Received: 11 November 2022 Accepted: 02 February, 2023

DOI: https://doi.org/10.33182/rr.v8i4.117

Product Quality and Price Influence Purchasing Decisions Through Brand Image on Honda Cars in Makassar City.

Ika Mahkota Putri^{*1}, Masdar Mas'ud², Ramlawati³, Zainuddin Rahman⁴

Abstract

This research was conducted with the aim of 1) testing the Effect of product quality on brand image; 2) testing the Effect of price on brand image; 3) testing the Effect of product quality on purchasing decisions; 4) testing the Effect of price on purchasing decisions; 5) examining the influence of brand image on purchasing decisions; 6) testing the influence of product quality on purchasing decisions; 6) testing the influence of product quality on purchasing decisions; 6) testing the influence of product quality on purchasing decisions through brand image; 7) examine the Effect of price on purchasing decisions through brand image; 7) examine the Effect of price on purchasing decisions through brand image; This study uses primary data by sharing and distributing 272 questionnaires to Honda car consumers in Makassar City from February 2022 to June 2022. This research was conducted in Makassar City with a population of Honda car consumers. Data The questionnaire results were analyzed using structural equation modeling with the belp of the Software Application Program, or SPSS, and Amos 21. The results of this study found that: 1) product quality does not significant effect on purchasing decisions; 5) Brand image significantly affects purchasing decisions; 6) Product quality does not significant effect on purchasing decisions; 6) Product quality does not significant effect on purchasing decisions; 6) Product quality does not significantly affect brand image. 7) Price does not have a significant effect on purchasing decisions; 6) Product quality does not significantly affect brand image. 7) Price does not have a significant effect on purchasing decisions; 6) Product quality does not significantly affect brand image. 7) Price does not have a significant effect on brand image.

Keywords: Product Quality; Price; Brand Image; Purchasing Decision

Introduction

Economic growth, changes, and increasingly rapid business activities require companies to develop marketing strategies to attract and retain consumers. Currently, consumers are faced with various product choices each company offers to meet their needs and desires. One fact that persists is that human needs and wants are always changing. Business companies need to do their job better to identify various urgent needs and find better products to discover the market opportunities they must develop quickly. The results of innovations that manufacturers of their old products have carried out produce innovative products both in terms of increasingly attractive appearance and sophisticated features but also complement their products specifically for cars, namely comfort and safety for the driver, besides offering competitive prices and ease of payment for consumers. Every manufacturer must carry out various strategies so that consumers decide to buy their products.

¹ Universitas Lamappapoleonro, Indonesia Email: Ikhamahkotaputri@gmail.com

² UniversitasMuslim Indonesia, Makassar, Indonesia Email: Masdar_masud@yahoo.com

³ UniversitasMuslim Indonesia, Makassar, Indonesia Email: <u>Ramlawati@gmail.com</u>

⁴ UniversitasMuslim Indonesia, Makassar, Indonesia Email: <u>Zainuddinrahman60@gmail.com</u>

Sunyoto says decision-making is a cognitive process that unites memory, thinking, information processing, and evaluative judgments.

One of the industrial fields that is experiencing rapid development is the automotive industry, especially cars. In Indonesia, including Makassar City, various car brands have been marketed, including Toyota, Honda, Daihatsu, Mitsubishi, Suzuki, Wuling, etc. Honda car sales in Indonesia for the last four years were recorded at 1,151,413 (2018), 1,026,921 (2019), 578,327 (2020), and 887,200 (2021). Products are from various factors that influence consumers in purchasing a product or service; usually, consumers always consider the quality, price, and car that are already known by the public. According to Sunyoto (2014: 83), product quality can be determined by: 1) materials, 2) techniques or manufacturing methods, and 3) the level of expertise of the person or company that works. 4) Design and engineering specifics 5) Attraction. Price can be interpreted as the amount of money (monetary unit) and other aspects (non-monetary) that contain certain utilities or uses needed to obtain a product (Tjiptono, 2012). The theory above illustrates that price is one factor that has a major impact on the company's revenue and profit gains; on the other hand, price also affects consumer purchase satisfaction.

Brand image is an important aspect related to products. If the product produced is good and of good quality, it will have more value in the minds of consumers, improving the brand's image. When the brand image has been formed, it will generate brand trust. A consumer purchase decision is an action consumers take to buy a product. Every manufacturer must carry out various strategies so that consumers decide to buy their products. According to Sunyoto (2014: 45), decision-making is a cognitive process that unites memory, thinking, information processing, and evaluative judgments. Decisions Economic growth and changes and increasingly rapid business activities require companies to develop marketing strategies to attract and retain consumers. Currently, consumers are faced with various product choices each company offers to meet their needs and desires. One fact that persists is that human needs and wants are always changing. Business companies need to do their job better to identify various urgent needs and find better products to discover the market opportunities they must develop quickly. Considering the quality of a product is closely related to the issue of consumer satisfaction, which is the purpose of marketing activities carried out by the company.

Based on the explanation above, the hypothesis of this study is as follows: 1) Product Quality has a positive and significant effect on Honda's car brand image in Makassar City; 2) Price has a positive and significant effect on Honda's car brand image in Makassar City; 3) Product quality has a positive and significant influence on Honda car purchasing decisions in Makassar City; 4) Price has a positive and significant effect on the purchase decision of Honda cars in Makassar City; 5) Brand image has a positive and significant influence on Honda car purchase decisions in Makassar City; 5) Brand

June 2023 Volume: 8, No: 4, pp. 1696-1720 ISSN: 2059-6588 (Print) | ISSN: 2059-6596 (Online)

6) Product quality has a positive and significant influence on purchasing decisions through Honda's car brand image in Makassar City; 7) Price has a positive and significant influence on purchasing decisions through Honda's car brand image in Makassar City.

METHODS

Research Design

The approach used in research is a quantitative one that seeks to prove hypotheses through statistical analysis. Judging from this type of research, it is a type of correlational research, which is research that seeks to connect two or more variables based on facts that occur through data collection, data processing, then analysis, and finally, explanation. Qualitative data is data in words, schemes, and images. Quantitative data is data in the form of numbers or numerical qualitative data. The quantitative data for this study was obtained through the distribution of questionnaires to Honda car consumers.

