DETERMINATION OF TRUST AND PURCHASE DECISIONS: ANALYSIS OF BRAND IMAGE AND PRICE (MARKETING MANAGEMENT LITERATURE REVIEW)

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Abstract: The purpose of writing a Literature Review Papers is to determine the effect of brand image and price variables on trust and purchase decisions. With qualitative methods and Library Research. The results show that brand image affects on trust, brand image affects on purchasing decision, price affects on trust, price affects on purchasing decision and trust affects on purchasing decisions.

Keywords: Brand Image, Price, Trust, Purchase Decisions.

INTRODUCTION

Every student, both undergraduate, undergraduate and undergraduate, is required to conduct research in the form of a thesis, thesis and dissertation. Likewise for lecturers, researchers and other functional personnel who are active in conducting research and publishing scientific articles for publication in scientific journals.

Based on the empirical experience of many young students and lecturers as well as other researchers, it is difficult to find supporting articles in research as previous research or as relevant research. Articles as relevant researchers are needed to strengthen the theory under study, to see the relationship between variables and to build hypotheses, also very much needed in the discussion of research results.

This article discusses the effect of brand image and price on trust and its impact on purchasing decisions, (A Study of Marketing Management Literature). Of course, not all factors affect Work Motivation and Employee Performance in this article, only a small part will be reviewed and reviewed.
In detail, the purpose of writing this “Literature Review Paper” is to determine the effect of exogenous variables on brand image and price on endogenous variables, trust and purchase decisions.

1) The effect of brand image on trust
2) The effect of brand image on purchasing decisions
3) The effect of price on trust
4) The effect of price on purchasing decisions
5) The effect of trust on purchasing decisions

THEORETICAL REVIEW

Purchase decision

Purchasing decision, is the selection of two or more alternative purchasing decision choices, which means that someone can make a decision, there must be several alternative choices. The decision to buy can lead to how the decision-making process is carried out (Schiffman and Kanuk, 2009: 30). This is in line with (Sumarwan, 2011: 357) explaining that a purchase decision is a decision as the selection of an action from two or more alternative choices. Another case with (Kotler, 2012: 166) explaining the purchase decision is a purchase decision process consisting of five stages carried out by a consumer before arriving at a purchase decision and then post-purchase. Consumer behavior will look at the behavior of each individual, household or organization about how they process before making a purchase decision, as well as their actions after obtaining and consuming products, services or ideas. Based on the description above, it can be summarized that consumer decision making is a process that collects and combines information and knowledge to evaluate two or more alternative behaviors and choose one of them which can be seen from each individual or organization how the process is before making a purchase.

Purchasing Decision Process

According to Kotler and Armstrong (2012: 176) consumers will go through 5 (five) stages of the purchase decision process. These stages can be seen in the Figure below.

Based on the decision-making process model above, the following is an explanation of the five stages (Kotler and Armstrong, 2012: 176), namely:
1) Problem Recognition
   The buying process starts when the buyer recognizes a problem or need. The recognition of this need is intended to identify unmet and unfulfilled needs and wants.
2) Information Search
   An already interested consumer might be looking for more information but maybe not. Consumers can get information from several sources, including:
a) Personal Resources: Family, friends, neighbors.
b) Commercial sources: Advertisements, salespeople, agents, packaging, displays.
c) Public Sources: Mass media, consumer assessment organizations.
d) Source of Experience: Handling, inspection, use of the product.

3) Evaluation of Alternatives
   The stage of the buyer's decision, which is when consumers use the information to evaluate alternative brands in the choice of device. This evaluation cannot be separated from the influence of the resources at hand (time, money, information) or the risk of wrong selection.

4) Purchase Decision
   In the evaluation stage, consumers form preferences for brands that are in the choice set. Consumers can also form an intention to buy, because of loyalty to the chosen brand.

