Predicting Consumer Purchasing Decision from Product Quality and Promotion through Brand Image

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ABSTRACT

The aim of this study was to examine the effect of product quality and promotion on purchase decision with a brand image as mediating variable. The research population were the consumers who have purchased and used a Xiaomi smartphone in Cirebon City. 100 respondents were taken as the research sample by non-probability using purposive sampling. The technique used for data analysis was path analysis using SPSS 26.0 for windows. The result showed that product quality had a positive and significant effect on brand image, product quality had a positive and significant effect on purchase decision, promotion had a positive and significant effect on brand image, the promotion had a positive and significant effect on purchase decision, the brand image had a positive and significant effect on purchase decision, brand image mediated the effect of product quality on purchase decision positively and significantly, brand image mediated the effect of promotion on purchase decision positively and significantly.

Introduction

The current technological developments and advances trigger an increase in the need for telecommunications. Especially during the COVID-19 pandemic that has occurred in numerous nations throughout the world which requires us to switch to using the digital platforms in doing all activities in various fields ranging from education, business, social and so on. Definitely, it forces us to get used to using and utilizing the available technology. This phenomenon is certainly a challenge for manufacturers related to the technological devices to keep innovating and enhancing their products so that they meet consumers’ changing needs.

One of the technological devices that we frequently use is a mobile phone. Nowadays, mobile phones can be used for more than just making phone calls or sending short messages, they can also be used for a variety of things that can help consumers with their activities, such as accessing the internet, taking good quality photos, recording a video, downloading various applications, navigation units (GPS), and so on. This communication device is then known as a smartphone.

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The increasing consumer demand for smartphones has increased competition in the telecommunication industry. This phenomenon encourages the emergence of new smartphone manufacturers, as the result, the competition is getting tougher. Due to the increasing number of smartphone manufacturers offering a wide range of products, consumers are becoming more selective and cautious when choosing items on the market. As a result, smartphone manufacturers must continue to enhance product quality and provide constant innovation for each product.

According to Counterpoint (2022) in the latest report stated that the smartphone market in Indonesia increased by 11.5 percent year on year and Oppo held the top spot with a 22.3 percent market share. Further details of the report are presented in the table below:

<table>
<thead>
<tr>
<th></th>
<th>Q1 2021</th>
<th>Q1 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Oppo</td>
<td>22.9%</td>
<td>22.3%</td>
</tr>
<tr>
<td>2 Xiaomi</td>
<td>19.8%</td>
<td>20.6%</td>
</tr>
<tr>
<td>3 Vivo</td>
<td>19.6%</td>
<td>17.7%</td>
</tr>
<tr>
<td>4 Samsung</td>
<td>12.6%</td>
<td>14.3%</td>
</tr>
<tr>
<td>5 Realme</td>
<td>9.8%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Others</td>
<td>14.1%</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

Source: Abdillah, counterpointresearch.com (2022)

From the table above, it can be seen that Oppo is able to maintain its position at the top, with a market share of 22.3 percent in the first quarter of 2022. Vivo follows in second place with a market share of 20.6 percent. Samsung is in third place with a market share of 17.7 percent. Interestingly, among the five smartphone brands, Xiaomi smartphone is one of the smartphone brands that experienced a significant decline from second to fourth position, with a market share of 14.3 percent, facing a considerable decline from the first quarter of 2021, namely 19.8 percent. And the fifth place is Realme with a market share of 11.0 percent.

Although Xiaomi smartphone sales in Indonesia has declined this year, Xiaomi has consistently managed to gain market share and rank among Indonesia’s top five smartphone brands. This demonstrates that Xiaomi smartphones have succeeded in capturing the hearts of Indonesian consumers by offering a number of variants spanning from low-end to middle-high series. Additionally, Xiaomi smartphones have prices that are reasonably affordable for all socioeconomic groups while maintaining a high level of product quality. As a result, many consumers use Xiaomi smartphones so that researcher can identify samples for this study more easily. Furthermore, in terms of brand image, Xiaomi has managed to reach the top five brands in Indonesia.
for smartphone category, precisely at the fourth rank along with Samsung at the first rank, Oppo is in the second rank, Iphone at the third rank and the fifth rank is Vivo (https://www.topbrand-award.com/top-brand-index/ accessed September, 5, 2022). This indicates that the Xiaomi smartphone brand is widely known by Indonesian consumers. Based on these considerations, Xiaomi smartphone is chosen as the object of this research.

