

THE ROLE OF BRAND AND PRICE IN INFLUENCING CONSUMER PURCHASING DECISIONS: A STUDY OF DAIHATSU CARS

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Abstract. *This study aims to analyze the influence of brand and price on the decision to purchase a Daihatsu car at PT. Tri Mandiri Sejati in Kotawaringin Timur. The decision to purchase is an important factor that is influenced by various variables, one of which is consumer perception of the brand and price of the product being offered. Brand is considered an important factor in shaping the image of a product in the eyes of consumers, while price plays a role in determining consumer purchasing power. This study employs a quantitative method using a survey approach targeting 150 respondents who are potential buyers of Daihatsu cars at PT. Tri Mandiri Sejati. The data collected were analyzed using multiple regression analysis to test the influence of each independent variable (brand and price) on the dependent variable (purchase decision). The results of the study indicate that brand and price simultaneously have a significant influence on the decision to purchase a Daihatsu car, with brand having a greater influence than price. These findings provide insights for PT. Tri Mandiri Sejati to strengthen its branding and pricing strategies in order to increase sales of Daihatsu.*

Keywords: Brand, Daihatsu Cars, Price, Purchase Decision

1. INTRODUCTION

In an era of increasingly fierce competition in the automotive business, consumer purchasing decisions have become one of the main focuses of companies. The automotive industry, particularly car sales, faces a major challenge in attracting consumer interest due to the wide range of brands and price variations on offer. Brand and price are two important factors that consumers often consider when choosing a product, including cars.

A strong brand can build a positive image and trust in the eyes of consumers. Consumers tend to choose products with brands that are widely recognized, have a good reputation, and have proven quality. On the other hand, price is also an important aspect that influences consumer purchasing power. Competitive prices that are commensurate with product quality will increase consumer interest in purchasing.

PT. Tri Mandiri Sejati, as the official Daihatsu car dealer in Kotawaringin Timur, needs to understand the factors that influence its consumers' purchasing decisions. By understanding the extent to which brand and price influence purchasing decisions, the company can formulate more effective marketing strategies.

However, there are still challenges in the field, such as sales fluctuations influenced by competitors offering lower prices or other brands with stronger brand images. Therefore, research is needed to analyze the influence of brand and price on consumer purchasing decisions for Daihatsu vehicles at PT. Tri Mandiri Sejati.

1.1 Problem Formulation

Based on the above background, the research questions in this study are:

1. Does brand have a significant effect on the decision to purchase a Daihatsu car at PT. Tri Mandiri Sejati?
2. Does price have a significant effect on the decision to purchase a Daihatsu car at PT. Tri Mandiri Sejati?

3. Which factor has a dominant influence on the decision to purchase a Daihatsu car, brand or price?

1.2 Research Purpose

In accordance with the above problem formulation, the objectives of this study are:

1. To determine the influence of brand on the decision to purchase a Daihatsu car at PT. Tri Mandiri Sejati.
2. To determine the influence of price on the decision to purchase a Daihatsu car at PT. Tri Mandiri Sejati.
3. To determine the dominant variable influencing the decision to purchase a Daihatsu car, whether it is brand or price.

1.3 Research Benefits

This research is expected to provide the following benefits:

1. Theoretical Benefits

Contributes to the development of marketing science, particularly regarding the influence of brand and price on consumer purchasing decisions.

2. Practical Benefits

Provides input for PT. Tri Mandiri Sejati in formulating more appropriate marketing strategies, particularly in strengthening the brand image and determining the selling price of Daihatsu cars, in order to increase sales and competitiveness in the market.

2. LITERATURE REVIEW

2.1 Brand

Brands are one of the most important elements in marketing, as they can create consumer perceptions and trust in a product. According to Kotler and Keller (2016), a brand is a name, term, symbol, design, or combination thereof intended to identify the goods or services of a seller or group of sellers and differentiate them from competing products.

