

**EFFECT OF PRODUCT QUALITY, PERCEIVED PRICE AND
BRAND IMAGE ON PURCHASE DECISION
MEDIATED BY CUSTOMER TRUST
(Study On Japanese Brand Electronic Product)**

Lily Suhaily dan Syarief Darmoyo

Faculty of Economics and Business, Atmajaya Catholic University

Email:lily.eddy@atmajaya.ac.id

Abstract: Today the economic growth in many parts of the world has increased, especially in developing country, such Indonesia country. With increased economic growth, income and purchasing power of consumers also increased especially in big city like Jakarta. Increased incomes allow consumers to meet their secondary and tertiary needs such air conditioning (AC), washing machine, refrigerator with advanced technology. The purpose of this study was to determine the effect of product quality, perceived price and brand image of the brand purchase decision on Japan's electronics are mediated by consumer trust. Population of this research is visitors of electronic city outlet in South Jakarta and questionnaires were distributed to 376 visitors Electronics City in SCBD and in Pondok Indah Mall using multistage cluster random sampling technique. Data were analyzed using Structural Equation Modeling (SEM). The results showed that there are product quality and perceived price have significant and positive effect of the purchase decision; product quality, brand image and perceived price have significant and positive effect of the customer trust; customer trust has significant and positive effect of the purchase decision; no effect of brand image of purchase decision; product quality, perceived price and brand image of the purchase decision mediated by consumer trust in electronic products of Japanese brand .

Keywords: Product Quality, Perceived Price, Brand Image and Purchase Decision.

Abstraks: Dewasa ini pertumbuhan ekonomi di berbagai dunia meningkat terutama di negara-negara berkembang, seperti Negara Indonesia. Dengan peningkatan pertumbuhan ekonomi, pendapatan dan daya beli konsumen juga meningkat terutama di kota-kota besar seperti Jakarta. Peningkatan pendapatan memungkinkan kosumen untuk memenuhi kebutuhan sekunder dan tersier dengan membeli produk yang akan membuat mereka nyaman seperti air conditioning (AC), mesin cuci, kulkas dengan teknologi canggih. Tujuan dari penelitian ini adalah untuk mengetahui pengaruh kualitas produk, persepsi harga dan image merek terhadap keputusan pembelian merek elektronik Jepang yang dimediasi oleh kepercayaan konsumen. Jumlah populasi adalah pengunjung outlet electronic city di wilayah Jakarta Selatan dan kusioner dibagikan kepada 376 pengunjung Electronics City di SCBD dan di Pondok Indah Mall dengan menggunakan multistage cluster random sampling teknik. Data dianalisis dengan menggunakan Structural Equation Modeling (SEM). Hasil penelitian menunjukkan bahwa kualitas produk dan persepsi harga berpengaruh positif dan signifikan terhadap keputusan pembelian; kualitas produk, image merek dan persepsi harga berpengaruh positif dan signifikan terhadap kepercayaan konsumen; kepercayaan konsumen berpengaruh positif dan signifikan terhadap keputusan pembelian; image merek tidak berpengaruh terhadap keputusan pembelian; kualitas

produk, persepsi harga, dan image merek dimediasi oleh kepercayaan konsumen pada produk elektronik merek Jepang.

Kata kunci: Kualitas Produk, Persepsi Harga, Image Merek dan Keputusan Pembelian

INTRODUCTION

Today the economic growth in many parts of the world has increased, especially in developing countries, one of the Indonesian country. With economic growth increased, income and purchasing power of consumers also increased, especially in big cities like Jakarta. Income Increased allow consumers to meet the needs of the secondary and tertiary of them to buy a product that will make them more comfortable, such as Air Conditioning (AC), washing machine, refrigerator, microwave, television with advanced technology. In the process of purchase of the products above, consumers will try to get a quality product, to see information of the advertising, the fair price and they are usually more confidence in the products that come from a particular country (Country Of Origin). This is consistent with the theory Kotler *et al.*, (which states that the marketing stimuli such as product information , pricing and promotion of the Country Of Origin will raise consumer purchasing decisions .

Country Of Origin is the overall consumer perceptions of products from certain countries ,which are based on previous perceptions about the production and the marketing power of that country (Roth and Romeo, 1992). Country Of Origin effect raises the consumer perception of the value of the products originating from certain countries (Chinen *et al.*, 2000).

According to Assaf and Josiassen (2010), that the product of the Country Of Origin effects can influence consumer purchasing decisions. Additionally Country Of Origin effect is used in marketing as an important factor for the company image (Josiassen and Harzing , 2008). Solomon (2004) suggest that COO influence the decion making and also product assement as the customer believes that product Made certain country have certain distinguishing features. In addition, the attributes of the product quality perception of COO considered by consumer when deciding to purchase a product (Han, 1990).

Price is one of the tools marketer may use to confront the market, either by directly attracting, make purchase decision and retain clients or fighting against competitors. (Boonlertvanich, 2009). Rindell et al. (2011) states that brand image has positive and significant influence on purchase decision. As a consumer want to make purchase decision on global product, he considers the country of the brand as the evaluation source (Schiffman and Kanuk (2007). Jime'nez and Martin (2012) mention that trust can be formed by the image of products based on the country of origin of products and also can make purchase decision. Based on the above phenomenon the author will conduct research on the topic: is there any influence product quality, perceived price and brand image of the brand purchase decision on electronic products from Japan as Country Of Origin mediated by consumer trust.