In the midst of business competition phenomena, companies must be able to comprehend consumer behavior in order to win the business rivalry since it is a success factor in business organization (Qazzafi, 2019). Consumer behavior is the study of how consumers behave during they search, purchase, use, evaluate, and dispose products and services to satisfy their needs (Schiffman and Wisenblit, 2015). Purchasing decision is an essential aspect of consumer behavior that must be considered by firms since it is related with purchasing a product made by the consumers which can boost corporate sales to assure the company’s long-term existence.

In the buying process, consumers usually consider various aspect which is able to affect and encourage them to make a purchase decision (Ramadhani and Widodo, 2021). Previous studies reported that product quality is one of the aspects which has a positive and significant effect on purchase decision (Gullando and Shihab, 2019; Reinaldo and Chandra, 2020), but others reported that product quality has no significant effect on purchase decision (Iskuntianti, et. al., 2020; Vincencia and Christiani, 2021). Besides, product quality, the other scholars reported that promotion play a significant role in affecting consumer purchasing decision (Brata, et. al., 2017; Desideria and Wardana, 2020) while others reported that promotion does not affect purchase decision (Firmansyah, 2021; Sipakoly, 2022). Furthermore, other previous studies reported that brand image is an aspect which is able to affect consumer purchasing decision significantly (Novansa and Ali, 2017; Darojat, 2020), but other scholars reported that brand image does not affect consumer purchasing decision (Mustofa and Sitio, 2019; Agustin, et. al., 2021).

This study develops previous studies related to the effect of product quality, promotion and brand image on purchase decision. To respond the research gap, this study investigates the role of brand image in mediating the effect of product quality and promotion on consumer purchasing decision.

Literature Review

Purchase Decision

Purchase decision is part of a range of buying processes that begins with recognizing needs through post-purchase behavior (Kotler and Armstrong, 2021).
While, Schiffman and Kanuk (2004) cited by Sopiah and Sangadji (2016) defined purchase decision as a buyer’s decision when choosing one of several alternative choices available.

Measurement of purchase decision is taken from Kotler and Armstrong (2021) who explain five stages in purchase decision process, namely: (1) need recognition, in which the consumer recognizes a problem or need, (2) information search, in which the consumer is motivated to search for more information, (3) alternative evaluation, in which the consumer uses information to evaluate alternative brands in the choice set, (4) purchase decision, is the buyer’s decision about which brand to purchase, (5) post-purchase behavior, in which consumers take further action after purchase, based on their satisfaction or dissatisfaction.

**Product Quality**

Product quality refers to characteristics of a product or service that depend on its ability to satisfy expressed or implicit consumer needs (Kotler and Armstrong, 2021). Whereas, Tjiptono (2015) defined product quality as the feasibility or suitability of the product to meet its use so that it is in accordance with what the consumer desires.

Mullins, Orville, Larreche, and Boyd (2005) cited by Indrasari (2019) explain seven dimension of product quality, namely: (1) performance, related to the basic operating characteristics of a product, (2) durability, refers to how long or the age of the product in question lasts before the product must be replaced, (3) conformance to specifications, refers to the extent to which the basic operating characteristics of a product meet certain specifications of consumers or the absence of defects in the product, (4) features, are product characteristics designed to enhance product functionality or increase consumer interest in the product, (5) reliability, is probability that the product will perform satisfactorily or not within a certain period of time, (6) aesthetics, related to how the appearance of the product can be seen from the appearance, taste, smell, and shape of the product, (7) perceived quality, is the results of the use of measurements made indirectly or subjectively related to consumer feelings in consuming or using the product.

Previous study conducted by Saraswati and Rahyuda (2017) to the consumers of Apple smartphone in Denpasar City found that product quality influences brand image of Apple smartphone significantly. The similar result is also found in the research conducted by Setiadi and Ekawati (2019) to the consumers of Oppo smartphone in Denpasar City reported that product quality has a positive and significant effect on brand image. Furthermore, the study of Widiastiti (2020) conducted to the consumers of Iphone product in Denpasar City showed that product quality has a positive and significant influence on purchase decision. Other scholars also reported that product quality positively and significantly affects purchase
decision (Simbolon, et. al., 2020; Sipakoly, 2022). Based on this, the research hypothesis is formulated as follow:

H1: Product quality has a positive and significant effect on brand image.

H2: Product quality has a positive and significant effect on purchase decision.

