



## The Influence of Product Quality, Brand Image, and Price on Purchase Decision at CV Sarana Berkat Pekanbaru

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### Abstract

Lately the development and competition of cosmetic market is getting tighter, especially in the hand & body lotion sector. The increasing number of both imported and local products in Indonesian market has urged the local cosmetic companies to repeatedly come up with new strategies and innovations to attract consumers. One of them is by focusing on product quality, brand image, and price to influence consumers' purchasing decisions. This research aims to determine the effect of product quality, brand image, and price on purchasing decisions of Aulia hand & body lotion at CV Sarana Berkat Pekanbaru. The data used was primary data which was obtained through questionnaires and processed using SPSS 21.0. The total sample in this research consisted of 150 respondents which were selected using accidental sampling. The data analysis technique used was multiple linear regression. The result showed that product quality, brand image, and price have positive influence on purchasing decision.

**Keywords:** Product Quality; Brand Image; Price; Purchase Decision

## 1.0 INTRODUCTION

### Background

Competition in the business world has recently been getting fiercer and its development is getting more rapid, so it demands producers to be able to compete in developing and maintaining their products so that they can survive in this era of globalization. Companies must also be observant in choosing their products to market in order to be able to meet market needs and survive in the long term, including companies engaged in cosmetic products which are the focus of this research.

Lately, cosmetic products in Indonesia are growing at breakneck speed. This can be seen from the increasing number of cosmetic products from various brands appearing on the market, both imported and local brands. The number of brands that have sprung up indicates that the level of competition in the business world in cosmetics is getting tighter and every cosmetic producer is competing to edge one another. The use of cosmetics has now become a trend for some people in Indonesia, both for personal use or businesses that require cosmetics. One type of cosmetics is hand & body lotion. With high demand for hand & body lotions, this has an impact on the competition for cosmetic manufacturers and requires each company to innovate and be more creative in developing their products.

In Indonesia alone, domestic hand & body lotion products are quite in demand by local consumers and there are very many brands of hand & body lotion on the market. Of course, this makes market competition in the hand & body lotion sector very tight. Table 1 describes the hand & body lotion products in Indonesia that are most in demand by consumers during the last five years according to a survey conducted by Top Brand Index. From 2014 to 2018, hand & body lotion cosmetics were mostly dominated by products from Citra, Marina, Vaseline, Nivea, Viva, and Emeron brands. It can be seen that the hand & body lotion products from Citra, Marina, and Vaseline are consistently in the top 3, meanwhile, below there is tough competition between Nivea, Viva and Emeron. This proves that the competition for hand & body lotion is very tight in the lower sector, especially for new competing products that are not yet known by consumers. However, indirectly the products above are considered to meet the needs of consumers in the market.

**Table 1. Top Brand Index (TBI) for the Year of 2014 to 2018**

Personal Treatment Category "Hand & body Lotion"							
Brand	2014	2015	Brand	2016	2017	Brand	2018
Citra	50.9%	34.5%	Citra	49.9%	50.1%	Citra	42.9%
Marina	15.2%	15.9%	Marina	16.8%	17.0%	Marina	20.7%
Vaseline	9.8%	15.0%	Vaseline	13.4%	13.4%	Vaseline	12.3%
Nivea	4.9%	5.5%	Viva	5.5%	5.5%	Nivea	4.8%
Viva	2.9%	2.9%	Nivea	3.6%	3.3%	Emeron	4.5%

Source: [www.topbrand-awards.com](http://www.topbrand-awards.com) (2019)

In Pekanbaru, CV Sarana Berkat is the official sole distributor that markets Aulia hand & body lotion cosmetic products which have been established since 2002. However, the marketing of Aulia hand & body lotion by CV Sarana Berkat in Pekanbaru area can be said to be less than optimal due to the intense competition from other distributors and other various factors.

From 2014 to 2018, the highest sales achieved by CV Sarana Berkat Pekanbaru were 16,696 units in 2014, and 7,504 units in 2015, 11,081 units in 2016, and 8,872 units in 2017. This sales fluctuation reached its lowest point in 2018 where only 6,436 units were sold. From this explanation, it can be concluded that the sales of hand & body lotion are still unstable and even tend to decline. This suspicion suggests a decline in consumer purchases for Aulia hand & body lotion products. The company is expected to attract consumers and influence consumer purchasing decisions in order to remain competitive. Because the purchasing decision is a very important factor in increasing any company's sales, and Aulia hand & body lotion is no exception. There are several factors that influence consumer purchasing decisions, one of which is product quality. The quality of the product offered must be good because consumer satisfaction when using the product depends on it, and there is a high probability that they will buy the product again if they are satisfied. The next factor is brand image. This factor is very important because in buying a product, consumers tend to consider the brand. A good brand image in the market can influence consumers and a product with a good reputation can influence purchasing decisions. Next is the price factor. Price is a very important factor because it is a benchmark for consumers in comparing one product to another. Because hand & body lotion is a product that is used daily, the factors mentioned influence consumer purchasing decisions. Due to the fierce competition, especially in the lower sector of hand & body lotion, current competitors' products also cannot afford to lose in attracting consumers. Rival's products today also have the quality and prices that are just as good as Aulia hand & body lotion. Not to mention that the hand & body lotion market holders such as those in the Top Brand Index table have actually built their brand image in the market for a long time, where their hand & body lotion products have been marketed in Indonesia on average for 35 years, some are even longer. This goes to show that their products already established a brand image in the market and are well known by consumers, while Aulia hand & body lotion itself has only been circulating in the market for less than 20 years.