Data Sources

This research data is sourced from primary and secondary sources. This preliminary data is in the form of records of interview results obtained through interviews and questionnaires the author conducted. This secondary data source can result from further processing of primary data presented in other forms or from other people (Sugiyono, 2015). This data is used to support information from preliminary data obtained from interviews and direct observations in the field. The author also uses secondary data from literature studies. In the literature study, the author reads literature that can support research related to this research and sales data. In addition, the author also conducts field observations and collects data in the form of records about situations and events in the area of research. Observations are made to bring researchers closer to the object under study and to their actual situation or environment. And researchers can enter the environment they are researching, or what is known as "participatory observation." In this observation, the researcher observed.

Questionnaire Dissemination

This study used a closed questionnaire with a questionnaire form using the Likert scale technique. Likert scaling is done by recording the reinforcement of responses and positive and negative statements about each respondent's object, behavior, or attitude. This questionnaire is in the form of statements or attitudes from each respondent.

June 2023 Volume: 8, No: 4, pp. 1696-1720 ISSN: 2059-6588 (Print) | ISSN: 2059-6596 (Online)

Measurement

This study used variables of product quality, price, brand image, and purchasing decisions. To measure these variables, use instruments in the form of questions or statements about each variable in the form of questionnaires. The answer to each question or statement is calculated by adding up the numbers in each question or statement. This study uses questions or statements that will be calculated based on the Likert scale. According to Sugiyono, the Likert scale measures the attitudes, opinions, and perceptions of a person or group of people about phenomena. In this study, we used a 5-level Likert scale.

Inferential, Validity, and Reliability

Analysis The inferential analysis used is Structural Equation Model analysis, a statistical analysis technique combining several aspects of path analysis and confirmatory factor analysis to estimate several equations simultaneously. While the validity test is used to test whether each item in the variable can be understood by the respondent so that he can give the right answer; in addition, reliability is an index number that shows the consistency of a measuring device in measuring the same symptoms that are determined to compete with the prices of other products offered by competing companies and the compatibility between prices and benefits felt by consumers, which can be trusted or relied upon by consumers.

Characteristics of respondents

The characteristics of respondents in this study are that they are consumers who use Honda cars directly in Makassar City. The characteristics of respondents are important in explaining the influence of product quality, price, and brand image on decision-making.

No.	Identity	Classification	Number	r of Respondents
			F	%
		Man	180	66,2
1.	Gender	Woman	92	33,8
		Total	272	100
		17 – 25	29	10,7
		26-34	103	37,9
	Age	35-43	54	19,9
		44 - 52	58	21,3
		≥ 53	28	10,2
		Total	272	100
		SD	-	-
		SMP	2	0,7
.	Education	SMA	46	17,0
		DIPLOMA	11	4,0
		S1	160	58,8
		S2 S3	43	15,9
			10	3,6
		Total	272	100
		Student	-	-
		ASN/PNS	41	15,0
		Private Employees	103	37,8
ŀ	Work	TNI/POLRI	63	23,1
		Entrepreneur	13	4,8
		Housewife	10	3,7
		Other	42	15,6
		Total	272	100
		Brio	126	46,3
		Furniture	33	12,3
		Jazz	29	10,6
		HR-V	42	15,5
5	Car Model	CR-V	24	8,8
		BR-V	5	1,8
		City	4	1,4
		Civic	9	3,3
		Total	272	100

Table 1. Characteristics of Respondents

June 2023 Volume: 8, No: 4, pp. 1696-1720 ISSN: 2059-6588 (Print) | ISSN: 2059-6596 (Online)

6	Old Wear	1-5 years	200	73,5
		6-10 years > 10 years	57	20,9
		> 10 years	15	5,6
		Total	272	100

Based on the table above about the characteristics of respondents, it shows that the gender of Honda car consumers in Makassar City is dominated by the male gender, which is as many as 180 people, or 66.2%. In comparison, the female sex is 92 people or 33.8%. Of the total respondents, 272 people The data shows that most respondents are young and still very productive. The last education of 272 respondents as Honda car consumers in Makassar City is undergraduate education, which is 160 people or 58.8%, followed by those with high school education, as many as 46 people or 17.0%, undergraduate as many as 43 people or 15.9%, diploma as many as 11 people or 4.0%, third degree as many as ten people or 3.6%, and those with junior high school education as many as two people or 0.7%. Then followed by entrepreneurs, as many as 63 people, or 23.1%; other 42 people, or 15.6%, who belong to other job categories, including lecturers and doctors of the State Civil Apparatus; and civil servants, as many as 41 people, or 15.0%. Work as TNI/POLRI for as many as 13 people, or 4.8%, and the last job as a student and housewife for ten people, or 3.7%. The car models used by Honda car consumers in Makassar City are the Honda Brio model, used by 126 people, or 46.3%, followed by the Honda HR-V, 42 people, or 15.5%; the Honda Mobilio, as many as 33 people, or 12.3%; the Honda Jazz, as many as 29 people, or 10.6%; the Honda CR-V, 24 people, or 8.8%; the Honda BR-V, as many as five people, or 1.8%; and the Honda City and Honda Civic, respectively, 4 and 9 people, respectively, or 1.4% and 3.3%, respectively. Then, in terms of the length of time using Honda cars, the most is 1-5 years for as many as 200 people, or 73.5%, followed by those who use 6–10 years for as many as 57 people, or 20.9%, and the last > 10 years for as many as 15 people, or 5.6%.

RESULT

The Goodness of Fit Index Criteria Evaluation

Evaluation of the Fulfillment of Normality Assumptions in Data

Univariate and multivariate normality of the data used in this analysis were tested using AMOS 21.0. The analysis results are attached to Appendix 3: Assessment of Normality. The sample size and its skewness influence the critical measure to test normality. It can be concluded that from as many as 45 indicators, there are 37 that are normally distributed, whose c.r. Value exceeds 2.58, and the remaining eight indicators are normally distributed. However, the assumption of normality

to use SEM analysis is not too critical if the observation data reaches 100 or more because, based on the Central Limit Theorem from a large sample, sample statistics can be produced that are close to the normal distribution (Solimun, 2002: 79). Because this study used a total of 272 observations, the data can be assumed to be normal.

SEM Inferential Statistical Analysis

Univariate Outliers

On the basis that cases or observations that have a Z-score of 2 or 3.0 will be categorized as outliers, and for large samples of over 80 observations, the evaluation guideline is the threshold value of the z-score in the range of 3 to 4 (Hair et al., 1995; Ferdinand, 2005). Because this study can be categorized as a study with a large sample of 272 respondents, which means far above 80 observations, outliers occur if the z-score is 4.0 (based on the descriptive statistics table attached to the evaluation of outliers). All values standardized in z-scores have an average of zero with a standard deviation of one (Ferdinand, 2005). The computerized results show that the data used in this study are free of univariate outliers (Appendix 3) because no variables have a z-score above that limit. The minimum limit of z-score is 1.28795 (Zscore X1.3), and the maximum limit of z-score is 2.27516 (Zscore Y1).

