THESIS ADVISER RECOMMENDATION LETTER

This thesis entitled **"The Analysis of Factors Influences Customer Buying Decision of Toyota Car in Lippo Cikarang, West Java"**prepared and submitted by Muhammad Ichsan in partial fulfillment of requirements for the degree of Bachelor of Science in the Faculty of Economics has been reviewed and found to have satisfied the requirements for a thesis fit to be examined. We therefore recommend this thesis for Oral Defense.

Cikarang, Indonesia, March 2012

Acknowledged by,   Recommended by,

Irfan Habsjah,MBA.CMA   **Suresh Kumar, S.T,M.Si**

Head of Management Study Program   **Thesis Adviser**

DECLARATION OF ORIGINALITY

I declare that this thesis,entitled **"The Analysis of Factors Influences Customer Buying Decision of Toyota Car in Lippo Cikarang, West Java"** is, to the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part to another university to obtain a degree.

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Cikarang, Indonesia, March 2012

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Muhammad Ichsan

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PANEL OF EXAMINERS APPROVAL SHEET

The Panel of Examiners declare that the thesis entitled **"The Analysis of Factors Influences Customer Buying Decision of Toyota Car in Lippo Cikarang, West Java"** that was submitted by Muhammad Ichsan in Marketing from the Faculty of Economics was assessed and approved to have passed the Oral Examination on March 2012.

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ABSTRACT

Toyota is the most successful car company in the world today, it's a worldwide brand know by everyone living in civilization. The main aim of this research is to find out why Toyota is so successful worldwide. More specifically to find out: what influences the success of Toyota and how to increase it in the near future to keep Toyota at its climax.

This study was conducted in Cikarang and all of my respondents are Toyota owners who service their cars in Lippo Cikarang. The total number of respondents used in this thesis is 150 people. The researcher gave them a questionnaire in the form of a likert scale containing five different sections. Furthermore, to find the influences factors, analysis factor is using as statistical tools in this study. The empirical result shown the factors: Toyota provides a high level of vehicles and low level for cost services. Toyota gives outstanding service with a great value for money, they also have strategic promotional materials. Toyota have a very strong perception in peoples mind with a local and global advertising strategy. Toyota have many forms of creative promotion to get people interested in Toyota. Toyota show room is user friendly, with multinational advertising and it is rated highly in Indonesia. Toyota outstanding performance level is a good investment. Toyota is innovative because they have many new models coming out, with a high level of security and the last but not least Toyota all in all gives a cheap service and running price.

ACKNOWLEDGEMENT

Alhamdulillah, Praise to God Almighty, Allah SWT who has given me everything through study opportunity in this well.

With special thanks to my parents, you are my strongest motivation to be success someday; your love and affection will be eternally in my heart. For my love sister and brother, thanks for incomming calls and your voices there impulse me to do the best and I am proud having both of you.

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SPSS = *Statistical Package for the Social Sciences*

MSI = *Method Successive Interval*

CHAPTER I
INTRODUCTION

1.1.   Background of Study

Nowadays there are so many brands of cars such as Toyota, Honda, Mazda, Nissan, BMW, Mercedes, Audi, Ford, Vauxhall.etc. Every brand has their positioning in customers mind, customers choose their own car, either consumer want from design, features, and price or even it's kind of a popular nowadays. Marketers or sellers should know about criteria or characteristic of cars that customer wanted that influence customer in their buying decision. Cars reach every level of market segment, it's like almost everybody has a car nowadays, and for the car company this is like competition, companies compete with each other to get attention from customer and absolutely because of this competition create innovation behind it. With those innovations every company can survive and by creating awareness in customer knowledge the company can maintain good relation to their customer.

The competition of car is becoming hot nowadays as people see during these few years especially between Toyota and GM, while Toyota performed well in its home market of Japan, the company's share of the crucial American market fell and analysts predict that GM will reclaim the title of the world's biggest manufacturer - the title it held for 80 years until 2008 – in 2011 as Toyota attempts to rebuild its reputation in America and Europe (theweek.co.uk).

In recent years the press has kept a close eye on the big three north American brands. Due to their decrease in sales these companies are now turning to the public and asking for financial support. This is because during the past few years there sales are slowly decreasing, if this continues they face the possibility of going bankrupt and becoming extinct in the near future. One of the main reasons that these companies may fail is because they are not being innovative enough. As the demand for petrol is increasing and so is the price simultaneously. These big

American companies have failed to adapt to the changing taste and needs of their customers, where Toyota is always there with a creative new idea.

The secret of the success behind Toyota is that they look far ahead in the future not just the next few months like their competitors. So the latest trend now in cars the hybrid version this is a new innovation in our century. However Toyota does not just stop here, Toyota is always willing to go that extra mile. They are always finding was to jump ahead of the current trend and not to follow it. This is so that they remain the market leader.

