

The Influence of Product Attributes, Brand Image, and Service Qualityon Digital Marketing Mediated Purchasing Decisions (Case Study on Lamongan Regency Car Showroom)

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ABSTRACT

This study aims to analyze the influence of product attributes, brand image, and service quality on purchase decisions mediated by digital marketing at car showrooms in Lamongan Regency. This study uses a quantitative approach with the Partial Least Square-Structural Equation Modeling (PLS-SEM) method using the SmartPLS application. Data was collected from 194 respondents who were car buyers consumers at 25 car showrooms in Lamongan Regency using purposive sampling techniques. The results showed that: (1) product attributes had a positive and significant effect on purchase decisions (T-statistic = 2,997; P = 0.003); (2) brand image has a positive and significant effect on purchase decisions (T-statistic = 2,231; P = 0.026); (3) service quality has a positive and significant effect on purchasing decisions (T-stats = 2,719; P = 0.007); (4) digital marketing has a positive and significant effect on purchasing decisions (T-statistic = 3,947; P = 0.000); (5) product attributes have a significant effect on digital marketing (T-stats = 4,861; P = 0.000); (6) brand image has a significant effect on digital marketing (T-stats = 10,122; P = 0.000); (7) service quality has a significant effect on digital marketing (T-statistic = 2,680; P = 0.008). In addition, digital marketing has been proven to partially mediate the relationship between product attributes, brand image, and service quality to purchase decisions. The R-Square value for digital marketing is 0.834 and the purchase decision is 0.881, indicating that the model has strong predictive power.

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INTRODUCTION

The rapid advancement of information technology has fundamentally changed consumer behavior patterns, including in purchasing decision-making. Competition in the automotive industry in Indonesia, especially at the district level, is getting tighter as the number of showrooms and vehicle brands variety increase offered to consumers. In this context, car showroom business actors are required to understand the factors that affect consumer purchasing decisions in order to maintain their business competitiveness.

Consumer purchasing decisions are one of the most important aspects of a company's marketing strategy. According to Kotler and Keller (2012), the purchase decision is a process in which consumers go through five stages, namely problem recognition,

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information search, alternative evaluation, purchase decision, and post-purchase behavior. Various factors also affect the process, including product attributes, brand image, and service quality.

In today's digital era, marketing strategies are no longer limited to conventional media. Digital marketing has become an effective means of promotion because it makes it easier for companies to promote products while making it easier for consumers to get information. The presence of digital platforms opens up great opportunities for car showrooms to reach a wider range of consumers. However, the optimal use of digital marketing requires a deep understanding of how product attributes, brand image, and service quality interact with each other in influencing consumer decisions.

This study aims to analyze the influence of product attributes, brand image, and service quality on purchase decisions mediated by digital marketing at car showrooms in Lamongan Regency using the Partial Least Square-Structural Equation Modeling (PLS-SEM) method.

Literature Review and Problem Formulation

Product attributes are the benefits offered to consumers, which are communicated and conveyed through product quality, features, style, and design (Kotler and Armstrong, 2016). Products with strong attributes are a special attraction for consumers in making a purchase decision. Meanwhile, brand image is the perception and trust of consumers in a brand, which reflects the strength, uniqueness, and favorability of the brand in the minds of consumers (Kotler and Keller, 2020). Brands with positive imagery have been proven to consistently increase consumer preference and loyalty.

Service quality is the service provided to customers in accordance with the standards that have been set, including the dimensions of tangibles, reliability, responsiveness, assurance, and empathy (Lupiyoadi and Hamdani, 2019). Good service quality is proven to drive customer satisfaction and repurchase decisions. Digital marketing is a way of promoting products and services through internet media with the aim of increasing sales, marketing, building branding, and establishing relationships with customers (Sadilah, Rahayu, and Zunaida, 2019). Digital marketing indicators include accessibility, interactivity, entertainment, credibility, and informativeness (Aryani, 2021).

Research conducted by Mohammad Yaskun and his research colleagues shows that product quality, promotion, and product innovation have an influence on consumer purchasing decisions. The results of the study explained that consumers tend to make purchases if the products offered have attributes that suit their needs and are supported by an effective marketing strategy. These findings indicate that product attributes and marketing activities, including digital marketing, can be important factors in influencing consumer purchasing decisions.

