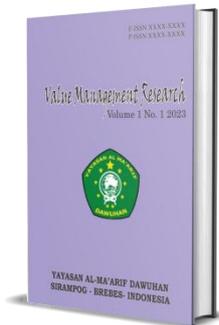# The Influence of Promotion, Price, and Brand Image on Purchasing Decisions on Vivo Smartphone Products

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A R T I C L E I N F O

A B S T R A C T

This study aims to examine the influence of promotion, price, and brand image on purchasing decisions for Vivo smartphone products. The research was conducted with a sample of 100 respondents, specifically students from PGRI University Semarang. The sampling technique employed in this study is non-probability sampling with a purposive sampling approach, targeting individuals who meet specific criteria. Data collection was carried out using questionnaires to gather information about respondents' perceptions of the variables studied. The analysis was performed using the SPSS software application, which facilitated the processing of quantitative data and the testing of hypotheses. The findings of this study reveal that promotion does not have a significant effect on purchasing decisions for Vivo smartphones. In contrast, price has a significant influence, indicating that consumers consider pricing as a critical factor when deciding to purchase Vivo products. Additionally, brand image also significantly affects purchasing decisions, highlighting the importance of maintaining a positive perception of the brand to attract potential buyers. These results suggest that while promotional activities may not directly impact purchasing decisions in this context, pricing strategies and brand positioning play a crucial role in influencing consumer behavior. This research provides valuable insights for marketers and business practitioners in the smartphone industry, emphasizing the need to focus on competitive pricing and strong brand image development to enhance purchasing decisions among the target market.

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Introduction

The rapid advancement of technology and the information industry has profoundly impacted the global smartphone market. Smartphones have evolved beyond communication devices, becoming multifunctional tools that meet various human needs. According to Statista (2023), the number of smartphone users worldwide is expected to surpass 6.8 billion by the end of 2024. In Indonesia, the smartphone penetration rate exceeds 70%, reflecting its status as one of the largest markets for smartphone manufacturers globally. With diverse features such as advanced cameras, digital payment systems, social media applications, and productivity tools, smartphones are now indispensable for daily life. This transformation underscores the importance of understanding the factors that drive consumers' purchasing decisions, especially in highly competitive markets like Indonesia.

Despite the growing sophistication of smartphones, there is a gap between the technological advancements offered by manufacturers and their actual influence on purchasing decisions. Empirical findings indicate that consumers often prioritize practical considerations such as price and brand reputation over technological features. For example, a study by Yuniarto et al. (2022) revealed that only 32% of consumers consider promotional activities as a key factor influencing their purchase decisions. Meanwhile, price and brand image significantly outweigh promotions, contributing 45% and 53% respectively to purchasing decisions. This finding suggests that consumer preferences are not solely shaped by innovative marketing but also by the perceived value and trustworthiness of the brand.

The competition in Indonesia's smartphone market is particularly fierce, with global brands like Samsung and Oppo dominating consumer preferences. Vivo, a prominent Chinese smartphone manufacturer, faces challenges in establishing consistent consumer loyalty despite its technological innovations and aggressive marketing strategies. Vivo has introduced features such as the world's first Screen Touch ID technology and has engaged well-known public figures like Agnes Monica in its promotional campaigns. However, data from the Association of Indonesian Internet Service Providers (APJII, 2023) indicates that Vivo's market performance remains inconsistent, highlighting the need to explore the factors that influence its consumer base more deeply.

This inconsistency points to a broader theoretical gap in understanding the dynamics of consumer behavior in the smartphone industry. While marketing theory emphasizes the importance of promotion in shaping consumer decisions, empirical evidence suggests that its impact is often overshadowed by other factors, such as price competitiveness and brand equity. For companies like Vivo, this raises critical questions about the effectiveness of their promotional strategies and the alignment between their marketing efforts and consumer expectations. Addressing this gap requires a nuanced approach that considers the interplay between various factors influencing purchasing decisions.

Thus, this study seeks to bridge this empirical gap by analyzing the influence of promotion, price, and brand image on purchasing decisions in the context of Vivo smartphones in Indonesia. By examining these variables, this research aims to provide valuable insights for both academics and practitioners, offering strategies to optimize marketing efforts and enhance consumer engagement. The findings are expected to contribute to the broader discourse on consumer behavior and marketing strategy in the ever-evolving technology market.