Table 1.1: Car Sales in Indonesia

No	Brands	2011	2010
		Units	
1.	Toyota	310.674	280.680
2.	Daihatsu	139.544	118.591
3.	Mitsubishi	134.416	106.483
4.	Suzuki	94.569	71.210
5.	Nissan	56.137	40.277
6.	Honda	45.416	61.336
7.	Isuzu	28.746	24.012
8.	Hino	24.652	21.297
9.	Ford	15.670	8.871
10.	Kia	9.081	6.550
11.	Mazda	8.933	6.012
12.	Hyundai	4.786	5.041
13.	Chevrolet	4.658	4.508
14.	Mercedes- Benz	4.548	4.558
15.	UD Trucks	3.045	-
16.	Proton	1.926	2.126
17.	BMW	1.551	1.240
18.	Geely	1.033	-
19.	Chrysler	882	112
20.	Hyundai Truck	765	-

Source: http://autoblogindonesia.wordpress.com

As seen in the table Toyota is completely dominating sales in Indonesia. Toyota has a big market gap from the other car companies in terms of sales. Everybody is familiar with the brand name Honda, it's one of the most successful car

companies in the world. As seen from the table above that Honda's sales have decreased if compare 2011 sales to 2010. This can be according to many things but the researcher did not go into further detail about that. From the table above shows that during the year 2011 three new car companies entered the Indonesian market. They of course have taken up some of the share of cars in Indonesia, reducing the possibility of Toyotas shares increasing. So what the writer has considered here is the fact that so many car brands are coming into Indonesia every year, especially Chinese brand cars with a cheaper price. Amazingly Toyota is still the market leader. That's trigger the curiosity of the researcher to find out what the main factors that make people keep on buying it.

1.2.   Company Profile

In 1924 Sakichi Toyoda invented the Toyoda Model G Automatic Loom. The principle of Jidoka, which means that the machine stops itself when a problem occurs, became later a part of the Toyota Production System. Looms were built on a small production line. In 1929, the patent for the automatic loom was sold to a British company, generating the starting capital for the automobile development.

Vehicles were originally sold under the name "Toyoda" from the family name of the company's founder, Kiichirō Toyoda. In April 1936, Toyoda's first passenger car, the Model AA was completed. The sales price was 3,350 yen, 400 yen cheaper than Ford or GM cars.

In September 1936, the company ran a public competition to design a new logo. Out of 27,000 entries the winning entry was the three Japanese katakana letters for "Toyoda" in a circle. But Risaburō Toyoda, who had married into the family and was not born with that name, preferred "Toyota" because it took eight brush strokes (a fortuitous number) to write in Japanese, was visually simpler (leaving off the diacritic at the end) and with a voiceless consonant instead of a voiced one (voiced consonants are considered to have a "murky" or "muddy" sound compared to voiceless consonants, which are "clear").

Since "Toyoda" literally means "fertile rice paddies", changing the name also prevented the company being associated with old-fashioned farming. The newly formed word was trademarked and the company was registered in August 1937 as the "Toyota Motor Company".

From September 1947, Toyota's small-sized vehicles were sold under the name "Toyopet". The first vehicle sold under this name was the Toyopet SA but it also included vehicles such as the Toyopet SB light truck, Toyopet Stout light truck, Toyopet Crown and the Toyopet Corona. However, when Toyota eventually entered the American market in 1957 with the Crown, the name was not well received due to connotations of toys and pets. The name was soon dropped for the American market but continued in other markets until the mid 1960s.

Toyota received its first Japanese Quality Control Award at the start of the 1980s and began participating in a wide variety of motorsports. Due to the 1973 oil crisis, consumers in the lucrative US market began turning to small cars with better fuel economy. American car manufacturers had considered small economy cars to be an "entry level" product, and their small vehicles employed a low level of quality in order to keep the price low.

By the early sixties, the US had begun placing stiff import tariffs on certain vehicles. The Chicken tax of 1964 placed a 25% tax on imported light trucks. In response to the tariff, Toyota, Nissan Motor Co. and Honda Motor Co. began building plants in the US by the early eighties.

In 1982, the Toyota Motor Company and Toyota Motor Sales merged into one company, the Toyota Motor Corporation. Two years later, Toyota entered into a joint venture with General Motors called NUMMI, the New United Motor Manufacturing, Inc, operating an automobile-manufacturing plant in Fremont, California. The factory was an old General Motors plant that had been closed for two years. Toyota then started to establish new brands at the end of the 1980s, with the launch of their luxury division Lexus in 1989.

In the 1990s, Toyota began to branch out from producing mostly compact cars by adding many larger and more luxurious vehicles to its lineup, including a full-sized pickup, the T100 (and later the Tundra); several lines of SUVs; a sport version of the Camry, known as the Camry Solara; and the Scion brand, a group of several affordable, yet sporty, automobiles targeted specifically to young adults. Toyota also began production of the world's best-selling hybrid car, the Prius, in 1997.

With a major presence in Europe, due to the success of Toyota Team Europe, the corporation decided to set up TMME, Toyota Motor Europe Marketing & Engineering, to help market vehicles in the continent. Two years later, Toyota set up a base in the United Kingdom, TMUK, as the company's cars had become very popular among British drivers. Bases in Indiana, Virginia and Tianjin were also set up. In 1999, the company decided to list itself on the New York and London Stock Exchanges.

In 2001, Toyota's Toyo Trust and Banking merged with two other banks to form UFJ Bank, which was accused of corruption by the Japan's government for making bad loans to alleged Yakuza crime syndicates with executives accused of blocking Financial Service Agency inspections. The UFJ was listed among Fortune Magazine's largest money-losing corporations in the world, with Toyota's chairman serving as a director. At the time, the UFJ was one of the largest shareholders of Toyota. As a result of Japan's banking crisis, UFJ merged with the Bank of Tokyo-Mitsubishi to become the Mitsubishi UFJ Financial Group.

