
EFFECT OF ECONOMIC AND PSYCHOLOGICAL FACTORS ON PURCHASING DECISIONS ON TOYOTA BRAND CARS

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Abstract: This study aims to determine and analyze effect of economic and psychological factors on purchasing decisions on Toyota brand cars. The type of research used in this research is quantitative analysis research. Population of this research is 200 buyers of Toyota brand cars. Sample size of this research is 100 buyers. Hypothesis testing uses a multiple linear regression model. The results show that economic factor has a positive and significant effect on purchasing decisions on Toyota brand cars. Psychological factor has a positive and significant effect on purchasing decisions on Toyota brand cars.

INTRODUCTION

The rapid development of the automotive industry in Indonesia has made the level of competition, especially in the car industry, tighter. Car manufacturers continue to innovate on products that will be offered to consumers. This can be seen from the increasing diversity of car brands and types in Indonesia. As a result, consumers must be more selective in choosing the product to be purchased. Factors that are considered by consumers in choosing products are the value factors or benefits that consumers will get from a product. In addition, consumers also consider how much it costs to obtain these products.

The large number of products that have similar shapes, uses, and other features makes it difficult for consumers to differentiate these products. Product innovation continues to be carried out by car manufacturers to attract the attention of consumers and of course so that consumers are willing to buy the products they produce (Mangkunegara, 2012).

Consumers are advised to be more careful in making choices, where consumers still have doubts about buying a car because they are influenced by consumers' sense of ignorance about developments, products, product innovations continue to be carried out by

producers to attract attention, with the hope that consumers are willing buy their products. This is because the decision to buy a car product is influenced by very diverse consumer behavior.

To achieve success in marketing needs to be supported by a good understanding of consumer behavior. By understanding consumer behavior, companies can design and design whatever consumers want. Consumer behavior is the behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. Consumer purchasing decisions can be interpreted as the best conclusion for consumers to make purchases. The consumer decision is the stage in the buying decision process where the consumer actually buys. The relationship with the decision to purchase a product or service is that the process of making a purchased decision ends at the stage of after-purchase behavior where the consumer feels the level of satisfaction or dissatisfaction that is felt will affect subsequent behavior (Munandar, 2001).

Purchasing decisions are the process of formulating various alternative actions in order to make choices on one particular alternative to make purchases. Factors that influence consumers in determining purchasing decisions include culture, sub-culture, social class, culture, reference group, family, roles and status, age, life cycle stage, occupation, economic environment, personality, self-concept, lifestyle, and values.

Companies are strongly encouraged to continue to study and understand consumer behavior in order to determine their marketing activities more precisely. One important consumer behavior is the behavior in purchasing a product or service. The decision to make a purchase is one of the stages in the purchase.

The various effects of change that occur so quickly require companies to innovate to deal with changing demands and strive to develop policies that are in line with environmental changes. Basically, with the increasing number of competitors, the more choices of products offered that can meet expectations, generate buying interest and increase the decision to buy the product.

Given the importance of customers as the key to business success, companies must be able to establish long-term relationships with customers. The relationship between personal factors and purchasing decisions is a way of collecting and classifying the consistency of an individual's reaction to a situation that is happening, personal factors, namely, age, work, economic conditions, lifestyle as well as personality and self-concept (Tjiptono and Chandra, 2012).

This study aims to determine and analyze effect of economic and psychological factors on purchasing decisions on Toyota brand cars.

RESEARCH METHODS

The type of research used in this research is quantitative analysis research. Quantitative analysis research describes an event or event based on data and facts that existed at the time the research took place, then the data obtained is collected, processed, analyzed, and a conclusion can be drawn (Otiva et al., 2018; Pandiangan, 2018; Pandiangan, 2022; Pandiangan et al., 2023).

Population is the whole of the research subjects who have certain characteristics. Population is the entire research object to be studied (Asyraini et al., 2022; Octiva, 2018; Pandiangan, 2015; Sutagana et al., 2022). Population of this research is 200 buyers of Toyota brand cars. Sample is part of the population that represents the population to be taken because the population size allows for overall research (Jibril et al., 2022; Pandiangan et al., 2018; Kurdhi et al., 2023). Considering the total population of more than 100 people, this study uses a formula to make the research sample. Sample in this study is a member of the population or all customers, which then the size of the research sample is calculated using the slovin formula (Octiva et al., 2021; Pandia et al., 2018; Ratnawita et al., 2023). Sample size of this research is 100 buyers.

Hypothesis testing uses a multiple linear regression model. A multiple linear regression model is a regression model that involves more than one independent variable. A multiple linear regression model was carried out to determine the direction and how much influence the independent variables have on the dependent variable (Pandiangan et al., 2022; Tobing et al., 2018; Sudirman et al., 2023).