LITERATURE REVIEW

Product Quality. According to Lee and Tai (2009), marketing manager should be able to implement marketing strategies and activities as to promote consumers perceptions of

hiher product quality. A study by Toivonen (2012) reveals that the quality of a tangible can be determined by its technical characteristic and its performance aspects. Quality has been defined as the perception of superior product compared to other competing products (Garvin 1998; Zeithaml 1988). According to Garvin (1998), Juran and Gryna (1989), there are four dimensions of product quality perception of COO, namely: (a) Performance: the performance of the product in accordance with its function; (b) Durability: how long a product can be used; (c) Security: safe in using the product

In addition to the above dimensions, the country of origin of products and technology are the attributes of the product quality perception of COO considered by consumers when deciding to purchase a product (Han, 1990). Furthermore, Aaker and Alvarez del Blanco (1995) and Lassar *et al.*, (1995), said that the perception of product quality attributes are: high quality products and continuous innovation.

Perceived Price. According to Ahmad and Vays (2011), pricing is how buyers view a product's price, as high, low or fair, which ultimately affects consumers' willingness to buy the product. Perception of the price is a sense of whether the price of a product is expensive or cheap (Erevelles, Roy, and Vargo, 1999). Erickson and Johansen (1985) states that the price as a currency should be sacrificed by consumers to get benefit from the products or services purchased. Teas and Agarwal (2000) argues that the price offered was positively related to the perception of product quality and sacrificed by consumers. Price, as a heuristic cue, is more readily observable than quality (Yoon, Oh, Song, Kim, and Kim, 2014).

Pricing enables companies to segment markets, define products, create incentives for consumers and even send signals to competitor (Atcharyachanvanich and Hitoshi, 2007). Price is one of the tools marketer may use to confront the market, either by directly attracting and retain clients or fighting against competitors and also can make purchase decision (Boonlertvanich, 2009). Chih (2012) suggests, attributes of perception of the price toward the product COO, are: (a) Consumers trust the quality of products that offered is accordance with the price offered, (b) Manufacturers provide discounts for products marketed, (c) When compared with competitors' prices, the prices charged by manufacturers makes sense, (d) Overall, consumers are satisfied with the price of the product, (e) Consumers will consider information from experts about the price of a product that will be purchased.

In addition, according to Feick and Price (1987), attributes of price perception toward product COO is: (a) Overall, high price products reflects high product quality; (b) Buying products with brand that price is expensive, made consumers feel classy .

Brand Image. According to Rindell *et al.* (2011), brand image has positive and significant influence on purchase behavior. Ryu *et al.*, (2008), suggests brand image is a determinant affecting customers' subjective perceptions and consequent behaviors. The more favorable the brand image, the more positive the attitude toward the branded product and its attributes (Aghekyan-Simonian *et al.*, 2012). Brand image aids a consumer in recognizing his/her needs and wants regarding the brand from other rivals (Anwar, Gulzar, Sohail, and Akram, 2011). Utama (2007), stating that the image is the overall perception of the object formed by the consumer through the processing of information from various sources. According Martinez *et al* (2008), the brand image is composed of: (a) Favorite; (b)

Attribute. Moreover, Martinez et al (2008), stated to measure brand image is: (a) Brand provides a good value of money spent; (b) There is a reason to buy a brand of product compared to other product brands; (c) The brand is different from the other competing brands.

Purchase Decision. The purchase decision process is seen as an activity which consists of a selection, obtaining and evaluating (Rossiter, 2003). Kotler et al., (1999) suggest that marketing and environmental stimuli enter the consumer characteristics and the purchase decision process. Through consumption and the value of the products for consumers that reflect social and environmental influences can affect the need for compliance and creating purchase behavior (Kim et al., 2002).

According Gurhan-Canli and Maheswaran (2000) states that the place or location of manufactured products influence consumer purchase decisions. Well acquainted with or familiar to a product or brand is one of the factors for consumers in deciding whether to buy the product concerned (Han, 1990).

Konsumer will evaluate products made by developed countries in making purchasing decisions (Schooler, 1965). Reputation of product that can make a consumer decides to buy a product Roth and Romeo (1992); Nagashima (1970). If consumers feel the products purchased will improve its image, then they will make a purchase which refers Nagashima's (1970). Further payment system and the product can be returned if it is damaged is one factor for consumers to make purchases (Mas'ud, 2004).

Consumers will decide to buy the product because it is influenced by friends or family (Johansson, 2000). If consumers feel the products purchased will improve its image, then they will make a purchase (Nagashima, 1970). Further payment system and the product can be returned if it is damaged is one factor for consumers to make purchase (Mas'ud, 2004). Consumers will decide to buy the product because it is influenced by friends or family (Johansson, 2000).