In 2002, Toyota managed to enter a Formula One works team and establish joint ventures with French motoring companies Citroën and Peugeot a year after Toyota started producing cars in France. Toyota ranked eighth on Forbes 2000 list of the world's leading companies for the year 2005 but slid to 55 for 2011. The company was number one in global automobile sales for the first quarter of 2008.

On December 7, 2004, a US press release was issued stating that Toyota would be offering Sirius Satellite Radios. However, as late as January 27, 2007, Sirius Satellite Radio and XM Satellite radio kits were not available for Toyota factory radios. While the press release enumerated nine models, only limited availability existed at the dealer level in the US. As of 2008, all Toyota and Scion models have either standard or available XM radio kits. Major Lexus dealerships have been offering satellite radio kits for Lexus vehicles since 2005, in addition to factory-equipped satellite radio models.

In 2007, Toyota released an update of its full size truck, the Tundra, produced in two American factories, one in Texas and one in Indiana. "Motor Trend" named the Tundra "Truck of the Year," and the 2007 Toyota Camry "Car of the Year" for 2007. It also began the construction of two new factories, one to build the RAV4 in Woodstock, Ontario, Canada and the other to build the Toyota Prius in Blue Springs, Mississippi, USA. This plant was originally intended to build the Toyota Highlander, but Toyota decided to use the plant in Princeton, Indiana, USA, instead. The company has also found recent success with its smaller models—the Corolla and Yaris—as gasoline prices have risen rapidly in the last few years.

1.2.1. History of Toyota in Indonesia

Jakarta, Indonesia, April 19, 2011—Toyota Motor Corporation (TMC) announces that PT. Toyota Motor Manufacturing Indonesia (TMMIN) and PT. Toyota-Astra Motor (TAM), respectively TMC manufacturing and sales subsidiaries in Indonesia, marked 40 years of operations in Indonesia today. As part of the commemorations, TMMIN and TAM held an opening ceremony here for Toyota Eco-Island, an environmental preservation park.

Toyota Eco-Island is designed to serve as a place to learn about environmental protection, and it gives people from a young age the opportunity to get in contact with flora and fauna to heighten their environmental awareness. The trees within

the park are the product of tree-planting activities funded by a portion of Toyota-brand new-car sales in Indonesia.

Attendees at the park's opening ceremony included the Indonesian vice Minister of National Education Fasli Jalal and TAM President and TMMIN Vice President Johnny Darmawan Danusasmita. In his speech, Johnny Darmawan Danusasmita emphasized TMMIN and TAM's social contribution activities in the areas of environmental preservation, traffic safety and personnel development over the past 40 years, and conveyed the two companies' commitment to be a good corporate citizen in Indonesia and further strengthen their social contribution activities.

TMC established PT. Toyota Astra Motor in Indonesia in 1971, and in 1977 began producing and selling the "Kijang", a multipurpose van developed for Indonesian consumers; the Kijang marked cumulative production of 1 million units in 2003. In 2004, production of the "Kijang Innova", developed under the IMV (Innovative International Multi-purpose Vehicle) Project, began, making Indonesia an important production and supply location for the IMV Project.

In the Toyota Global Vision announced in March, TMC expressed its intention to strengthen its activities in emerging markets. TMC is determined to produce vehicles that exceed consumer expectations, and aims to be welcomed as a good neighbor and contributing member of society by helping build prosperous communities wherever it does business.

1.3. Problem Identification

This research is about to find "now days there is so many car companies out there in the market. The point here is to find out what affects people buying decision before buying a Toyota instead of other competitor brands. For the past 80 years the number one car company has been GM motors they have completely dominated the market with their products.

Through a shrewd combination of investing in environment-friendly vehicles, offering sharp new models and wooing drivers with brand power, Toyota has toppled GM from the top global sales spot for the first time ever.

Toyota has done a lot of innovative stuff to become the number one car company. They are always moving forward and thinking in the long run. Toyota does not only think about profit but also think about their customers and how their customers feel. In order for Toyota to stay number one and not be defeated they need to be creative and always look forward. This is why the researcher is carrying this research to find out what factors are influences the sales and how they can remain market leader.

From table 1.1 the researcher can see that Toyota's sales have increased, from the table it shows many other car brand have also increased their market. This can become something that Toyota need to keep an eye on. If they all keep increasing then there is a possibility that Toyota's market share can be dividing amongst other competitors since Toyota has the biggest market share in Indonesia.

1.4.   Statement of Problem

Based on statement problems, the problems that will be tested and evaluated in this research can be formulated in the form of questions as stated below:

- What are the factors influencing people to buy Toyota again?

1.5.   Research Objectives

This thesis objective is to find out the factors that influence customer purchasing decision in Lippo Cikarang area.

1.6.   Significance of Studies

Result of this research hopefully can obtain some other benefit such as:

1.   This research result could be information or input to academic in marketing subject focusing analysis factor influences of Toyota car.
2.   This research result hopefully can increase writes knowledge about customer buying decision and assembling in the real world.
3.   This research result could be references to another research further.
4.   This research could be one of alternative evaluation for other automotive manufacturers to become market leader or at least compete with Toyota.

1.7.   Theoretical Framework

Basically customer purchase or rent a product or service to satisfy one or more of four basic human needs: physical, emotional, mental and spiritual needs. One of physical need is mobility, the one that pick people from one area to another area according to (Dickson, 2007).

