

**THE INFLUENCE OF ADVERTISEMENT, PERCEIVED PRICE, AND BRAND IMAGE ON
CONSUMER BUYING DECISION TO ASUS MOBILE PHONE**

PENGARUH IKLAN, PERSEPSI HARGA DAN CITRA MEREK TERHADAP KEPUTUSAN
PEMBELIAN KONSUMEN PADA TELEPON GENGAM ASUS

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Abstract: *Buying decision is the stage in which consumers make the decision or take an action whether to purchase a certain product or not. The purpose of this research is to analyze the simultaneous and partial effect of Advertising, Perceived Price and Brand Images on Consumer Buying Decision. The populations of this research are people who use ASUS smartphone with the sample size as many as 40 respondents. This research uses quantitative analyze by questionnaires and the Multiple Regression Analysis. The result shows that Advertising, Perceived Price and Brand Image have significant effect on consumer buying decision, both simultaneously and partially effect. ASUS mobile phone management should pay more attention to Advertisement that is made and the Price of product so that consumers will still be interested buying the mobile phone.*

Keywords: *advertising, perceived price, brand image, consumer buying decision*

Abstrak: Keputusan pembelian adalah tahap dimana konsumen membuat keputusan atau tindakan jika akan membeli produk tertentu atau tidak. Tujuan penelitian ini untuk menganalisis pengaruh simultan dan parsial Iklan, Persepsi Harga dan Citra Merek terhadap Keputusan Pembelian Konsumen. Penelitian ini, menggunakan populasi yang merujuk kepada orang-orang yang menggunakan *Smartphone* ASUS dengan ukuran sample 40 responden. Penelitian ini menggunakan metode asosiatif untuk melihat keterhubungan antar variabel, dengan menggunakan kuesioner dan analisis Regresi Berganda. Hasil penelitian menunjukkan bahwa Iklan, Persepsi Harga dan Citra Merek memiliki pengaruh yang signifikan terhadap Keputusan Pembelian Konsumen, baik secara simultan dan parsial. Sebaiknya manajemen telepon genggam ASUS lebih memperhatikan Iklan yang dibuat dan harga produk agar konsumen tertarik dan memutuskan untuk membeli produk yang dijual.

Kata kunci: *iklan, persepsi harga, citra merek, keputusan pembelian konsumen*

INTRODUCTION

Research Background

A smartphone (or smart phone) is a mobile phone with an advanced mobile operating system. It typically combines the features of a cell phone with those of other popular mobile devices, such as personal digital assistant (PDA), media player and GPS navigation unit. Most smartphones have a touchscreen user interface and can run third-party apps, and are camera phones. In 2014, sales of smartphones worldwide topped 1.2 billion, which is up 28% from 2013.

In this era, cell phones that are sold mostly measured by how many consumers decided to buy the smartphone. This technology has changed the lives of people in a way that take the most attention of human life. Because of that the companies tried to make smartphone that closest with the customers expectation level of price, advertisement that has the power to get attention, feature also, and quality of the product become the priority but still the main object is consumer decide to buy it which is the more sales that occur will affect income Generation of Corporation.

ASUS can prove that other smartphone right now with the good spec are categorized as expensive, which ASUS can provide good spec smartphone at the right price for middle-income people. Advertisement nowadays have big influence in society, it is because of advertisement is the best way to communicate to the customers. Duncan (2003:3) states Advertisement and promotion have been used by organizations for hundreds of years to sell goods, services and ideas. Klaming (2012: 4) stated that the pricing decision is part of the brand concept, determined by the corporate strategy, and finely tuned on the product/brand level. In other words Advertisement and Price also have role to play in developing brand image. According to Alamgir et al, (2010) people often purchase branded thing because they are aware of the brand performance. Which ASUS already has previously made the component products for other companies, like PS2 Sony, Apple iPod, iBook, etc. In this research we try to choose some variables above to analyze. Therefore, in this study we will discuss about the influence of advertisement, perceived price and Brand Image with specific on consumer buying decision of ASUS mobile phone.

Research Objectives

The objectives of this research are to identify the significant effect of:

1. Advertisement, perceived price, brand image on consumer buying decision of ASUS simultaneously
2. Advertisement on consumer buying decision of ASUS in partially
3. Perceived price on consumer buying decision of ASUS in partially
4. Brand image on consumer buying decision of ASUS in partially

THEORETICAL FRAMEWORK

Marketing

Kotler and Armstrong (2006:5) broadly defined marketing as a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging value with other. Kotler and Armstrong (2008:6) defined marketing is a total system of business activities specified for planning, pricing, promoting and distributing goods and services and satisfying the existing buyers and potential buyers. By looking from definition above, Marketing is the process to creating something valuable goods or service to consumers in order to fulfill market needs.