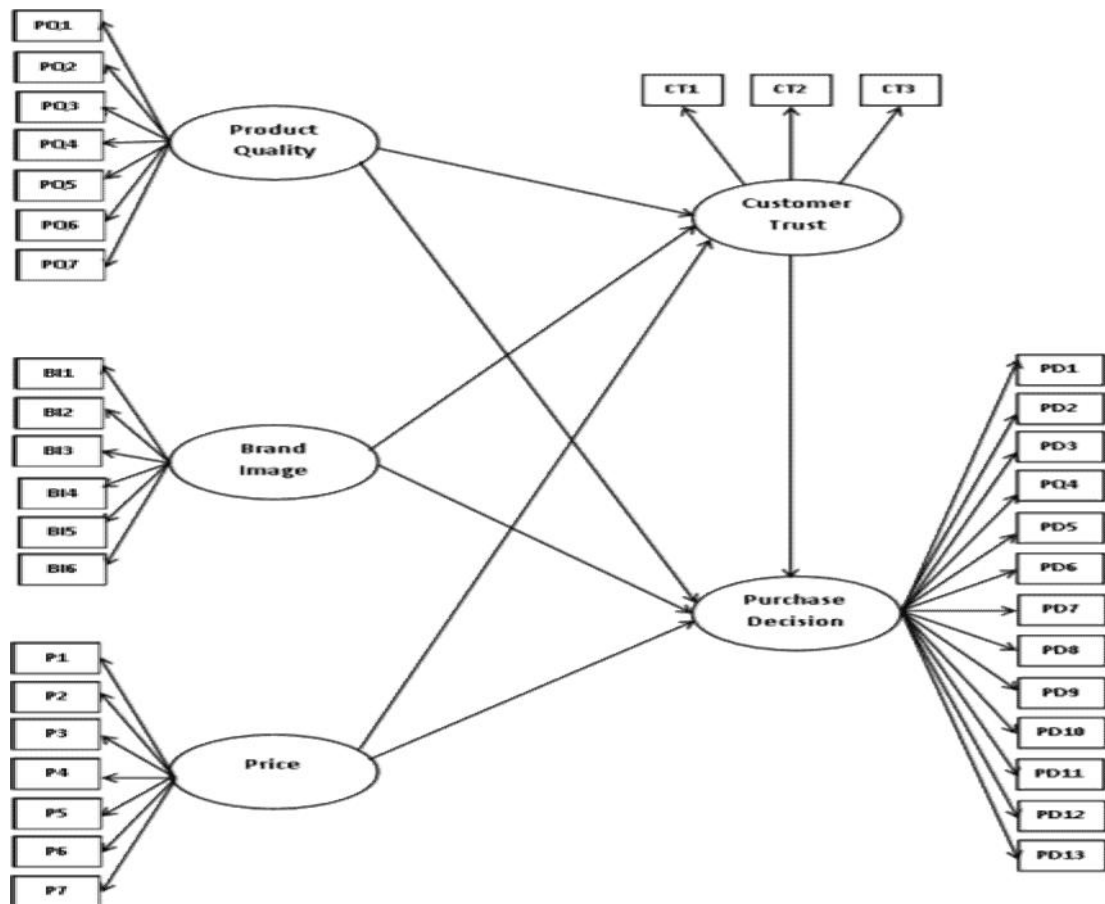
Consumer Trust. Wu, Chen, and Chung (2010), trust is one of the central features of buyer-seller relationships. There is trust builds when the customer has confidence in a service provider's reliability and integrity (Kim, Kim, and Kim, 2009). Trust is the willingness of a party to be vulnerable to the actions of another party on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party (Chinomona and Cheng, 2013). Jime'nez and Martin (2012) mention, trust can be formed by the image of products based on the country of origin of products and also the knowledge of the product or brand. Belief can be interpreted as a mechanism to reduce uncertainty and avoid the uncertainty that would arise (Chiu et al. 2012). Kinicki and Kreitner (2009) states that trust is a reciprocal relationship between interest and also certain behaviors on aspects of the relationship "give and take". According to Chang and Chen (2008) and Jime'nez and Martin (2010), indicators of consumer confidence in product COO, are: (a) The products have benefits that consumers need; (b) The products offered are in accordance with the quality promise product performance; (c) The products offered have quality guarantee.

Furthermore, Haslinda et al., (2014), suggest that the indicator of consumer confidence in product COO, are: (1) Consumers trust the quality of the brand products; (2) Reputation of

brand reliable. According to Yu and Albaum (1999), consumer confidence in the products made by certain countries that have certain features that distinguish it from other products.

Previous Research. According to Ettenson and Client (1998), the brand image of certain countries influences consumer purchasing decisions. In addition, price and product quality influence purchasing decisions (Alfred, 2013). Furthermore, consumer trusts influence consumer purchasing decisions (Geven and Straub, 2004). Flafian et al. (2005) stated that brand image has a positive effect on consumer trust. Huang et al. (2004) and Phau et al. (2009) states that price and quality product affect consumer trust. From previous research, the authors add the mediation that is: the influence of product quality on purchase decision mediated by customer trust; the influence of brand image on purchase decision mediated by customer trust and the influence price to purchase decision mediated by consmer trust.

METHOD



Conceptual hypothesis:

H1 : There is a quality product influence on purchase decision .

H2 : There is a perceived price influence on the purchase decision .

H3 : There is the influence of brand image on the purchase decision .

- H4 : There is the influence of brand image on consumer trust .
H5 : There is a trust to influence consumer purchase decision .
H6: There is a quality product influence on consumer trust.
H7: There is the influence of percived price on consumer trust.
H8: There is influence on the purchase decision quality product that is mediated by the customer trust.
H9: There is influence on the purchase decision brand image that is mediated by the customer trust.
H10: There is the influence of price on the purchase decision that is mediated by the customer trust.

Sample And Data Collection. Samples were visitors Elektronik City outlet in the Sudirman Central Business District (SCBD) and the Pondok Indah Mal, South Jakarta. Sampling was done by multistage random sampling technique. Furthermore data collection is done by distributing questionnaires to visitors at the outlet selected, namely in SCBD and Pondok Indah Mall. The questionnaire consists of six parts, namely the characteristics of the respondent, product quality, brand image, price, purchase decision, and customer trust. The data collection was conducted over seven days so that the total sample of 420 people. Because not all visitors willing to fill out the questionnaire, the number of samples acquired only 400 people, and from 400 people, only 376 samples can be included in the subsequent analysis because their answers to all the questions completely so that there are no missing data. According to Hair et al. (2006), determination of the number of samples can be done by multiplying the number of indicators with numbers 5 - 10. Since the number of indicators this study there were 36, then the total sample of 360 people. Thus, the sample size of this study already adequate.