(Kotler and Amstrong, 2006) says: Customers make many buying decision every day. Most large companies research customer buying decision in great detail to answer the questions about what consumer buy, where they buy, how and how much, when they buy and why they buy. The researcher can study actual consumer purchases to find out what they buy, where and how much. But learn about the whys of customer buying behavior is not so easy; the answers are often locked deep within the customers mind. The customers themselves don't know exactly what influence their purchases. "Buying decision is made at an unconscious level," says the analyst, and the customer doesn't generally give very reliable answer if you simply ask them, 'why did you buy this?

According to (Kotler & Armstrong, 2006) the central question for researcher is: How the consumer respond to various marketing efforts the company might use?

The starting point is the marketing stimulus response model of buyer behavior. Marketing stimuli consist of Four Ps: product, price, place and promotion.

According to the theory (Kotler & Keller ,2006) a brand is a name , term, sign, symbol, or design, or a combination of these, that identifies the maker or seller of a product or service and differentiates them from those of competitors. Branding helps buyers in many ways, brand names help consumers identify product that might benefit them, brand also say something about product quality and consistency. Brand awareness is a capability of buyer candidate to knowing or remembering that brand is part of product category. In this content the researcher take five indicators that influence customers to buy the product, the main variable are product, price, place, promotion and brand, and the theoretical framework of this research will be like chart below:

Figure 1.1: Theoretical Framework of Research
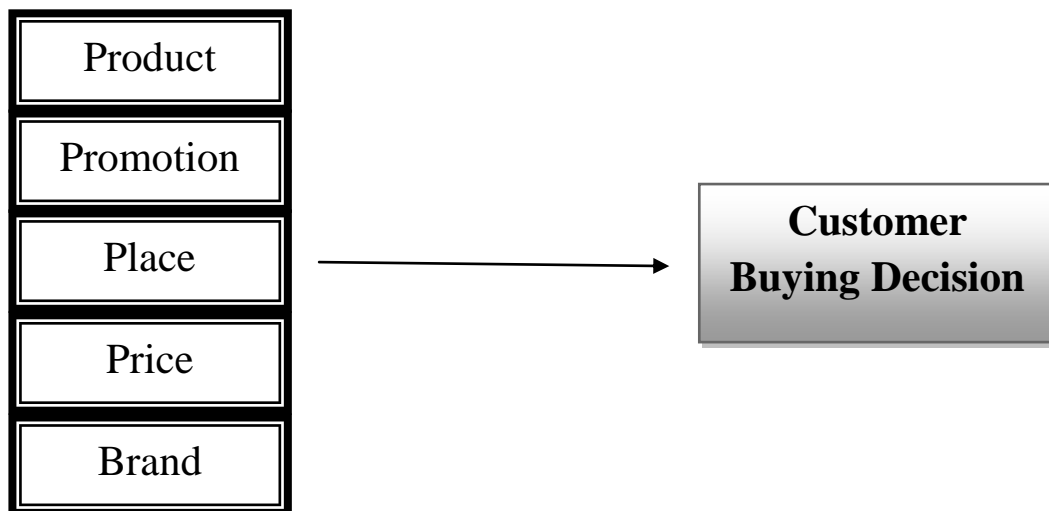
Source: Self-constructed

1.8.   Scope and Limitation of Studies

The scope and limitations of the study are made in order to identify the areas that covered and those areas which are not covered by this analysis. It defines the limitations, boundaries, or constraints of this analysis; this is about how to analyze factor influences to Toyota customer in Lippo Cikarang.

1) The limitation of this thesis is that the researcher is only focusing on the Lippo Cikarang area. In addition to this the researcher cannot identify exactly which cars are from Jakarta and which are from Cikarang because they all use the same plate code "B".

2) Another problem that the researcher has come across whilst conducting this thesis is the time frame given. During the past semester students were given four months to complete the thesis. During this semester the writer was only given just over a month, which is considered as a violation by the writer.

3) The other critical problem the researcher faced whilst writing this thesis is the fact that the stuff at Lippo Cikarang Toyota did not want to share too much info about sales etc. This made the writers work slightly harder.

CHAPTER II
LITERATURE REVIEW

2.1. Buying Decision

Three basic psychological processes play an important role in understanding how consumers actually make their buying decision. Smart companies try to fully understand the customers buying decision process, all the experiences in learning, choosing, using, and even disposing of product.

Kotler and Keller (2011)opinion about buying decision created a "stage models" of the buying decision processes, the customer passes through five stages as in Figure 2.1 below:

Figure 2.1: Five Stages Models Consumer Buying Process

```
┌─────────────────────────┐
│   Problem Recognition    │
└─────────────────────────┘
             │
┌─────────────────────────┐
│   Information Search     │
└─────────────────────────┘
             │
┌─────────────────────────┐
│      Evaluation of       │
│      Alternative         │
└─────────────────────────┘
             │
┌─────────────────────────┐
│     Buying Decision      │
└─────────────────────────┘
             │
┌─────────────────────────┐
│  Post purchase Behavior  │
└─────────────────────────┘
```
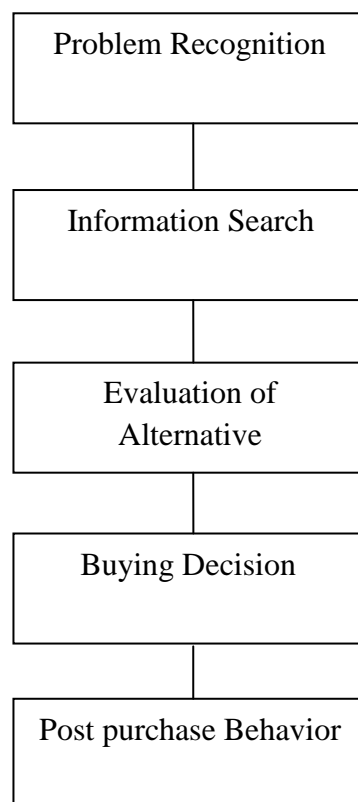
Source: Kotler and Keller 2011

a.   Problem Recognition

This is an early stage where someone feels need and desire to be fulfilled

The buying process stars when the buyer recognizes a problem or need triggered by internal or external stimuli. With an internal stimulus, one of the person's normal needs like hunger, thirst, sex and etc rises to a threshold level and becomes drive.

b.   Information Search

When someone has a sense of need, they will seek information related to the product or service .Surprisingly, consumers often search for limited amounts of information. Survey have shown that for disabilities, half of all consumers look at only one store, and only 30% look at more than one brand of appliances. Major information sources to which consumers will turn fall into four groups: personal such as family or friends, commercial such as advertisement or web-sites, public such as mass-media, and experiential such as handling or examining.

c.   Evaluation of Alternatives

After obtaining enough information, the consumer is evaluating the alternatives. In evaluating, the consumer can use rigorous calculation and think about the product that they will purchase, but sometimes consumer just rely on their intuition. Some basic concepts will help researcher understand consumer evaluation processes: First, the consumer is trying to satisfy a need. Second, the consumer is looking for certain benefits from the product solution. Third, the consumer sees each product as a bundle of attributes with varying abilities for delivering the benefits sought to satisfy this need. The attributes of interest to buyers vary by products.

d.   Buying Decision

When consumers decide sometimes there was individual specific behavior, that situation depends on other person attitude. A consumers decision to modify, postpone, or avoid a purchase decision is heavily influenced by perceived risk. Consumers may perceive many type risks in buying and consuming a product

such as functional risk, physical risk, financial risk, social risk, psychological risk and time risk

e.   Post purchase Behavior

After the purchase the consumer might experience dissonance that stems from noticing certain, disquieting features or hearing favorable things about the other brands and will be alert to information that supports his or her decision.

Consumers don't always pass though all five stages in buying a product. They may skip or reverse some. When people buy regular brand of toothpaste, they go directly from the need for toothpaste to the purchase decision, skipping information search and evaluation (Kotler and Keller, 2011)

2.2. Marketing Mix

Kotler & Armstrong (2006) argue that the marketing mix is "a set of controllable variable that the firm blends to produce the response its wants in the target market". Brownlie & Saren (2005) describes the marketing mix as how the enterprise offers its products and services to its target market. It can be concluded that the overall aim or objective of the 7P's model (product, price, place, promotion, people, physical, and process) is to allow the organization to build and sustain a competitive advantage in the market place (Collier 2005). The 7P's are generally used in marketing strategy formulation because the model is supposed or perceived to be flexible enough and can be integrated in different combinations to fulfill the above-mentioned objective. According to Pelton & Lumpkin (2002) The marketing mix offers a means by which product, price, promotion and place variables can assembled to meet channel needs. However the researcher only focus on 4p's to be research in this thesis.

2.3. The 7Ps are:

- Product (or Service)
- Place
- Price
- Promotion
- People
- Physical
- Process

The ' Ps' consist of the following:

2.3.1. Product

A definition for product offered by Kotler (2006) suggests that it is anything that can be offered to a market for attention, acquisition, use or consumption; it includes physical objectives, services, personalities, places, organization services and ideas"

In the marketing mix, the product or service is the most important element. There is an old saying in marketing: "Without a good product, you have nothing." Product is directly related to satisfying the customer needs and wants in the target market. Customers acquire products for the singular reason that they are perceived as the means to satisfying their needs and wants. (Kazmi 2007)

According to Pelton & Lumpkin (2002) Product is unique bundle of intangible and tangible attributes offered en messe to customers. In narrow sense, a product is a set of attributes assembled in an identifiable form. Each product is identified by a commonly understood descriptive or generic name, such as steel, insurance, tennis rackets or entertainment. (Stanton & Walker 2005)

2.3.1.1. Product life-cycle

Every product is subject to a life-cycle including a growth phase followed by a maturity phase and finally an eventual period of decline as sales falls. Marketers must do careful research on how long the life cycle of the product they are marketing is likely to be and focus their attention on different challenges that arise

as the product moves through each stage. The product life-cycle concept likens the life of a product to that living organism, with a birth stage, a growth stage, a mature stage and a decline (death) stage (Dickson 2007).

Based on Kotler and Amstrong (2006) theory: Product life-cycle is the course that a products sales and profit take over its life time. The product life cycle has five distinct stages:

1. Product development begins when the company finds and develops a new product idea. During product development, sales are zero and the company's investment cost mount.

2. Introduction is a period of slow sales growth as the product is introduced in the market. Profits are nonexistent in this stage because of the heavy expenses of product introduction.

