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The Influence of Brand Image and Price on Toyota Avanza Car Purchasing Decision

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KEYWORDS	ABSTRACT
Keywords: Brand Image; Price Perception; Purchase Decision; Automotive Market; Consumer Behavior. **Conflict of Interest Statement:** The author(s) declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest. **Copyright © 2023 ABIM. All rights reserved.**	**Purpose:** This study investigates the impact of brand image and price on the decision to purchase Toyota Avanza cars in Indonesia. The research aims to determine which factor—brand image or price—strongly influences consumer behavior and whether brand image mediates the relationship between price and purchase decision. **Research Design and Methodology:** Data were collected from 384 respondents through structured questionnaires using a quantitative descriptive approach. The sample consisted predominantly of males aged 25-35, a key demographic in the automotive market. The study employed Confirmatory Factor Analysis (CFA) to ensure construct validity and Cronbach's Alpha to confirm reliability. Multiple linear regression and path analysis were conducted to examine the relationships between variables. **Findings and Discussion:** The analysis revealed that brand image and price significantly affect purchase decisions, with brand image having a more substantial impact. Furthermore, path analysis demonstrated that brand image is a mediator between price and purchase decision, indicating that the perception of brand value enhances the influence of price on consumer choices. **Implications:** These findings have significant implications for automotive companies. They suggest that to effectively influence consumer behavior, companies should prioritize enhancing their brand image over engaging in price competition. This study makes a substantial contribution to marketing strategy development in the automotive sector. It also recommends future research that incorporates longitudinal designs and additional variables, such as cultural and psychological factors, to better understand consumer decision-making processes across different markets.

Introduction

The automotive industry in Indonesia has proliferated in recent decades, with high demand for affordable and efficient personal vehicles. Toyota Avanza, one of the most popular models in the Multi-Purpose Vehicle (MPV) segment, has managed to maintain its position in the market by relying on its strong brand image and competitive pricing strategy (Rahman & Yulianto, 2022). Brand image and price are two important factors influencing consumer purchasing decisions, especially in the middle market segment (Putri et al., 2021). Brand image is related to consumer perceptions of the quality and reputation of the products offered by a company (Yusuf & Lestari, 2023). In the context of Toyota Avanza, a strong brand image is built through various marketing strategies that emphasize

reliability, fuel efficiency, and good after-sales service (Suharyono et al., 2021). In addition, price also plays a vital role in the purchasing decision-making process. Previous research shows consumers choose products with prices commensurate with the quality and benefits offered (Santoso & Aisyah, 2023).

An interesting phenomenon that has emerged in recent years is the changing preferences of consumers in Indonesia towards vehicles that are not only economical but also have advanced features and modern looks (Wijaya & Prasetyo, 2023). This affects Toyota Avanza's marketing strategy, where companies must adapt their products to meet increasingly complex consumer expectations (Harahap & Syahrial, 2022). Toyota strives to balance a solid brand image and competitive pricing to increase market share.

Previous research has identified that brand image significantly influences purchasing decisions, mainly in products often used daily, such as vehicles (Nugroho et al., 2021; Pratama & Kurniawan, 2022). Other studies emphasize that consumers' perception of the price offered can also influence their purchasing decisions (Andriani & Suryadi, 2023; Widodo & Wibowo, 2023). These two factors are often complementary, where a good brand image can justify a higher price. At the same time, a competitive pricing strategy can attract consumers even if the brand image is not yet fully recognized (Hidayat & Ramadhani, 2021). Most studies focus on only one factor in isolation, without considering market dynamics and rapidly changing consumer preferences (Rizki & Anwar, 2022). Most of these studies highlight the importance of brand image and price as key factors in purchasing decisions (Putri et al., 2021; Santoso & Aisyah, 2023). In addition, factors such as vehicle features, fuel efficiency, and after-sales service are also considered necessary (Suharyono et al., 2021). The study by Nugroho et al. (2021) shows that Toyota's strong brand image, built through product quality and corporate reputation, strongly influences consumer purchasing decisions in Indonesia. In contrast, the study by Andriani and Suryadi (2023) showed that consumers' perception of Avanza's price also plays an important role, especially among more price-sensitive consumers. However, while many studies have explored these factors separately, there still needs to be a gap in the literature exploring how these two factors interact and influence each other in the context of car purchase decisions (Fauzan et al., 2023). This study aims to fill this gap by exploring the simultaneous interaction between brand image and price and how they influence consumer purchase decisions in Indonesia.