Advertisement

To help evaluate whether or not advertisement profits are earning the best return on investment, it is important to know how effectively advertisement capture and maintain audience attention and engage viewers (De Ros, 2008). An important part of organization's marketing activities refers to designing, implementation and creativity of the advertisement programs in order to introduce company's products and services to target markets and influence consumers.

Perceived Price

Zeithaml (2006) studies of relationship between price and quality reveal that consumers do not remember the actual price of products that is why they build their own perception about the price itself.

Brand Image

Kotler and Amstrong, (2006:52) state is, a brand identity for the seller or manufacturer of a product or service is a complex symbol that can convey up to six levels of understanding as follows:

1. Attribute: a brand can be reminiscent of certain attributes.
2. Benefits: attributes must be translated into the functional benefits and emotional.
3. Value: the brand also says something about the value of the manufacturer.
4. Culture: a brand may also symbolize a particular culture
5. Personality: a brand can reflect a particular personality.
6. User a brand implies the type of consumer who buys or use of a product.

American Marketing Association as terms for brand as a name, term, sign, symbol, or design, or a combination of all of them, which intended to identify the goods or services of one seller or group of and to distinguish them from the goods or services of a competitor.

Consumer Buying Decision

Buying decision is consumer action to choose product from several alternate products which will be used by the consumer. It means that purchase decision is series of choices made by a consumer prior to making a purchase that begins once the consumer has established a willingness to buy (Kotler and Keller, 2006). Consumer buying decision can be concluded as the whole process consumer get through in order to get the products and services needed to fulfill their daily needs.

Previous Research

Yee and San (2011), from this research majority of customers will consider quality when they intend to purchase cars. This result is further supported which indicate that perceived quality have positive association with purchase decision. Chung, Dawn and Sun-Jin (2009) found that brand image strongly influences Korean consumers' product evaluation of aesthetics, performance, brand and technical prestige, purchase attitudes and the purchase intention. Sagala et al. (2014) this research investigates the influence of promotional mix and price on towards fast food. The result of questioner, found that the promotional mix and price has significant influence towards in fast food industry.

Conceptual Framework

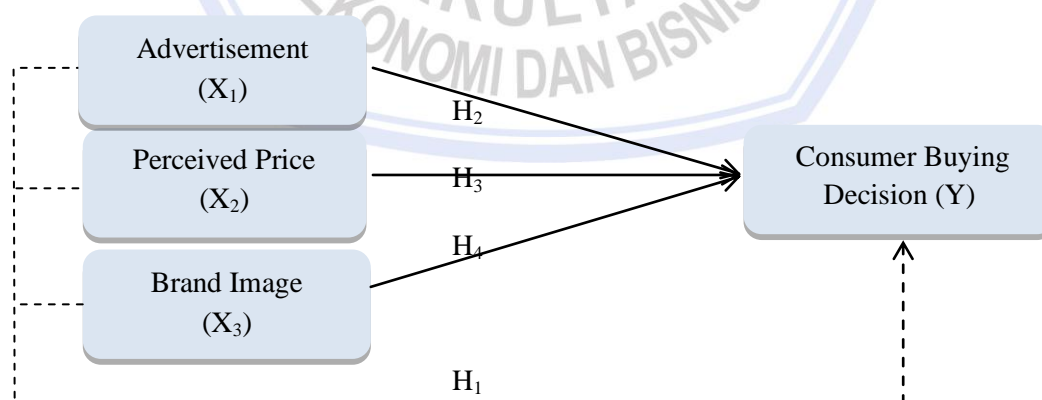


Figure1. Conceptual Framework

Source: Theoretical Review

Research Hypothesis

- H₁: Advertisement, perceived price, brand image significantly influence consumer buying decision simultaneously
- H₂: Advertisement has significantly influence Consumer Buying Decision partially
- H₃: Perceived Price has significantly influence Consumer Buying Decision partially
- H₄: Brand Image has significantly influence Consumer Buying Decision partially

RESEARCH METHOD**Type of Research**

This research is causal type research where it will analyze the influence of advertisement, perceived price and brand image on consumer buying decision

Place and Time of Research

This study was conducted in Manado between May - June 2015

Population and Sample

Population is the entire group of people, events, of things of interest that the researcher wishes to investigate (Sekaran and Bougie, 2009:133). The targeted populations in this research are people who already purchase ASUS mobile phone. Sample is a part of the population (Sekaran and Bougie, 2009:276). The sample size of this research is ten times larger than the number of variables being considered (Gao, 2015:126). This research will use Purposive sampling Technique as the method of sampling which is, the sample in this research is 40 respondents, to filling this questionnaire of ASUS.

Data Collection Method

The data collection method can be from primary and secondary sources. The researcher obtains primary data from questionnaires. The secondary data is collected from books, journals, and relevant literature from library and internet.