3. Growth is a period of rapid market acceptance and increasing profits.

4. Maturity is period of slowdown in sales growth because the product has achieved acceptance by most potential buyers. Profits level off or decline because of increased marketing outlays to defend the product against competition.

5. Decline is the period when sales fall off and profits drop.

2.3.2. Price

Price is the only variable in the marketing mix that must be set in relationship to the other three P's. Kotler (2006). Pricing decisions are almost always made in consultation with marketing management. Price is the only marketing mix variable that can be altered quickly. (Kazmi 2007)

Price is the amount of money customers have to pay to obtain the product. Ford calculates suggested retail prices that its dealers might charge for each Escape. But Ford dealers rarely charge the full sticker price. Instead, they negotiate the price with each customer, offering discounts, charge in allowances, and credit terms. These actions adjust prices for the current competitive situation and bring them into line with the buyers' perception of the cars value (Kotler & Armstrong

2008). Price is the amount of money and other items with utility needed to acquire a product (Stanton and Walker 2005). Price is the ultimate measure of goods or services exchange value as agreed upon by the seller and buyer. Price is important because it directly affect the channel member's profitability. Pelton & Lumpkin (2002)

2.3.3. Place

Location of the firm is not always an important factor as clients do not frequently visit them. However, a few of the larger building surveying firms are located in the major cities e.g. London, Birmingham, Manchester, Bristol, Brisbane, Sydney, Melbourne, etc. However some firms like butler & Young have twenty- two offices strategically located within the UK and they are therefore located nearer to their clients & projects. Thus they will be able to save on the costs and time spent on travelling. Companies should however be concerned with how accessible their services are to their clients. Kotler (2008)

A distribution channel consist of the set of people and firms involved in the transfer of title to a product as the product moves from producer to ultimate consumer or business user. (Stanton and Walker 2005)

Place includes company activities that make the product available to target consumers. Ford partners with a large body of independently owned dealerships that sell the company's many different models. Ford selects its dealers carefully and supports them strongly. (Kotler & Armstrong 2008).

Decisions with respect to distribution channel focus on making the product available in adequate quantities at places where customers are normally expected to shop for them to satisfy their needs (Kazmi 2007). Accordingly, place may be defined as all those distribution, logistics and the behavioral functions that regulate the flow of market offering between exchange partners. The goal of place is to minimize the cost of these functions while maximizing customer satisfaction and market coverage. Pelton & Lumpkin (2002)

2.3.4. Promotion

Promotion is any method of information, persuading or reminding clients about the marketing mix of product, place, and price. The most commonly used promotional tools in the construction industry are advertising the company's profile printed in the form of brochures, maintaining personal and past business contacts through entertainment and personal visits to potential clients (Kotler 2006). Promotion is the element in an organizations marketing mix that serves to inform, persuade and remind the market of a product and the organization selling it, in hopes of influencing the recipient's feelings, beliefs and behavior. (Stanton and Walker 2005)

Promotion involved any form of purposeful communication employed by channel members with the intent of informing, reminding, persuading prospects and customers regarding some aspect of their market offering (Pelton & Lumpkin (2002). Promotion means activities that communicate the merits of the product and persuade target consumers to buy it. I.e. advertising, personal selling, sales promotion and public relations (Amstrong 2008). Promotion is a key element of marketing program and is concerned with effectively and efficiently communicating the decisions of marketing strategy, to favorably influence target customers' perceptions to facilitate exchange between the marketer and the customer that may satisfy the objectives of both customers and the company. (Kazmi 2007)

2.4. Brands

2.4.1. Definition of Brands

Brand is a name, term, sign, symbol, design, or a combination of matters to identify the goods or services of any person or group of sellers and to differentiate it from competitors (Kotler and Amstrong 2011). Brand has a personality of its users, so it is expected with use some brands the personality of users will be reflected (Kotler 2001). The brand must present a promise which can only be kept

depending on how the company can manage its value-delivery system. (Kazmi 2007)

2.4.2. Brand Equity

Brand equity is the differential effect that knowing the brand name has on customer response to the product and its marketing. It's a measure of the brands ability to capture consumer preference and loyalty. (Kotler and Amstrong 2011). Meanwhile, according to Aaker (2006), Brand equity is a set of brand assets and liabilities linked to a brand, its name and symbol, which add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers.

Brand equity is one of the popular and potentially important concepts in marketing that emerged in the 1980s (Kazmi 2007). Brand equity is the value brand adds to product. In the mind of customers, just having a brand name such as Sony or Reebok on a product adds value to it. (Stanton & Walker 2005)

2.4.3. Brand Awareness

Brand awareness is the ability of a buyers (recognize or recall) the brand within the category, in sufficient detail to make purchases (Kotler and Keller,2011). Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. (Aaker 2006). Brand awareness is a basic dimension of brand equity. From the vantage point of individual consumers, a brand has no equity unless the customer is at least aware of the brands. Achieving brand awareness is the initial challenge for new brands, maintaining high levels of brand awareness is the task faced by all established brands. (Terence, 2007)

2.4.4. Brand Association

Brand Association consist of all brand-related thoughts, feeling, perceptions, images, experiences, beliefs, attitudes and so on that become linked to the brand

mode   (Kotler and Keller 2011). Brand association is anything that relates to the memory of brand (Aaker, 2006). Brand positioning based on associations and how these associations can display the peculiarity of the competition. An association may affect the recall management about information, providing differentiation point, make some reason to buy.