Data analysis method. This study uses some of the techniques of data analysis. Descriptive statistics are used to describe the characteristics of the respondent. Chronbach 'alpha is used to test the reliability of measurement instruments. Structural Equation Modeling (SEM) was used in addition to test the validity and reliability of measurement instruments, as well as to examine the relationship between variables that are hypothesized. SEM methods was used in this study is the maximum likelihood estimation and used as a one step approach in the modeling approach SEM. Sobelt test was used to test the effect of mediating variable in the relationship between variables. Descriptive statistical analysis and Cronbach 'alpha performed with SPSS 17. SEM analysis was done by using AMOS program. Sobelt test calculationt was done by using *software* that already available at site *quantpsy.org*.

RESULTS

Profile of Respondents. The results of this study indicate that the number of male respondents (49.5%) is not much different from the number of female respondents (50%). Most of them educated S1 (45.3%) and elementary - high school (37.3%), working as private employees (41.5%), and has a monthly expenditure of Rp 3,000,001 - Rp. 5,000,000 (38.3%). Clearly, the respondent profile can be seen in table 1 below:

Tabel 1. Profile of Responden

Responden		Frekuensi	Persentase (%)
Gender	Male	186	49.5
	Female	190	50.5
Education	Elementary – High School	140	37.3
	D3	9	2.4
	S1	170	45.3
	S2	45	12.0
	S3	6	1.6
		5	1.3
Job	Private Employee	156	41.5
	Government Employee	25	6.6
	State Own Enterprises	7	1.9
	Housewife	36	9.6
	Undergraduate Students	63	16.8
	Entrepreneur	71	18.9
	Others	18	4.8
		18	4.8
Spending	< Rp. 3.000.000	126	33.5
	Rp. 3.000.001 - Rp. 5.000.000	144	38.3
	> Rp. 5.000.000	106	28.2

Overall Model Fit. Before evaluating the degree of fit of the measurement model and the structural model fit, evaluation of the level of overall suitability model (overall model fit) need to be done first. Test aimed to evaluate the suitability of the general degree of suitability or goodness of fit (GOF) between the data model (Haryono and Ward, 2012, p.132). This study uses several measures of GOF (GOF Indices) that is commonly used by researchers. The evaluation results show that the overall model fit chi-square value amounted to 1307.943 with a probability of 0.000, which means that the null hypothesis is rejected hypothesized model that is not the same with empirical data. It states the model does not fit. However, if viewed from the other criteria fit that is the ratio χ^2 / df , TLI, CFI and RMSEA results are already qualified recommended that value ratio χ^2 / df in the range of 1-5, the value of TLI and CFI above 0.90, and the value RMSEA below 0:08 but for GFI criteria and AGFI each with a value of 0825 and 0799 is still below the required 0.9. Therefore, this research revised models by taking into account the value of the index modification and the result can be seen at Table 2.

From Table 2 above, it can be seen that the chi-square value decreased from 1307.546 to 1077.546 with fixed probability 0.000. Also is the value ratio χ^2 / df from 2515 into 2113. RMSEA values from 0064 into 0054. Meanwhile, the value of GFI has improved from 0825 into 0853. Likewise with AGFI value of 0799 into 0828. TLI and

CFI value of 0.900 and 0.908 respectively to 0927 and 0933. Thus, the overall model can be considered fit to the data.

Table 2. Hasil Pengujian Full Model

<i>Goodness of Fit Index</i>	<i>Cut off Value</i>	<i>Result</i>	<i>Criteria</i>
Chi-square	small	1077.546	<i>Bad fit</i>
P	0.05	0.000	
χ^2/df	between 1 and 5	2.113	<i>Good fit</i>
GFI	0.9	0.853	<i>Marginal fit</i>
AGFI	0.9	0.828	<i>Marginal fit</i>
TLI	0.9	0.927	<i>Good fit</i>
CFI	0.9	0.933	<i>Good fit</i>
RMSEA	0.08	0.054	<i>Good fit</i>

Measurement Model Fit. Once the model is declared fit, the next step is the evaluation of the suitability of the measurement model (measurement model fit). This evaluation is done separately include (1) whether an indicator actually measures the latent constructs or validity, and (2) how much the level of consistency of these indicators measure constructs latent or reliability (Yamin and Kurniawan, 2009, pp.35- 36). The variables in this study consisted of three constructs exogenous are: product quality, brand image, and price, and the two constructs endogenous namely purchase decision and consumer trust. while the variable purchase decision and customer trust is endogenous constructs. To test whether the indicators of exogenous and endogenous constructs can explain each of these constructs, used confirmatory factor analysis (CFA). Table 3 presents the results of confirmatory factor analysis to construct exogenous and endogenous. As can be seen in the table, an indicator of the construct entirely exogenous and endogenous construct significant because it has the t-value > 1.96 or the value of <0.05. In addition, all indicators of the constructs are valid because it has a standard loading factor > 0.5.

Tabel 3. Confirmatory Factor Analysis (CFA)