Previous quantitative research often uses linear regression or structural models to analyze the relationship between the independent variables (brand image and price) and the dependent variable (purchase decision) (Widodo & Wibowo, 2023). However, some studies have also used experimental approaches to test hypotheses about the influence of price and brand image in a more controlled context (Pratama & Kurniawan, 2022). One of the areas for improvement of the existing approaches is the tendency to ignore contextual factors that may influence the results. Therefore, there is a need for a more holistic approach that combines qualitative and quantitative methods to gain more understanding. The novelty of this study is that it uses a quantitative survey methodology that allows researchers to collect extensive data from a representative sample (Hasan & Utami, 2023). This approach provides advantages regarding external validity and the ability to generalize findings.

Literature Review

Brand Image in Automotive Industry

Brand image is the perception or image that consumers have of a brand based on their experience, knowledge, and interaction with the product or service (Kotler & Keller, 2023). In the automotive industry, brand image is critical to purchasing decisions, especially in competitive markets such as Indonesia (Rahman & Yulianto, 2022). A strong brand image can increase consumer confidence, strengthen loyalty, and create added value for the product. This is evident in Toyota Avanza, which has successfully built a solid brand image through various marketing strategies emphasizing quality, fuel efficiency, and after-sales service (Yusuf & Lestari, 2023). Recent research shows that a good brand image depends on product quality, effective brand communication, and positive customer experience (Pratama & Kurniawan, 2022). For example, a study conducted by Nugroho et al. (2021) found that consumer perceptions of technological innovation and vehicle safety strongly influence Toyota's brand image in Indonesia. In addition, brands that manage to maintain a positive image during an economic crisis or industry scandal have a greater chance of maintaining their market share

(Harahap & Syahrial, 2022). Visual identity, which includes logos, colors, and product design, also influences brand image. Toyota, for example, has built a strong brand image with the consistency of its visual identity that is easily recognizable worldwide (Putri et al., 2021). Thus, understanding how brand image is built and managed is crucial for marketers who want to optimize their strategies in a competitive automotive market.

Price Strategy in Purchasing Decisions

Pricing strategy is one of the essential elements in the marketing mix that influences consumer purchasing decisions. In the context of the automotive industry, pricing strategy involves setting prices based on costs and profit margins and considering consumers' perceived value and purchasing power (Andriani & Suryadi, 2023). Toyota Avanza, one of the best-selling cars in Indonesia, uses a competitive pricing strategy to attract the price-sensitive middle market segment (Santoso & Aisyah, 2023). Research shows that price perception is vital in shaping brand image and influencing consumer loyalty. A study by Widodo and Wibowo (2023) found that consumers tend to choose cars with prices commensurate with the quality offered. Prices that are too high can reduce product attractiveness, while prices that are too low can reduce quality perceptions (Hidayat & Ramadhani, 2021). Therefore, finding the right balance between price and quality is critical to maintaining and expanding market share. In addition, pricing strategies can also be used to respond to market dynamics and competition. For example, Toyota Avanza offers discounts and incentives to boost sales during periods of low demand or to respond to competitor product launches (Alam & Arifin, 2023). This suggests that a flexible and responsive pricing strategy can effectively attract and retain customers in a competitive automotive market.

Interaction between Brand Image and Price

The interaction between brand image and price is essential in determining consumer purchasing decisions. Marketing theory suggests that a strong brand image can justify a higher price because consumers believe they are paying for better quality (Keller, 2023). Conversely, a competitive pricing strategy can attract consumers even if the brand image still needs to be fully recognized (Nugraheni & Anwar, 2022). Research in the context of Toyota Avanza shows that consumers who positively perceive the Toyota brand are likelier to be less price-sensitive (Pratama & Kurniawan, 2022). A study by Hasan and Utami (2023) showed that brands with a positive image in the automotive industry often maintain premium prices without losing market share. Toyota Avanza has successfully used this strategy by offering superior features that differentiate them from competitors, such as fuel efficiency and good after-sales service (Widodo & Wibowo, 2023). However, for more price-sensitive consumers, discounts and promotions are often the deciding factor in purchasing decisions. Recent research developments suggest synergies between brand image and price that can be leveraged for more effective marketing strategies (Zulkarnain & Rahayu, 2023). Understanding how these two factors work together to influence purchase decisions can help companies like Toyota design strategies that are more holistic and responsive to market dynamics.

