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Customer Purchasing Decisions: The influence of Price and Brand Image (Study in one Muslim industry in Bandung)

Abstract

This research aims to determine the influence of price and brand image on customer purchase decisions. Additionally, this study seeks to analyze the dominant factor between price and brand image affecting customer purchase decisions in the Muslim clothing industry in Bandung. The research focuses on "price and brand image on customer purchase decisions in the Muslim clothing industry in Bandung," involving 89 consumers as the research subjects. Based on the research using path analysis, it is evident that the price variable influences purchase decisions. Furthermore, brand image also affects purchase decisions. The results of the correlation coefficients indicate a strong relationship among all independent variables, namely price and brand image. The conclusion and recommendations based on the research findings suggest paying more attention to price and brand image to enhance customer purchase decisions. The implications of this research highlight the need for businesses to strategically manage their pricing strategies and brand image to attract and retain customers in a competitive market effectively.

Keywords : Price, Brand Image, Purchase Decision

INTRODUCTION

Indonesia is the country with the largest Muslim population in the world, which makes its consumption behavior significantly dominant. With the highest number of Muslim residents, Indonesia has pioneered the development of hijabs and fashion hijabs. The growing population affects the community's needs, including the demand for hijabs. Currently, Muslim clothing, especially hijabs, serves not only as a means for women to protect and cover their bodies but has also evolved into an expression of identity or lifestyle often referred to as fashion. It has become a fashion trend for Muslim women to appear trendy and stylish while still adhering to Islamic principles. The increasing variety of fashionable hijab styles demonstrates the diverse evolution of women's Muslim fashion, creating new business opportunities in Indonesia, particularly in the rapidly growing hijab market. Young people's varied tastes and desire to stand out have sparked the emergence of various hijab designs. The creativity of the youth themselves also drives

them to create products that meet consumer preferences. Recognizing the potential success of these hijab concepts has attracted many people to enter the market, leading to rapid growth in hijab offerings. Some hijabs sell products nearly identical to their competitors, yet each brand maintains unique characteristics and product variations. This diversity in available products makes consumers more selective when choosing items. Such conditions challenge companies to compete by developing valuable products and services aligned with consumer tastes and purchasing power. Therefore, each company must have an appropriate marketing strategy for its products to win in this competition. Among the many marketing strategies, companies face the decision to design their brand image.

Based on the observation results, it is evident that annual sales fluctuate and tend not to meet targets, although the differences are not too significant. The lowest sales occur in children's hijabs, while the highest are in voal hijabs. Sales targets for hijabs from 2020 to 2021 experienced a decline due to the COVID-19 pandemic, which

significantly impacted sales. Despite this, there remains consumer interest. However, during periods of lowest income, such as in 2020, businesses experienced losses because their revenues were lower than their expenses. The tendency for sales to not meet targets indicates a decrease in purchase decisions, meaning that consumers' purchasing decisions at Rumah Jilbab Tania are not yet optimal. Purchase decisions are crucial, influencing the company's marketing strategies. The company's success in influencing consumer purchase decisions is strongly supported by efforts to build communication with consumers, develop brand loyalty through marketing strategies, and innovate new product variants. The purchasing decision-making process is often complex and involves several decisions. A decision involves choosing between two or more alternative actions (Supriadi et al., 2023). Perceived risks greatly influence consumers' decisions to modify, delay, or avoid purchases. The level of perceived risk varies based on the amount of money at stake, the uncertainty of the attributes, and the consumer's confidence (Erwin Sahat Mora Pardede et al., 2023). Consumers are influenced by information regarding products, prices, distribution, and promotion. The quality of products aligns with consumer needs and desires, prices are set according to the buyer's ability to pay, convenient locations are established for customers to purchase (places/distribution), and promotions are conducted to ensure consumers receive the necessary information about the products offered.