**Promotion**

Promotion refers to the activities that communicate the advantages of the product and encourage potential buyers to purchase it (Kotler and Armstrong, 2021). Whereas, Aripin (2021) argued that promotion is an activity that aims to provide information, persuasion and influence on potential buyers and consumers to buy or use the products and services that are being promoted.

Measurement of promotion is taken from Kotler, et. al. (2016) who explain the eight main forms of communication in the promotion mix, namely: (1) advertising, any paid type of non-personal presentation of ideas, product or services by an identified sponsor, (2) sales promotion, refers to a range of short-term incentives to encourage the trial or purchase of a product or service (market offering), (3) events and experiences, refer to activities and programs sponsored by the firm that are aimed to establish daily or special brand-related interactions, (4) public relations and publicity, refer to a range of programs aimed at presenting or protecting a company’s image or particular market offers, (5) direct marketing, related to the use of mail, phone, fax, email, or the internet to interact directly with or solicit responses from specific consumers and prospects, (6) interactive marketing, means the online activities and programs aimed to engage consumers or prospects and directly or indirectly, it is raising awareness, improving image, or eliciting sales of market offers (value packages, i.e. combinations of products and service attributes), (7) word-of-mouth marketing, is people-to-people oral, written or electronic communications about the benefits or experiences of purchasing, consuming or using a product or service, (8) personal selling, refers to face-to-face interaction with one or more prospective buyers to make presentations, answer questions, and get orders.

The study of Irhandi, et. al. (2021) conducted to the consumers of Hatten Wines in Bali has proven that promotion has a positive and significant effect on brand image. The other scholars also found that promotion affects brand image positively and significantly as the research conducted by Desideria and Wardana (2020) and Saparso, et. al. (2021). Meanwhile, the research of Gulliando and Shihab (2019) conducted to the users of Telkomsel service products in DKI Jakarta area showed that promotion influence purchase decision significantly. Other previous studies also have proven that promotion has a positive and significant influence on purchase decision as the study
conducted by Ningsih and Pradanawati (2021) and Jodi et. al. (2022). Based on this, the research hypothesis can be stated as follow:

H3: Promotion has a positive and significant effect on brand image.

H4: Promotion has a positive and significant effect on purchase decision.

**Brand Image**

According to Rangkuti (2004) in Sopiah and Sangadj (2016) stated that brand image is a set of brand associations formed in the minds of consumers. Keller and Swaminathan (2020) argued that brand image is consumer perception of a brand reflected in the brand associations held in consumer memory. Furthermore, Keller and Swaminathan (2020) explained that brand associations are other informational nodes in memory that are linked to the brand node and contain the meaning of the brand for consumers. Associations can take many forms and may reflect product characteristics or aspects unrelated to the product.

Measurement of brand image is taken from Keller and Swaminathan (2020) who explain three elements contribute to the construction of brand image, namely: (1) strength of brand associations is determined by how information is stored in memory and how the process persists as part of the brand image, (2) favorability of brand associations refers to brand associations in which consumers feel that the brand’s attributes and benefits will be able to meet or satisfy their needs and desires, resulting in good views toward the brand, (3) uniqueness of brand associations is a type of brand association regarding competitive advantage that can be used as a reason for consumers to choose a particular brand.

Several previous studies has proven that brand image is able to affect consumer purchasing decision positively and significantly as the research conducted by Novansa and Ali (2017), Reinaldo and Chandra (2020), Rivai and Zulfitri (2021), and Ramadhani and Widodo (2021). Besides, there are several studies showed that brand image plays a mediating role in the effect of product quality on purchase decision as in the research of Saraswati and Rahyuda (2017), Setiadi and Ekawati (2019), Widiastiti, et. al. (2020), Saraswati and Giantari (2021). Meanwhile, the other studies conducted by Desideria and Wardana (2020) and Saparso, et. al (2021) have proven that there is a positive and significant indirect effect of promotion on purchase decision through brand image as mediating variable. Thus, the research hypothesis is formulated as follow:

H5: Brand image has a positive and significant effect on purchase decision.

H6: Brand image mediates the effect of product quality on purchase decision.

H7: Brand image mediates the effect of promotion on purchase decision.
Method

This research was conducted using a quantitative approach with a survey design. The technique used for data analysis was path analysis using SPSS 26.0 for windows. Cirebon City was chosen as the research location since it is one of the cities that has quite rapid economic growth among other surrounding areas (Indramayu, Kuningan, Majalengka). Furthermore, there are many people who use various sorts of smartphones, making it relatively easy to discover respondents who fulfill the study’s criteria.