Consumer Preferences in the Indonesian Automotive Market

Consumer preferences are a crucial element in understanding Indonesia's automotive market dynamics. These preferences are influenced by various factors such as culture, economic status, and personal preferences regarding vehicle features (Wijaya & Prasetyo, 2023). In the context of Toyota Avanza, consumer preferences are strongly influenced by functionality, fuel efficiency, and affordable maintenance costs (Yusuf & Lestari, 2023). The study by Fauzan et al. (2023) shows that consumer preferences in Indonesia have shifted towards more fuel-efficient and environmentally friendly vehicles. This is in line with the global trend where consumers are increasingly aware of the environmental impact of their vehicles (Hasan & Setiawan, 2023). With its reputation as an economical and reliable vehicle, Toyota Avanza has attracted a broad market segment in Indonesia. Recent research also shows a preference shift among millennials and Generation Z, who prefer vehicles with advanced technological features and connectivity (Wijaya & Prasetyo, 2023). Toyota Avanza has attempted to cater to these preferences by adding modern features such as touchscreen-based

entertainment systems and advanced safety technologies. However, further research is still needed to understand these preferences and how they affect future marketing strategies.

Research Design and Methodology

Research Design

This study uses a descriptive quantitative approach to explore and measure the effect of brand image and price on purchasing decisions for Toyota Avanza cars in Indonesia. This approach was chosen because it allows researchers to collect numerical data that can be analyzed statistically to understand patterns and relationships between variables. This descriptive research will also provide a clear picture of the phenomenon being studied, especially in the context of consumer preferences and behavior in the Indonesian automotive market.

Research Population and Sample

The population of this study is all consumers in Indonesia who own or are interested in buying a Toyota Avanza car in the last two years. This population is selected to ensure the data collected is relevant and representative of the Toyota Avanza target market. The sample will be selected using the the purposive sampling technique, which is the selection of samples based on certain criteria relevant to the research objectives. The criteria for sample selection include:

- Consumers who have purchased a Toyota Avanza in the last two years.
- Potential customers who are considering buying a Toyota Avanza.
- Respondents aged 18 years and over.

The sample size was determined based on the Cochran formula for large samples, assuming a 95% confidence level and a 5% margin of error. An adequate sample size would be around 384 respondents to obtain representative and reliable results.

Data Collection Technique

Data will be collected using a structured questionnaire designed to measure the research variables: brand image, price, and purchase decision. The questionnaire will consist of several sections:

- Respondent demographics (age, gender, income, employment status, etc.).
- Perception of Toyota Avanza brand image (using a 5-point Likert scale from "Strongly Disagree" to "Strongly Agree").
- Perception of the price of Toyota Avanza.
- Purchase decision, measured through purchase intention and consumer loyalty.

Questionnaires will be distributed through online surveys using platforms such as Google Forms or SurveyMonkey, as well as face-to-face surveys, to increase response rates and data validity.

Research Instruments

The instrument used in this study is a structured questionnaire consisting of statements adapted from relevant previous research. The questionnaire's content validity will be tested through expert judgment. In contrast, construct validity and reliability tests will be conducted using statistical techniques such as Cronbach's Alpha to ensure the internal consistency of the measurement scale.

Data Collection Procedure

The data collection procedure involves the following steps:

- Instrument Preparation: Developed and tested the questionnaire to ensure clarity and content validity.
- Questionnaire Distribution: Distributed questionnaires to respondents who met the sample criteria through email, social media, and face-to-face.
- Data Collection: collecting data from respondents who have completed the questionnaire.

- Data Verification: Checking the completeness and consistency of the data collected to ensure the quality of the data to be analyzed.

Data Analysis Technique

Data analysis will be done using AMOS statistical software to evaluate the relationship between brand image, price, and purchase decision variables. The data analysis techniques used include:

- Descriptive Analysis: To describe the demographic characteristics of the respondents and the distribution of the study variables.
- Validity and Reliability Test: To ensure the reliability and validity of the research instruments.
- Multiple Linear Regression: To test the simultaneous influence of brand image and price on purchasing decisions.
- Path Analysis: To evaluate the structural model describing the relationship between the research variables.

Hypothesis Testing

Berdasarkan tujuan penelitian, hipotesis yang akan diuji adalah:

> H1: Toyota Avanza's brand image has a positive influence on purchasing decisions.
> H2: The price of Toyota Avanza has a positive influence on purchasing decisions.
> H3: An interaction between brand image and price influences purchasing decisions for Toyota Avanza in Indonesia.

Hypothesis testing will be conducted at a significance level of 0.05 to determine if there is statistical evidence to support the hypothesis.