The high number of competitors in the market has led to intense price competition. Companies must set competitive prices to

succeed. Individual perceptions of whether a price is expensive, cheap, or average vary depending on personal experiences and conditions (Tasriastuti et al., 2024). According to research conducted by (Hanaysha, 2018) on the factors influencing purchasing decisions, key elements include product factors, product quality as a product attribute, price, promotional factors, and product distribution channels. (Supriadi et al., 2023) state that "price is the amount of money charged for a good or service or the sum of values that consumers exchange for the benefits of owning or using the product or service." Buchori (2014) defines "price as the value of a good expressed in money." Rasyid & Farida (2023) adds that "price is a measure of the degree of satisfaction a person derives from the product they purchase." Based on observations, product pricing influences consumer purchasing decisions in the Muslim clothing industry in Bandung. Brand image can distinguish a brand from Waluya et al., (2019); without a strong and positive brand image, it becomes challenging for companies to attract new customers and retain existing ones, as noted by Ismani in Danny (2014). According to Saad et al., (2022), quoted in the consumer behavior book, a positive brand image benefits producers by increasing their recognition among consumers. In other words, consumers are more likely to choose products with a good image. Conversely, if a brand has a negative image, consumers will likely think twice before purchasing. Based on the background of this issue, this research aims to determine the extent to which price and brand image influence purchasing decisions in the Muslim clothing industry in Bandung.

METHOD

The researcher collects data in the form of information related to the issues being studied to answer both descriptive and verificative problem formulations. Additionally, this data helps to determine whether the research hypothesis is accepted or rejected. The methods used in this study are descriptive and verificative.

Instrument Test

1. Price

The amount of money charged for a product or service, the value customers exchange to obtain or use that product or service.

Dimensions of Price:

- Price affordability
- Discount prices
- Price comparison
- Price alignment with benefits
- Price alignment with product quality

2. Brand Image

The extent of the difference between expectations and reality regarding the brand image that customers perceive during the purchasing process.

Dimensions of Brand Image:

- Brand Identity
- Brand Personality
- Brand Association
- Brand Attitude & Behavior
- Brand Benefit & Competence

3. Purchase Decision

The purchase decision is the stage in the evaluation process where consumers

identify their preferred brand and intend to buy the brand they favor most.

Dimensions of Purchase Decision:

- Product choice
- Brand choice
- Supplier choice
- Purchase quantity
- Purchase timing
- Payment method

Validity Test

An instrument is valid if it can accurately measure its intended purpose and effectively express data from the studied variables. Validity testing determines whether the data can be trusted to reflect reality.

Reliability Test

Reliability testing is performed exclusively on items that have undergone validity testing, excluding invalid items. The objective of reliability testing is to assess the degree of reliability through internal consistency methods, concentrating on the internal components of the instrument, particularly the items or questions that collectively constitute a set of statements.

RESULT AND DISCUSSION

Based on the research results, the following are the characteristics of the respondents in this study:

Table 1. Respondent Characteristics

No.	Characteristics	Frequency	Presentation
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1.	Age ¹⁶		
	- 17-25 years	77	86,52%
	- 26-34 years	11	12,36%
	- 35-44 years	0	0 %
	- 45-50 years	1	1,12%
3.	Frequency of Visits		
	- Adult female	74	83,15 %
	- Teenage women	15	16,85 %
4.	Income ⁴		
	- < Rp. 2.000.000	12	13,48 %
	- Rp.2.000.000 – Rp. 3.000.000	28	31,46 %
	- Rp. 3.000.000 – Rp. 4.000.000	29	32,58%
	- > Rp. 4.000.000	20	22,48 %

The analysis of demographic data shows that most respondents are aged between 17 and 25 years, accounting for 86.52% of the total. This age group demonstrates a significant interest in the research subject. Meanwhile, only 1.12% of respondents fall within the 45-50 age range, indicating very low interest or involvement from the older age group. Regarding visit frequency, adult women dominate with 83.15%, while teenage girls contribute only 16.85%. This suggests that adult women are more active in visiting, possibly due to greater responsibilities or interest in the activities being studied.

Regarding income, the distribution of respondents is quite diverse. 32.58% of

¹⁸ respondents fall within the income range of IDR 3,000,000 – IDR 4,000,000, followed by 31.46% in the IDR 2,000,000 – IDR 3,000,000 range. There are also respondents with incomes below IDR 2,000,000 (13.48%) and above IDR 4,000,000 (22.48%). This data indicates that most respondents have a middle-income level, which may influence their consumption patterns and engagement in the studied activities. Overall, this demographic profile provides a clear picture of the characteristics of the respondents that can be used to formulate more appropriate strategies for product or service development.