Multivariate Outliers

To determine whether a case (a respondent's various answers) gives rise to a multivariate outlier, calculate a cut-off value based on the Chi-square value at free degrees equal to the number of variables at a significance level of 0.001 or x2 (55: 0.001). Multivariate outliers occur if the distance value exceeds the calculated Chi-square value (Ferdinand, 2005). Based on the value of Chi-square at free degree 55 (number of variables) at a significant level of 0.001 or X2 (55: 0.001) = 93.1675 (Ferdinand, 2005), It can be seen from the calculation results using AMOS that an expensive distance-squared minimal value of 45,098 and a maximum value of 136,802 were obtained (in detail attached to the Appendix on the evaluation of outliers). It can be concluded that there are indications of multivariate occurrence in ten observations. Still, outliers cannot be discarded if the outliers' data describe data conditions (not errors in data input).

The measurement results of each construct or variable

After testing assumptions and taking actions as necessary for errors, the following will be carried out: a fit model analysis with fit model criteria such as GFI, AGFI, TLI, and RMSEA. Analysis can be used for both individual models and complete models. The results of measuring the dimensions and indicators of each latent variable with confirmatory factor analysis (CFA) are successively

explained as follows:

Product Quality Variables

The results of the confirmation factor analysis (CFA) test of product quality variables against the model are as follows:

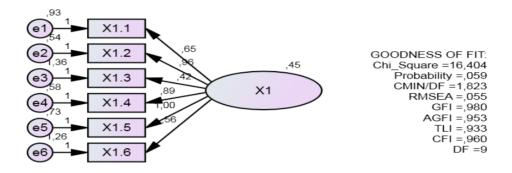


Figure 1. CFA Variable Quality Products

The product quality variable construct test results are evaluated based on the goodness of fit indices in the following table, with the model criteria and criteria values presented. From the evaluation of the model used, it appears that the evaluation of the construct as a whole has not all produced values above the criteria that indicate that the model is not following the data.

The goodness of	Cut-off Value	Value Model Results*	
the fit index			
Chi-Square	Expected small	16,404 <(0,05:9 =16,918)	Good
Probability	≥ 0.05	0,059	Good
CMIN/DF	≤ 2.00	1,823	Good
RMSEA	≤ 0.08	0,055	Good
GFI	≥ 0.90	0,980	Good
AGFI	≥ 0.90	0,953	Good
TLI	≥ 0.95	0,933	Good
CFI	≥ 0.95	0,960	Good

Table 2. Evaluation of Goodness Criteria of Fit Indices Product Quality (X1)

The table shows that the product quality measurement model has not shown a fit or does not match the data with the model. The eight existing criteria evidence this. All of them have met the criteria, so the above model shows a good acceptance rate. Furthermore, to find out the variables that can be used as indicators of product quality, the value of the loading factor or lambda coefficient () and the level of significance that reflects each variable as an indicator of product quality is as follows:

Indicator	Loading	Critical	Probability (p)	Information
Variables	Factor (Å)	Ratio		
X1.1	0,414	5,081	0,000	Significant
X1.2	0,660	7,207	0,000	Significant
X1.3	0,239	3,095	0,002	Significant
X1.4	0,619	6,552	0,000	Significant
X1.5	0,620	FIX	0,000	Significant
X1.6	0,318	3,969	0,000	Significant

Table 3. Loading factor (λ) Product Quality Variable Measurement (X1)

The loading factor () measurement of product quality variables in the table above shows the test results of measuring product quality variables from each indicator to explain the construct, especially latent variables. The test results showed that all indicators were significant, so all indicators were included in subsequent tests.

Price Variables

The results of the confirmation factor analysis (CFA) test of price variables against the model are as follows:

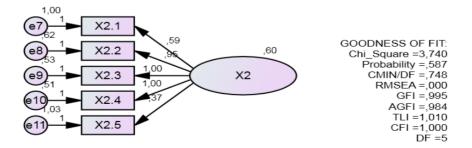


Figure 2. CFA Variable Price

The price variable construct test results are evaluated based on the goodness of fit indicators in the following table by submitting model criteria for a critical value. From the evaluation of the proposed model, the construct has not produced all values above critical, which indicates that the model has not been following the data.

The goodness of the	Cut-off Value	Model Results*	Information
fit index			
Chi-Square	Expected small	3,740 <(0,05:5 =11,070)	Good
Probability	≥ 0,05	0,587	Good
CMIN/DF	≤ 2,00	0,748	Good
RMSEA	≤ 0,08	0,000	Good
GFI	≥ 0,90	0,995	Good
AGFI	≥ 0,90	0,984	Good
TLI	≥ 0,94	1,010	Good
CFI	≥ 0,94	1,000	Good

Table 4. Evaluation of Goodness of Fit Indices and Price Criteria (X2)

The table shows that the price variable measurement model has not shown a fit or has not matched the data with the model. This is evidenced by the eight criteria, all of which have met the criteria; thus, the model above shows a good acceptance rate. Furthermore, to find out the variables that can be used as price indicators, the value of the loading factor or lambda coefficient () and the level of significance that reflects each variable as a price indicator are as follows:

Indicator	Loading	Critical	Probability (p)	Information
Variables	Factor (Å)	Ratio		
X2.1	0,416	5,869	0,000	Significant
X2.2	0,685	8,727	0,000	Significant
X2.3	0,727	9,266	0,000	Significant
X2.4	0,734	FIX	0,000	Significant
X2.5	0,273	3,922	0,000	Significant

Table 5. Loading factor $(\hat{\lambda})$ and price variable measurement (X2)

The loading factor (λ) of price variable measurement in the table above shows the results of each indicator's price variable measurement test to explain the structure, especially the latent variable. This indicates that all indicators are significant, so all indicators are included in subsequent tests.

Brand Image Variables

The results of the confirmation factor analysis (CFA) test of brand image variables against the model are as follows:

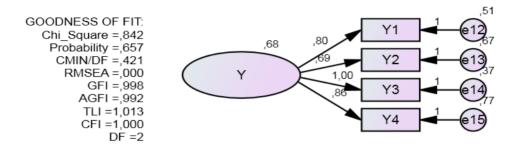


Figure 3. CFA Variable Brand Image

The brand image variable construct test results are evaluated based on the goodness of fit indicators in the following table by submitting model criteria for a critical value. From the evaluation of the proposed model, the overall construct evaluation produces values above critical, which indicates that the model is following the data and that further model suitability tests can be carried out.

