



The Influence Of Promotion And Price On Purchasing Decisions For Toyota Car

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Abstract. The purpose of this study is to see whether promotion and price have an effect on purchasing decisions. Toyota is the largest car manufacturer in the world. The population of this study are consumers who know and have used or are using Toyota products in 2023. The sampling method uses non-probability sampling, namely the purposive sampling method (judgment sampling). the sample in this study were 94 respondents. Data was collected using an online questionnaire (google form) distributed via social media. Based on the findings of this study, promotion and price have a positive and significant effect on purchasing decisions for toyota cars.

Keywords: UTAUT Model, Market Drive, E-Payment

A.INTRODUCTION

In this era, humans are increasingly doing outdoor activities to meet the needs of life, humans often travel anywhere related to activities on land that are not too far away. This results in humans becoming very dependent on the transportation used for daily activities. In this modern era where for daily activities humans can depend on the help of the works they have made, especially in the field of transportation (Leony & Artina, 2023). Cars are one of the choices of consumers as a means of personal transportation, including consumers in the city of Palembang. One of the industries that is growing rapidly today is the automotive industry, especially cars. Where in the production process, the manufacturer in addition to paying attention to its function as a means of transportation to transport goods and passengers. (Setyani Tri Putri Hertandri & MM Gunadi Wasis Ir, 2020). Toyota Motor Corporation was founded in September 1933 as the automobile division of Toyoda Auto Weaving Factory. The company's automobile division was later separated on August 27, 1937 to create Toyota Motor Corporation. TMC is an automobile manufacturer from Japanbased in Toyota, Aichi. Currently, Toyota is the largest automobile manufacturer in the world. Throughout 2022, car sales exceeded 1 million units, up to 18 percent compared to the previous year. This achievement exceeds the target previously set by the Indonesian Automotive Industry Association (Gaikindo), which is 960,000 units per year because it is still in the recovery stage due to the impact of the Covid-19 pandemic. Indonesian car sales

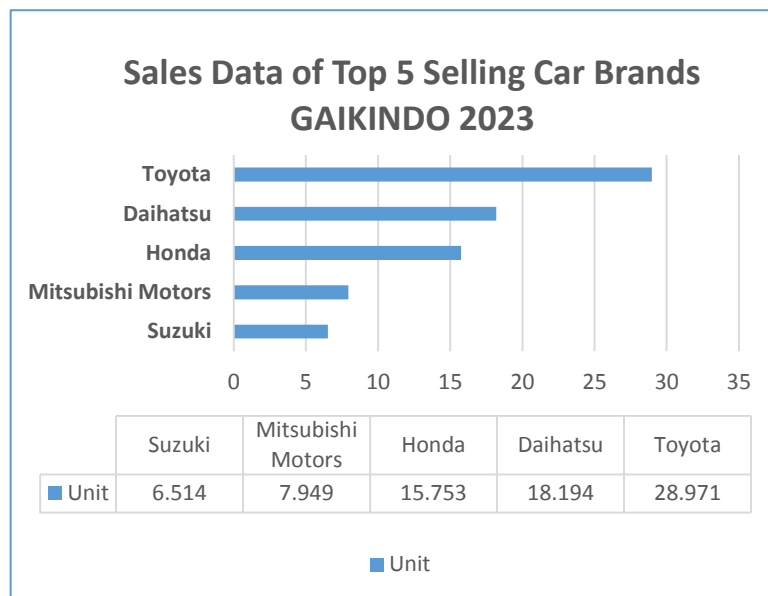
in the first quarter of 2020 posted 282,125 units on a wholesales basis, "The Big Five" almost entirely collected annual sales growth compared to the previous year in the same period.

Table 1. Toyota Market Share in 2019-2022

Year	Total Sales
2019	113.854 Unit
2020	182.665 Unit
2021	295.000 Unit
2022	331.410 Unit

Source : Indonesian Automotive Industry Association (Gaikindo)

Toyota is increasing every year. It can be seen from the increasing number of requests for toyota brand cars that have increased over the past few years. The phenomenon that occurs in Indonesia related to the development of the automotive world, especially in the category of vehicles with 4 wheels, is seen from the increase in car purchases every year, especially in the Toyota car brand which is always in the top position in the most wholesales sales. At the beginning of 2023 Toyota was at the top of the market share of 31.1% and has never been shaken from the top rank of car sales in Indonesia.



Source : Indonesian Automotive Industry Association (Gaikindo), 2023

Figure 1. Sales Data of Top 5 Selling Car Brands 2023

Purchasing decisions are consumer efforts to identify all possible options for solving problems and assess options systematically and objectively as well as goals that determine the advantages or disadvantages of each. There are many factors that influence it such as promotion and price. Consumers who feel suitable for a product will make a decision to buy



the product if the price offered by the company is also suitable and in accordance with the quality offered. By hearing or seeing promotions carried out by companies, consumers can perceive what is conveyed through these promotions, both in terms of products, prices, places of purchase and so on. An attractive promotion will make it easier for consumers to make purchasing decisions (Widyasmoro & Suryoko, 2020).