Literature Review

Promotion

Promotion is the last marketing mix activity after product, price and location.

  a. Types of products. The allocation of the promotional budget to promotional tools depends on the type of product, namely marketing the product consumption (consumer goods) or industrial products (industrial goods).
  b. Push strategy or pull strategy. Push strategy: the manufacturer uses its "marketing activities" to

persuade retailers to take and promote the product to end consumers. Pull strategy: manufacturers use marketing activities to persuade end customers to buy products from retailers, so that retailers will buy products from manufacturers.

c. Stages of final customer readiness to buy. At the awareness stage: advertising and publicity are the most cost effective in promotion. At the understanding stage: advertising and personal selling are most effective in terms of promotional costs; at the belief stage: personal selling is most effective in terms of promotional costs; at the ordering/closing the sales stage: personal selling and sales promotion are most effective: at the repurchase stage: sales promotion, personal selling, and a little advertising as a reminder.

Price

Price is the amount of money charged for a product or service, or the amount of value that consumers exchange for the benefits of owning or using the product or service.

a. Profit-oriented goals, this goal is known as the price that can produce the highest profit or profit maximization.

b. Volume-oriented objectives, apart from profit-oriented objectives, there are also those who set their prices based on certain volume-oriented objectives or what is commonly known as volume prancing objectives. Prices are set in such a way as to achieve sales volume targets (in tons, kg, units, m3, etc.). Sales value (Rp) or price share (absolute or relative).

c. Image-oriented goals, the image of a company can be formed through a pricing strategy. Companies may set high prices to establish or maintain a prestigious image.

d. The aim of price stabilization, in a market where consumers are very sensitive to prices, if a company lowers its prices, its competitors must also reduce their prices. The aim of price stabilization is carried out by setting prices to maintain a stable relationship between a company's price and the price of the industry leader.

Brand Image

According to Kotler (2009), brand image is the public's perception of a company or its products. Image is influenced by many factors that are outside the company's control.

a. Cultural Factors is a collection of basic values, perceptions, desires and behavior learned by members of society from family and other important institutions. Culture is a fundamental determinant of desires and behavior.

b. Social Factors Reference groups are two or more interacting people who achieve personal or shared goals. A group has a direct (face-to-face) or indirect influence on the person's attitudes or behavior.

c. Personal factors are also influenced by personal characteristics including age and stage in the buyer's cycle, occupation and economic circumstances, personality and self concept, such as lifestyle and values.

Method, Data, and Analysis

This research uses quantitative methods. This method aims to provide an explanation of the influence of each variable. In this research, the influence of the promotion variables (X1), price (X2), brand image (X3) and purchasing decisions (Y) will be examined. The population in this study were: PGRI University Semarang students, class of 2020 - 2023, PGRI University Semarang with a total of 14,256 students. The number of samples in this research was 100 students. This is done to make data processing easier and better testing. The sampling technique for this research is non-probability with purposive sampling technique. Data collection techniques using questionnaires. The method used is the SPSS application.

Figure 1.
Framework
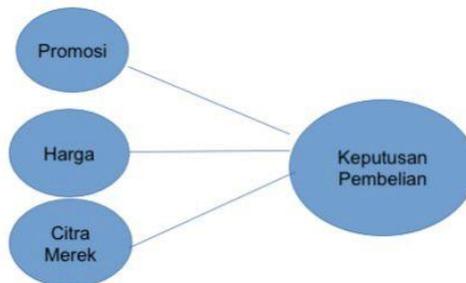
Result and Discussion

Validity Test

Validity testing is a tool used to measure and determine the validity or legitimacy of a research. A valid instrument is if the instrument can measure variables correctly (Ghozali, 2016). The validity test in this study was tested using the IBM SPSS Statistics 23 application with a significant value of 5%. If the calculated r value is more than r table, then all question items are considered valid or pass the validity test. The r table value with the number of respondents is 100, the r table value can be obtained from the product moment r table value with an r table value of 0.125