Consumer decisions to purchase are often driven by positive perceptions of a particular brand, including previous experiences, product quality, after-sales service, and company image. In the context of this study, the Daihatsu brand is perceived as reliable, fuel-efficient, and easy to maintain, making it the top choice for consumers in the Kotawaringin Timur region, especially for the Pick-Up and Siga models. The Pick-Up is used by businesses in the plantation sector, while the Siga is the preferred family car due to its LCGC (Low-Cost Green Car) status.

2.2 Price

Price is one of the most important factors in purchasing decisions because it is directly related to consumer purchasing power. Tjiptono (2015) states that price is the amount of money charged for a product or service, or the value exchanged by consumers to obtain the benefits of that product.

Consumers tend to compare prices with the benefits or value they receive. In a competitive market, companies must set prices that align with consumer perceptions, including considering installment options, discounts, and financing promotions.

In this study, the prices of Daihatsu vehicles such as the Pick-Up and Siga are considered sufficiently competitive in their respective segments. The Pick-Up's price is deemed commensurate with its power and load-carrying capacity, while the Siga is regarded as affordable for young families, featuring fuel-efficient and tax-friendly LCGC specifications.

2.3 Consumer Purchase Decision

The purchase decision is the final process undertaken by consumers after going through various stages of consideration. According to Schiffman and Kanuk (2007), the

purchase decision process consists of five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation.

Factors such as personal needs, brand perception, price, promotions, and information from third parties (such as family, friends, or the internet) also influence this process.

In this case, the decision to purchase a Daihatsu car is not only influenced by the need for a vehicle (for business or family use) but also by perceptions of brand quality and the alignment of price with the consumer's budget.

2.4 Previous Studies

Many studies have been conducted on the influence of brand and price on purchasing decisions.

1) Sari and Nugroho (2020) studied the influence of brand and price on the purchase of Toyota Avanza in Surabaya. The results showed that brand had a significant influence on purchasing decisions, while price did not have a significant influence.

2) Research by Rahmadani (2021) on the purchase of Yamaha motorcycles showed that both brand and price had a simultaneous effect, but brand was more dominant than price.

3) Another study by Lubis & Santosa (2019) on the purchase of LCGC cars concluded that price had a significant effect on lower-middle-class consumers, but brand remained the primary consideration in the long term.

These findings indicate that brand and price play important roles in influencing consumer behavior, depending on market segmentation and the type of product offered.

3. RESEARCH METHODS

3.1 Research Approach

This research uses quantitative methods with descriptive and verification approaches. The descriptive approach is used to provide an objective overview of the phenomenon being studied, while the verification approach aims to test hypotheses and ensure the validity of existing theories in a specific context. This method allows the research to produce in-depth and accurate data-driven analysis.

3.2 Population and sample

This study uses a quantitative approach with a survey method. The purpose of this approach is to statistically analyze the influence of brand and price on consumer purchasing decisions, specifically for Daihatsu Pick-Up and Sigra cars, which are the most popular models at PT. Tri Mandiri Sejati, East Kotawaringin Regency.

3.2 Population and Sample

The population in this study consists of all potential Daihatsu car consumers at PT. Tri Mandiri Sejati. The sample comprises 150 respondents, selected using non-probability sampling with a purposive sampling approach, where respondents are chosen based on specific criteria, such as having an interest or plan to purchase a Daihatsu car (particularly the Pick-Up or Sigra models) and being directly involved in the purchasing decision-making process.

3.3 Data Collection Techniques

Primary data was collected through a structured questionnaire distributed directly to respondents. The questionnaire consisted of three main sections:

- a. Questions regarding perceptions of the Daihatsu brand
- b. Questions regarding assessments of car prices
- c. Questions to measure purchasing decision tendencies

Each statement in the questionnaire was measured using a Likert scale with a range of values from 1 (strongly disagree) to 5 (strongly agree).