Based on the literature review, this study identified a research gap in the form of limited research that integrates the role of digital marketing as a mediating variable between product attributes, brand image, service quality, and purchase decisions, especially in the automotive sector in the district. Therefore, this study formulates eight hypotheses: (H1) product attributes have a significant effect on purchasing decisions; (H2) brand image

has a significant effect on purchase decisions; (H3) service quality has a significant effect on purchase decisions; (H4) digital marketing has a significant effect on purchasing decisions; (H5) product attributes have a significant effect on digital marketing; (H6) brand image has a significant effect on digital marketing; (H7) service quality has a significant effect on digital marketing; and (H8) digital marketing mediates the influence of product attributes, brand image, and service quality on purchase decisions.

RESEARCH METHODS

This study uses a quantitative approach with the Partial Least Square-Structural Equation Modeling (PLS-SEM) analysis method using SmartPLS software. This method was chosen because it is able to test complex models with latent variables simultaneously and does not require strict data distribution assumptions (Ghozali, 2014). The research population is residents of Lamongan Regency who have purchased cars at showrooms in the region, with a total population of 1,250,014 people.

Sampling was carried out using a purposive sampling technique with the criteria of consumers who have bought cars at showrooms in Lamongan Regency. The number of samples was set at 194 respondents, which were taken from 25 car showrooms (7–8 respondents per showroom). Primary data were collected through a questionnaire using a Likert scale of 1–5 (1 = strongly disagree to 5 = strongly agree). The research variables consisted of: independent variables (product attributes/X1, brand image/X2, service quality/X3), mediation variables (digital marketing/Z), and dependent variables (purchase decisions/Y).

Model testing was carried out through two stages: (1) outer model, including convergent validity (outer loading > 0.70 and AVE > 0.50), discriminant validity (cross loading), and reliability test (composite reliability > 0.70 and Cronbach's Alpha > 0.60); and (2) inner model, including R-Square and path coefficient. Hypothesis testing was carried out by looking at the t-statistical value (> 1.96) and P-value (< 0.05) at a significance level of 5%. The mediation test is carried out to identify the type of mediation (partial or full mediation).

RESULTS AND DISCUSSION

Characteristics of Respondents

Of the 194 respondents, the majority were male (162 people; 84%), aged 31–40 years old (92 people; 48%), and employed as private employees (115 people; 59%). These findings show that car buyer consumers in Lamongan Regency are dominated by men of productive age who work in the private sector, who have high mobility needs as well as adequate purchasing power.

Validity and Reliability Tests

The results of the outer model test showed that all indicators had an outer loading value above 0.70 and an AVE value above 0.50, thus meeting the convergent validity requirements. Discriminant validity is also fulfilled based on the significant cross loading value in each construct. Table 1 presents the results of reliability and validity tests.

Table 1. Construct Reliability and Validity Test Results

Variable	Composite Reliability	Cronbach's Alpha	AVE	Remarks
Product Attributes (X1)	0.912	0.884	0.633	Reliable & Valid
Brand Image (X2)	0.912	0.884	0.635	Reliable & Valid
Quality of Service (X3)	0.925	0.902	0.673	Reliable & Valid
Purchase Decision (Y)	0.924	0.901	0.670	Reliable & Valid
Digital Marketing (UK)	0.916	0.890	0.647	Reliable & Valid

All variables had a Composite Reliability value of > 0.90 and Cronbach's Alpha > 0.88 , indicating excellent instrument reliability. AVE values range from 0.633–0.673, meeting the minimum standard of 0.50.

Structural Models and Hypothesis Testing

The results of R-Square showed a value of 0.834 for the digital marketing variable and 0.881 for the purchase decision variable, both of which were categorized as strong (Ghozali, 2014). This means that the variables of product attributes, brand image, and service quality together are able to explain 83.4% of digital marketing variance and 88.1% of purchase decision variance. Table 2 presents the results of the path coefficient test.