Table 1.
Validity Test

Variable	Item	R Count	R table	information
Promotion	P1	0.786	0.194	Valid
X1	P2	0.871		Valid
	P3	0.816		Valid
	P4	0.685		Valid
	P5	0.871		Valid
Price	H1	0.813	0.194	Valid
X2	H2	0.890		Valid
	H3	0.872		Valid
	H4	0.802		Valid
Brand Image	CM 1	0.703	0.194	Valid
X3				
	CM2	0.782		Valid
	CM3	0.890		Valid
	CM4	0.823		Valid
	CM5	0.782		Valid
	KP1	0.899	0.194	Valid
buying deci-	KP2	0.924		Valid
sion	KP3	0.944		Valid
Y	KP4	0.905		Valid

Data source: By IBM SPSS Statistics 23,2024

Table 2.
Reliability Test

Variable	Result	Information
Promotion X1	0.807	Reliable
Price X2	0.828	Reliable
Brand Image X3	0.805	Reliable
buying decision Y	0.845	Reliable

Based on the results of the reliability test in the table above, for all answer items it can be seen that each variable has a Cronbach alpha value of more than 0.6, so it can be said that all variables are considered reliable.

Figure 2.
Normality Test
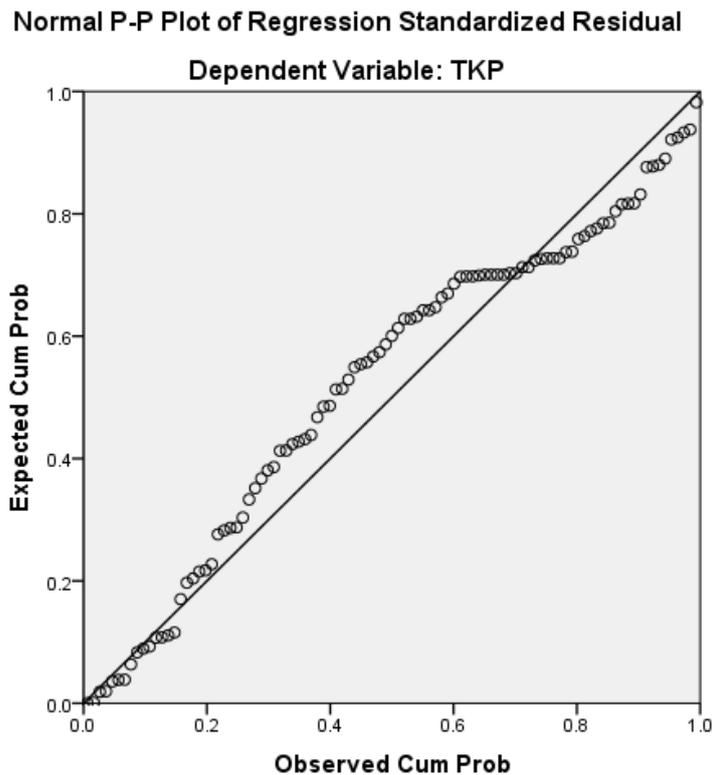
Source: data processed by IBM SPSS statistics 23,2023

The picture above shows that the normal probability plot line (Normal P-Plot) provides a pattern that does not deviate. It can be seen that the data distribution follows a linear line.

Table 3.
Multicollinearity Test

Variable	Collinearity Statistics	
	Tolerance	VIF
Promotion	.363	2.752
Price	.385	2.599
Brand Image	.337	2.970