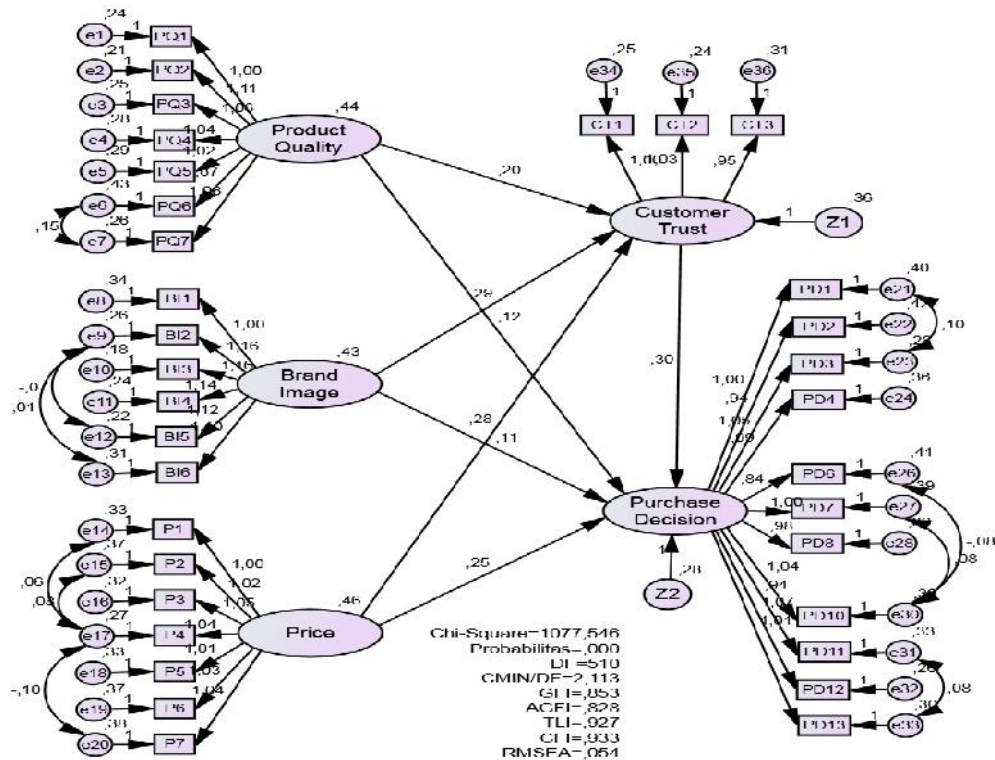
Latent Variables and Indicators		Standardized Regression	t-value ³
Product Quality (= 0.922, CR=0.920, AVE=0.623¹)			
PQ1	Performance of Japanese electronic product brands are accordance with its functions	0.805	.2
PQ2	Durability of Japanese electronics product brands are high	0.846	18.912
PQ3	Consumers felt safe in using Japan electornic product brands	0.814	17.55
PQ4	Consumers felt electronic product brand originating from Japan, good quality	0.795	16.999
PQ5	Consumers felt electronic product brands originating from Japan made with high technology	0.785	16.989
PQ6	Japan electronics product brands ongoing innovation	0.657	13.336
PQ7	Japan electronic product brands, high quality	0.81	17.654

Brand Image ($\alpha=0.922$, CR=0.924, AVE=0.671)			
BI1	Consumers perceptions of the Japanese product brands electronic are good	0.746	-
BI2	Japan's electronics product brands attributes better than other electronic products	0.828	16.321
BI3	Consumers like electronics product brands of the Japan	0.872	17.533
BI4	Japan electronics product brands provide good value according to money spent	0.833	16.635
BI5	Consumers have reason for purchasing electronic product brands of Japanese brand compared with other electronics brands	0.843	16.588
BI6	Japanese electronic product brands are different from other electronics brands	0.787	15.472
Price ($\alpha=0.906$, CR=0.910, AVE=0.590)			
P1	Consumers trust the quality of Japanese electronic product brands are offered appropriate price	0.764	-
P2	Japan electronics product brands manufacturer gives discounts for products offered	0.75	14.548
P3	When compared with competitors' prices, the prices charged by Japan electronic product brands manufacturer, reasonable	0.784	15.794
P4	Overall, consumers are satisfied with the price of Japan electronic product brands	0.804	17.771
P5	Consumers will consider information from experts about the price of a product will be purchased	0.765	15.093
P6	In general, the price of an expensive product reflects the high quality of products	0.755	14.83
P7	Buying products of the brands that the most expensive price, making consumers feel classy	0.752	14.462
Purchase Decision ($\alpha=0.933$, CR=0.923, AVE=0.522)			
PD1	Places or locations where the products are manufactured influence consumer purchase decisions	0.704	-
PD2	Consumer's decision to buy Japan electronic product brands offered are influenced by the price of these products	0.674	13.445
PD3	Well acquainted with or familiar with the Japan electronic product brands, making consumers decide to buy the product	0.779	18.081
PD4	Consumers will evaluate products made by developed countries in making purchase decisions	0.717	14.072
PD6	If consumers believe the quality of a product, then they will decide to make a purchase	0.633	12.51
PD7	If consumers feel the products purchased will improve its image, then they will make a purchase	0.708	13.9
PD8	Payment system is one factor for consumers to make purchases	0.715	14.028
PD10	Consumers will decide to buy the products because it is influenced by friends or family	0.734	14.522
PD11	Consumers will decide to buy the products that have benefits that they need	0.719	14.038

PD12	Consumers will decide to buy the products offered promise quality that fit to products performance	0.795	15.426
PD13	Consumers will decide to buy the products because the products offered a quality assurance	0.757	14.685
Customer Trust ($\alpha=0.853$, CR=0.834, AVE=0.626)			
CT1	Consumers trust the quality of the electronic product brands from Japan	0.803	-
CT2	Electronic product brands from Japan have reputation, and reliable	0.817	16.032
CT3	Consumer trust the products made by certain countries that have certain features that distinguish it from other products	0.752	15.16

= Cronbach alpha, CR = Composite Reliability, AVE = Average Variance Extracted
 “-“ that is to say parameter lane rated 1, because it does not have t-value
 All standardized loading factor significant at level 0.001

Once declared valid, then the indicators of exogenous and endogenous constructs evaluated or tested reliability. This study using Cronbach 'alpha (), composite realibility (CR), and the average variance extracted (AVE) to test the reliability of the construct. Based on table 3 above, the value of and CR for all constructs of exogenous and endogenous appear larger than the required value is 0.70. So is the value AVE appear larger than the required value > 0.05. Thus, it can be concluded that the entire construct of exogenous and endogenous had good reliability.