The goodness of the	Cut-off Value	Model Results*	Information
fit index			
Chi-Square	Expected small	0.842 <(0.05:2 = 5.991)	Marginal
Probability	≥ 0,05	0,000	Marginal
CMIN/DF	≤ 2,00	0,421	Marginal
RMSEA	≤ 0,08	0,000	Marginal
GFI	≥ 0,90	0,998	Good
AGFI	≥ 0,90	0,992	Marginal
TLI	≥ 0,94	1,013	Marginal
CFI	≥ 0,94	1,000	Marginal

Table 6. Evaluation of Goodness of Fit Indices Brand Image (Y)

The table shows that the brand image measurement model and model criteria have shown the existence of a model fit or fit between the data and the model. This is evidenced by the eight existing criteria, all of which meet them. Thus, the above model shows a good level of acceptance; therefore, it can be concluded that the model is acceptable. Furthermore, to find out the variables that can be used as indicators of brand image, it can be observed from the value of the loading factor or lambda coefficient () and the level of significance that reflects each variable as an indicator

of brand image, as shown in the following table:

Indicator	Loading Factor	Critical	Probability	Information
Variables	(Å)	Ratio	(p)	
Y1	0,680	9,342	0,000	Significant
Y2	0,570	7,944	0,000	Significant
Y3	0,805	FIX	0,000	Significant
Y4	0,628	8,846	0,001	Significant

Table 7. Loading Factor (λ) Brand Image Variable Measurement (Y)

The loading factor (λ) of brand image variable measurement in the table above shows the results of each indicator's brand image variable measurement test to explain the contract. This indicates that all indicators are significant, so all indicators are included in subsequent tests.

Purchase Decision Variables

The results of the confirmation factor analysis (CFA) test of purchasing decision variables against the model are as follows:

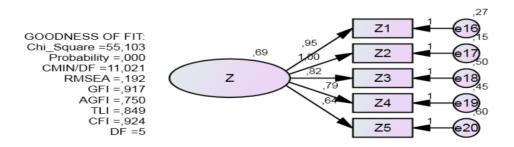


Figure 4. CFA Purchasing Decision Variables

The purchase decision variable construct test results are evaluated based on the fit criteria in the following table by submitting model criteria for a critical value. From the evaluation of the proposed model, the overall construct evaluation produces values above critical, which indicates that the model has not been following the data.

0 ()				
The goodness of the	Cut-off Value	Model Results*	Information	
fit index				
Chi-Square	Expected small	55,103 <(0,05:5 =11,070)	Marginal	
Probability	≥ 0,05	0,000	Marginal	
CMIN/DF	≤ 2,00	11,021	Marginal	
RMSEA	≤ 0,08	0,192	Marginal	
GFI	≥ 0,90	0,917	Good	
AGFI	≥ 0,90	0,750	Marginal	
TLI	≥ 0,94	0,849	Marginal	
CFI	≥ 0,94	0,924	Marginal	

Table 8. Evaluation of Goodness of Fit Indices Purchasing Decision (Z)

The table shows that the purchase decision measurement model does not match the data. The eight existing criteria evidence this; only three meet the criteria; thus, the model above shows a low level of acceptance. Furthermore, to find out the variables that can be used as indicators of purchasing decisions, the value of the loading factor or lambda coefficient () and the level of significance that reflects each variable as an indicator of the brand image appears in the following table:

Indicator	Loading Factor	Critical Ratio	Probability (p)	Information
Variables	(λ)			
Z1	0,834	18,111	0.000	Significant
Z2	0,903	FIX	0.000	Significant
Z3	0,695	12,642	0.000	Significant
Z4	0,699	12,498	0.000	Significant
Z5	0,561	9,601	0.000	Significant

Table 9. Loading Factor $(\hat{\lambda})$ Measurement of Purchasing Decision Variables (Z)

The loading factor (λ) measurement of purchasing decision variables in the table above shows the results of the purchase decision variable measurement test for each indicator to explain the contract. This indicates that all indicators are significant, so all indicators are included in subsequent tests.

The influence of product quality and price on purchasing decisions through brand image

Based on how the value is determined in the model, the first model testing variables are grouped into exogenous and endogenous variables. Exogenous variables are those whose values are determined outside the model. In contrast, endogenous variables are variables whose values are determined through equations or from the relationship model formed and included in the group 1708

June 2023 Volume: 8, No: 4, pp. 1696-1720 ISSN: 2059-6588 (Print) | ISSN: 2059-6596 (Online)

of exogenous variables, namely product quality, and price. At the same time, those that include endogenous variables are brand image and purchase decisions. Empirical data theoretically support hypothetic models. The complete results of the SEM analysis can be seen in the following figure:

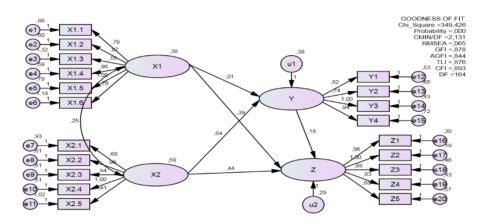


Figure 5. Initial Measurement of the Relationship Model

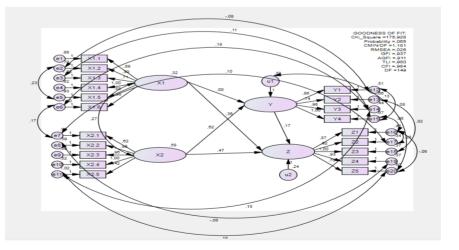


Figure 6. Final Measurement of the Variable Relationship Model

The model test results shown in the figure above are evaluated based on the goodness of fit indices showing the model criteria and critical values with data conformity.

The goodness of the	Cut-off Value	Hasil Model*	Keterangan
fit index			
Chi-Square	Expected small	175,928 (0,05:149= 178.48)	Baik
Probability	≥ 0,05	0,065	Baik
CMIN/DF	≤ 2,00	1,181	Baik
RMSEA	≤ 0,08	0,026	Baik
GFI	≥0,90	0,937	Baik
AGFI	≥ 0,90	0,911	Baik
TLI	≥ 0,94	0,980	Baik
CFI	≥ 0,94	0,984	Baik

Table 10. Criteria Evaluation of Goodness of Fit Indices Overall Model

The table of the final model evaluation shows that of the eight (eight) criteria determined, all have met the criteria. It can be concluded that the model above shows a good level of acceptance and is acceptable so that the model as a whole is said to follow the facts and can be analyzed further.