Table 2. Path Coefficient (Direct Effect) Test Results

Hypothesis	Pathway	Original Sample	T-Statistics	P-Values	Remarks
H1	X1 $\rightarrow$ Y	0.228	2.997	0.003	Accepted
H2	X2 $\rightarrow$ Y	0.240	2.231	0.026	Accepted
H3	X3 $\rightarrow$ Y	0.194	2.719	0.007	Accepted
H4	Z $\rightarrow$ Y	0.333	3.947	0.000	Accepted
H5	X1 $\rightarrow$ Z	0.345	4.861	0.000	Accepted
H6	X2 $\rightarrow$ Z	0.766	10.122	0.000	Accepted
H7	X3 $\rightarrow$ Z	-0.191	2.680	0.008	Accepted

Based on Table 2, all seven hypotheses are accepted. Product attributes have a positive and significant effect on purchase decisions ($\beta = 0.228$; $p = 0.003$) and digital marketing ($\beta = 0.345$; $p = 0.000$). Brand image has the greatest influence on digital marketing ($\beta = 0.766$; $p = 0.000$) and is also significant on purchasing decisions ($\beta = 0.240$; $p = 0.026$). The quality of service had a significant effect on purchase decisions ($\beta = 0.194$; $p = 0.007$) and on digital marketing in a negative direction ($\beta = -0.191$; $p = 0.008$), indicating that improving the quality of service directly encourages purchase decisions more than through digital platforms. Digital marketing consistently has a positive and significant effect on purchasing decisions ($\beta = 0.333$; $p = 0.000$).

Mediation Test

Table 3. Specific Indirect Effect Test Results (Mediation)

Mediation Pathway	Original Sample	T-Statistics	P-Values	Types of Mediation
X1 → Z → Y	0.115	3.542	0.000	Partial Mediation
X2 → Z → Y	0.255	3.314	0.001	Partial Mediation
X3 → Z → Y	-0.063	2.105	0.036	Partial Mediation

The results of the mediation test in Table 3 show that digital marketing mediates partially (partial mediation) the influence of product attributes ($\beta = 0.115$; $p = 0.000$), brand image ($\beta = 0.255$; $p = 0.001$), and service quality ($\beta = -0.063$; $p = 0.036$) on purchase decisions. Partial mediation occurs because the direct influence of exogenous variables on purchasing decisions remains significant even after controlling for digital marketing mediation variables.

Discussion

The positive influence of product attributes on purchasing decisions is in line with the research of Oscar et al. (2020), which states that increasing product attribute qualifications consistently drives consumer purchase decisions. Car showroom consumers make attributes such as quality, features, and vehicle design as the main considerations in choosing products that suit the needs and sacrifices given.

The influence of brand image on purchasing decisions is consistent with the findings of Yunita et al. (2022) that a strong brand drives consumer buying interest. In the context of a car showroom, brands that are known to have a good reputation, uniqueness, and ease of recall by consumers significantly increase the chances of purchase transactions.

The quality of service has been proven to have a positive effect on purchasing decisions, supporting the research of Priyadi et al. (2024) that excellent service increases customer satisfaction and ultimately encourages purchases. An interesting finding is the negative direction of the influence of service quality on digital marketing, which indicates that consumers with excellent direct service experiences tend to rely less on digital information in making decisions.

The mediating role of digital marketing confirms the research of Dwi Putri et al. (2024) that digital marketing effectively strengthens the relationship between marketing factors and purchasing decisions. The use of digital platforms allows showrooms to reach a wider range of consumers and strengthens consumer perception of product attributes and brand image being promoted.

CONCLUSION

This study has succeeded in proving that product attributes, brand image, and service quality have a positive and significant effect on consumer purchase decisions at car showrooms in Lamongan Regency. In addition, these three variables also have a significant effect on digital marketing, with brand image as the strongest predictor ($\beta = 0.766$). Digital marketing has been proven to partially mediate the influence of product attributes, brand image, and service quality on purchase decisions.

This research model has strong predictive power, shown by the R-Square digital marketing value of 83.4% and purchase decisions of 88.1%. The managerial implication of this study is that car showroom owners need to maintain and improve the quality of product attributes, build a positive brand image, and provide excellent service, while maximizing the use of digital platforms to expand marketing reach. Follow-up research is recommended using a larger sample and adding other variables that could potentially influence purchasing decisions, such as pricing and promotions.

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