5) Post Purchase Behavior
   The stage of the purchase decision process, which is when consumers take further action after purchasing based on satisfaction.
   Indicators of purchasing decisions from previous research such as (Yunita & Ali, 2017) use five indicators, namely: 1) Product introduction; 2) Search Information; 3) Alternative evaluation; 4) Purchase Decision; 5) Post-Purchase Behavior.
   Purchasing decisions have been researched by many previous researchers, including by (Yu et al., 2013), (Ali, 2019a), (Rosyid et al., 2013), (Kazmi & Mehmood, 2016), (Sivaram et al., 2019), (Chovanová et al., 2015) (Durrani et al., 2015) (Foster, 2017), (Suhaily, 2017) (Dudu & Agwu, 2014), (Anggita & Ali, 2017), (Novansa & Ali, 2017), (Brata et al., 2017), (Djatmiko & Pradana, 2016), (Gan & Wang, 2017), (Yunita & Ali, 2017), (Rosyid et al., 2013) (Rödiger et al., 2016), (Amanah et al., 2017), (Konuk, 2018), (Ferdinand, 2014)(Larasetiati & Ali, 2019), (Firmansyah & Ali, 2019), (Zhao et al., 2019), (Jeaheng et al., 2020), (Damghanian et al., 2016), (Al-ekam, 2016), (Yen, 2019).

Trust

Consumer trust is defined as the knowledge that consumers have from the conclusions made about objects, attributes, and benefits (Mowen, 2012). According to Gunawan (2013), trust is defined as a form of attitude that shows feelings of liking and persists in using a product or brand. Trust will arise from the minds of consumers if the product purchased is able to provide the benefits or value that consumers want in a product. Consumer trust means that all knowledge possessed by consumers and all conclusions made by consumers regarding objects, attributes and benefits (According to Mowen and Minor, 2002). According to Siagian and Cahyono (2014), trust is a belief from one party regarding the intentions and behavior aimed at the other party. Aribowo and Nugroho (2013) argue that the trust of certain parties to other parties concerned in conducting transaction relationships is based on a the belief that the person he trusts will fulfill all his obligations properly as expected. From the description above, it can be concluded that trust is the knowledge that consumers have about the benefits of a product that can affect the kinsmen to like and keep using the product.

Research by (Pappas, 2018) using four indicators in measuring trust, including: 1) Trustworthiness; 2) Reliable; 3) Have high integrity; 4) Competent and knowledgeable.

Research on trust has been widely studied by previous studies such as research developed by (Brata et al., 2017), (Al-ekam, 2016), (Setiaawan et al., 2020), (Amanah et al., 2017), (Yen, 2019), (Jeaheng et al., 2020), (Konuk, 2018), (Suhaily, 2017), (Susanty et al., 2016), (Larasetiati &
Ali, 2019), (Firmansyah & Ali, 2019), (Zhao et al., 2019), (Mosunmola et al., 2019), (Jeaheng et al., 2020), (Damghanian et al., 2016), (Al-ekam, 2016), (Yen, 2019).

Brand Image

Brand image is a perception that is relatively consistent in the long term, so it is not easy to form an image, and once an image is formed it will be difficult to change it. The image formed must be clear and have a brand advantage over other brands. The formation of a brand image is also influenced by consumer experience. Basically, the brand is important in marketing a product. Producers must be able to produce a brand that is easily recognized, so that consumers can always remember it with a good image, which will then emerge a brand image (Simamora, 2011: 33). According to (Kotler and Keller, 2016) Brand image is the consumer's perception of a brand as a reflection of the associations that exist in the minds of consumers. Brand image is an association that appears in the minds of consumers when they remember a particular brand. These associations can simply appear in the form of thoughts and images associated with a brand. The image of the brand is related to attitudes in the form of beliefs and preferences for a brand. Consumers who have a positive image of a brand are more likely to make purchases (Setiadi, 2003: 180). Thus the conclusion of the brand image is the consumer's perception of a brand that consumers can always remember, where the good and bad image built by the brand will be able to influence consumer behavior in making purchases.

Research by (Kim et al., 2019) using four indicators in measuring brand image, including: 1) prestige; 2) reach high standards; 3) good service provision; 4) nice design.