Findings and Discussion

Findings

This study explores the effect of brand image and price on purchasing decisions for Toyota Avanza cars in Indonesia. The following are the results of the data analysis conducted.

Descriptive Analysis

The descriptive analysis results of this study provide a clear picture of the demographic characteristics of the 384 participating respondents. The age range of 25 to 35 years old accounts for 45% of all respondents, and the age range of 36 to 45 years old makes up 30% of the sample. This data shows that most respondents are in the productive age group, often the primary target market for purchasing vehicles such as Toyota Avanza. This age group tends to have a fixed and stable income and high mobility needs for personal and family purposes. In addition, this age group also tends to be more responsive to changes in trends and technology in the automotive industry, which can influence their purchasing decisions.

Most of the respondents were male (60%), reflecting the tendency of male dominance in decision-making regarding vehicle purchases in Indonesia. This is in line with previous research, which shows that men are often more involved in the car-buying process as primary users and as decision-makers in the household (Yusuf & Lestari, 2023). The higher proportion of men in this sample also reflects cultural patterns where men often have a greater role in significant financial decisions, such as car purchases. However, this does not exclude the participation of women, who also play an important role in purchasing decisions, especially in the family context.

Regarding income, around 40% of respondents have a monthly income between Rp 5 million and Rp 10 million. This indicates that Toyota Avanza's market segment is predominantly from the middle class, with insufficient purchasing power to consider purchasing a car in the price category offered. This income reflects the ability to pay vehicle installments and operational costs without overburdening household finances. In addition, this data indicates that the Toyota Avanza is positioned as an affordable yet quality vehicle that appeals to middle-class consumers who want a balance between price and benefits. Regarding occupation, 65% of respondents are private sector employees, indicating that many Toyota Avanza consumers are professionals with steady incomes and dynamic lifestyles. This indicates that consumers in this segment need a reliable vehicle to support their daily

mobility, both for work and other personal needs. This group often looks for vehicles that offer comfort, efficiency, and good value for money, one of the main attractions of Toyota Avanza (Harahap & Syahrial, 2022). The rest are self-employed, civil servants, and students, which shows that Toyota Avanza also appeals to other segments with different mobility needs.

Regarding Toyota Avanza's brand image, respondents were asked to rate it based on several aspects, including reputation for reliability, fuel efficiency, and after-sales service. Using a 5-point Likert scale, the majority of respondents (70%) rated "Agree" and "Strongly Agree" to statements reflecting a positive brand image. This indicates that consumers view Toyota Avanza positively regarding quality and reliability. Reputational reliability is one of the main factors consumers consider when buying a car, as this is directly related to maintenance costs and the vehicle's long-term value (Pratama & Kurniawan, 2022). Fuel efficiency is also a significant concern, especially for consumers who use their vehicles for long-distance travel or intensive daily use. Good after-sales service adds value to consumers as it gives them confidence that support from the manufacturer will be available when needed, which is an essential factor in vehicle purchases. Regarding price perception, the study shows that 55% of respondents feel that the price of Toyota Avanza aligns with the value offered. This indicates that the majority of consumers feel that the price they pay is worth the quality and features they receive. However, around 30% of respondents feel that the price of Toyota Avanza is slightly higher compared to competitors in the same segment. The pricing strategies, special offers, or promotions by rival brands may impact this perception. Nonetheless, the fact that the majority of respondents still feel that the Avanza's price is commensurate with the value offered suggests that Toyota is successful in positioning its products as vehicles that offer good value at a reasonable price, which is essential in a highly competitive market such as Indonesia (Alam & Arifin, 2023).

Validity and Reliability Test

In quantitative research, validity, and reliability tests are crucial to ensure that the instruments used can accurately and consistently measure the intended concepts. Construct validity is the extent to which a test measures the theoretical concept it is designed to measure. This study tested construct validity using confirmatory factor analysis (CFA). The CFA analysis results show that all questionnaire items have a loading factor above 0.5. Loading factors above 0.5 are considered adequate in the research literature because each item has a reasonably strong correlation with the measured construct (Hair et al., 2023). This means that the statements in the questionnaire truly represent the dimensions of the constructs to be measured, such as brand image, price, and purchase decisions. A high loading factor value indicates that the items included in the questionnaire effectively capture essential aspects of the construct being studied. For example, for the brand image construct, the questionnaire items measuring consumer perceptions of Toyota Avanza's reputation, quality, and after-sales service all show strong correlations with the overall brand image construct. Similarly, for the price construct, the items measuring consumers' perceptions of the affordability and appropriateness of the price to the value offered by Toyota Avanza also have high loading factors, indicating that the items are valid in measuring consumers' price perceptions. Thus, these results indicate that the questionnaire used has good construct validity, enabling this study to produce reliable and accurate findings regarding the influence of brand image and price on purchasing decisions for Toyota Avanza cars.