Armstrong stated that product quality refers to the performance of a product in carrying out its function and the similarity of the product in providing the specified level of performance.

This argument certainly encourages companies to continue to develop and strengthen their products in order to achieve a good and lasting brand image for consumers. According to Perreault et al. (2015), brand means the use of a name, term, symbol or design to identify a product. Brand images are impressions that are formed both in positive and negative form which are embedded in the minds of consumers. This impression is affected by how the company works in building the impression that consumers feel (Ferrell & Hartline, 2010). From the above definition, it can be concluded that the brand image is an important asset and plays an important role in being able to evoke a lasting impression on the consumer's perception of a brand.

In addition, improving brand image in the market must also be balanced with affordable and competitive selling prices because affordable prices are an important factor in attracting consumers to buy a product. Price is an amount of money paid by customers to obtain a product. According to Sumarwan & Tjiptono (2018), price is part of the marketing mix that can be regulated by companies. Kotler & Keller (2016) stated that price is an element of the marketing mix that not only determines profitability, but also serves as a signal to communicate the proportion of the value of a product. Therefore, it can be concluded that the price is not only intended as such to obtain sales revenue, but also as a measure of a product.

So, when a product possesses quality, brand image and price that fit consumer needs, they will be interested in making purchasing decisions for the product. Sangadji & Sopiah (2013) stated that purchasing decisions are the result of the desire of consumers who consciously choose one of the available alternative actions.

This study aims to analyze the effect of product quality, brand image and price on purchasing decisions of Aulia hand & body lotion in CV Sarana Berkah in Pekanbaru.

## 2.0 LITERATURE REVIEW

According to Handoko (2013), management is executing work with others to achieve organizational goals by carrying out the functions of planning, organizing, arranging personnel or staffing, directing and leadership and monitoring.

Kotler & Keller (2016) argued that marketing management is an art and science in selecting target markets and acquiring, maintaining, and growing customers by creating, delivering and communicating superior customer value.

### **Purchasing Decision**

According to Marshall & Johnston (2015), purchasing decisions made by individuals are preceded by needs that can drive consumer purchasing decisions. Purchasing decisions mean integrating existing choices and then directing consumers to decide whether to buy or not (Sumarwan & Tjiptono, 2018). Therefore, in influencing purchasing decisions there are many factors that influence it, such as product quality.

According to Kotler & Armstrong (2011), product quality refers to characteristics of a product and service that supports its ability to meet consumer needs. Meanwhile, Perreault, et al. (2015) argued that product quality is how consumers perceive the product, and demand the product to be able to meet the needs of consumers. By having a good product quality, a brand image will grow on a product.

A brand that has been in the market for a long time must have a brand image, which in essence is a memory that appears in the minds of consumers when they remember a brand, and how consumers perceive the brand (Sangadji & Sopiah, 2013). In line with Rahman's (2010) opinion, brand image is a consumer's perception or opinion that appears when remembering a certain product. Susanto (2010) stated that a good brand image is able to influence preferences or alternatives to potential buyers so that they are interested in owning the product. Of course, brand image must be supported with a good price, because according to Sumarwan & Tjiptono (2018), price is one element of the marketing mix that can be controlled by the company. Price is a value in the form of money, as a tool for transactions paid by consumers to obtain goods or services (Shinta, 2011). In line with Perreault et al. (2015), price is what is given by the customer to get the benefits offered by the company, it can be a product or service that can induce an assessment by the customer themselves.

### **Research Hypothesis**

The hypotheses developed in this study is based on literature review and previous research described as follows:

#### **Relationship between Product Quality and Purchasing Decision**

In a study conducted by Rizan et al. (2015) regarding the effect of product quality on purchasing decisions (comparative study of Indomie and Mie Sedaap consumers), a significant relationship between product quality and purchasing decision was found. Similarly, research by Weenas (2013) which examined purchasing decision for Comforta spring beds and research by Hanjaya (2016) which examined purchasing decision for Capra Latte products showed that product quality had a positive and significant effect on purchasing decision. This was in contrast with the results of Martini's (2015) study which examined purchasing decision of a Honda scooter type motor vehicle, which showed that the product quality variable had a negative effect on purchasing decision.

H1: Product quality positively affects purchasing decision of Aulia hand & body lotion in CV Sarana Berkah Pekanbaru.

#### **Relationship between Brand Image and Purchasing Decision**

The results of previous research conducted by Samad & Wibowo (2016) on the effect of brand image on purchasing decisions for Specs sports shoes in Bekasi city showed that brand image had a positive and significant effect on purchasing decision. Labesi research (2019) which examined the decision to purchase a Pajero car at PT. Makassar Mandiri Putra Utama also showed the same result. This was in contrast with the results of research by Ranto (2014) who examined consumer purchasing decisions on SME products in Yogyakarta and research by Istiyanto & Nugroho (2017) which examined car purchase decisions (Case Study of LCGC Cars in Surakarta) which showed that brand image had no significant effect on purchasing decision.

