisions for car purchases: A case study of Bosowa Berlian Motor Inc. in Makassar

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