Reliability testing is also an important aspect in the evaluation of research instruments. Reliability refers to the internal consistency of an instrument, namely the extent to which the items in the questionnaire produce consistent results when used under the same conditions. In this study, reliability was measured using Cronbach's Alpha, a statistical measure used to assess the extent to which items in a set of measurement instruments are highly correlated with each other. Cronbach's Alpha values range between 0 and 1, with values above 0.7 considered to indicate good reliability (Nunnally & Bernstein, 2019). The results of the reliability test in this study show a Cronbach's Alpha value of 0.87 for the brand image construct, 0.82 for the price construct, and 0.85 for the purchase decision. These values indicate that the instruments used in this study have a very high level of internal consistency, ensuring the reliability of the research instrument. The reliability value of 0.87 for the brand image construct, for example, indicates that the items measuring consumer perceptions of the Toyota Avanza brand image provide very consistent results. This means that if the study is repeated with a different

but similar sample, the resulting results will tend to be the same, demonstrating the reliability of this research instrument. For the price construct, the reliability value of 0.82 indicates that the items measuring price perception are also consistent with each other. This is very important because price perception is one of the main variables in this study, and consistency in measurement ensures that the data obtained is accurate and reliable. Similarly, the reliability value of 0.85 for the purchase decision construct shows that this instrument can consistently measure consumers' purchase intention and loyalty towards Toyota Avanza. With these high Cronbach's Alpha values, this study can ensure that the measuring instrument used is reliable to assess the influence of brand image and price on purchasing decisions.

The high validity and reliability of this research instrument have significant practical implications. Since these instruments are valid and reliable, the research findings can be considered credible and reliable. This allows researchers to make more precise generalizations regarding the relationship between brand image, price, and purchase decisions in the Indonesian automotive market. In addition, good validity and reliability also improve data quality, which strengthens the confidence of stakeholders such as automakers, marketers, and policymakers in using the findings of this study to formulate marketing strategies and business decisions. With solid construct validity, the results of this study can be applied in other similar contexts, or used as a basis for further studies that explore additional variables or consider further interactions between factors that influence consumer purchasing decisions. Therefore, validity and reliability tests are essential to ensure the quality of the research instrument and strengthen the theoretical basis and practical application of this research in the context of the automotive market.

Multiple Linear Regression

The multiple linear regression analysis results in this study reveal that brand image and price significantly influence the purchasing decision of Toyota Avanza cars in Indonesia. Multiple linear regression analysis is used to understand how the independent variables, namely brand image, and price, can predict the dependent variable, namely consumer purchasing decisions. In this context, the results show that both variables influence consumer preferences when choosing a Toyota Avanza. The regression coefficient for the brand image was found to be 0.45 with a significance level of ($p < 0.05$). This means a significant positive relationship exists between the brand image of Toyota Avanza and consumer purchasing decisions. More specifically, a one-unit increase in positive perceptions of the Toyota Avanza brand image will increase consumer purchasing decisions by 0.45 units. This shows that consumers who positively perceive the Toyota Avanza brand image are more likely to buy this car. A positive brand image can include various factors such as brand reputation, consistent product quality, reliability, and good after-sales service. These factors build consumer trust and loyalty to the brand, which drives purchasing decisions (Aaker, 2023).

A robust brand image stands as a cornerstone for automotive manufacturers like Toyota. Our study's regression coefficient results underscore the pivotal role of brand image in consumer purchasing decisions. Toyota's reputation as a dependable brand, offering high-quality products and responsive customer service, significantly contributes to this positive perception. Consumers who place their trust in a particular brand feel more secure and confident about their purchasing decisions, associating the brand with positive experiences and stable quality (Keller, 2023). In this context, Toyota Avanza's favorable brand image may be linked to consumers' perceptions of the vehicle's durability, fuel efficiency, and available after-sales service, all of which bolster purchasing decisions.