H2: Brand Image positively affects purchasing decision of Aulia hand & body in CV Sarana Berkah Pekanbaru

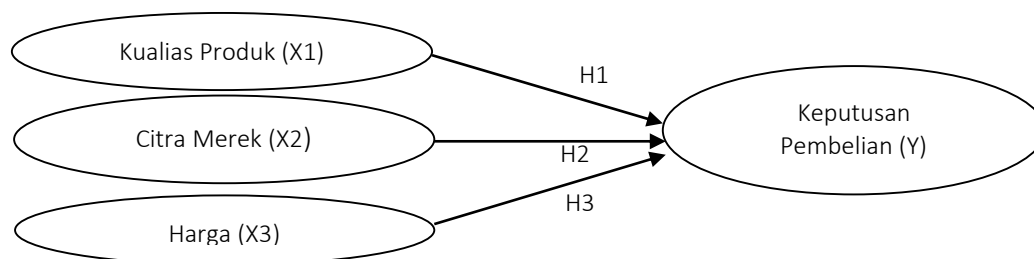
### Relationship between Price and Purchasing Decision

Research conducted by Evelina et al. (2012) on the effect of price on purchasing decision for TelkomFlexi starter packs (A Case Study on TelkomFlexi consumers in Kota Kudus District, Kudus Regency) showed that price had a positive and significant effect on purchasing decision. Similarly, Amilia & Asmara's (2017) research on purchasing decision for Xiaomi smartphones in Langsa City showed that price had a significant effect on purchasing decisions. This was in contrast with the results of research by Mandey (2013) regarding the decision to purchase Surya Pro Mild cigarettes and research by Nurhayati (2017) regarding the decision to purchase Samsung mobile phones in Yogyakarta which found that price had no effect on purchasing decision.

H3: Price positively affects purchasing decision of Aulia hand & body in CV Sarana Berkat Pekanbaru

### Conceptual Framework

Based on a review of the theoretical foundation and previous research, the conceptual framework in this study is presented in the Figure 1.



Source: Processed data (2019)

Figure 1. Conceptual Framework

## 3.0 METHODOLOGY

This research was conducted at the CV Sarana Berkat office located at Jalan Angkasa Gg Angkasa III, No. 32 A, Pekanbaru for 3 months starting from August 2019 - January 2020.

The research population is the object of research that has certain predetermined characteristics. Population is the total number which includes all members studied (Istijanto, 2009). Samples can be defined as a group partially drawn from the population (Istijanto, 2009). The determination of the sample in this study used incidental sampling technique, which is a sampling technique based on chance, meaning that anyone the researcher encountered was used as a sample if the person was suitable as a data source (Sugiyono, 2015). The sample size used Roscoe, and the total variables examined in this study were 4 variables consisting of 3 independent variables and 1 dependent variable. So, the number of samples in this study was  $4 \times 10 = 40$  respondents. However, to avoid invalid data, the number of samples used was 150 respondents.

### Research Variables

This study used a dependent variable, which is the main concern of the researcher, and independent variables. The dependent variable was purchase decision, while the independent variable was the variable that was not dependent or tied to other variables. The variables used by researchers were:

Product quality used indicators according to Sumarwan & Tjiptono (2018), namely performance, features, reliability, suitability, durability, serviceability, aesthetics, and perceptions of quality. Then for the brand image the indicators came from Swasty (2016), namely user profile or image, the situation of purchase and use, personality and values or attractiveness, history or product image, brand benefits or benefits. Then, price used indicators from Kotler & Armstrong (2011), namely price affordability, price compatibility with product quality, price competitiveness, and price compatibility with benefits. Whereas for purchasing decision the indicators came from Kotler & Keller (2016), namely product selection decisions, decisions to choose brands, decisions to choose sellers, decisions in choosing quantities, decisions in choosing when to purchase, and decisions in choosing payment methods.

### Preliminary Tests

#### Validity & Reliability Test

The validity test is a testing tool for measuring data and finding out how accurate a questionnaire is in measuring what you want to measure (Priyatno, 2014). This meant that if the instrument was less valid, its validity would be

low. The technique used to determine correlation was the product moment correlation technique proposed by Pearson. If  $r_{\text{count}} > r_{\text{table}}$ , then it was valid. And vice versa if  $r_{\text{count}} < r_{\text{table}}$ , then it was not valid.

According to Priyatno (2014), the reliability test is used as a tool to determine the consistency of research variables. In other words, does the measuring instrument remain consistent if the measurement is repeated? If the reliability level using Cronbach's alpha showed a value of  $<0.60$ , then it was considered bad or unreliable, and reliability in the range of  $0.60 >$  meant that the test was acceptable.

### Classical Assumption Test

#### Normality Test

The normality test serves to test whether the residual value (differences that exist) under study has a normal or abnormal distribution (Priyatno, 2014). In other words, the normality test was carried out to find out whether in a regression model, the independent and dependent variables or both have a normal distribution or not. To determine whether there was normality or not, a normal p-p plot of regression stand could be used. A regression model was considered good if the distribution was normal or close to normal.

#### Multicollinearity Test

According to Priyatno (2014), multicollinearity testing was used to test whether a regression model had a correlation between independent variables and this was needed to ensure that there was no perfect correlation between one independent variable and another. Observation of the multicollinearity symptom could be done by looking at the Variance Inflating factor (VIP) value from the results of the regression analysis. If the VIF value  $> 10$  then there were symptoms of high multicollinearity.

#### Heteroscedasticity Test

Priyatno (2014) aimed to test whether the regression model had an inequality of variance from the residuals in all observations in the regression model. Because the regression model was considered good if there was no heteroscedasticity. Determining whether heteroscedasticity occurred or not was achieved by observing the presence or absence of a certain pattern on the scatterplots graph, where the X axis was the predicted Y axis and the X axis was the residual (Predicted Y – Actual Y that have been studentized). The basis for decision making was: (1) If the dots formed a certain regular pattern (wavy, merging, narrowing), this was a sign of heteroscedasticity; and (2) If the dots did not form a pattern, or the pattern was not clear, and the dots spread above and below the number 0 on the Y axis, this indicated that there was no heteroscedasticity.