DISCUSSION

The Influence of product quality on brand image

Based on data processing using statistics from the respondents' answer frequency distribution, the mean value or average value that determines product quality gives good reinforcement, meaning that indicators that determine product quality reinforce brand image. Furthermore, in terms of the role of product quality, the results of SEM analysis through confirmation factor analysis (CFA) show that the model is fit enough to be analyzed further with the value of critical ratios and probabilities to test the hypothesis of the direct influence of product quality on the brand image of Honda cars in Makassar City.

The hypothesis test results show that product quality positively but insignificantly affects Honda's car brand image in Makassar City. Based on the results of research on product quality variables that show a positive but not significant influence on the brand image of Honda cars in the city of Makassar, Then the indicators used in product quality variables will be described as follows:

The first indicator is that the main function of a product can operate properly. The function of the car as a means of transportation has multifunction, which is a means that greatly helps expedite work and business affairs. Besides that, it can protect from sunlight and also protect from rainwater for the wearer. This function makes the car a need that consumers must meet; therefore, the manufacturer or company must always try to innovate or discuss the products produced so that

their main function as a means of transportation can be optimally enjoyed by consumers.

The second indicator is that it has durability and is reliable. Durability is related to how long the product can be used; this dimension includes technical and economic life. The manufacturer or company has determined that the technical and economic life is five years. However, consumers still use Honda cars for over five years, even up to 10 years. Then reliable refers to the small possibility of damage or failure to use. According to information from company leaders and consumers, such a thing has never been found.

The third indicator is whether the product's shape, size, or design can be distinguished from other products; this relates to the attractiveness or aesthetics of Honda cars compared to cars such as Toyota, Daihatsu, Suzuki, and others. Honda cars have different shapes, sizes, or product designs depending on the model and type of car.

The fourth indicator is accuracy or conformity between the specifications or characteristics offered and consumer desires; this relates to the extent to which the specifications or characteristics of design and operation meet predetermined standards. Honda car manufacturers or companies that produce or make cars always pay attention to the development of tastes or desires among consumers and technological developments. We can see that Honda cars produced always have changes in models and types and certainly have different specifications.

The fifth indicator is that features can improve product functions to increase consumer interest. This relates to additional or complementary privileges—features shared by all models or types of Honda cars. There are two categories, namely safety features, which include airbags, seat belt installation reminders, seat Isofix, hill start assist, and seat belt reminders. The second feature is a security feature that includes keyless entry and an immobilizer; the door locks automatically according to a certain speed.

The sixth or last indicator is that the product is easy to repair when there is a breakdown. This relates to the speed and ease of handling complaints that satisfy; the services provided are not limited only before sales but also during the sales process and after-sales, which includes repair services and the availability of components or spare parts needed. The Honda car dealer company in Makassar City has provided service areas or places and various spare parts to provide its consumers excellent service, including periodic car maintenance packages. These indicators have a positive influence on brand image. The influence of product quality on brand image is insignificant, indicating that product quality does not necessarily affect brand image. After studying what causes product quality to have an insignificant effect on brand image, researchers assume that product quality and brand image variables have almost the same indicators or dimensions. The indicators

or dimensions of brand image are easy to recognize and remember, have a reputation in the community, have undoubted quality or affordable prices, and can be trusted or relied upon by consumers. This indicator is not a concern by consumers; besides that, consumers no longer pay attention to brand image but the quality of a product, whatever the price they will pay; it means that buying a Honda car is also influenced by the level of income or purchasing power of consumers.

Several Honda car consumers in Makassar City who were interviewed said that buying a Honda car is easy because they already know Honda cars, especially in terms of quality: Honda cars look good, are safe and comfortable, are easy to drive, and so on.

From the description above about product quality, it appears that it has a positive but insignificant effect on the brand image of Honda cars in Makassar. Several relevant theories support relevant previous research, and that supports, among others, Shifmen and Kanuk (2007), who found that six factors can affect brand image, namely: 1) quality or quality of a product; 2) trustworthiness; 3) service; 4) risk; 5) price; and 6) image of the brand itself. According to Kotler and Keller (2009), "brand image" is consumers' perception when they first hear slogans that are remembered and embedded in their minds. Kotler and Armstrong (2012) define a brand image as everything portrayed by consumer perceptions and feelings regarding the product, its performance, and everything else meaningful to the consumer. This makes companies strengthen their products by creating quality products to create a positive brand image and stick in the minds of consumers. The results of research by Ida Bagus support the results of this study. Dicky Darmajaya Tjok Gede Raka Sukmawati (2019) stated that product quality has a positive and significant effect on brand image.

The Effect of price on brand image

Based on data processing using statistics, from the distribution of respondents' answer frequency, the mean value or average value is included in the "good" category, meaning that indicators from price variables provide good reinforcement to the brand image of Honda cars in Makassar. Furthermore, in terms of the role of price, based on the results of SEM analysis through confirmation factor analysis (CFA), the model is fit enough to be analyzed further with critical ratio values and probabilities to test the hypothesis of a direct influence on the brand image of Honda cars in Makassar City.

The hypothesis test results show that product quality positively and significantly affects brand image. This shows that the positive and significant influence can be explained by the fact that indicators of price variables can be applied well to realize or give birth to the brand image of Honda cars in Makassar. The variable price indicators that trigger the realization of or give birth to a brand

image in the eyes of consumers are as follows:

The first indicator is that the price set or offered by the company is affordable. An affordable price is an expectation. Before they purchase, consumers will look for products whose prices they can reach. Honda has set selling prices based on the model and type of car marketed, ranging from low to highest prices. Honda models and Brio types are pegged at the lowest price of Rp. 150 million, and the highest price of the car studied is the CR-V, which is priced at Rp. 500 million.

The second and third indicators are prices set following quality and can compete with other products offered by competing companies for certain products. Usually, consumers do not mind if they have to buy at relatively expensive prices as long as the quality of the product is good. But consumers prefer products with low prices and good quality. The same is the case with Honda car consumers in the city of Makassar. Some models and types of cars that belong to the expensive category are widely purchased by consumers, namely the HR-V and CR-V. As well as price competitiveness, the company sets prices with various considerations, including the price of products sold by its competitors or other car dealers.