The questionnaire was used as a research instrument distributed to the respondents in which the measurement scale used was a Likert scale with 5 categories ranging from strongly agree to strongly disagree. As for, the research indicators used in this study can be seen in the table below:

Table 2. Operational Variable Definition

<table>
<thead>
<tr>
<th>Variables</th>
<th>Dimensions</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Quality</td>
<td>a. Performance</td>
<td>1. Xiaomi smartphone has good performance</td>
</tr>
<tr>
<td>(Mullins, Orville, Larreche, and Boyd, 2005 cited by Indrasari, 2019)</td>
<td>b. Durability</td>
<td>2. Xiaomi smartphone is durable</td>
</tr>
<tr>
<td></td>
<td>c. Conformance to specifications</td>
<td>3. Xiaomi smartphone’s specifications are as expected</td>
</tr>
<tr>
<td></td>
<td>d. Features</td>
<td>4. Xiaomi smartphone’s features in accordance with the user’s demands</td>
</tr>
<tr>
<td></td>
<td>e. Reliability</td>
<td>5. Xiaomi smartphone works properly and smoothly</td>
</tr>
<tr>
<td></td>
<td>f. Aesthetics</td>
<td>6. Xiaomi smartphone’s design is appealing</td>
</tr>
<tr>
<td></td>
<td>g. Perceived quality</td>
<td>7. I feel the Xiaomi smartphone’s quality is as expected</td>
</tr>
<tr>
<td>Promotion</td>
<td>a. Advertising</td>
<td>8. Xiaomi smartphone advertising clearly present product information</td>
</tr>
<tr>
<td>(Kotler, et al., 2016)</td>
<td>b. Sales promotion</td>
<td>9. Xiaomi smartphone provides attractive discounts, cashback, bonuses or gifts</td>
</tr>
<tr>
<td></td>
<td>c. Event and experiences</td>
<td>10. Xiaomi smartphone’s event can foster a positive relationship with customers</td>
</tr>
<tr>
<td></td>
<td>d. Public relations and publicity</td>
<td>11. Xiaomi smartphone often sponsors events</td>
</tr>
<tr>
<td></td>
<td>e. Direct marketing</td>
<td>12. I can obtain Xiaomi smartphone product information more readily through phone service, email, or the Xiaomi website</td>
</tr>
<tr>
<td></td>
<td>f. Interactive marketing</td>
<td>13. The social media marketing campaigns for Xiaomi smartphone are really intriguing</td>
</tr>
<tr>
<td></td>
<td>g. Word of mouth marketing</td>
<td>14. I find out about Xiaomi smartphone products through recommendations from others</td>
</tr>
</tbody>
</table>
### Variables

- **Personal selling**

### Dimensions

- **Brand Image**
  - a. **Strength of brand associations**
  - b. **Favorability of brand associations**
  - c. **Uniqueness of brand associations**

- **Purchase Decision**
  - a. **Need recognition**
  - b. **Information search**
  - c. **Alternative evaluation**
  - d. **Purchase decision**
  - e. **Post-purchase behavior**

### Indicators

- 15. Xiaomi smartphone salesperson’s skill to describe the product is good
- 16. Xiaomi smartphone has a well-known brand
- 17. Xiaomi smartphone’s advertising successfully conveyed a positive brand image
- 18. Xiaomi smartphone has an elegant design
- 19. Xiaomi smartphone has a good quality of comfort
- 20. Xiaomi smartphone outlet is easy to find
- 21. Xiaomi smartphone has distinctive features
- 22. Xiaomi smartphone has affordable price
- 23. Xiaomi smartphone supports my needs in terms of communication technology
- 24. The Information about Xiaomi smartphones is easy to find
- 25. I find out about Xiaomi smartphone after viewing the advertising
- 26. Xiaomi smartphone offers more affordable price than other brands
- 27. Xiaomi smartphone’s design is more attractive than other brands
- 28. Xiaomi smartphone’s features are more attractive than other brands
- 29. I will buy Xiaomi smartphone
- 30. I am satisfied using a Xiaomi smartphone
- 31. I will recommend the Xiaomi smartphone to others