### Multiple Linear Regression Analysis

Multiple linear regression analysis analyzed the relationship between 2 independent variables or 1 or more dependent variable (Priyatno, 2014). The calculation of the multiple regression equation was as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Description:

- Y = dependent variable: Purchasing Decision
- $\alpha$  = constant from the regression equation
- $\beta_i$  = regression coefficient of the i-th independent variable
- $X_i$  = the i-th independent variables, consisting of:
  - $X_1$  = Product Quality
  - $X_2$  = Brand Image
  - $X_3$  = Price
- e = Error, this was a symbol of no practical error in the calculation (residual/prediction error)

### Model Test (F Test)

In testing the correctness of the relationship between the independent variables in the regression model, the F-test analysis (ANOVA) was used. The F test aimed to determine the effect of all independent variables on the dependent variable. This F-test analysis was conducted to compare  $F_{\text{count}}$  with  $F_{\text{table}}$ . Before comparing the F value, first the confidence level  $(1-\alpha)$  and the degree of freedom must be determined so that the critical value could be determined.

If  $F_{\text{count}} < F_{\text{table}}$  or  $\text{sig} > \alpha$ , this was considered not feasible because  $H_0$  was accepted and  $H_1$  was rejected, that is, the independent variables silently had no influence on the dependent variable. Conversely, if  $F_{\text{count}} > F_{\text{table}}$  or  $\text{sig} < \alpha$ , this was considered feasible because  $H_0$  was rejected and  $H_1$  was accepted, that is, the independent variables simultaneously influenced the dependent variable.

### Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) was used to determine whether the percentage of independent variables together could explain the dependent variable. The coefficient of determination was between zero and one. If the coefficient of determination ( $R^2$ ) = 1, it meant that the independent variable provided the information needed to predict the dependent variables. If the coefficient of determination ( $R^2$ ) = 0, it meant that the independent variable was unable to explain its effect on the dependent variable. What could be concluded was how big the coefficient of determination ( $R^2$ ) of the independent variable could explain how much influence it had on the independent variable.

### Hypothesis Testing (T Test)

To determine the relationship between the dependent variable and the independent variable partially, it we would know how partially the dependent and independent variables were affected. This analysis used the level of confidence ( $1-\alpha$ ) and degrees of freedom to determine critical values. Testing by comparing the calculated t value and t table value or looking at the P value of each would be able to determine whether the hypothesis that had been made was significant. The hypotheses used one-tailed statistical test (one tails). The criteria for acceptance or rejection of the hypothesis were as follows: (a) If  $T > T_{table}$ , then  $H_a$  was accepted,  $H_o$  was rejected. (b) If  $T_{count} < T_{table}$ , then  $H_o$  was accepted,  $H_a$  was rejected.

There was a partial effect of the independent variable on the dependent variable if  $t_{count} > t_{table}$  OR  $P_{value} < \alpha$ . In addition, there was no effect partially from the independent variable on the dependent variable if  $t_{count} < t_{table}$  OR  $P_{value} > \alpha$ .

## 3.0 RESULTS AND DISCUSSION

### Respondent Characteristics

Based on the results in Table 2, it can be seen that most of the respondents were 21-25 years old. This meant that the respondents of this study on average were young adults or at productive ages and were active in seeking information on the products they need. Then, if you look at the gender, the majority of Aulia hand & body lotion buyers were women. This was obvious considering that this product was a cosmetic product that was geared towards women who wanted to care for and maintain their skin on a daily basis. At that age, women were more likely to care for appearance. Based on their educational background, most of the respondents had senior high school education. This could be influenced by the fact that the more educated a person is, the more selective and careful they are in choosing products. From a job perspective, most respondents were private employees. Maybe this was because private employees spent more than other types of employees. In terms of income, most respondents had an income range of Rp. 2,500,000 to Rp. 5,000,000. This could be because the buyers in this study were employees or workers paid based on minimum income regulation of Pekanbaru City.

Table 2. Respondents' Characteristics

Demographics	Category	Fruquency	Percentage
Age	Under 15 y. o.	1	1%
	15 - 20 y. o.	40	27%
	21 - 25 y. o.	87	58%
	Above 26 y. o.	22	15%
	<b>Total</b>	<b>150</b>	<b>100%</b>
Gender	Male	8	5%
	Female	142	95%
	<b>Total</b>	<b>150</b>	<b>100%</b>
Education	Primary School	0	0%
	Junior High School	4	3%
	Senior High School	109	73%
	Diploma	9	6%
	Bachelor Degree	28	19%
	Others	0	0%
	<b>Total</b>	<b>150</b>	<b>100%</b>
Occupation	Private employees	74	49%
	Government officials	1	1%
	Entrepreneurs	10	7%

Demographics	Category	Fruquency	Percentage
	Students	45	30%
	Others	20	13%
	<b>Total</b>	<b>150</b>	<b>100%</b>
Income	Rp. < 1 million	33	22%
	Rp. 1 - 2.5 million	29	19%
	Rp. 2.5 - 5 million	80	53%
	Rp. > 5 million	8	5%
	<b>Total</b>	<b>150</b>	<b>100%</b>

Source: Processed data (2019)