The fourth indicator is that there is a match between the price and the benefits felt by consumers. Consumers sometimes ignore the price of a product but prioritize the benefits of the product; in fact, many Honda car consumers in the city of Makassar state that when buying a Honda car, one of the factors considered is the comfort of driving.

The fifth or last indicator is the ease of payment, namely that consumers can buy Honda cars in cash or on credit at several bank and non-bank financial institutions that are partners of Honda car dealer companies in Makassar.

In connection with the above discussion about the Effect of price on brand image, several relevant theories support, among others, those put forward by Shiffmen and Kanuk (2007), stating that factors that influence or shape brand image include price. Consumers issue this price to get a product.

The Influence of product quality on purchasing decisions

Based on data processing using statistics from the respondents' answer frequency distribution, the mean value or average value includes the affirmative category, meaning that indicators of product quality variables provide good reinforcement for Honda car purchase decisions in Makassar.

Furthermore, in terms of the role of price, the results of SEM analysis through confirmation factor analysis (CFA) show that the model is fit enough to be analyzed further with the value of critical

June 2023 Volume: 8, No: 4, pp. 1696-1720 ISSN: 2059-6588 (Print) | ISSN: 2059-6596 (Online)

ratios and probabilities to be tested hypotheses of product quality variables having a positive and significant effect directly on the purchase decision of Honda cars in Makassar City.

The hypothesis test results show that product quality positively and significantly affects purchasing decisions. This shows that the positive and significant influence can be explained by the fact that indicators of product quality variables can cause Honda car purchase decisions by consumers in the city of Makassar.

In connection with the discussion above about the influence of product quality on purchasing decisions, several relevant theories support, among others, the statement put forward by Setiadi (2010) that consumer decisions to buy a product always involve physical and mental activity, namely when consumers assess products according to certain criteria set by individuals. From this description, it can be understood that consumers assess products before making purchasing decisions, or in other words, product quality can influence purchasing decisions.

Furthermore, Silvany Chichilia Lotulung, Joice Lapian, et al. (2015), Riris Roisah, and Dwi Riana (2016) conducted the research results related to the discussion above. The research results conclude that product quality positively and significantly affects purchasing decisions.

The Effect of Price on purchasing decisions

Based on data processing using statistics, from the spread of respondents' answer frequency, the mean value or average value is included in the affirmative category, meaning that indicators from price variables provide good reinforcement for Honda car purchase decisions in Makassar.

Furthermore, in terms of the role of price, the results of SEM analysis through confirmation factor analysis (CFA) show that the model is fit enough to be analyzed further with the value of critical ratios and probabilities to test hypotheses that price variables have a positive and significant effect directly on the decision to buy Honda cars in Makassar City.

The hypothesis test results show that price positively and significantly affects purchasing decisions. This shows that the positive and significant influence can be explained by indicators of price variables that can cause Honda car purchase decisions by consumers in the city of Makassar.

In connection with the above discussion about the Effect of price on purchasing decisions, several relevant theories support, among others, the argument put forward by Kotler (2002) that if the company is not right to set prices, it will be fatal to purchasing decisions. According to Kotler and Armstrong (2012), "price" is the amount of money exchanged for a product or service, the price for the benefits gained by owning or prioritizing an item. Price is something that consumers pay

attention to when making purchases, as they even identify prices with value. Furthermore, the results of research related to the discussion above were conducted by Christian Sagala et al. (2014), Desy Irana, Dewi Lubis, and Rahmat Hidayat (2017). The results of the research show that price has a positive effect on purchasing decisions. This means that consumers consider price an essential aspect of purchasing.

The Influence of brand image on purchasing decisions

Based on data processing using statistics from the respondents' answer frequency distribution, the mean value or average value includes the affirmative category, meaning indicators from brand image variables provide good reinforcement for Honda car purchase decisions in Makassar.

Furthermore, in terms of the role of price, the results of SEM analysis through confirmation factor analysis (CFA) show that the model is fit enough to be analyzed further with the value of critical ratios and probabilities to test the brand image variable hypothesis, which has a positive and significant effect directly on the purchase decision of Honda cars in Makassar City.

The results of the hypothesis test show that brand image has a positive and significant effect on purchasing decisions. This shows that the existence of positive and significant influences can be explained by the fact that indicators of brand image variables can be applied well to realize or create Honda car purchase decisions. have a reputation in the community, have undoubted quality, and can be trusted or relied upon by consumers.

In connection with the discussion above about the influence of brand image on purchasing decisions, several relevant theories support, among others, those put forward by Alma in Sudarso A (2015). When consumers buy something, they need it; something else is expected. Something else is the image formed in him because a corporate organization needs to inform the public to form a good image. The image of the institution or company is something expected from the institution or company so that public and customer perceptions can validate that the institution or company is good. This perception is a consideration in the decision-making process when choosing company products. (Kotler in Sudarsono A. 2015). Furthermore, the research results related to the discussion above are conducted by Pebriana Aryadhe and Ni Made Rastian (2016) and Ike Venesa and Zainal Arifin (2017). The research results show that brand image strongly or significantly influences purchasing decisions.

The influence of product quality on purchasing decisions through brand image

Based on data processing using statistics, from the distribution of respondents' answer frequency, the mean value or average value includes the affirmative category, meaning that indicators of remittancesreview.com

product quality variables reinforce that the quality of products owned by Honda cars can create or realize a brand image for consumers.

Furthermore, in terms of the role of product quality, the results of SEM analysis through confirmation factor analysis (CFA) show that the model is fit enough to be analyzed further with critical ratio values and probabilities to test the hypothesis of the indirect influence of product quality variables on purchasing decisions through Honda's car brand image in Makassar City.

The hypothesis test results show that product quality has a positive and insignificant effect on purchasing decisions through the brand image of Honda cars in Makassar. This shows that positive and insignificant influences can be explained by the fact that the indicators of product quality variables consisting of the main functions of a product operate well and have long durability. Reliable shape, size, and design can be distinguished from other products, there is conformity or accuracy between the specifications offered and consumer desires, and features can enhance the product's function and are easily repaired when there is damage. Consumers can consider these indicators in their purchase decisions.

The insignificant influence of product quality on purchasing decisions through brand image shows that brand image variable indicators have not been able to mediate the influence of product quality on purchasing decisions. Discussions related to this have been described in point 1 (one) above, namely, the influence of product quality on brand image. In the previous discussion, researchers assumed that Honda car consumers could not distinguish between dimensions, product quality indicators, or brand image. In addition, consumers no longer pay attention to brand image but product quality, whatever the price they will pay, which means that buying a Honda car is also influenced by their income level or purchasing power.