2.4.5. Brand Loyalty

Brand loyalty, long a central construct in marketing, is a measure of the attachment that a customer has to a brand. It reflects how likely a customer will be to switch to another brand, especially when that brand makes a change, either in price or in product features. As brand loyalty increases, the vulnerability of the customer base to competitive action is reduced. It is one indicator of brand equity which is demonstrably linked to future profits, since brand loyalty directly translates into future sales (Aaker 2006)

The key to inducing brand loyalty among customers can only be achieved by delivering higher value to delight customers than competitors (Kazmi 2007). According to Kotler and Keller (2011) opinion Brand loyalty provides predictability and security of demand of the firm and it creates barriers to entry that make it difficult for other firms to enter the market. Loyalty also can translate into customer willingness to pay higher price often 20% to 25% more than competing brands. Although competitors may duplicate manufacturing processes and product design, they cannot easily match lasting impression left in minds of individuals and organizations by years of product experience and market activity.

CHAPTER III
RESEARCH METHODOLOGY

3.1. Research Methodology

This part of study, will sketch out the research leading and also the procedures applied. The methodology and procedure that determined the population, sampling, statistical tools, and reliability data, convert ordinal to interval data. Furthermore, the methodology and procedures will be all included in this chapter. This research uses quantitative research; the researcher used correlation analytic methods which describe the effecting factors that have an influence to buying decision. (Muijs, 2004)Aliaga and Gunderson (2002) think that quantitative research is explaining phenomena by collecting data that are analyzed using mathematically based on methods (in particular statistic).

According (Malhotra & Birks 2006) quantitative research is research techniques that seek to quantity data and typically, apply some form of statistical analysis. There are circumstances where qualitative research can be used to present detailed description that cannot be measured in quantifiable manner, for example in describing characteristic and styles of music that may be used in an advertising campaign. Conversely, there may be circumstances where quantitative measurements are used to conclusively answer specific hypotheses or research questions using descriptive or experimental techniques (Malhotra & Birks 2006)

3.1.1. Research Design

Research design actually can be categorized into two main groups, which are qualitative and quantitative research. These two groups have a differences in the method used, structure and sample size. Qualitative research means the nonnumeric examination and interpretation of observations, for the purpose of discovering underlying meanings and patterns of relationships (Babbie 2008). Quantitative research means the numerical representation and manipulation of

observations for the purpose of describing and explaining the phenomena that those observations reflect (Babbie 2008).

Quantitative research is used to conduct the research that related systematic scientific investigation. The objective of quantitative research is to develop and employ mathematical models, theories pertaining to reality or phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships.

Quantitative research is chosen because researcher uses number (Likert scale, ordinal data) then the result of questionnaire have to convert from ordinal to interval data by Method successive interval (MSI) and processing by SPSS in order to find the factors in this study. The important part to be investigate from SPSS result are valid and reliable data it took for principal component method ,KMO Bartllet's test, correlation matrix, eigenvalue, cumulative value, component matrix and rotate component matrix. These part are truly reflects the research thoroughly.

3.1.2. Source of Data
1. Primary Data

Primary data is information that gathered by the researcher him/herself for research study. In this study, the primary data is collected by using a questionnaire. Questionnaire is used because there is none study about this topic with this sample. In addition, information was summon up from respondent as potential people opinion in Lippo Cikarang.

2. Secondary Data

Secondary data is information that gathered or provided by someone other than the researcher for study or other project. The secondary data is provided in Toyota website and others, such about the Toyota history, Toyota advantages, and statistic.

3.2. Research Framework

This study was began with finding problem identification by using 4p's and 1b measurement was find out in customer buying decision nowadays. The basic theory is based on marketing management when customer consider about buying car. After determining the statements of each 4p's and 1b indicator, the quationnaire was constructed and spread to potential customer in Toyota Showroom at Lippo Cikarang. This period is the first step to find and identified the data. Result of quationnaire data is still in Ordinal data (Likert scale) then the data must be convert to interval data by using Successive Interval Method (SIM) and SPSS 16.0 as statistical tool. Attempt to quantitative and multivariate statistic, this study using Factor analysis as statistic methodology to analysing the data, this method chosen to found the factors which barriers come up in customer buying consideration. In the lose leaf of calculation, correlation matrix was conducted to find the degree of relationship between variables, and then extracting factor is needed in order to extract manifest variables to form latent variables. After that, rotated component matrix is needed to get simpler structure that will be easier to be interpreted. Here the research framework conduct this study.