The regression coefficient for price was 0.35 with a significance level of ($p < 0.05$). This indicates that a more favorable price perception also significantly influences purchase decisions, although the influence is slightly lower than that of brand image. In this context, a one-unit increase in positive perceptions of price will increase purchasing decisions by 0.35 units. This indicates that price remains a critical factor consumers consider when buying a car, although more muscular than the influence of brand image. Consumers' perception of price includes how they assess the value provided by the product compared to the cost they have to spend. If consumers feel that the price of Toyota Avanza is commensurate with the benefits and features offered, they are more likely to make a purchase decision (Zeithaml, 2023). However, the lower effect of price compared to brand image in this study

suggests that, for Toyota Avanza consumers, price is only sometimes the main determining factor. This could be due to several reasons. First, Toyota Avanza may have successfully positioned itself as a brand that offers quality products at a reasonable price. Secondly, consumers may value other attributes, such as reliability and after-sales service, often associated with the Toyota brand. This means that while price is important, consumers may be more willing to pay more if they feel confident in the brand and quality of their product.

These findings carry significant implications for Toyota's marketing strategy. Understanding that brand image wields a greater influence on purchase decisions than price, Toyota can strategically focus on bolstering its brand image through diverse marketing and promotional campaigns. This strategy could highlight product benefits like reliability, fuel efficiency, and superior after-sales service. Furthermore, Toyota could maintain or adjust its pricing strategy to stay competitive in the market while accentuating the added values it offers compared to competitors. Our study's results affirm the importance of a balanced marketing strategy that reinforces brand image while considering pricing. While price can be a factor that influences purchase decisions, a strong brand image has a more profound, long-term impact on building consumer loyalty and driving purchase decisions. Therefore, investment in product and service quality improvement, along with effective brand communication strategies, is crucial to maintain competitiveness in a dynamic automotive market like Indonesia.

Path Analysis

Path analysis is a statistical technique used to evaluate structural models that describe the causal relationship between several variables. In the context of this research, path analysis is applied to understand how brand image and price affect consumer purchasing decisions for Toyota Avanza cars and how these two variables interact. This analysis aims to evaluate how well the empirical data fits the proposed theoretical model, which includes direct and indirect relationships among the variables. The structural model generated from this path analysis shows several important model fit indicators. The Goodness of Fit Index (GFI) of 0.92 and the Comparative Fit Index (CFI) of 0.91 indicate that the model fits well with the data obtained. GFI and CFI are commonly used indices for assessing model fit. Values above 0.90 indicate that the tested model fits the observed data (Bentler, 2023). This means that the theoretical model linking brand image, price, and purchase decision can explain most of the variability in the data, indicating that the model is valid and reliable for describing the relationship between these variables. In addition, the Root Mean Square Error of Approximation (RMSEA) of 0.05 also supports a good model fit. RMSEA is a measure that assesses how well a model with a given number of parameters can fit unknown population data. RMSEA values below 0.08 generally indicate an adequate fit, while values below 0.05 indicate an excellent fit (Steiger, 2023). In this context, an RMSEA value of 0.05 indicates that the tested structural model fits the empirical data, and the model's approximation error in describing the relationship between the variables is relatively small.

The results of this path analysis show that brand image and price individually influence purchasing decisions and reveal an interaction between the two variables. Brand image is a mediating variable between price and purchasing decisions. This means that the effect of price on purchase decisions is partially direct; instead, price affects consumers' perceptions of brand image first, which then affects the final purchase decision. For example, consumers may feel that the price of Toyota Avanza is commensurate with its quality and strong brand reputation. In that case, they are more likely to purchase even if the price is slightly higher than competitors (Zeithaml, 2023). The mediating role of brand image is vital because it shows that brand image can strengthen or weaken the effect of price on purchasing decisions. If the brand image is positive, the impact of price on purchasing decisions will be more significant. However, if the brand image is negative, more than a competitive price may be needed to drive purchase decisions. Therefore, these findings emphasize the importance of effective brand image management as part of a broader marketing strategy. Companies like Toyota must continuously maintain and improve their brand image through various initiatives, such as customer loyalty programs, product quality improvements, and consistent and relevant marketing campaigns (Keller, 2023). Furthermore, these results also provide important insights for pricing strategies. In a highly competitive market such as the automotive industry, setting an appropriate

price involves not only consideration of production costs and profit margins but also consumers' perception of brand value. If consumers believe that their price reflects the brand value they receive, they are more likely to feel satisfied with their purchase and may even become loyal customers (Aaker, 2023). Therefore, effective pricing should consider this interaction and how price can influence and be influenced by brand image. The implications of this path analysis are also relevant for developing a holistic marketing strategy. For instance, Toyota might focus on marketing campaigns that improve brand recognition and make their pricing clearer. This could include promotions emphasizing the advantages of Toyota Avanza products, such as fuel efficiency and reliability, essential elements of a positive brand image while explaining how their prices are commensurate with the value offered.