Several Honda car consumers in Makassar City who were interviewed stated that buying a Honda car is easy because they already know Honda cars, especially in terms of the quality of Honda cars, the appearance is good; the car is safe and comfortable; it is easy to drive, and so on. Consumer statements above say it is part of product quality and brand image.

In consumer purchasing decisions, some look at the brand image owned by the product, but others do not pay attention to the image owned by the product in making purchase decisions. Other factors influencing it are purchasing power, price, promotion, etc.

Based on the description above about the influence of product quality on purchasing decisions through brand image, There are several relevant theories and the results of previous research that support them, namely Kotler and Keller (2009), who explain that smart companies will try to

understand the customer decision-making process fully. All their experience in learning to select and rent products Purchasing decisions are influenced by positive brand image factors. A strong brand image can cause the brand to stick in the minds of consumers. Consumer purchasing decisions can be seen as a process where consumers evaluate products by looking at the strength of various product attributes and the image possessed by the product. Oghojatru (2012).

The relevant research results are from research conducted by Ida and Bagus. Dicky Darmajaya, Tjok Gede Raka, and Sukmawati (2019) The results showed that (1) product quality has a positive and significant effect on brand image; (2) Product quality has a positive and significant effect on purchasing decisions (3). Brand image has a positive and significant influence on purchasing decisions. Brand image can mediate the influence of product quality on purchasing decisions. The results of Siti Nurhayati's research (2017) provide different research results, namely that brand image cannot mediate against purchasing decisions and that the object of research is no longer a concern for consumers because it is well known enough that there are only other factors to consider, such as price, quality, and others.

The influence of price on purchasing decisions through brand image

Based on data processing using statistics, from the spread of respondents' answer frequency, the mean value or average value of the 3 (three) variables, namely price, purchase decision, and brand image, including the agreed category, means that the price variable indicator provides good reinforcement for purchasing decisions through the brand image of Honda cars. The price contribution to purchasing decisions through brand image through SEM analysis with confirmatory factor analysis (CFA) shows the fit indices model to be further analyzed with critical ratio values and probabilities for hypothesis testing, directly and indirectly, price variables on purchasing decisions through brand image.

The results of hypothesis testing show that price has a positive and insignificant effect on purchasing decisions through brand image. This indicates that positive and insignificant influences due to all indicators on price variables cannot influence Honda car purchase decisions through brand image, or in other words, that brand image cannot mediate price variables on Honda car purchase decisions in the city of Makassar.

Based on the description above, there are several theories and relevant research results that support them, among others, including Stanton (2000) defines price as the amount of money needed to obtain some combination of a product and accompanying service; Simamora (2000) defines price as the number of values exchanged to obtain a product; thus, the price of an item is a determinant of market demand. Buhari (2004) says that a brand's image represents the overall perception of the brand and is formed from information and knowledge about a product or brand. People who have this knowledge are more likely to make a purchase. Kotler (2004) defines a purchasing decision as the action of the consumer to buy or not buy a product. Of the several factors influencing consumers to purchase, they usually consider quality and price. From the description above, it can be concluded that the purchase decision of a product by consumers is influenced by price and brand image. The research results relevant to the discussion above are Sulvany Chichilia Lotulung, Joice Lapian, et al. (2015), Desy Iriana, Dewi Lubis, and Rahmat Hidayah (2017). The research results show that price positively and significantly affects purchasing decisions.

REFERENCES

- Aaker, & David. (1991). Managing *Brand* Equity; Capitalizing on The Value of *Brand* Name. Newyork: Free Press.
- Adam Jr, Evert E dan Ronald J.Ebert (2002). Production And Operation. Management. 5th. Edition.
- Buchari & Alam. 2004. Manajemen Pemasaran dan Pemasaran Jasa. (ke 6 ed). Bandung.
- Christian Sagala, Mila Destriani, Ulffa Karina Putri, dan Suresh Kumar. 2014. Influence of Promotional Mix and Price on Customer Buying Decision Toward Fast Food Sector: A Survey on University Students in Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi) Indonesia. International Journal of Scientific and Research Publication, Volume 4 Issue 1 Januari 2014.
- Charles W.Lamb dkk 2001, Pemasaran, Edisi Pertama, Salemba Empat, Jakarta.
- Chiffman dan Kanuk. 2007. Perilaku Konsumen. Edisi Ketujuh. Jakarta : Indeks.
- Davis B, Aeker. 2009. "Strategic Market Management", (ke 4 ed) : Jhon Wiley & Sons. Inc.
- Desy Irana Dewi Lubis dan Rahmat Hidayat. 2017. Pengaruh Citra Merek dan Harga Terhadap Keputusan Pembelian Pada Sekolah Tinggi Ilmu Manajemen Sukma Medan. *Jurnal Ilman*, Vol. 5 No. 4 Februari 2017.
- Ferdinad. 2005. Metode Penelitian Manajemen. Edisi 2. BP Universitas Diponegoro : Semarang.
- Garvin. 2008. Kualitas Produk : Alat Strategi Yang Penting. Free Press : Jakarta.
- Ghozali, Imam. 2005. *Aplikasi Analisis Multivariate Dengan Program IBM. SPSS 19.* Edisi Kelima) Semarang: Universitas Diponegoro.
- Hair, Jr et.al. 2010. Multivariate Data Analysis (7th ed). United States : Pearson.
- Ida Bagus Dicky Darmajaya, Tjok Gede Raka Sukawati. 2019. Peran Citra Merek Memediasi Pengaruh Kualitas Produk Terhadap Keputusan Pembelian. *E-Jurnal Manajemen*, Universitas Udayana Vol. 7 No. 2 Tahun 2018.
- Ike Venesa dan Zainul Arifin. 2017. Pengaruh Citra Merek (*Brand Image*) Dan Harga Terhadap Keputusan Pembelian Konsumen. *Jurnal Administrasi Bisnis*, (JAB) Vol. 51 No. 1 Oktober 2017.
- Keller, & Kevin Lane. (1998). Strategic *Brand* Management:Building Measuring and Managing *Brand* Equity. New Jesrey: Prentice Hall.