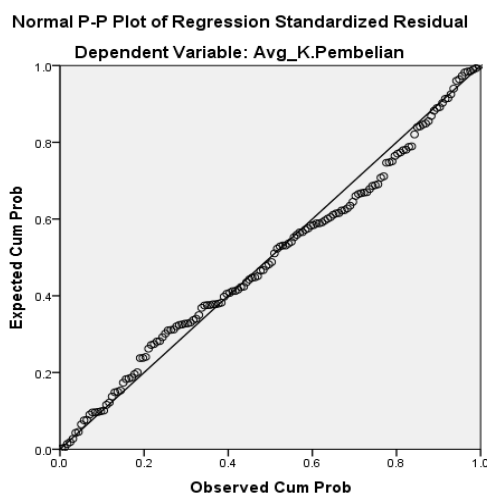
### Validity & Reliability Test

Based on the test results, the R count of all statement items for variable product quality (X1), brand image (X2), price (X3), and purchase decision (Y) was greater than R table. Thus, all statements on the research variables were declared valid for further testing.

Reliability test results on the product quality (0.854), brand image (0.880), price (0.856), and purchase decisions (0.824) variables showed a Cronbach alpha value > 0.6 which meant that each variable in this research instrument was declared reliable, thus, further testing can be performed.

### Classical Assumption Test

#### Normality Test



Source: Processed data (2019)

Figure 2. Normality Test

As seen in Figure 2, the points were not far from the diagonal line or approaching the diagonal line. This showed that the regression model was normally distributed.

#### Multicollinearity Test

As seen in Table 3, the Variance Inflation Factor (VIF) values were smaller where everything was below 10 and the tolerance value was above 0.1. This indicated that the independent variables used in this study showed no signs of multicollinearity.

Table 3. Multicollinearity Test

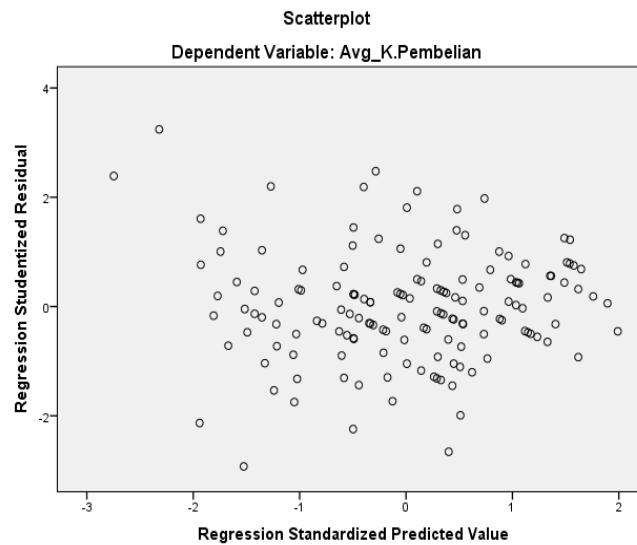
No	Variable	Tolerance	VIF	Note
1	Product Quality (X <sub>1</sub> )	0,329	3,042	No multicollinearity
2	Brand Image (X <sub>2</sub> )	0,321	3,119	No multicollinearity
3	Price (X <sub>3</sub> )	0,587	1,703	No multicollinearity

Source: Processed data (2019)



**Heteroscedasticity Test**

As seen in Figure 3, the scatterplot results from the Heteroscedasticity test showed that the data spread randomly or irregularly above or below zero on the Standardized Predicted Value Regression axis and did not form a certain pattern. That is, the regression model in this study was free from heteroscedasticity symptoms and the regression model was fit for testing.



Source: Processed data (2019)

Figure 3. Heteroscedasticity Test

**Model Test**

**Simultaneous Testing (F Test)**

From the simultaneous test results (F test) shown in Table 4, we can see  $F_{count} = 42.553$  and  $F_{table} = 2.67$ . This meant that  $F_{count} > F_{table}$  with a significance value of  $0.000 < 0.05$ . Therefore,  $H_0$  was rejected and  $H_1$  was accepted, which meant that simultaneously product quality, brand image and price had a significant effect on purchasing decision.

Table 4. Simultaneous Testing (F Test)

		ANOVA <sup>b</sup>				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	21,587	3	7,196	42,553	0,000 <sup>b</sup>
	Residual	24,689	146	0,169		
	Total	46,276	149			

Source: Processed data (2019)

**Coefficient of Determination (R<sup>2</sup>)**

Table 5. Coefficient of Determination (R<sup>2</sup>)

MODEL	R	R Square	Adjusted R Square	Std Error of the Estimate
1	0,683 <sup>a</sup>	0,466	0,456	0,41122

Source: Processed data (2019)

As seen in Table 5, the coefficient of determination (Adjusted R Square) was 0.456. This meant that 45.6% of purchasing decisions were explained by product quality, brand image, and price, while the remaining 54.4% was influenced by other variables not examined in this study.

**Multiple Linear Regression & Hypothesis Testing (T Test)**

Table 6. Multiple Linear Regression

Model	Unstandardized		Standardized
	Coefficients		Coefficients
	B	Std.Error	Beta



1	(Constant)	0,775	0,303	
	Product Quality (X <sub>1</sub> )	0,282	0,119	0,251
	Brand Image (X <sub>2</sub> )	0,301	0,101	0,320
	Price (X <sub>3</sub> )	0,205	0,084	0,193

Source: Processed data (2019)

**Table 7. Hypothesis Testing (T Test)**

	Model	T <sub>hitung</sub>	T <sub>tabel</sub>	Sig	Keterangan
1	Product Quality (X <sub>1</sub> )	2,381	1,665	0,019**	Positive influence with $\alpha$ 0,05
	Brand Image (X <sub>2</sub> )	2,994	2,352	0,003***	Positive influence with $\alpha$ 0,01
	Price (X <sub>3</sub> )	2,444	1,287	0,06*	Positive influence with $\alpha$ 0,1

Source: Processed data (2019)

Note : \*\*\*Sig < 0,01. \*\*Sig < 0,05. \*Sig < 0,1.