Structural Model Fit. The evaluation of the structural model associated with testing between variables previously hypothesized (Yamin and Kurniawan, 2009, P.39). In this study, there are ten hypothesis. Testing is done by comparing the probability value significance level used in this study is 0.05. If the value of Critical Ratio (C.R.) $\leq 1,967$ or probability value (p) < 0.05 , then H1 accepted. Here's a picture of the structural model with the standardized factor loading value.

Table 4 presents the results of hypothesis testing direct effect. As can be seen in the table, only the second hypothesis (H2) declined ($P > 0.05$), the rest (H1, H3, H4, H5, H6 and H7) are accepted ($P < 0.05$). It can be concluded that the product quality and price positive and significant impact on the purchase decision of electronic product brands from Japan as Country Of Origin. Likewise, product quality, brand image and price positive and significant impact on customer trust, and customer trust positive and significant impact on the purchase decision of electronic product brands from Japan as Country Of Origin. Meanwhile, brand image does not affect the purchase decision of electronic products brands from Japan as Country Of Origin.

Table 4. Hypothesis Testing Results

Hipotesis	Corelations	Unst. Regression Weights		Standardized Regression Weights	
		Estimate	P		
H1	Product Quality	Purchase Decision	0.12	0.027	0.128
H2	Brand Image	Purchase Decision	0.105	0.068	0.11
H3	Price	Purchase Decision	0.248	***	0.269
H4	Product Quality	Customer Trust	0.305	0.001	0.203
H5	Brand Image	Customer Trust	0.29	***	0.284
H6	Price	Customr Trust	0.277	***	0.282
H7	Customer Trust	Purchase Decision	0.304	***	0.325

Mediation effect. Table 5 presents the test results mediating variable trust in the relationship between product quality, brand image, and price with the purchase decision. From the table, can be looked trust mediates the relationship between product quality, brand image, and price with the purchase decision. In this case, trust acts as a partial mediator in the relationship between product quality with the purchase decision (the mediating effect = 0.066, $P = 0.006$), and in the relationship between the price with the purchase decision (the mediating effect 0.092, $P = 0.001$), because the product quality and price has a direct influence on the purchase decision. Meanwhile, in the relationship between brand image with the purchase decision, trusts act as a full mediator (mediating effect = 0.092, $P = 0.001$), because the brand image does not have a direct influence on the purchase decision. Thus, it can be concluded that the H8, H9 and H10 are all accepted.

Table 5. Mediating Effect

Hypothesis	Independent Variables	Mediating Variable	Dependent Variable	Effect	Sig.#	Result
H8	Product Quality	CustomerTrust	Purchase Decision	0.066	0.006	Accepted
H9	Brand Image	CustomerTrust	Purchase Decision	0.092	0.001	Accepted
H10	Price	CustomerTrust	Purchase Decision	0.092	0.001	Accepted

Level of significance based on test Sobelt

DISCUSSION

The results of researched by authors showed that the product quality and price positive and significant impact on the purchase decision. This is appropriate to research conducted by Alfred, (2013), which stated price and product quality affects the purchase decision. In addition, the results of researched by authors showed that product quality, brand image and price positive and significant impact on customer trust. But not all the variables appropriate to the studied by Huang et al. (2004) and Phau et al. (2009), where the results of researched by Huang et al, and Phau et.al, that the price and quality product affects consumer trust, but brand image not affect customer trust because the product under study is different where Huang et al studied the gray market goods and Phau investigating the counterfeit of luxury brands, while the author examines electronic products. Electronic products from Japan Country of Origin) are researched by the authors, where in general the consumer has a good image of the product comes from a country known for certain products, such as Japan with electronic products.

Furthermore, the results of researched by authors suggest that consumer trust affecting purchase decision. The results are consistent with the results of research conducted by Gefen and Straub (2004) which states consumer trust influence the purchase decision. Flafian et al. (2005) states that the brand image positive affect on consumer trust. The results are consistent with the results of researched conducted by the authors that brand image has positive affect on customer trust.

According to Ettenson and Klient (1998; Akram, Akram, and Merunka, 2011), the brand image of certain countries influence purchase decision. But the brand image of electronic products studied by author not influence purchase decisions, in this case is not consistent with studies conducted by Ettenson and Klien, because Ettenson and Klient researching foreign product purchase without specification of the products.

Besides, there are no influence of brand image to purchase decision because electronic products are researched by the author although originating from Japan (COO), the price is not expensive. Electronic products be in category of shopping goods that the price not expensive than specialty goods where the price expensive such as luxury cars, luxury fashion and others that come from specific country.

The results showed product quality and price have positive and significant impact on the purchase decision of Japan brand electronic products, because consumers in making purchase decisions, they will take into consideration the quality of the product and price in

this case consumers feel that electronic product brands from Japan have good quality which has high durability and the price affordable. In addition, product quality, brand image and price have significant positive affect on customer trust. In this case, besides the quality of brand is good, consumers trust the price of electronics product brands compete with the prices charged by other electronic manufacturers, and brand reputation of electronic brands of Japan are reliable.

Furthermore, customer trust has significant positive affect of purchase decision because consumers trust the electronic product brands that made by Japan has certain features that are not owned by other electronics brands. But the brand image does not affect the purchase decision of electronic products because electronic products category as shopping goods where the price is not as expensive as the price of luxury products such as luxury cars, luxury homes and others. There are the influence of perceived quality, perceived price and brand image of the purchase decision that are mediated by the customer trust because if customer trust of perceived quality, perceived price, and brand image of electronic product brands from Japan, therefore customers will buy the product.