Research on Brand Image has been widely studied by previous studies such as research developed by (M & Ali, 2017), (Ali, 2019a), (Setyadi & Ali, 2017), (Agussalim & Ali, 2017), (Cheong & Jang, 2008), (Kazmi & Mehmood, 2016), (Yu et al., 2013), (Rosyid et al., 2013), (Kazmi & Mehmood, 2016)(Kazmi & Mehmood, 2016)(Kazmi & Mehmood, 2016)(Kazmi & Mehmood, 2016)(Kazmi & Mehmood, 2016)(Sivaram et al., 2019), (Chovanová et al., 2015), (Durrani et al., 2015), (Foster, 2017), (Suhaily, 2017).

Price

According to Kotler and Keller (2012: 67), price is one element of the marketing mix that generates revenue, another element generates costs. Price is the easiest element in any marketing program to customize, product features, channels, and even communication take a lot of time. Meanwhile, according to Suparyanto and Rosad (2015: 141), price is the amount of something that has a general value in the form of money that must be sacrificed to get a product. According to Assauri (2014: 223), price is the only element of the marketing mix that generates sales revenue, while the other elements are only the cost element. Price is a monetary unit or other measure (including other goods and services) that are exchanged in order to obtain ownership rights or use of goods and services so as to cause consumer satisfaction (Alma, 2011: 169). Based on the description above, it can be concluded that the price is the amount of money charged for a product that consumers exchange for the advantages of the product. Penelitian oleh (Djatmiko & Pradana, 2016) menggunakan empat indikator dalam mengukur Harga, meliputi: 1) fair price; 2) fix price; 3) reliable prices; 4) relative price.

Research on prices has been widely studied by previous studies such as research developed by (Brata et al., 2017), (Al-ekam, 2016), (Setiawan et al., 2020), (Amanah et al., 2017), (Yen, 2019), (Jeaheng et al., 2020), (Konuk, 2018), (Suhaily, 2017), (Susanty et al., 2016), (Dudu &
WRITING METHOD

The method of writing scientific articles is by qualitative methods and literature study or Library Research. Reviewing literature books in accordance with the theory discussed, especially in the scope of Marketing Management. Besides, it analyzes reputable scientific articles as well as scientific articles from journals that are not yet reputable. All cited scientific articles are sourced from Mendeley and Google Scholar.

In qualitative research, literature review should be used consistently with methodological assumptions. This means that it must be used inductively so that it does not lead to the questions posed by the researcher. One of the main reasons for conducting qualitative research is that it is exploratory in nature, (Ali & Limakrisna, 2013).

Furthermore, it is discussed in depth in the section entitled "Related Literature" or literature review ("Review of Literature"), as a basis for formulating hypotheses and will then become the basis for making comparisons with the results or findings revealed in the research. (Ali & Limakrisna, 2013).

DISCUSSION

1. The effect of brand image on trust

The strong brand image in the minds of consumers will increase the trust felt by consumers in using the products they buy (M & Ali, 2017). When consumers are aware that the brand that will be used has more benefits, consumers will believe it (Ali, 2019a), because the brand image and company reputation can be maintained, will lead to buying behavior (Ali, 2019a). Brand image has aspects that can be formed through access to services, services offered, personal contact, security, and positive reputation can affect consumer trust and commitment. (Setyadi & Ali, 2017). A strong brand image indicates that consumers will trust the product they buy (Agussalim & Ali, 2017). Brand image significantly affects the trust accepted by consumers (Cheong & Jang, 2008). Brand image affects the image that arises in consumer memory (Kazmi & Mehmood, 2016). (Suhaily, 2017) Brand image has a positive and significant effect on customer trust.