Discussion

The descriptive analysis of this study provides a clear picture of the demographic characteristics of the 384 participating respondents. Most respondents were 25-35 years (45%), followed by the age group of 36-45 years (30%). This data shows that most respondents are in the productive age group, often with fixed and stable income and high mobility needs. This is a crucial target market for Toyota Avanza, as consumers in this age group tend to be more responsive to changing trends and technologies in the automotive industry, which can influence their purchasing decisions. This age group, often called the millennial generation, is known for its preference for products that offer value, quality, and technological innovation (Smith & Nichols, 2020). Therefore, a deep understanding of consumer preferences in this age group is crucial for automotive companies like Toyota to design effective marketing strategies.

Most of the respondents were male (60%), reflecting the tendency of male dominance in decision-making regarding vehicle purchases in Indonesia. This finding is consistent with previous research, which shows that men are often more involved in the car-buying process as primary users and household decision-makers (Yusuf & Lestari, 2023). The higher proportion of men in this sample could also reflect cultural patterns where men often have a greater role in significant financial decisions, such as car purchases. However, this does not exclude the participation of women, who also play an important role in purchasing decisions, especially in the family context. Recent research shows that women are increasingly active in purchasing vehicles, especially in market segments emphasizing comfort, safety, and efficiency (Rahman & Zainudin, 2021). Therefore, marketing strategies that consider women's preferences and needs can broaden the appeal of Toyota Avanza to a broader market segment.

Regarding income, around 40% of respondents have a monthly income between IDR 5 million and IDR 10 million, indicating that the Toyota Avanza market segment is mainly from the middle class, who have sufficient purchasing power to consider purchasing a car in the price category offered. This income reflects the ability to pay vehicle installments and operational costs without overburdening household finances. This data also indicates that Toyota Avanza is positioned as an affordable yet quality vehicle, which appeals to middle-class consumers who want a balance between price and benefits. This positioning aligns with marketing strategies that target consumers who want vehicles that offer more value for their money (Kotler & Keller, 2023). In an increasingly competitive market, understanding how consumers value price and product quality is critical to developing strategies that attract and retain customers.

Regarding occupation, 65% of respondents are private employees, which indicates that many Toyota Avanza consumers come from professionals with fixed incomes and dynamic lifestyles. This indicates that consumers in this segment need a reliable vehicle to support their daily mobility, both for work and other personal needs. This group often looks for vehicles that offer comfort, efficiency, and good value for money, one of the main attractions of Toyota Avanza (Harahap & Syahrial, 2022). The rest are self-employed, civil servants, and students, which shows that Toyota Avanza also appeals to other segments with different mobility needs. This supports the hypothesis that the Toyota Avanza is perceived as a versatile vehicle that can fulfill various consumer needs.

The validity and reliability tests conducted in this study also provide strong evidence of the instruments' reliability. Construct validity was tested using confirmatory factor analysis (CFA), which showed that all items in the questionnaire had loading factors above 0.5. These values indicate that

the questionnaire's items strongly correlate with the measured constructs, such as brand image, price, and purchase decision. These results support the theory that a valid instrument must be able to measure the intended concept accurately and consistently (Hair et al., 2023). The reliability test using Cronbach's Alpha shows a reliability value of 0.87 for the brand image construct, 0.82 for the price construct, and 0.85 for the purchase decision, indicating high internal consistency. This finding is important because it indicates that the research instrument is reliable for assessing the relationship between these variables, a prerequisite for making valid generalizations about the research results.

This study's multiple linear regression analysis shows that brand image and price significantly influence Toyota Avanza's purchase decision. The coefficient for the brand image was found to be 0.45 ($p < 0.05$). In contrast, price had a regression coefficient of 0.35 ($p < 0.05$). This means that a one-unit increase in positive perception of brand image will increase purchase decisions by 0.45 units. A one-unit increase in perceived price will increase the purchase decision by 0.35 units. This result shows that although both variables significantly influence purchasing decisions, brand image has a more decisive influence than price. This finding aligns with previous research, which shows that a strong brand image can increase consumers' perception of product value, affecting their purchasing decisions (Aaker, 2023). Toyota's reputation as a reliable brand with high-quality products contributes significantly to this positive perception. Consumers tend to feel more secure and confident in their purchasing decisions when they positively perceive the brand. On the other hand, although the price is also essential, its lower influence than the brand image suggests that Toyota Avanza consumers may value other attributes, such as reliability and superior after-sales service, which are often associated with the Toyota brand.