Based on the research results, it should be for producers who manufacture electronic products from Japan improve product quality such as improving product durability and sustainable innovation at an affordable price. In addition, to improve the image of the product, manufacturers can promote the features of electronic products that are different from other electronic products to be favored by consumers. With the above strategy, producers can make consumers trust toward electronics products brand from Japan and then they will make a purchase, therefore the volume of sales may increase.

CONCLUSION

The results showed that the product quality and price have positive and significant impact on the purchase decision. Likewise, product quality, brand image and price positive have significant impact on customer trust, customer trust has positive and significant impact on the purchase decision, brand image does not affect the purchase decision. There are significant impact of product quality, perceived price and brand image of the purchase decision mediated by consumer trust in electronic products of Japanese brand.

REFERENCES

- Aaker, D.A. and Alvares del Blanco, R.M. (1995) "Estatura de la marca: Medir el valor por productos y marcados", *Harvard-Deusto Business Review*, 69, 74-87.
- Aghekyan-Simonian, M., Forsythe, S., Kwon, W.S., and Chattaraman, V. (2012) "The role of produk brand image and online store image on perceived risks and online purchase intentions for apparel". *Jurnal of Retailing and Consumer Services*, 19 (3), 325-331.
- Ahmad, T. dan Vays, N., (2011) "The impulse buying behavior of consumes for the FMCG products in jodhpur", *Australian Journal of Basic and Applied Sciences* 5 (11).
- Alfred, O. (2013) "Influences of price and quality on consumer purchase of mobile phone in the Kumasi Metropolis in Ghana a comparative study. *European Journal of*

- Business and Management*, ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online), 5 (1).
- Anwar, A., Gulzar, A., Sohail, F.B., and Akram, S.N. (2011) "Impact of brand image ,trust, and affect on consumer brand extention attitude: the mediating role brand loyalty. *International Journal of Economic and Management Sciences*, 1(5), 73-79.
- Assaf, A. and Josiassen, A. (2010) "Country of origin contingencies: their joint influence on consumer behavior", *Asia Pacific Journal of Marketing and Logistics*, 22 (3), 294-313.
- Atchariyachanvanich, K. and Hitoshi, O.H., (2007) "How consumer lifestyles affect purchasing behavior: Evidence from internet shopping in Japan", *Journal of Entrepreneurship Research*, 2 (2), 63-78.
- Boonlertvanich (2009) "Consumer buying and decision-making behavior of a digital camera in Thailand", *RU International Journal* 3(1), 57-66.
- Chang, H.H., & Chen, S.W. (2008) "The Impact of online store environment cues on purchase intention: Trust and perceived risk as mediator", *Online Information Review*, 32 (6), 818-841, <http://dx.doi.org/10.1108/14684520810923953>.
- Chich, S.S. (2012) "Empirical study pertaining to the effect of price on customer satisfaction with respect to Dominos and Pizza HUT", *International Journal of Applied Services Marketing Perspectives*, 1 (2), October-December.
- Chinomona, R and Cheng, J (2013) "Distribution channel relational cohesion exchange model: a small-to medium enterprise manufacturer's perspective," *Journal of Small Business Management*, 51(2), 256-275
- Chiu, C.M.,Hsu, M.H., Lai, H., & Chang, C.M. (2012) "Re-examining the influence of trust on online repeat purchase intention: The moderating role of habit and itantecedent".*DecisionSupportSystem*,53(4),835845.<http://dx.doi.org/10.1016/j.dss.2012.05.021>.
- Erevells, S., Roy. A. and Vargo, S.L. (1999) "The use of price and warranty cues in product evaluation: a comparison of U.S. and Hongkong consumers", *Journal International Consumer Marketing*, 11(3), 67-91.
- Erickson, G.M. and Johansson, J.K. (1985) "The role of price in multi-attribute product evaluation", *Journal of Consumer Research*, 12(2), 195-199.
- Ettenson,R., and Klien, G.J. (1998) "The animosity model of foreign products purchase: an empirical test in the People's Republic of China". *Journal of Marketing*, 62(1), 89-109.
- Flavian, C, M. Guinaliu and E. Torres (2005) "The Influence of Corporate Image on Customer Trust: A Comparative Analysis in Traditional Versus Internet Banking", *Internet Research*, 15(4), 447-470.
- Feick, L.F. and Lind, L.P. (1987) "The market maven: a diffuser of marketplace information, *Journal of Marketing*, 51 (January), 83-97.
- Garvin, D.A. (1988) "*Managing Quality*". New York: The Free Press.
- Geven, D. and D. W. Straub (2004) "Consumer Trust in B2C e-Commerce and the Importance of Social Presense: Experiments in e-Products and e-Service", *Omega* 32(6), 407-424.
- Gurhan-Canli, Z., & Maheswaran, D. (2000) "Cultural variations in country of origin effects", *Journal of Marketing Research*, 37 (3), 309-317.