Operational Definition and Measurement of Research Variables

1. Advertisement (X_1) related to how company creates the creativity of their promotion. Indicators are: Contain of advertisement, message of advertisement, and Number of advertisement appeared. (Ayanwale, Alimi and Ayanbimipe 2005).
2. Perceived price (X_2) the tendency of consumers to use prices in giving an assessment of the suitability of the product benefits. Indicators are: affordability, Suitability price with quality products, and Suitability price with benefits. (Stanton, 1998)
3. Brand image (X_3) is the result of impressions of consumers gained from various sources about the brand. Indicators are: Professional impressions, Modern Impressions, Serve All Segment (Hoeffler and Keller, 2010)
4. Consumer Buying Decision (Y) the process by which consumers to identify their needs, collect information, evaluate alternatives, and make the buying decision.

Data Analysis Method**Validity and Reliability Test**

Validity test can be done by looking at the MSA (*Measures of Sampling Adequacy*). If the MSA value above 0.5 the test is valid.. Reliability test is done by looking at the *Croanbach Alpha* value if reliability coefficient >0.6 the measurement being done is consistent or reliable

Multiple Regression Analysis Model

The method of analysis used in this study is multiple regression models to approach the return. To find out the influence of dependent variable with independent variables used multiple linear regression with the formula:

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

Whereas:

Y = Consumer Buying Decision

α = Intercept

β = The regression coefficient of each variable

X_1 = Advertisement

X_2 = Perceived Price

X_3 = Brand Image

e = error

RESULT AND DISCUSSION

Result

Validity and Reliability

The values of *Measures of Sampling Adequacy* (MSA) of the indicators are all above the acceptance limit 0.5, therefore the research instrument is valid. The Reliability test is done by looking at the *Alfa Cronbach* value, in this research the value of Alfa Cronbach is 0.772, which is above the acceptance limit of 0.6, therefore the research instrument is reliable.

Classical Assumption Test

Multicollinearity Test

Table 1. Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Advertisement	.766	1.306
Perceived Price	.809	1.236
Brand Image	.676	1.480

a. Dependent Variable: Consumer buying decision

Source: SPSS Data Analysis, 2015

Since tolerance value of advertisement is 0.766, perceived price 0.809 and brand image 0.676 which are more than 0.2. The VIF value of advertisement is 1.306, perceived price 1.236 and brand image 1.480 which are less than 10 show that the model concluded to be free from multicollinearity.

Heteroscedasticity Test

Heteroscedasticity occurs of the dots form certain patterns. In this research the dots spreading above and below of zero point in ordinate. This is proved that there is no heteroscedasticity in this regression.

Normality Test

Normality test can be identifying by using graph of P-P Plot. The data will distribute normally if the value of P-P Plot is near diagonal line of the graph. The dots are spreading near the diagonal line and follow the direction of the diagonal line. Therefore the normality test is completed.

Multiple Regression Analysis**Table 2. Multiple Regression Result**

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	.678	1.878		.361	.720
Advertisement	.239	.086	.342	2.767	.009
1 Perceived Price	.304	.141	.260	2.159	.038
Brand Image	.412	.145	.374	2.837	.007

a. Dependent Variable: Consumer buying decision

Source: SPSS Data Analysis, 2015

The equation as follows:

$$Y = 0.678 + 0.239X_1 + 0.304X_2 + 0.412X_3$$

The Explanation of the equation are:

1. Constant value of 0.678 means that if the variables in this research of variables X_1 , X_2 and X_3 simultaneously increased. It will increase Y at 0.678 point.
2. Coefficient value 0.239 means that if the variable in this research of X_1 increased, it will improve and increase Y at 0.239.
3. Coefficient value of 0.304 means that if the variable in this research of X_2 increased, it will improve and increase Y at 0.304.
4. Coefficient value of 0.412 means that if the variable in this research of X_3 increased, it will improve and increase Y at 0.412.

Table 3. Result of R and R2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.761a	.578	.543	1.07995

a. Predictors: (Constant), Brand Image, Perceived Price, Advertisement

Source: SPSS Data Analysis, 2015

The coefficient of correlation (R) is 0.761 meaning that level of relationship between independent and dependent variable is strong positive association, $R^2 = 0.578 = 57.8\%$ that means Consumer Buying Decision is able to be explained by Advertisement, Perceived Price and Brand Image. The rest are caused by the other factors.