**Source:** Data processed (2022)

The population in this study was the consumers who have purchased and used a Xiaomi smartphone in Cirebon City. Due to the size of the population (which is spread out and difficult to determine with confidence), the number of samples in this study was determined using the Rao Purba formula in *Aini and Muda (2021)*, which is as follow:

\[
\begin{align*}
n & = \frac{Z^2}{4(Moe)^2} \\
n & = \frac{(1.96)^2}{4(0.10)^2}
\end{align*}
\]

\[
n = 96.04 \text{ (rounded to 100 respondent)}
\]

**Description:**
n = Number of samples
Z = Normal distribution level at the 5% significance level = 1,96
Moe = Maximum Margin of error = 10% or 0,10

The sampling technique used was non-probability using purposive sampling where the sample criteria in this study are as follow: (1) respondents live in Cirebon City, (2) respondents are at least 18 years old, (3) Respondents have ever purchased and used a Xiaomi smartphone for at least one year.

Result and Discussion

Characteristics of Respondents

The characteristics of respondents in this study consisted of 58% male and 42% female. The dominant age category between 18-25 years as much as 49%, second is 26-35 years as much as 37%, then 36-45 years as much as 11% and 46-55 as much as 3%. Regarding education, the majority of respondents are high school (48%), followed by bachelor degree (39%), and associate degree (11%), then the last is master degree (2%). Whereas, regarding occupation, the majority of respondents in this research are students (34%), second is private employees (29%), third is entrepreneur (18%), then other occupations (10%) such as honorary teacher, lecturer, housewife, nurse, and midwife, and the last is government employee (9%).

Validity and Reliability

Before analyzing data, the researcher conducted validity and reliability test. The result showed that all indicators of the four variables, namely product quality, promotion, brand image, and purchase decision have a correlation coefficient value that is greater than the minimum r table value of 0,30, implying that all of these indicators have met the data validity requirements. Furthermore, regarding the reliability test showed that the research instrument, namely product quality (0,759), promotion (0,854), brand image (0,821), and purchase decision (0,762) have a Cronbach's Alpha coefficient more than 0,70, indicating that the questionnaire’s statements are reliable.

Classic Assumption Test

<table>
<thead>
<tr>
<th>Regresion Model 1</th>
<th>Regression Model 2</th>
</tr>
</thead>
</table>

Table 3. Result of Normality Test

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According to the table above, the Kolmogorov-Smirnov value in regression model 1 is 0.081, with the asymp. sig. value is 0.100, while in regression model 2, the Kolmogorov-Smirnov value is 0.060, with the asymp. sig. value is 0.200, both of these significance values are greater than 0.05, indicating that the data in the regression models are normally distributed.

Table 4. Result of Multicollinearity Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Regresion Model 1</th>
<th>Regresion Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tolerance</td>
<td>VIF</td>
</tr>
<tr>
<td>Product Quality</td>
<td>0.493</td>
<td>2.029</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.493</td>
<td>2.029</td>
</tr>
<tr>
<td>Brand Image</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Primary data processed (2022)

The result of multicollinearity test shows that the tolerance value is more than 0.1 and the VIF value is less than 10 for all variables in both regression model 1 and 2, implying that the data in this research do not exhibit multicollinearity.

Table 5. Result of Heteroscedasticity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Regresion Model 1</th>
<th>Regresion Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>T</td>
<td>Sig.</td>
</tr>
<tr>
<td>Product Quality</td>
<td>-0.426</td>
<td>0.671</td>
</tr>
<tr>
<td>Promotion</td>
<td>-0.024</td>
<td>0.981</td>
</tr>
<tr>
<td>Brand Image</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Primary data processed (2022)

According to the result of the heteroscedasticity test, the significant value of all variables in both regression model 1 and 2 are more than 0.05, indicating that the data in the regression models do not exhibit heteroscedasticity symptoms.

Hypothesis Test

In this study, hypothesis test and path analysis are used as data analysis technique in which path analysis is an extension of multiple linear regression analysis to test the causal relationship between 2 or more variables. The rule for hypothesis testing is if the $t_{count}$ is more than the $t_{table}$ and the significance value is less than 0.05,
then $H_1$ is accepted and $H_0$ is rejected. In detail, the hypothesis testing result can be seen in the following table:

**Table 6. Result of Hypothesis Testing**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Correlation Among Variables</th>
<th>Path Coefficient ($\beta$)</th>
<th>t-Statistics</th>
<th>p-values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$</td>
<td>Product Quality $\rightarrow$ Brand Image</td>
<td>0.471</td>
<td>6.048</td>
<td>0.000</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_2$</td>
<td>Product Quality $\rightarrow$ Purchase Decision</td>
<td>0.218</td>
<td>2.582</td>
<td>0.011</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_3$</td>
<td>Promotion $\rightarrow$ Brand Image</td>
<td>0.440</td>
<td>5.661</td>
<td>0.000</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_4$</td>
<td>Promotion $\rightarrow$ Purchase Decision</td>
<td>0.421</td>
<td>5.065</td>
<td>0.000</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_5$</td>
<td>Brand Image $\rightarrow$ Purchase Decision</td>
<td>0.307</td>
<td>3.262</td>
<td>0.002</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_6$</td>
<td>Product Quality $\rightarrow$ Brand Image $\rightarrow$ Purchase Decision</td>
<td>0.144</td>
<td>2.862</td>
<td>0.004</td>
<td>Positive Significant</td>
</tr>
<tr>
<td>$H_7$</td>
<td>Promotion $\rightarrow$ Brand Image $\rightarrow$ Purchase Decision</td>
<td>0.135</td>
<td>2.817</td>
<td>0.005</td>
<td>Positive Significant</td>
</tr>
</tbody>
</table>

Source: Primary data processed (2022)

According to table 6, it can be seen that there is a positive and significant effect of product quality on brand image, as shown by the t-statistic value of $6.048 > 1.985$ and p-value of $0.000 < 0.05$ with path coefficient value of positive $0.471$, indicating that hypothesis $H_1$ is accepted. In the second hypothesis, it is shown that there is a positive and significant effect of product quality on purchase decision which is proven by the t-statistic value of $2.582 > 1.985$; p-value of $0.011 < 0.05$ and path coefficient value is positive $0.218$, thus hypothesis $H_2$ is accepted. The third hypothesis is proven that promotion influences brand image positively and significantly, as indicated by t-statistic value of $5.661 > 1.985$ and p-value of $0.000 < 0.05$ with path coefficient value of positive $0.440$, implying that hypothesis $H_3$ is accepted. The fourth hypothesis is proven that there is a positive and significant effect of promotion on purchase decision which is shown by t-statistic value of $5.065 > 1.985$; p-value of $0.000 < 0.05$ and path coefficient value is positive $0.421$, so that hypothesis $H_4$ is accepted. In the fifth hypothesis, it is known that brand image affects purchase decision positively and significantly, as shown by the t-statistic value of $3.262 > 1.985$ and p-value of $0.002 <$
0.05 with path coefficient value of positive 0.307, indicating that hypothesis H5 is accepted.

Furthermore, based on the sobel test result, the sixth hypothesis is proven that there is a positive and significant indirect effect of product quality on purchase decision through brand image as mediating variable which is indicated by t-statistic value of 2.862 > 1.985; p-value of 0.004 < 0.05 and path coefficient value is positive 0.144, indicating that hypothesis H6 is accepted. Next, in the seventh hypothesis according to the sobel test, it is known that there is a positive and significant indirect effect of promotion on purchase decision through brand image as mediating variable, as shown by the t-statistic value of 2.817 > 1.985 and p-value of 0.005 < 0.05 with path coefficient value of positive 0.135, indicating that hypothesis H7 is accepted. The model of path analysis in this research can be seen on the figure 1 as follow:

![Figure 1. The Model of Path Analysis](image)

Discussion

The Effect of Product Quality on Brand Image

The research result has indicated that there is a positive and significant effect of product quality on brand image, it indicates a product that has a good quality, will improve its brand image. It is in line with the research of Saraswati and Rahyuda (2017), Setiadi and Ekawati (2019) and Saraswati and Giantari (2021) who found that product quality positively and significantly influences brand image, implying that the better product quality, the better consumer views on brand image. According to Temporal and Lee (2002) stated that the firm will never build a strong brand unless it is driven by elements that differentiate it from rivals, one of which is the quality
element. So that, consumers will link brand image with product quality. If the quality of a product offered is good, the brand image formed will be good as well. As a result, boosting product quality is one strategy to improve and preserve a product’s brand image. Therefore, corporation should continually pay attention to the quality of their products in order to improve the product’s brand image.