3.4 Operational Definitions of Variables

To clarify the scope of the study, the following are the operational definitions of each

variable used

Table 3.1 Operational Definitions of Variables

No	Variable	Definition	Indicators	Measurement Scale	Granmax Pick Up	Sigra
1	Merk (X1)	Consumer perceptions of Daihatsu's quality and brand image.	Brand recognition, brand reputation, and brand image	5	Chosen for its toughness, durability, and popularity among palm oil entrepreneurs.	Chosen because it is a trusted brand for fuel-efficient and easy-to-maintain family cars.
2	Price (X2)	Consumer perceptions of the suitability of car prices in relation to the benefits obtained.	Affordability, value for money	5	The price is considered affordable and commensurate with its carrying capacity and engine power.	Cheaper than competitors in the LCGC class, suitable for young families with limited budgets .
3	Purchase Decision (Y)	Consumers' final decision to purchase a Daihatsu car is based on brand and price considerations.	Interest in purchasing, willingness to recommend	5	Purchased because it is needed for business operations, especially for transporting crops or logistics.	Purchased because it is suitable for everyday family use, has sufficient capacity, and is efficient.

3.5 Data Analysis Techniques

The data obtained from the questionnaire will be analyzed quantitatively in a descriptive and inferential manner. Descriptive analysis is used to determine the characteristics of respondents and their perceptions of the brand, price, and decision to purchase a Daihatsu car.

Meanwhile, to determine the influence of independent variables (brand and price) on the dependent variable (purchase decision), multiple linear regression analysis is used. This technique is used to see how much each variable contributes to consumer decisions in purchasing Daihatsu cars, particularly the Pick-Up and Sigra models.

4. RESULTS AND DISCUSSION

4.1 Results

4.1.1 Overview of Respondents

This study was conducted on 150 respondents who were prospective buyers of Daihatsu cars at PT. Tri Mandiri Sejati, East Kotawaringin Regency. Based on the data collected, the respondents were divided into two main groups based on their vehicle preferences:

- 1) The Daihatsu Pick-Up was chosen by 60% of respondents (90 people), primarily for business purposes such as transporting palm oil harvests and daily logistics.
- 2) Daihatsu Sigra was chosen by 40% of respondents (60 people), generally used as a family vehicle because it is classified as an economical and efficient LCGC, suitable for daily mobility.

4.1.2 Data Analysis Results

From the results of data processing obtained through questionnaires, it was found that brand and price influence consumer purchasing decisions, with brand having a more dominant influence than price.

The Daihatsu brand gives a positive impression to consumers because it is known as

a vehicle that is tough, fuel efficient, easy to maintain, and has an extensive service network. This makes the brand the primary factor in the purchasing decision-making process.

Price remains a rational factor considered by consumers, particularly in terms of affordability and the availability of promotions or credit programs. However, the results indicate that many consumers are still willing to purchase if they are confident in the brand, even if the price is slightly higher than that of competitors.

4.1.3 Purchase Interest Distribution

The data also shows that purchase interest is clearly divided between two main models:

- 1) Pick-Up (60%): Chosen for its durability and economic benefits for business activities.
- 2) Siga (40%): Chosen for its practicality, comfort, and efficiency for everyday family needs.