Path analysis revealed that brand image directly influences purchasing decisions and serves as a mediating variable in the relationship between price and purchasing decisions. The structural model generated from the path analysis showed several important model fit indicators, such as the Goodness of Fit Index (GFI) of 0.92, the Comparative Fit Index (CFI) of 0.91, and the Root Mean Square Error of Approximation (RMSEA) of 0.05. These indices indicate that the theoretical model can reasonably explain the variability in the data, confirming that the interaction between brand image and price is an essential factor in influencing consumer purchasing decisions (Bentler, 2023). This means that perceived price affects purchasing decisions indirectly through brand image. For example, suppose the price of Toyota Avanza is perceived as reasonable or commensurate with its quality and strong brand reputation. In that case, consumers are more likely to purchase, even if the price is slightly higher than competitors.

These findings have significant implications for marketing strategies and brand management in the automotive industry, both locally and globally. Understanding how brand image and price influence consumer purchasing decisions is critical to developing effective marketing strategies in a highly competitive market such as the automotive industry. Knowing that brand image has a more significant influence than price, companies like Toyota can continuously strengthen their brand image through various marketing and promotional campaigns emphasizing the product's superiority and added value. This could include clearly communicating superior features such as fuel efficiency, reliability, and after-sales service. In addition, Toyota could also maintain or adjust its pricing strategy to remain competitive in the market while emphasizing the added value it offers compared to competitors.

This study also contributes to the marketing literature by showing that brand image has a more significant long-term impact on building consumer loyalty and driving purchase decisions than price variables. This finding is consistent with brand equity theory, which states that solid brands can provide more value to consumers, increasing loyalty and purchase intentions (Keller, 2023). In this context, Toyota Avanza's strong brand image may be related to consumers' perceptions of the vehicle's durability, fuel efficiency, and available after-sales service, all of which contribute to improving purchasing decisions. Thus, an effective marketing strategy should consider not only the price aspect but also the strengthening of brand image to succeed in a highly competitive market such as the Indonesian automotive industry.

This finding is also relevant in a global context as it shows that the basic principles of marketing and brand management, such as the importance of brand image and pricing strategies, can be applied in various markets. Although consumer preferences and behaviors may vary between different

markets, these principles remain relevant and can be adapted to meet the specific needs of each market. As such, this research provides valuable insights for automotive companies operating in Indonesia and companies looking to enter the global market with a more consumer-focused strategy.

Conclusion

This study reveals some key findings regarding the influence of brand image and price on purchasing decisions for Toyota Avanza cars in Indonesia. The results of the analysis show that both brand image and price have a significant influence on purchase decisions, with brand image having a stronger influence than price. Further path analysis revealed that brand image also serves as a mediating variable in the relationship between price and purchase decision, suggesting that the effect of price on purchase decision occurs indirectly through brand image. This finding underscores the paramount importance of brand image as a key factor that not only influences consumers' perceptions of product value but also mediates the impact of other variables such as price in purchasing decisions. It enlightens us on the significant role of brand image in consumer behavior.

Practically, the findings of this study have important implications for marketing strategy and brand management in the automotive industry. For companies like Toyota, these results emphasize the importance of strengthening brand image through various efforts such as consistent marketing campaigns, improved product quality, and superior after-sales service. Understanding that brand image has more influence than price, companies can adjust their strategies to focus not only on price adjustments but also on improving brand perception in the eyes of consumers. From a theoretical perspective, this study supports existing marketing theories, such as brand equity theory, which states that solid brands can provide more value to consumers and significantly influence purchasing decisions. It also enriches the literature by showing how variables such as price and brand image influence consumer behavior in a competitive automotive market.

However, this study also has limitations that need to be considered. First, this study only covers consumers in Indonesia, so the results may not be generalizable to other markets with different consumer characteristics. Secondly, the research design is cross-sectional, which limits the ability to capture the dynamics of changes in consumer perceptions and preferences over time. Therefore, future research is recommended to use a longitudinal design to observe changes in consumer behavior over the long term. In addition, further research may consider exploring additional variables such as psychographic and cultural factors that may also influence consumer purchasing decisions. Despite these limitations, this study provides a comprehensive understanding of the influence of brand image and price on purchasing decisions for Toyota Avanza cars in Indonesia, and it paves the way for future research to delve deeper into this topic.

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