The Effect of Product Quality on Purchase Decision

Based on the hypothesis testing found that product quality has a positive and significant effect on purchase decision. It implies that the better the product quality can increase consumer purchasing decision. It is in line with the study conducted by Reinaldo and Chandra (2020), Simbolon, et. al. (2020), and Sipakoly (2022) who reported that product quality influences consumer purchasing decision positively and significantly, indicating product quality is one of the factors which is able to improve purchase decision. According to Firmansyah (2021) stated that product quality is one of the aspects considered by consumers in buying process. A good product is one that can satisfy and even surpass the consumers’ expectations when purchasing a product. Therefore, corporation should strive to enhance product quality to improve consumer purchasing decision. Meanwhile, descriptive analysis indicated that the lowest average value is found on the dimension of durability (3.95), followed by aesthetics (3.99), and features (3.99).

The Effect of Promotion on Brand Image

According to the result of hypothesis testing showed that there is a positive and significant effect of promotion on brand image, showing the better the promotion, the better the brand image of a product. It is supported by the study of Desideria and Wardana (2020), Saparso, et. al. (2021), and Irhandi, et. al. (2021) who stated that promotion affects brand image positively and significantly, it indicates that the better the promotion, will improve the brand image. According to Thomas (2008) said that promotion is any of the variety of techniques used to reach consumers and prospects with the goal of promoting an idea, organization or product. Therefore, promotion is an aspect that must be used to establish relationship with consumers and prospective buyers. Through promotion, corporation can present products and convey information to the public which is allowing individuals to find out about the company’s products. In some cases, someone can be familiar with a product’s brand whether it is the logo, jingle, or something else through promotion. So that, promotion may assist a product’s brand be imprinted in the minds of consumers or prospective buyers, and they will even be motivated to seek further information relating to the product. As a result, corporation should pay attention on promotions in order to strengthen the product’s brand image.

The Effect of Promotion on Purchase Decision
The research hypothesis result showed that promotion has a positive and significant effect on purchase decision, showing the better the promotion has an influence on the improvement of the purchase decision. This finding is in line with the study of Gulliando and Shihab (2019), Ningsih and Pradanawati (2021), and Jodi et. al. (2022) who stated that promotion positively and significantly affects purchase decision. It implies that the better the promotion, will increase consumer purchasing decision. As stated by Brata, et. al. (2017), promotion is the most crucial activities which play an active role in introducing, informing, and recalling the benefits of a product in order to urge consumers to purchase the item being promoted. Regardless of a product’s quality, if consumers have never heard of it and are unsure that it would be valuable to them, they will not purchase it (Tjipono, 2008 cited by Atidira, et. al., 2019). The goal of promotional activities is to stimulate purchasing decision of potential consumers. Promotion and purchase decision go hand in hand; the more intensive and attractive the promotion will increase consumer purchasing decisions on a product (Istikhamah and Marwati, 2021). As a result, corporation should improve their promotional activities as intensively and attractively as possible in order to increase consumer purchasing decision. Whereas, based on the descriptive analysis showed that the lowest average value is found on the dimension of event and experiences (3,8), second is public relations and publicity (3,85), and the third is sales promotion (3,87).

The Effect of Brand Image on Purchase Decision

According to research finding has showed that brand image has a positive and significant effect on purchase decision, indicating the better the brand image will increase consumer purchasing decision. This finding is supported by the study of Reinaldo and Chandra (2020), Simbolon, et. al. (2020), and Rivai and Zulfitri (2021) who stated that brand image is able to affect consumer purchasing decision positively and significantly, implying that the better the brand image, the greater the consumer purchasing decision. It can be said that brand image is one of the assets that might help a firm thrive in business competition. Brand has distinctive characteristics that can set it apart from competitor’s products even if the product is the same in its category. Many consumers pick and trust a well-known brand in making a purchase decision since the brand is one of the first things that buyers see and consider when they have no experience about the product (Schiffman et. al., 2012). They also frequently think that well-known brands are better and worth purchasing due to the implied guarantee of quality, dependability, performance, and service (Schiffman et. al., 2012). Therefore, corporation should continue to maintain and strengthen their brand image in order to influence purchase decision.

Brand Image Mediates the Effect of Product Quality on Purchase Decision
Based on the result of sobel test has showed that there is indirect effect of product quality on purchase decision through brand image positively and significantly, it can be inferred that brand image mediates the effect of product quality on purchase decision. The better the quality of a product, supported by a strong brand image, it will improve consumer purchasing decision. This finding is in line with the study of Saraswati and Rahyuda (2017), Setiadi and Ekawati (2019), Widiastiti, et. al. (2020), Saraswati and Giantari (2021) who stated that brand image plays a mediating role in the effect of product quality and purchase decision. Roll (2006) argued that brand is a signal of quality that creates a bond of trust with the producers that produce it. Brand image is essential for marketing where consumers infer the quality of products by brand image and further stirred up their purchase behavior (Chien-Hsiung, 2011). This demonstrates that brand image plays a crucial role in communicating product attributes to consumers, one of which is product quality. Consumers will recall a good brand image if the product is of good quality, which then has an impact on purchasing decision.