- Kotler, P., & Kertajaya, H. (2000). Repositioning ASLA From Bubble to Sustainable Economy. Singapore: John Wiley & Sons.
- Kotler, P., & Gary Amstrong. (2001). Prinsip-Prinsip Pemasaran (8 ed.). Jakarta.: Penerbit Erlangga.
- Kotler, P., & Gary Amstrong. (2001). Prinsip-Prinsip Pemasaran (8 ed.). Jakarta.: Penerbit Erlangga.
- Kotler, P. (2002). Manajemen Pemasaran (Edisi Milenium ed.). Jakarta: Prehallindo.
- Kotler, P (2004). Manajemen Pemasaran, (Edisi Millenium ed). Jilid 2. Jakarta: Prehallindo.
- Kotler, P. 2008. Manajemen Pemasaran, Edisi Millenium. PT. Prenhallindo : Jakarya.
- Kotler, P. (2009). Manajemen Pemasaran. Jakarta: Erlangga.
- Kotler P. & Armstrong G. (2012). Prinsip-prinsip pemasaran. Edisi 12, Erlangga. Jakarta.
- Kotler P. & Armstrong G.. 2012. Prinsip-prinsip pemasaran. Edisi 12, Erlangga. Jakarta.
- Kotler P. & Keller. 2016. Manajemen Pemasaran. Edisi 13. Erlangga. Jakarta.
- Kotler P., Kartajaya, Setiawan. 2019. Marketing 4.0. Gramedia. Jakarta. Kurniawan, A. S. (2011). Pengaruh Trust In A Brand Terhadap Loyalitas Pelanggan (Studi pada Starbuck Coffee di Semarang). Semarang: Dipenogoro Univercity.
- Marco Bertini, Daniel Halbheer, Oded Koenigsberg. 2019. Price and *Quality* Decisions By Self-Serving Managers. *International Journal of Research in Marketing*, 10.1016.2019.07.008.
- Ming, T. T. (2012). Consumer Based Brand Equity in The Service Shop.
- International Journal of Marketing Studies, 4(4), 60-67.
- Naik, K. C., Gantasala , S. B., & Prabhakar, V. G. (2017). Service *Quality* (Servqual) and its Effect on Customer Satisfaction in Retailing. European Journal of Social Sciences , 16(2).
- Naimatullah Charo, Pershant Sharma, Saadullah Shaikh, Abdul Haseeb, dan Muhammad Zohaib Sufya. 2015. Determining The Impact of Ewom on *Brand* Image and Purchase Intention Through Adoption of Online Opinions. *International Journal of Humanities and Management Sciences* (IJHMS), Volume 3, Issue I (2015) ISSN 2320-4044.
- Narteh, B. (2017). Service *Quality* and customer satisfaction in Ghanaian retail banks: the moderating role of price. International Journal of Bank & Marketing, 36(1), 68-88.
- Oghojafor, B. 2012. The Influence of Product Attributes on Consumer Perchase Decision in The Nigerian Food and Beverages Industry : A Study of Lagos Metropolis. American Journal of Business and Management. Vol.1, No.4. 2012.
- Paul C.S. Wu, Gary Yeong-Yuh Yeh, Chieh-Ru Hsiao. 2011. The Effect of Store Image and Service Quality on Brand Image and Purchase Intention For Private Label Brand. Australasian Marketing Journal, 10.1016.2010/11.001.
- Pebriana Aryadhe dan Ni Made Rastini. 2016. Kualitas pelayanan, kualitas produk dan citra merek terhadap niat beli ulang di PT Agung Toyota Denpasar. *E-Jurnal Manajemen*, Universitas Udayana Vol. 5 No. 9 Tahun 2016.

Retrieved 01 2019, from https://id.wikipedia.org

Riris Roisah dan Dwiza Riana. 2016. Telaah Hubungan Citra Merek, Kualitas Produk, Dan Keputusan Pembelian Konsumen. *Ecodemica*, Vol. IV No. 1 Tahun 2016.

Schiffman, & Kanuk. (2007). Perilaku Konsumen (ke 2 ed.). Jakarta: PT. Indeks Gramedia.

- Selvany Chichilia Lotulung, Joyce Lapian, dan Sileyljeova Moniharapon. 2015. Pegaruh Terhadap Kualitas Produk, Harga, dan WOM (*Word Of Mouth*) Terhadap Keputusan Pembelian Handphone Evercoss Pada CV. Tristar Jaya Globalindo Manado. *Jurnal EMBA*, Vol. 3 No. 3. Sep. 2015.
- Setiadi, Nugroho J. 2003. Perilaku Konsumen: Konsep dan Implikasi Untuk Strategi dan Penelitian Pemasaran. Prenada Media, Jakarta.
- Simamora, & Bilson. (2003). Aura Merek: 7 Langkah Membangun Merek yang Kuat. Jakarta: Gramedia Pustaka.
- Siti Nurhayati. 2017. Pengaruh Citra Merek, Harga, dan Promosi Terhadap Keputusan Pembelian Handphone Samsung di Yogyakarta. *JBMA*, Vol. IV No. 2 Sept 2017.
- Stanton, W. J. Prinsip Pemasaran. 2000. Prinsip Pemasaran. Jilid 1. Jakarta : Penerbit Erlangga.
- Sudarso Andriasan dkk.. 2015. Manajemen Pemasaran: Teori dan Aplikasi Dalam Bisnis. Andi, Yogyakarta.
- Sugiono. 2015. Metode Penelitian Kuantitatif, Kualitatif dan R&D. Bandung : ALFABETA
- Sunyoto. 2014. Dasar-Dasar Manajemen Pemasaran : Konsep, Strategi, dan Kasus. Yogyakarta. Sumarni
- Tjiptono Fandy. 2008. Strategi Pemasaran. Edisi III. Andi. Yogyakarta Tresna, A. G., & Seminari, N. i. (2018). Pengaruh Brand Equity dan Consumer Satisfaction Pada Brand Loyalty. E-Jurnal Manajemen Unud, Vol. 7(No. 1,), 307-331.
- Tjiptono. 2008. Strategi Pemasaran. Edisi 3. Yogyakarta : CV. Andi Offset.
- Tjiptono, Fandi, Chandra.G. 2012. Pemasaran Strategik, Edisi 2, Andi Offset,

Yogyakarta.

- Whang, U. (2017). Comparative advantage, *Product Quality*, and the competitiveness of firms. Journal of Korea Trade, 21 (3), 174-190.
- Yuen, F. E., & Chan, S. S. (2012). The Effect of retail service *Quality* and *Product Quality* on customer loyalty. Journal of Database Marketing & Customer Strategy Management, 19.
- 23), 1-18. https://doi.org/10.3390/su142315617