4.1.4 Consumer Interest Distribution

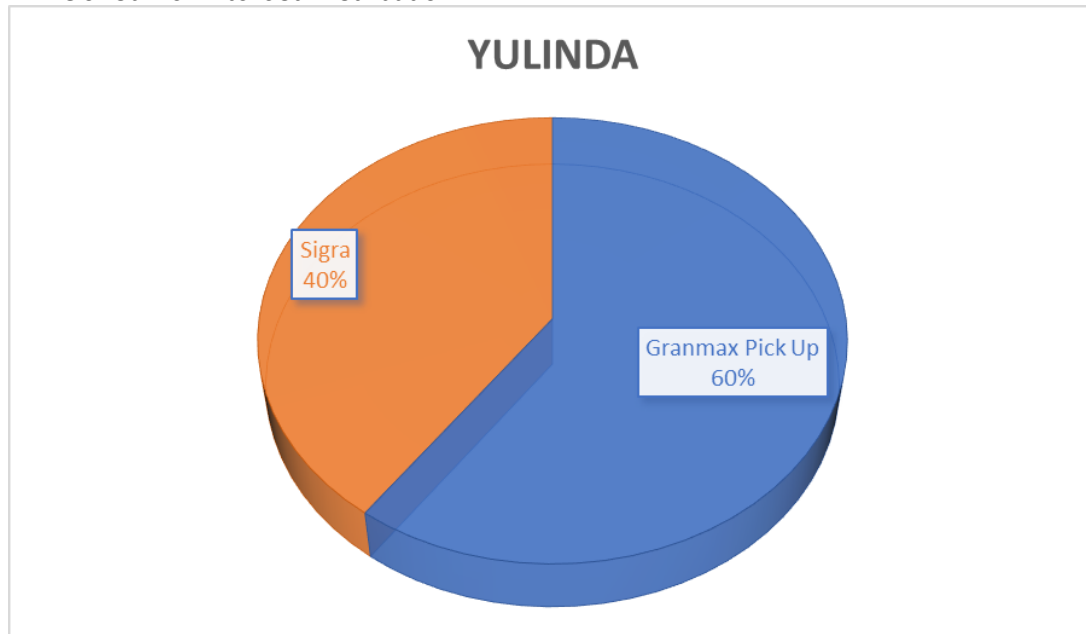


Figure 4.1 Diagram Consumer Interest Distribution

4.2 Discussion

The findings in this study reinforce the theory that consumer purchasing decisions are greatly influenced by brand strength and price suitability to perceived value. In this case, Daihatsu has successfully built a strong brand image in the commercial and family car segments.

The choice of the Pick-Up highlights the importance of the vehicle's functionality in supporting business productivity, while the selection of the Siga is more driven by considerations of comfort and operational cost efficiency for the family.

Both examples demonstrate that consumer purchasing decisions are not solely based on price logic but also on perception, needs, and trust in the brand.

CONCLUSION

Based on the results of a study conducted on 150 respondents at PT. Tri Mandiri Sejati, East Kotawaringin Regency, it can be concluded that brand and price have a significant influence on consumer purchasing decisions regarding Daihatsu cars, particularly the Pick-Up and Siga models.

The Daihatsu brand has proven to be the dominant factor influencing purchasing decisions. This indicates that consumers place great emphasis on the brand's reputation,

trustworthiness, and perceived quality before making a purchase. For the Pick-Up model, the image of durability and operational efficiency is crucial, while for the Sigras, consumers consider practicality and fuel efficiency as key characteristics of the Daihatsu brand.

Meanwhile, price remains an important factor, especially for cost-sensitive consumers. A price deemed reasonable and affordable can strengthen purchase intent, especially if supported by installment options or dealer promotions. However, despite the role of price, consumers tend to make decisions based on their perception of the brand.

Overall, the combination of brand strength and appropriate pricing strategies has proven effective in driving consumer interest and purchasing decisions. This aligns with the views of Kotler and Keller (2016), who state that a strong brand can create emotional value and trust, while price determines functional value in consumers' minds.

RECOMMENDATIONS

Based on these findings, the researchers offer the following recommendations:

1. For companies (PT. Tri Mandiri Sejati):

It is recommended to continue strengthening the Daihatsu brand image through excellent service, promotions that highlight product advantages, and maintaining the quality of the units sold. Specifically for the Pick-Up and Sigras models, the company can leverage user testimonials and expand access to after-sales services.

2. Pricing strategy:

Competitive price adjustments and affordable financing programs will add value, particularly for consumers in areas more sensitive to initial costs and installments.

3. For future researchers:

It is hoped that this research can be expanded by adding other variables such as promotions, sales services, or after-sales service quality, so that their influence on purchasing decisions can be analyzed more comprehensively.

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