In this study, product quality has a direct effect on purchase decision positively and significantly by 0,218, while the role of brand image as a mediating variable has an indirect effect of 0,144, therefore the overall effect presented is 0,362. It is indicates that the role of brand image as a mediating variable is able to strengthen the influence of product quality on consumer purchasing decision.

Brand Image Mediates the Effect of Promotion on Purchase Decision

According to the sobel test result has been known that there is a positive and significant indirect effect between promotion on purchase decision through brand image, it can be inferred that brand image mediates the effect of promotion on purchase decision, showing the better the promotion, followed by a good brand image, resulting in an improvement of consumer purchasing decision. It is in line with the research of Desideria and Wardana (2020) and Saparso, et. al (2021) who have proven that there is an indirect effect of promotion on purchase decision positively and significantly through brand image as mediating variable. One of the most important decisions in product marketing is branding which is used to identify items and differentiate them from those of competitors and promotion is one of the essential strategies to build the brand of a product. According to Roll (2006) said that the primary activities driving efforts to build brand are advertising and promotion. Consumers will recognize a product’s brand image through effective and appealing promotion and the use of appropriate media. If promotion is carried out intensely and attractively, consumers become familiar with the product’s brand then it encourages them to seek further information about it which in turn forms a favorable brand image, which has an impact on purchase decision.
In this study, promotion has a direct effect on purchase decision positively and significantly by 0.421, while the role of brand image as a mediating variable has an indirect effect of 0.135, as a consequence, the overall effect presented is 0.556, indicating the role of brand image as a mediating variable is able to strengthen the effect of promotion on consumer purchasing decision.

**Conclusion**

Based on the result finding and discussion, it can be inferred that there is a positive and significant effect of product quality on brand image, there is a positive and significant effect of product quality on purchase decision, there is a positive and significant effect of promotion on brand image, there is a positive and significant effect of promotion on purchase decision, there is a positive and significant effect of brand image on purchase decision, there is a positive and significant indirect effect of product quality on purchase decision through brand image as mediating variable, and there is a positive and significant indirect effect of promotion on purchase decision through brand image as mediating variable.

According to the research results, some suggestions can be put forward as follows: for Xiaomi smartphone corporation, it is expected to pay attention to and improve the materials used in order to improve the quality of its products, particularly in terms of durability. Additionally, in terms of aesthetics, it is hoped to enhance the smartphone design model to keep up with the growth of the current trend, so that consumers will have more options for the models required. Furthermore, in terms of features, it is hoped to offer distinctive features that are only available on Xiaomi devices, such as cameras, long battery life, power saving, rapid charging, waterproof, dustproof or other features which is able to provide a comfort and convenience for the consumers and so on. In addition, in terms of promotion, particularly in sales promotions, it is expected to increase promotional activities as intensively and attractively as possible by providing appealing offers in the form of discounts, cashback, bonuses, gifts/souvenirs, or others at specific times or events that can attract attention and consumers’ interest. Meanwhile, in the terms of event and experiences, it is expected to hold activities or special event programs that involve consumers in order to build strong brand image in the minds of consumers and promote a product so that it can attract consumers and increase consumer buying decision. Moreover, in the terms of public relations and publicity, it is expected to carry out promotions by sponsoring certain events that are able to grow brand awareness, improve brand image, increase product reach, find potential customers, etc.

However, this study still has some flaws, specifically: this study only focuses on the Xiaomi smartphone brand, the number of respondents is still limited, the research population is limited to Cirebon City, the research instrument used only a questionnaire to collect research data, and this study has been unable to explain other
variables that may influence consumer purchasing decision. Therefore, for further researchers to broaden their scope of study to include not just the Xiaomi brand, but also other smartphone brands in the Indonesian smartphone market. Further researchers should increase the number of respondents employed as research samples to give better and more thorough research results. The research population can also be expanded outside Cirebon City, allowing the research to have a wider reach. Additionally, further researchers can add more research instruments such as interview or others to make it more comprehensive. Moreover, further researchers can add or replace the mediating variable in this study.

References