Based on Table 6 and 7 above, the multiple linear regression equation and hypothesis in this study would be:

$$Y = 0,775 + 0,282 X_1 + 0,301 X_2 + 0,205 X_3$$

The multiple linear regression above can be explained as follows:

From this multiple linear regression, a constant value ( $\alpha$ ) of 0,775 was obtained. It means that if the value of product quality, brand image, and price is 0, the value of purchasing decision will be 0,775.

The coefficient value of multiple linear regression of product quality is 0,282 which indicates that if the other independent variables are constant, and the value of product quality increases by 1 unit, purchasing decision value will rise by 0,282. Coefficient with positive value implies positive relationship whereby high product quality will increase the purchasing decision. The research result shows  $T_{score}$  for product quality is 2,381 which is greater than  $T_{table}$  with the value of 1,665 or significant value of 0,019 is lower than alpha of 0,05. Hence,  $H_1$  is accepted which means product quality has positive influence on purchasing decision at CV Sarana Berkat Pekanbaru.

The coefficient value of multiple linear regression of brand image is 0,301 which indicates that if the other independent variables are constant and the value of brand image increases by 1 unit, purchasing decision value will rise by 0,301. Coefficient with positive value implies positive relationship whereby high level of brand image will increase the purchasing decision. The research result shows  $T_{score}$  for brand image is 2,994 which is greater than the  $T_{table}$  with the value of 2,352 or significant value of 0,003 is lower than alpha 0,01. Hence,  $H_2$  is accepted which means brand image will have positive influence on purchasing decision at CV Sarana Berkat Pekanbaru.

The coefficient value of multiple linear regression of price is 0,205 which indicates that if the other independent variables are constant and the value of price increases by 1 unit, purchasing decision will rise by 0,205. Coefficient with positive value implies positive relationship whereby high price will increase the purchasing decision. The research result shows  $T_{score}$  for brand image is 2,444 which is greater than the  $T_{table}$  with the value of 1,287 or significant value of 0,06 is lower than alpha 0,1. Hence,  $H_3$  is accepted which means price will have positive influence on purchasing decision at CV Sarana Berkat Pekanbaru.

## Research Result Discussion

### The Effect of Product Quality on Purchase Decision

Based on the descriptive results of respondents' responses, it could be seen that the total average value of product quality (X<sub>1</sub>) fell into the good category. While the results of the regression analysis and partial testing (t test) on product quality showed a positive regression coefficient and the T count value was greater than the T table with a significance value less than the alpha of 0.05, it meant that product quality had a positive effect on the purchasing decision of consumers of CV Sarana Berkat Pekanbaru.

Product quality was one of the factors that could improve consumer purchasing decisions. Marshall & Johnston (2015) stated that products that provides satisfaction to consumers can influence purchasing decisions. If the product used could satisfy consumer desires, this would make consumers interested in buying the product. The relationship between product quality and purchasing decisions was that good product quality would encourage consumers to decide to purchase the product. The results of this study were in line with the existing theory, where the better the quality of the product, the higher the purchasing decision.

In a study conducted by Rizan et al. (2015) regarding the effect of product quality on purchasing decisions (comparative study of Indomie and Mie Sedap consumers), a significant relationship between product quality and purchasing decision was found. Similarly, research by Weenas (2013) which examined purchasing decision for Comforta spring beds and research by Hanjaya (2016) which examined purchasing decision for Capra Latte products showed that product quality had a positive and significant effect on purchasing decision. This was in

contrast with the results of Martini's (2015) study which examined purchasing decision of a Honda scooter type motor vehicle, which showed that the product quality variable had a negative effect on purchasing decision.

Previous research is not similar to this study because hand & body lotion itself is a cosmetic product while scooter is an automotive product. The quality of cosmetic products such as hand & body lotion greatly influences the purchase decision because this product is used daily and depends on the satisfaction of the consumers who use it. The results of the responses to Aulia hand & body lotion products themselves could be seen in the 4th statement, where "the validity of Aulia hand & body lotions in making skin look brighter, softer and more fragrant" received a response that the majority agreed and strongly agreed with. This meant that product quality was very influential for consumers in deciding to buy a product. However, the lowest response was obtained by the 6th statement which read "Aulia hand & body lotion will replace the product if there is damage/discrepancy in Aulia hand & body lotion products". This meant that this response was something that must be addressed by the company immediately. Companies must be responsive if there is damage or problems that occur with their products, so that consumers perceive that the company is very concerned about the quality of products sold to their consumers. This would be a plus for consumers in using Aulia hand & body lotion and will improve purchasing decisions. So, Aulia hand & body lotion must continue to maintain quality, increase consumer response to their products and also improve quality so that sales increase and can continue to compete with competing products.

### **The Effect of Brand Image on Purchase Decision**

Based on the descriptive results of respondents' responses, it could be seen that the total average value of brand image (X2) fell into the good category. While the results of the regression analysis and partial testing (t test) on brand image showed a positive regression coefficient and the T count value was greater than the T table with a significance value less than the alpha of 0.01, it meant that brand image had a positive effect on the purchasing decision of consumers of CV Sarana Berkas Pekanbaru.