Hypothesis Testing**Table 4. F – Test Result**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	57.614	3	19.205	16.466	.000 _b
1 Residual	41.986	36	1.166		
Total	99.600	39			

a. Dependent Variable: Consumer Buying Decision

b. Predictors: (Constant), Advertisement, Perceived Price, Brand Image

Source: SPSS Data Analysis, 2015

The result is: $F_{\text{count}} (16.466) > F_{\text{table}} (2.8588)$. Since F_{count} is greater than F_{table} , so H_0 is rejected and H_1 is accepted, meaning independent variables simultaneously influence the dependent variable.

Table 5. T – Test Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.678	1.878		.361	.720
Advertisement	.239	.086	.342	2.767	.009
1 Perceived Price	.304	.141	.260	2.159	.038
Brand Image	.412	.145	.374	2.837	.007

a. Dependent Variable: Consumer Buying Decision

Source: SPSS Data Analysis, 2015

The result is: It was accepted if $t_{count} > t_{table}$. Table above shows that advertisement t_{count} is 2.767 and since the level of significant is 5% then the t_{table} is 2.0262. The result is: $t_{count} = 2.767 > t_{table} = 2.0262$. Since the t_{count} is greater than t_{table} then it means that variable advertisement has influences on Consumer Buying Decision. Therefore, H_2 is accepted. Next table shows that perceived price t_{count} is 2.159. The result is: $t_{count} = 2.159 > t_{table} = 2.0262$. Since the t_{count} is greater than t_{table} then H_0 is rejected and H_1 is accepted. It means that perceived price has influences on consumer buying decision. Therefore, H_3 is accepted. Next table shows that brand image t_{count} is 2.837. The result is: $t_{count} = 2.837 > t_{table} = 2.0262$. Since the t_{count} is greater than t_{table} then H_0 is rejected and H_1 is accepted. It means that variable brand image has influences on Consumer buying decision. Therefore, H_4 is accepted.

Discussion

Advertisement and Consumer Buying Decision

This research found that Advertisement has influence on Consumer buying decision. This finding has a same result with Malik Et al, (2013). Advertisement has positive impact on consumer buying intention. The advertisement is a big marketing weapon to attract customers and to stay in customer's mind. Advertisement in here they only see in digital print like the billboard, newspaper and also electronic print like Facebook, Twitter, etc. mostly the advertisement are made by unofficial ASUS advertisement that is why they have so many different offers, sometimes they more concerned with price than the specification of the smartphone, which is different from one place to another, the other one more concerned with the specification than the price of the smartphone, and there also concerned both of price and specification

Perceived Price and Consumer Buying Decision

This research found that Perceived Price has influence on Consumer buying decision. This finding has supported by Yaseen et al, (2011). Which the perception of low level attributes are perceived price can influence perceived quality and value that also has significant influence in purchase intention but if it becomes the luxury product then the price doesn't have a significant influence on consumer purchase intention. This significant influence is because all level of income based on respondent identity agreed that the price has significant influence because the price can be reachable by them and suit with their expectation of their perceived price of them. Because there are many types of ASUS products that suit for all income level.

Brand Image and Consumer Buying Decision

This research found that Brand Image has influence on Consumer buying decision. This finding data has support by Malik et al, (2013). Customers rely on branded products and mostly prefer to buy products with well brand name. In addition, Malik et al., (2013) also states that Brand image has strong positive impact on consumer buying decision. The brand image will be more and stronger in their minds if they have good brand perception, aware, loyalty and association. This Study depicted that teenagers in Gujranwala are more conscious about their social status so they prefer branded products. Thus, consumers tend to form a more positive impression and believe for a product that has a good brand image because a good brand image of the brand also determine the quality of a product ASUS that considered to have excellent quality in terms of its product, so it can be deciding factor for consumers in buying intention. In this case ASUS already made components for branded products before making mobile phones.

CONCLUSION AND RECOMMENDATION

Conclusion

The conclusions drawn for this research are as follow:

1. Advertisement, perceived price and brand image significantly effect on Consumer buying decision of ASUS, simultaneously
2. Advertisement has significant effect on consumer Buying Decision of ASUS, partially
3. Perceived Price has significant effect on consumer Buying Decision of ASUS, partially
4. Brand Image has significant effect on consumer Buying Decision of ASUS, partially

Recommendation

Therefore, several recommendations given are::

1. ASUS should make more official branch. Sometimes because of only just a few official ASUS branch, the costumer only bring to the unofficial service place, and they just ruin the image of ASUS good quality service. Even if just a few, ASUS must promote it more using electronic media or print media.
2. ASUS must keep maintain the price, to keep the image that everyone know that ASUS had a good quality and modern image but still the middle income people can reach the price. In order to keep the image that they serve all segment.
3. ASUS slogan is "ASUS In search of Incredible". In that statement, ASUS must keep improving with their every new product. Therefore, in their every new product they must keep developing the new one but also keep carry on the quality and price.
4. To improve this research, the next researcher should add more variable or intervening to make a better result for the influence on purchase intention

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