- Han, C.M. (1990) "Country image: halo or summary construct?", *Journal of Marketing Research*, 26 (5), 222-9.
- Hair, J.F., Black, W.C., Babin, B.J., and Anderson, R.E. (2010) *Multivariate Data Analysis*. Seventh Edition. Prentice Hall, Upper Saddle River, New Jersey.
- Haryono, S., and Wardoyo, P. (2012). *Structural Equating Modeling Untuk Penelitian Manajemen Menggunakan AMOS 18.00*. Bekasi: PT. Intermedia Personalia Utama.
- Haslinda, H., Teo Poh Kiong & Ainuddin, R.A. (2014) "Effects of perceived value and trust on customer loyalty towards foreign banks in Sabah, Malaysia". *Global Journal of Emerging Trends in e-Business, Marketing and Consumer Psychology (GJETeMCP) An Online International Research Journal* (ISSN: 2311-3170), Vol.1, Issue 2.
- Huang, J.H., Lee, B.C.Y., Ho, S.H. (2004) "Consumer attitude toward gray market goods". *International Marketing Review*, 21 (6), 598-614.
- Kim, J.O, Forsythe, S., Gu, Q and Moon, S.J. (2002) "Cross-cultural consumer values, needs and purchase behavior", *The Journal of Consumer Marketing*, 19(6), 481-500.
- Kim, T.T., Kim, W. G., and Kim, H. B (2009) "The effects of perceived justice on recovery satisfaction, trust, word-of-mouth, and review intention in upscale hotels". *Tourism Management*, 30(1), 51-62.
- Jimenez, N. H., & San Martin, S. (2010) "The role of country-of origin, ethnocentrism and animosity in promoting customer trust". The moderating role of familiarity. *International Business Review*, 19(1), 344-5. <http://dx.doi.org/10.1016/j.ibusrev.2009.10.001>.
- Johansson, J.K. (2000) *Global Marketing Foreign Entry, Local Marketing and Global Management*, Irwin McGraw-Hill.
- Josiassen, A. & Harzing, A.W. (2008) "Decending from the ivory tower: reflection on the relevance on future of country- of -origin research". *European Management Review*, 5, 264-270.
- Kinicki, A., & Robert, K. (2009) *Organizational Behavior Key Concepts, Skills, and Best Practices*. McGraw-Hill International Edition.
- Kinra (2006) "The effect of country-of-origin on foreign brand names in Indian market". *Marketing Intelligence and Planning*, 24 (1), 12-30.
- Kotler, P., S.H. Ang, S.M. Leong & C.T.Tan. (1999) *Marketing Management: An Asian Perspective*, 2nd ed, Prentice Hall.
- Lassar, W., Mital, B. and Sharma, A (1995) "Measuring customer based brand equity". *Journal of Consumer Marketing*, 12 (4), 11-19.
- Lee JW, and Tai SW (2009) "Determining product quality perceptions and their application to marketing standardization". The case of the automobile in Kazakhstan. *Int. J. Emerg. Mark*, 4(2): 119-136.
- Martinez, E., Polo, Y. and Chernatory, L. (2008) "Effect of Brand Extension Strategies in Brand Image: A Comparative Study of the UK and Spanish Markets". *International Marketing Review*, 25, 107-137.
- Mas'ud, F. (2004) *Survey Diagnosis Organisasional, Konsep dan Aplikasi*. Semarang: Badan Penerbit Universitas Diponegoro.
- Nagashima, A. (1970) "A comparison of Japanese and US attitudes toward foreign products". *Journal of Marketing*, 34, 68-74.

- Phau, I., Teah., M & Lee, A. (2009) Targeting buyers of counterfeits of luxury brands: A study on attitude of Singaporean consumers, *Journal of Targeting, Measurement and Analysis for Marketing*, 17 (1), 3-15.
- Rindell, A., Korkman, O., dan Gummerus, J. (2011) "The role of brand images in consumer practices: Uncovering embedded brand strength". *Journal of Product and Brand Management*, 20(6), 440-446. <http://dx.doi.org/10.1108/1061043111166586>.
- Rossiter, J.R. (2003) "How to construct a test of scientific knowledge in consumer behavior", *Journal of Consumer Research*, 30(2), 305-310.
- Roth, M.S. & Romeo, J.B. (1992) "Matching product category and country image perceptions a framework for managing country-of-origin effects". *Journal of International Business Studies*, 23 (3), 477-497.
- Ryu, K., Han.H.,and Kim, T.H. (2008) "The relationship among overall quick-causal restoran image, perceived value, customer satisfaction, and behavioral intentions". *Internationall Journal of Hospitality Management*, 27(3), 410-425.
- Schiffman, L.G., & Leslie, L.K. (2007) *Consumer Behavior* (9th ed.). Pearson Education Inc., Upper Saddle River, New Jersey.
- Schooler, R.D. (1965) "Product bias in the general American common market". *Journal of Marketing Research*, 2 (November), 394-7.
- Santoso, S. (2015) AMOS 22 untuk Structural Equation Modelling: Konsep Dasar Aplikasi. Jakarta: Elex Media Komputindo.
- Solomon, M. (2004) *Consumer Behavior: buying, having, and being*, Upper Saddle River, N.J.: Pearson Prentice Hall.
- Teas, R.K. and Argawal, S. (2000) "The effect of extrinsic product cues on consumer's perception quality, sacrifice and value". *Journal of Academy Marketing Science*, 28(2), 278-290.
- Tolonen, R.M. (2012) "roduct quality and value from consumer perspective: An application to wooden products", *Jurnal of Forest Economics*, 18, 157-173.
- Utama, D.B, (2007) "Membangun Merek, Membentuk Kepercayaan Konsumen, dan Menciptakan Loyalitas Merek". *Telaah Manajemen: Jurnal Riset dan Konsep Manajemen*, 2 (2), 122-135.
- Wu, J.J., Chen, Y.H., and Chung, Y.S. (2010) "Trust factors influencing virtual community members: a study of transactional communities". *Journal of Business Research*, 63 (9-10), 1025-1032.
- Yamin, S. and Kurniawan, H. (2009) *Structural Equation Modeling dengan Lisrel – PLS*. Jakarta: Penerbit Salemba.
- Yoon, Oh. Song, Kim, and Kim, (2014) "Higher quality or low price? How value increasing promotions affect retailer reputation via perceived value". *Journal of Business Research*. 67(10), 2088-2096.
- Yu, J. & Albaum, G. (1999) "Effects of change of *sovereignty* on consumer ethnocentrism and product preference in Hongkong". *Journal of Euromarketing*. 8 (1), 63-82.