Table 2. Validity and Reliability Test

¹	Price		Brand Image		Buying decision
Item	Correlation	Item	Correlation	Item	Correlation
1	0,807	1	0.842	1	0,851
2	0,813	2	0,843	2	0,720
3	0,795	3	0,791	3	0,63
4	0,852	4	0,766	4	0,774
5	0,688	5	0,730	5	0,839
6	0,844	6	0,743	6	0,877
7	0,769	7	0,794	7	0,689
8	0,811	8	0,708	8	0,747
9	0,800	9	0,843	9	0,827
10	0,814	10	0,796	10	0,771

11	0,679	11	0,794	11	0,770
12	0,825	12	0,766	12	0,731
13	0,812	13	0,755	13	0,780
14	0,789	14	0,747	14	0,804
15	0,726	15	0,728	15	0,736
19 Cronbach Alhpa					
X1	0,956				
X2	0,951				
X3	0,952				

The table above indicates that all statement items possess a validity coefficient of $r > 0.300$, signifying their appropriateness as measurement instruments in the research. The reliability coefficients of the statement items in the

questionnaire for each variable under investigation exceed 0.70. This outcome signifies that the statement items in the questionnaire are dependable for assessing their corresponding variables.

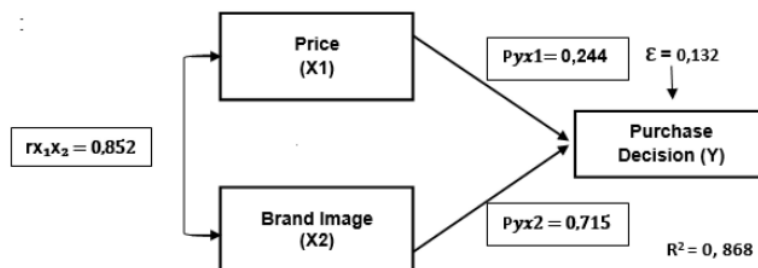


Figure 1. Path Analysis

The computations in the figures and tables indicate that the variables Price (X1) and Brand Image (X2) exhibit a correlation coefficient of 0.852. This outcome signifies a robust association between the Price (X1) and Brand Image (X2) variables. The Price (X1) variable exhibits a regression coefficient of 0.244 concerning the Purchase Decision (Y) variable, whilst the Brand Image (X2) variable demonstrates a regression coefficient of 0.715 concerning the Purchase Decision (Y) variable.

Discussion

The Influence of Price on Purchasing Decisions

The findings of this study demonstrate that price positively impacts purchasing decisions and serves as the predominant variable, evidenced by the greater magnitude of the direct effect compared to the indirect effect. This indicates that the price (X1) functions as an independent variable. This research corresponds with Dwiputr (2023) study, which established that pricing affects purchasing decisions.

The Influence of Brand Image on Purchasing Decisions

This study's results indicate that brand image positively affects buying decisions and is a predominant variable, as demonstrated by the more substantial indirect than direct effect. This indicates that brand image (X1) is not an

autonomous variable. This research corresponds with Saputri & Guritno (2021) study, which established that brand image affects purchasing decisions.

The Influence of Price and Brand Image on Purchasing Decisions

In light of the study's results and prior talks, the author concludes that the findings substantiate the previously articulated theoretical concepts that brand image and price are critical factors in influencing purchasing decisions. Acquisition choices can be improved. This research corresponds with Anwar & Andrean (2021) study, which identified that price and brand image affect purchasing decisions.

CONCLUSION

The price and brand image significantly impact purchase decisions in a Muslim garment business in Bandung. This research reinforces the previously articulated theoretical concepts that pricing and brand image are critical factors influencing purchasing decisions, which may be optimized.

To enhance the impact of price on purchasing decisions, one may modify price accessibility and facilitate price comparison. It is helpful to optimize attitudes and behaviors while emphasizing the product's benefits and advantages to amplify the impact of brand image on purchasing decisions. This study exclusively evaluates the aspects of pricing and brand image that influence purchasing decisions for future studies. Future research is anticipated to investigate additional characteristics that may exert a more significant influence on purchasing decisions.

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