Brand image is an impression about a brand that appears in the minds of consumers. A brand must be placed as such for consumers in order to create a positive brand image. According to Lancaster & Massingham (2011), a trusted brand can improve purchasing decisions. Therefore, companies must create the impression in the market that the products they are selling are good products. The relationship between brand image and purchasing decisions was that a brand that had a good image will always be remembered by consumers and serves as a guarantor that the product can provide the expected value. The results of this study were in line with existing theories, where the better the brand image, the higher the purchasing decision.

The results of previous research conducted by Samad & Wibowo (2016) on the effect of brand image on purchasing decisions for Specs sports shoes in Bekasi city showed that brand image had a positive and significant effect on purchasing decision. Labesi research (2019) which examined the decision to purchase a Pajero car at PT. Makassar Mandiri Putra Utama also showed the same result. This was in contrast with the results of research by Ranto (2014) who examined consumer purchasing decisions on SME products in Yogyakarta and research by Istiyanto & Nugroho (2017) which examined car purchase decisions (Case Study of LCGC Cars in Surakarta) which showed that brand image had no significant effect on purchasing decision.

The results of this study stated that the brand image of Aulia hand & body had a positive influence on purchasing decisions, which respondents responded to in the fourth statement, namely "Aulia's hand & body lotion used gave a different sensation". The majority of respondents answered agree and strongly agree. This means that this cosmetic product is a product that the brand really cares about because it can differentiate it by giving its own uniqueness compared to competing products. It would be better if Aulia hand & body lotion does not place or sell its products in places with too high a brand image. Because, based on the characteristics of respondents, the majority of them came from the lower middle class. That is, if the brand is too high, it will create the perception that this product is an expensive product and make them reluctant to buy it. However, if the company is clear in its segmentation, builds a good brand image and is not too high, the purchase of this product by consumers will be higher. If we look at the lowest respondent's response, which was in the 3rd statement, namely "Aulia's hand & body lotion provides an advantage over other products", the company should improve its characteristics in addition to providing a different sensation. Giving characteristics to a product is very important, because this product can be a differentiator compared to other products, where a distinct brand image makes it easier for consumers to remember this product.

### **The Effect of Price on Purchase Decision**

Based on the descriptive results of respondents' responses, it could be seen that the total average value of price (X3) fell into the good category. While the results of the regression analysis and partial testing (t test) on price showed a positive regression coefficient and the T count value was greater than the T table with a significance

value less than the alpha of 0.01, it meant that price had a positive effect on the purchasing decision of consumers of CV Sarana Berkat Pekanbaru.

Price is one of the aspects that consumers take into account in deciding to purchase a product or service (Kotler & Keller, 2016). Consumers will be more price-conscious if the product or service is a daily necessity or has many alternatives. That is why the company should pay attention to price in order to be able to compete with its competitors' products. The relationship between price and purchase decision was that a product with sweet or affordable prices will affect the decision to purchase the product. The results of this study were in line with the existing theory, where the better the price, the higher the purchase decision.

Research conducted by Evelina et al. (2012) on the effect of price on purchasing decision for TelkomFlexi starter packs (A Case Study on TelkomFlexi consumers in Kota Kudus District, Kudus Regency) showed that price had a positive and significant effect on purchasing decision. Similarly, Amilia & Asmara's (2017) research on purchasing decision for Xiaomi smartphones in Langsa City showed that price had a significant effect on purchasing decisions. This was in contrast with the results of research by Mandey (2013) regarding the decision to purchase Surya Pro Mild cigarettes and research by Nurhayati (2017) regarding the decision to purchase Samsung mobile phones in Yogyakarta which found that price had no effect on purchasing decision.

Previous research was not similar to the results of this study because Aulia hand & body lotion product itself has a very competitive market. Based on the responses of respondents to the 1st statement, namely "Aulia's hand & body lotion has an affordable and income-friendly price" the majority of respondents answered agree and strongly agree. This meant that if the price was too high for respondents, they would not buy the product, but preferably, if the price was cheap, affordable or competitive, then consumers would buy the product. Therefore, price was an important factor for respondents, especially those from the lower middle class, in making purchasing decisions for a product. If you look at the lowest respondent's response, which was for the 3rd statement, namely "the price of Aulia hand & body lotion products fit market prices", companies must be more careful in setting prices in the market. Because their target consumers are people of the lower middle class that are known to have little to none product loyalty, price is a crucial factor that consumers consider which makes them not switch to competing products.

#### 4.0 CONCLUSION

Overall, from the seller's point of view, the quality of the products offered by Aulia hand & body lotion is considered good by respondents. With this good quality, brand image will be achieved in the market. In addition, price is also an important factor because Aulia hand & body lotion product targets the lower middle class, where too high selling price will make consumers to not choose or buy this product and vice versa. However, looking at the responses of respondents who stated that the price of Aulia hand & body lotion was good on average, it could mean that the selling price of Aulia hand & body lotion products was in accordance with market desires and was fairly affordable. Therefore, if the company continue to improve product quality, brand image and prices of their products, the purchasing decision will increase significantly. What needs to be considered is that the company must also pay attention to their weaknesses. In terms of product quality, the company must be responsive in replacing damaged or inappropriate products. Then, for their brand image, they must distinguish or strengthen the characteristics of their product and finally, in terms of price, the company should be more tactful in offering in the market. If the company focus on fixing their weaknesses, this will have a good impact on consumer purchasing decisions.