RESULT AND DISCUSION

General Description

AUTO 2000 is a network of sales, maintenance, repair and supply of Toyota spare parts which was established in 1975 under the name Astra Motor Sales, and only in 1989 changed its name to AUTO 2000 with management fully handled by PT Astra International Tbk. Currently, AUTO 2000 is the largest Toyota retailer in Indonesia, which controls around 42% of Toyota's total sales. In its business activities, AUTO 2000 is associated with PT Toyota Astra Motor as the sole agent holding the Toyota brand, which makes AUTO 2000 one of Toyota's authorized dealers.

PT Astra International, Tbk sales operation is a national private company that functions as a dealer for Toyota brand vehicles, which was established on February 20, 1957 in Bandung and managed and led by William Soeryadjaja, Tjian Kian Tie, and Liem Peng Hong. In 1965, PT Astra Internasional, Tbk sales operation centered its head office in Jakarta, and the Bandung office was made the first branch. The company was originally engaged in the automotive business, namely Toyota, Daihatsu, Isuzu, Nissan Trucks, and in other fields such as:

1. PT Federal is engaged in the marketing of Honda motorcycles and federal bicycles.
2. United Traktor, engaged in the business of heavy agricultural machinery, such as tractors, messey ferguson, sumitomo, link belt, and others.
3. Office business and trading of xerox photocopiers, lubricating oil, and Caltex specialists.
4. Astra Agro is engaged in agriculture, plantation and timber business. On May 1, 1969, PT Astra International, Tbk sales operation received official recognition from the Indonesian government as the sole agent for Toyota brand motor vehicles for all of Indonesia.

AUTO 2000 currently has 124 authorized outlets. In the future, the number of AUTO 2000 networks will continue to increase in line with business growth, as well as to meet the needs of all Toyota customers, as well as provide convenience for prospective Toyota buyers. In accordance with the slogan "Toyota Affairs is Easier!", AUTO 2000 always strives

to provide the best service for all its customers in buying and owning Toyota vehicles through:

1. Ease of finding information about Toyota at AUTO 2000 through websites, mobile applications, and call centers that can be accessed anytime and anywhere.
2. Convenience for customers with modern, warm, and pressure free AUTO 2000 outlet facilities.
3. Ease and convenience of transactions with the one stop shopping service AUTO 2000 in collaboration with various value chains.
4. Ease of getting vehicles according to the agreement, on time, and exceeding customer expectations.
5. Ease of getting the best after sales service as long as you own a vehicle with various innovative supporting projects.

After the company PT Toyota Astra Motor was established, the sole agent system for Toyota brand motorized vehicles in Indonesia underwent a change which was previously handled by PT Astra International, Inc., then transferred to the company PT Toyota Astra Motor on January 1, 1976 and is domiciled in Jakarta. In 1989, on September 1, 1989 to be precise, the company PT Astra Motor Sales merged with PT Astra International, Inc., and became a division of Toyota under the name PT Astra International sales operation or what is called AUTO 2000.

AUTO 2000 is engaged in the trading and service of Toyota brand vehicles. The sales of Toyota brand vehicles are handled by the vehicle division based in the Jakarta head office and all branches are handled by the respective sales departments. To support its sales, the company also sells Toyota brand vehicles and is handled directly by the parts division at the Jakarta head office. For all of its branches, the sales were handled by the parts department of each branch, but starting October 1, 1985 it had been handled by PT Sinar Inti Energi, which had its head office in Jakarta.

AUTO 2000 is a network of sales, maintenance, repair and supply of Toyota spare parts whose management is fully handled by PT Astra International Tbk. Currently AUTO 2000 is the largest Toyota main dealer in Indonesia, which controls between 70-80% of Toyota's total sales. In its business activities, AUTO 2000 is associated with PT Toyota Astra Motor, which is the sole agent holding the Toyota brand.

Multiple Linear Regression Model Testing

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.827	1.218		5.606	.000
	Economic	.324	.073	.383	4.418	.000
	Psychological	.487	.079	.535	6.174	.000

a. Dependent Variable: Purchasing Decisions

The results show that economic factor has a positive and significant effect on purchasing decisions on Toyota brand cars. Economic condition is a person's economic condition which includes income that can be spent such as the level of stability and patterns, savings and assets that are easy to convert into money, skills that will be able to

intersect, and behavior when spending money or saving (Pandiangan et al., 2021). More or less buying behavior is also influenced by the economic situation, with changing economic situations, it will usually change consumer behavior in buying a car (Pandiangan, 2023).

Psychological factor has a positive and significant effect on purchasing decisions on Toyota brand cars. The four key psychological processes of motivation, perception, learning, and memory fundamentally influence consumer response. Psychological factors are defined as a person's personal characteristics that are different from other people that lead to relatively consistent and longlasting responses to the environment. Psychological factors as part of the influence of the environment in which he lives and lives at the present time without ignoring influences in the past or anticipation in the future. Age, family life cycle stage, and lifestyle have a positive effect on purchasing decisions (Pandiangan, 2022).

CONCLUSION

The results show that economic factor has a positive and significant effect on purchasing decisions on Toyota brand cars. Psychological factor has a positive and significant effect on purchasing decisions on Toyota brand cars.

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