2. The effect of brand image on purchasing decisions

Brand image has a positive impact on purchasing decisions (Yu et al., 2013). Brand image, brand awareness and price factors can positively influence the buying behavior of a product (Ali, 2019a). (Rosyid et al., 2013) Brand image has a positive effect on purchasing decisions. Brand image for purchasing electronic products has a positive correlation and has a significant effect on purchase intention (Kazmi & Mehmood, 2016). Increasing the positive image of the brand will have an impact on purchasing decisions (Sivaram et al., 2019). As well as (Chovanová et al., 2015) that the brand has an impact on the customer's decision-making process. As for (Durrani et al., 2015) brand image has a positive relationship with purchasing behavior. (Foster, 2017) Brand image has a positive influence on purchasing decisions. (Suhaily, 2017) Brand image has a positive and significant effect on purchasing decisions.

3. The effect of price on trust

Price is one of the determinants of a company's success because it determines how much profit the company will get (Brata et al., 2017). Competitive prices can create consumer trust (Al-
ekam, 2016). (Setiawan et al., 2020) find price plays an important role in building customer trust. (Amanah et al., 2017) The research results show that price and trust are positive and can significantly influence online purchasing decisions. As for the results (Yen, 2019) found that price has a large influence on trust. (Jeaheng et al., 2020) price has a positive and significant effect on trust. (Konuk, 2018) price has a positive effect on trust. (Suhaily, 2017) price has a positive and significant effect on customer trust. As well as (Susanty et al., 2016) price has a significant positive effect on individual trust.

4. The effect of price on purchasing decisions

Companies must pay attention to prices from competitors because they can influence the behavior of purchasing decisions (Dudu & Agwu, 2014). Price is also one of the determinants of consumers in determining purchasing decisions for products or services (Anggita & Ali, 2017). The correlation shows that each dimension of the price variable with the purchase decision is related to a positive value (Novansa & Ali, 2017). Price has a strong correlation coefficient value with purchasing decisions, where it is necessary to pay attention to discounts and price suitability because it can attract purchasing decisions (Brata et al., 2017). Price affects consumer purchasing decisions for a product (Djatmiko & Pradana, 2016), Research by (Gan & Wang, 2017) Price perception has a significant positive effect on purchasing decisions. The more competitive the price will increase the purchasing decision (Yunita & Ali, 2017). (Rosyid et al., 2013) Price has a positive effect on purchasing decisions, companies must focus on communicating customer value through price. As well as (Rödiger et al., 2016) low prices can influence consumers to buy. (Amanah et al., 2017) The research results show that price and trust are positive and can significantly influence online purchasing decisions. (Konuk, 2018; Ferdinand, 2014) price has a positive effect on purchasing decisions.

5. The effect of trust on purchasing decisions

Consumer trust will create good trust in the seller and will increase consumer buying behavior (Larasetiati & Ali, 2019). Trust has a direct and significant effect on purchase intention (Firmansyah & Ali, 2019). (Zhao et al., 2019) Trust is an important factor in increasing interest in online shopping. Mosunmola et al. (2019) also found an influence between trust and purchase intention. (Jeaheng et al., 2020) trust has a positive and significant effect on purchasing decisions. (Damghanian et al., 2016) High trust can reduce the perceived risk of consumers so that it can have an impact on purchasing decisions. Trust has a significant positive effect on consumer purchasing decisions (Al-ekam, 2016). And research from (Yen, 2019) found that trust has a significant positive effect on purchasing decisions.

Conceptual Framework

Based on the formulation of the problem of writing this article and a study of literature reviews from both relevant books and articles, the frame for this article is processed as below.
Brand image and price have a relationship and influence trust and purchase decisions, either directly or indirectly.

Apart from the brand image and price variables that affect trust and purchase decisions, there are many other variables that influence it, including the variables:


CONCLUSIONS AND SUGGESTIONS

Conclusion

Hypothesis testing research is research that aims to develop a hypothesis and test it empirically on a particular problem (Ali & Limakrisna, 2013). Based on the formulation of articles, results and discussion, hypotheses can be formulated for further research:

3. Price affects on Trust.
5. Trust affects on purchasing Decisions.

Suggestion

Based on the conclusions above, the suggestion in this article is that there are many other factors that influence trust and purchase decisions, apart from brand image and price in all companies, therefore further study is needed to find what other factors are. only those that can influence trust and purchase decisions other than those examined in this article.

REFERENCES


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