When viewed from the buyer's point of view, from a partial test it can be seen that the brand image of Aulia hand & body lotion is important for consumers, because, before buying or using a product or service, what consumers see first is the brand image in the market. After knowing the brand image, the next factor is product quality. Since Aulia hand & body lotion has a middle to lower segmentation, the price is also very much considered by consumers. If the price is too high, consumers will not buy Aulia hand & body lotion products. However, based on the results of the respondents' highest responses, the price of Aulia hand & body lotion was affordable. This means that the brand image of Aulia's hand & body lotion should not be too high, because this product targets the lower middle class. If it is too high, consumers tend to perceive this product as an expensive product and will stay away from it. The price of Aulia hand & body lotion must also be affordable for consumers from the middle to lower class. If the brand image is too high but the price is cheap, consumers tend to doubt the quality of their product. However, if the brand image is not too high and the price is cheap but still offers good product quality, then it is likely that consumers will choose or buy this product.

CV Sarana Berkat Pekanbaru is expected to improve and maintain product quality by being more responsive in replacing Aulia's hand & body lotion products because this will make consumers perceive that the

company is serious about the quality of their products. Then, the brand image must also be further improved and the product characteristics must also be strengthened to provide a differentiating factor compared to competing products. The price itself is fairly good, however, companies must be more careful in setting prices so that consumers do not switch to or buy other products because the majority of buyers of these products come from the lower middle class. Their segmentation must be clearer in order to improve consumer purchasing decisions.

Based on the results of the partial test, it can be seen that the product quality, brand image and price variable have a positive effect on respondents in determining purchasing decisions. Thus, the company must be able to improve and maintain product quality, brand image and price so that consumers buy their products. Researchers are expected to be able to examine other variables outside the variables in this study in order to obtain more varied results so that they can have a greater influence on consumer purchasing decisions.

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## Appendix

Variables	No	Indicator	Statements	Source	Scale
Product Quality (X1)	1	Performance	The ability of Aulia Hand & Body Lotion in moisturizing, cooling, and treating the skin.	(Erdalina, 2018)	Interval
	2	Feature	Aulia Hand & Body Lotion has additional characteristics which are different from other products.	(Kusuma & Santika, 2017)	
	3	Reliability	Aulia Hand & Body Lotion gives promised benefits.	(Erdalina, 2018)	
	4	Suitability	Aulia Hand & Body Lotion is suitable in brightening the skin and make it soft and fragrant.	(Erdalina, 2018)	
	5	Durability	Aulia Hand & Body Lotion has greater durability than other products.	(Erdalina, 2018)	
	6	Ease of service	Aulia Hand & Body Lotion will change the products in case of damage or mismatch in certain period of time.	(Aryadhe & Rastini, 2016)	
	7	Aesthetics	Design / shape of the bottle is pretty with attractive colors, and easy to understand writings.	(Erdalina, 2018)	
	8	Quality perception (Sumarwan & Tjiptono 2018)	Aulia Hand & Body Lotion is a good quality cosmetic product.	(Habibah & Sumiati, 2016)	
Citra merek (X2)	1	Consumers' image	Applying Aulia Hand & Body Lotion will give an added value on the consumers.	(Swasty, 2016)	Interval
	2	Product image	Aulia Hand & Body Lotion has a good reputation.	(Chandra, <i>et al.</i> , 2019)	
	3	Brand benefit	Aulia Hand & Body Lotion give more benefits than products from other brands.	(Swasty, 2016)	

	4	Purchasing / Usage Condition	Aulia Hand & Body Lotion gives different kind of sensation.	(Swasty, 2016)	
	5	Attractiveness (Swasty, 2016)	Aulia Hand & Body Lotion has its own attractiveness compare to other products.	(Swasty, 2016)	
Price (X3)	1	Price affordability	Aulia Hand & Body Lotion has affordable price and compatible with the consumers' income.	(Erdalina, 2018)	Interval
	2	Compatibility of price and product quality	The price of Aulia Hand & Body Lotion is compatible with the offered product quality.	(Nurhayati, 2017)	
	3	Price competition	Price of Aulia Hand & Body Lotion can compete well with the market prices.	(Erdalina, 2018)	
	4	Compatibility of price and benefits (Kotler & Armstrong, 2011)	Price of Aulia Hand & Body Lotion is compatible with the product benefits.	(Habibah & Sumiati, 2016)	
Purchasing Decision (Y)	1	Product types decision	I decide to purchase Aulia Hand & Body Lotion because it has many variants.	(Yunita & Haryanto, 2012)	Interval
	2	Brand decision	I choose Aulia Hand & Body Lotion because of its brand.	(Prasetyaningsih & Sukardiman, 2015)	
	3	Seller decision	I decide to buy Aulia Hand & Body Lotion after recommendations.	(Yunita & Haryanto, 2012)	
	4	Number of products decision	I choose to buy Aulia Hand & Body Lotion because there are many stocks left.	(Prasetyaningsih & Sukardiman, 2015)	
	5	Purchasing Timing Decision	I choose to buy Aulia Hand & Body Lotion because many people talked about it.	(Yunita & Haryanto, 2012)	
	6	Payment method decision (Kotler & Keller, 2016)	I choose to buy Aulia Hand & Body Lotion because the payment method ease the buying process.	(Prasetyaningsih & Sukardiman, 2015)	