Source: data processed by IBM SPSS statistics 23,2023

The picture above shows that the normal probability plot line (Normal P-Plot) provides a pattern that does not deviate. It can be seen that the data distribution follows a linear line.
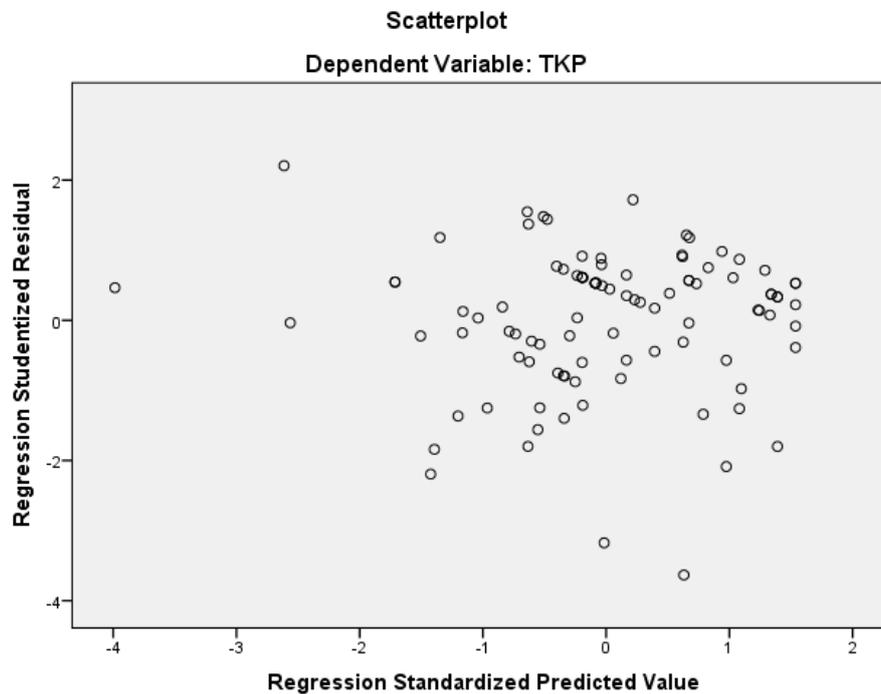
Figure 3.
Heteroscedasticity Test

Based on figure, it can be seen that there is no clear pattern and the points are spread above and below the number 0 on the Y axis. So it can be concluded that in the regression model there is no heteroscedasticity.

Table 4.
Hypothesis Test

		Coefficient[a]				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	-1.856	2.333		-0.796	.428
	Promotion	.126	.177	.097	.710	.479
	Price	.363	.190	.252	1.909	.059
	Brand Image	.389	.179	.306	2.169	.033

a. Dependent Variable: buying decision

1. It is known that the significant value of the promotion variable on purchasing decisions is 0.479 >

0.05, it can be concluded that promotions have no effect on purchasing decisions.

2. It is known that the significant value of the price variable on purchasing decisions is 0.059<0.05, so it can be concluded that price influences purchasing decisions.

3. It is known that the significant value of the brand image variable on purchasing decisions is 0.33 < 0.05, it can be concluded that brand image has an influence on purchasing decisions.

Table 5.
Multiple Linear Regression

		Coefficients[a]				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	-1.856	2.333		-0.796	.428
	Promotion	.126	.177	.097	.710	.479
	Price	.363	.190	.252	1.909	.059
	Brand Image	.389	.179	.306	2.169	.033

a. Dependent Variable: buying decision

In the table above you can see a constant value of -1.856. This can be interpreted as if the independent variables (Promo, Price, Brand Image) have a value of no then the magnitude of the Purchase Decision disclosure is -1,856 units, then the extent of the purchasing decision is -1,856.

Table 6.
Coefficient of Determination

		Model Summary[b]			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.602[a]	.363	.342	3.336	2.141

a. Predictors: (Constant), TCM, TH, TP
b. Dependent Variable: TKP

Based on the table above, the coefficient of determination is 0.342, meaning that purchasing decisions can be explained 34.2% by the Promotion, Price and Brand Image variables while the remaining 65.8% is explained by other variables not examined in this research.

Conclusion

Based on the results of research conducted with the title "The Influence of Promotion, Price and Brand Image on Purchasing Decisions on Vivo Smartphone Products" it can be concluded as follows:

1. Promotion has no effect on purchasing decisions. These results can be concluded that promotions on social media and advertising have no influence on purchasing decisions.
2. Price influences purchasing decisions. These results can be concluded that the affordable price is in line with the benefits, quality and superiority of the product so that it is not inferior to other brands.
3. Brand image influences purchasing decisions. Brand image is an important factor for consumer purchasing decisions, because a good image is able to attract consumers to make purchasing decisions, consumers tend to use brand image as a reference in making purchasing decisions.

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