According to the Indonesian Automotive Industry Association (Gaikindo) report, there was an increase in the volume of car sales in the domestic market from factory to dealer (wholesale) reaching 94,087 units in January 2023, up 11.8% from the previous year. Toyota still maintains its position as the best-selling car brand at the beginning of this year. The wholesale sales volume of the Japanese-made car reached 28,970 units. This figure is equivalent to 30.8% of total national wholesale car sales last month. In second place is the Daihatsu brand with wholesale sales of 18,194 units. It was followed by Honda with wholesales sales of 15,753 units and Mitsubishi Motors with 7,949 units. In the automotive market in Indonesia, Toyota has the largest market share in Indonesia and this is also the main reason why Toyota was chosen as the object of our research (Kusumaningtyas et al., 2017).

A study conducted by (Wijaya, 2017), (Widyasmoro & Suryoko, 2020), (Leony & Artina, 2023), (Ayesa et al., 2000), (Winasis et al., 2022), (Simanihuruk et al., 2022), (Ernestivita, 2016), (Nasution et al., 2019) stated that promotion and price have a positive and significant effect on purchasing decisions. Meanwhile, research conducted by (Nasution et al., 2019), (Listighfaroh, 2020) state that promotion and price has a negative and insignificant effect on purchasing decision. So this research is motivated by some inconsistent result of previous research. The advantage of this research is that it uses a larger sample so that the results of the study can strengthen previous research that is in line.

B. LITERATURE REVIEW

Promotion

Promotion will also change attitudes and encourage customers to act or buy the product (Wijaya, 2017). Based on Kotler and Armstrong (Ernestivita, 2016), the five indicators of promotion are {1} Advertising, {2} Sales Promotion, {3} Public relations and publicity, {4} Personal Selling, {5} Direct Marketing. Promotion can be a determinant of the company's success in a good marketing program for a strategy development framework to formulate an effective marketing strategy so that the company can penetrate the intended market and achieve the set sales targets.

Price

As consumers will certainly look for a product that best suits what is expected and can meet their expectations, companies must be able to try to fulfill what consumers want. So that a consumer perception of price is formed, that the lower the price offered, the more consumers will make purchasing decisions (Ayesa et al., 2000). According to Kotler and Armstrong (Simanihuruk et al., 2022), there are four price indicators, namely: {1} Price affordability, {2} Price compatibility with product quality, {3} Price competitiveness and {4} Price compatibility with benefits.

Purchasing Decisions

Basically, purchasing decisions are strongly influenced by purchasing motives where buyers carry out purchases emotionally, such as pride, suggestion and so on (Ayesa et al., 2000). The complex decision-making process often involves several decisions. A decision involves a choice between two or more alternative courses of action. Consumers will easily switch to other products if the price offered is too high and does not match the quality offered and choose the right promotional media in connection with the products to be offered in the market (Widyasmoro & Suryoko, 2020).

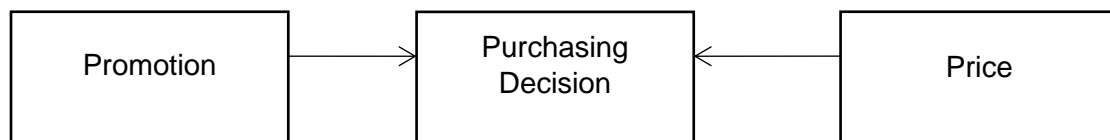


Figure 2. Research Model

C. RESEARCH METHODOLOGY

This research was conducted in April 2023 in Palembang city, South Sumatra, Indonesia. Population in this research is People who know and have used Toyota cars are the population in this study. The sampling technique used is non-probability sampling using purposive sampling (judgment sampling) method. The criteria or sample answers for this study are 21-50 years old and above, familiar with Toyota cars, and have experience using Toyota cars. The type of data used is primary data obtained from online questionnaires using Google Forms. The sample collected in this study was 94 respondents. Researchers used a Likert scale with five scales ranging from "Strongly disagree" with 5 points to "Strongly agree" with 1 point. The collected primary data were then processed with the help of the PSPP program. Based on the PSPP results, it was found that the research instrument was declared valid and reliable.

This research relies on primary data sources primary sources are data sources that directly provide data to researchers. according to Sugiyono (2012) a questionnaire is a data collection technique that is done by giving a set of questions or written questions to respondents to answer.

A survey technique was used to score the questionnaire using a Likert scale. The Likert scale is used to create an instrument that assesses the attitudes, perceptions, and views of a person or group about the quality of a program's needs analysis views of a person or group about the quality of a program's needs analysis, program implementation, program outputs, and program outcomes (Sugiyono, 2018).The tests used in this research are the validity test, reliability test, multicollinearity test, multiple linear regression analysis, coefficient of determination analysis, t test, and F test.

D. RESULTS AND DISCUSSION

Validity Test

Table 2 shows the results of the validity test of each research variable instrument. Table 5 is the result of the reliability test of 94 respondents, which states that all variables in the study are reliable because Cronbach's alpha value is > 0,70.

Table 2. Validity Test

Variabel	Sig.	Kriteria	Keterangan
Promosi (X ₁)	0,000	0,05	VALID
Harga (X ₂)	0,000	0,05	VALID
Keputusan Pembelian (Y)	0,000	0,05	VALID

Reliability Test

Table 3 Reliability Test

Variable	Cronbach's Alpha	Description
Promotion	0,76	Reliable
Price	0,74	Reliable
Purchasing Decision	0,77	Reliable

Source : SPSS

The table above displays the results of reliability testing with 94 respondents. This table shows that the calculated Cronbach's alpha value on the Promotion variable (X₁) is 0.76; Price (X₂) of 0.74 Purchasing Decision (Y) is 0.77. So it can be concluded that all variables in this study are reliable because the Cronbach's alpha value is > 0.60 or reliable.

The Multiple Regression Testing

Table 4. The Multiple Regression Testing

Variable	B	t	Sig	Result
(Constant)	6,98	2,56	0,012	
Promotion	0,99	6,33	0,000	H1 : Accepted
Price	0,86	5,97	0,000	H2 : Accepted
F value : 102,71			0,000	
Adj R ² : 0,69				

** Sig < 1%, * Sig < 5%

Based on table 9, the adjusted r square value is 0.69 or 69%, it can be concluded that promotion and price variables can explain purchasing decision variable by 69%. The remaining 31% is explained by other variables outside the study. with a coefficient value of 0.99 and a significance value of 0.000 which is smaller than 0.05. So it can be concluded that the first hypothesis is accepted, meaning that promotion has a positive and significant effect on purchasing decisions for Toyota cars. This shows that promotion plays an important role in consumer purchasing decisions. Consumers do not hesitate to make purchases because they feel comfortable and suitable to use Toyota cars. and with a coefficient value of 0.86 and a significance value of 0.000 which is smaller than 0.05. So it can be concluded that the second hypothesis is accepted, which means that price has a

positive and significant effect on purchasing decisions for Toyota cars. This shows that price plays an important role in consumer purchasing decisions.

T Test

Tabel 5. T-test

Model	t	Sig.
(Constant)	2,56	0,012
Promotion	6,33	0,000
Price	5,97	0,000

Partial Test (T Test)

The criteria used in the t test are if the significant value < 0.05 then H_0 is rejected and if the significant value > 0.05 then H_0 is accepted. The table below is the result of the t test that has been done:

a. The Effect of Promotion on Purchasing Decisions

Based on the results of the t test in table 4, the t value is 6.33 and the significance of the promotion variable is 0.000. This means that there is an effect of promotion on purchasing decisions because the significance value of the promotion variable is smaller than the significance value.

b. The Effect of Price on Purchasing Decisions.

Based on the t test results in table 4, the t value is 5.97 and the significance of the price variable is 0.000. This means that there is an effect of price on purchasing decisions for Toyota cars.

F Test

Tabel 6. F-test

Variable	B	Sig.
(Constant)	6,98	0,012
Promotion	0,99	0,000
Price	0,86	0,000
F value : 102,71		

Based on the results of the F test, the simultaneous effect of promotional and price variabel on purchasing decisions obtained the F value of 102.71 with a significance value of 0.012, it is concluded that there is a significant influence between promotion and price on Toyota car purchasing decisions.



E. CONCLUSIONS

The results of data processing carried out, the results obtained $R = 0.69$. This shows that there is a positive and very large relationship between the promotion variable (X1) and the price variable (X2) and the purchase choice variable (Y). This shows that an increase in X1 and X2 will result in a large increase in variable Y. Based on the results of hypothesis testing, it can be concluded that promotion and price have a positive and significant effect on purchasing decision for Toyota Car.

The limitation is that this research only focuses on the variables of promotion and price, so that for further research other variables that influence purchasing decisions can be added E-WOM, quality, celebrity endorse, brand loyalty, brand awareness, brand image, brand ambassador and other variables that have never been tested. Future research can also expand the object of study with the hope that number of the samples can be increased because the more samples, the better the level of generalization.

It is recommended to the next researcher to choose other variables considering the variable promotion and price do not have a significant influence. Future research can also consider other data collection techniques, such as interviews and casual discussions so that with these methods, further research can gain a deeper, more accurate and precise understanding of how promotions and prices influence purchasing decisions for toyota cars.

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