Figure 3.1 Research Framework

Conclusion and
Recommendation
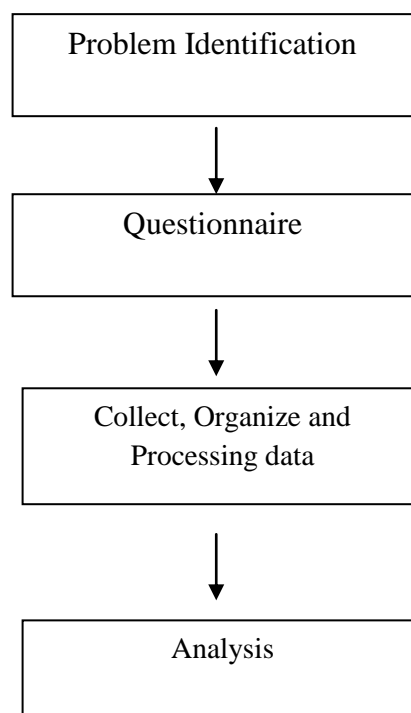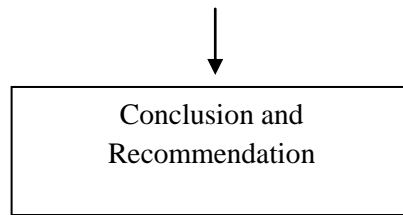
Source: Self-constructed

3.2.1. Location and Time Research

This study conducted in Lippo Cikarang Kabupaten Bekasi, West Java. Questionnaires will be spread to be filled by Toyota customer in that area. The questionnaire had spread from 8 a.m. to 4 p.m. The process of gathering data up to 150 respondents consists of 30 questions. It was start on February 3rd 2012.

Figure: 3.2 Thesis Time Line

Activity	January				February				March		
Enrollment	■										
Thesis Proposal Submission			■	■							
Research Start and Data Gathering					■						
Thesis Advisory						■	■				
Soft cover submission									■		
Thesis Defense										■	

Source: Self-constructed

3.2.2. Research Instrument

The researcher used survey as a method in collecting data. Survey techniques are based upon the use of structured questionnaires given to a sample of population. These questions may be asked verbally, in writing, and the responses may be obtained in any of these forms."Structured" here refers to the degree of

standardization imposed on the data collection process. In structured data collection, a formal questionnaire is prepared and the questions are asked in a prearranged order; thus, the process is also direct. Whether research is classified as a direct or indirect is based on whether the true purpose is known to the respondent(Malhotra & Birks 2006).

The survey method has several advantages. First the questionnaire is simple to administer. Second, the data obtained are consistent because the responses are limited to the alternatives stated(Malhotra & Birks 2006). Researcher can finish the survey effectively and lowest cost. The questionnaires designed by using close ended question in this research researcher used likert scale technique, the respondent need to choose several answers provided.

This research will use personally administered questionnaire which means the researcher spread the questionnaire personally to respondents and after respondents finished answering the question then the questionnaire will be submitted to researcher. The advantages of using personally administered is researcher can give explanation about the questionnaire itself and explain any other information to prevent misunderstanding from the answered questions, not only to prevent misunderstanding but personally administered also reduce sampling errors as a result of unreturned questionnaires.

The questionnaire divided into five parts. The five parts are divided, the first is product, second is the price, the third is place, the fourth promotion, and the fifth one is brand.

3.2.3. Data Measurement
Likert Scale

Likert scale is a widely used rating scale that requires the respondents to indicate a degree of agreement or disagreement with each of a series of statements about the stimulus object (Malhotra & Birks ,2006).

Table 3.1 Likert Scale

Scale	Rating
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

Source: Malhotra & Birks

Likert scale technique used because it easy for researcher to administer the data and also easy for respondent to understand.

3.2.4. Scaling Measurement

While the data gathered from questionnaire is type of Ordinal data. Ordinal data are categorical data where there is a logical ordering to the categories, it can be ranked (put in order) or have a rating scale attached, it can be count and order but not measure because it is not indicated in similar condition of correspondent, means ordinal data have not distinctive measurement and cannot be average. In term of Likert Scale, the data categories as Ordinal data and it must be converting to Interval data.

Interval data is a scale of measurement where the distance between any two adjacent units of measurement (interval) is the same, which means Interval data has equal distance between adjacent attributes.

In term condition of data, which cannot directly calculate because still in Ordinal, means it have to convert into Interval data to get equal distance attributes. To convert data which result from survey, researcher using successive internal method software and automatically the data will turn to interval. After that, SPSS 16.0 will be used for determining the reliability of data.

3.2.5. Reliability Data

Reliability is an essential pre- requisite for validity, it is possible to have reliable measure that is not valid, and however a valid measure must also be reliable. So, to construct validity the data must be reliable definitely.

Alpha Cronbach is used to test reliable in this study. The range coefficient of the reliability is between 0 until 1. If the number is close to 1 means that the reliability is better, but if the value closer to 0, the reliability of the data used become less, variable is considered reliable if it has the value more than 0.70. Low reliability is less detrimental to the questions performance. Intentionally, low reliability was come from how correspondent respond the questionnaire, such unfamiliar word with the subject matter and do not understand with the meaning of question (Sekaran 2003). Easy to be understood question and conditioned with respondent's environment are very important because indirectly it will be affect to the answer and reliable data. In this study, chosen the person who has a car as correspondents are need to construct easy question in simple language in order to conduct true answer based on real condition of correspondents that is busy.

By manually the *Cronbach Alpha* formula is:

$$\frac{K.r}{1 + \ (K - 1)\ r}$$

Where:

α = instrument reliability's coefficient

r -bar = the average inter-item correlation among the items

N = the number items

In this research, the calculation process is use by SPSS 16.0 software as a tool. There are several steps in order to get reliable data by using SPSS.

1. Spread 30 questionnaires in Toyota Showroom at Lippo Cikarang and input the answers (Likert Scale).
2. The answers are still in Ordinal data (Likert Scale) it have convert to Interval data by using *Method Successive Interval (MSI)*
3. SPSS, will determine the reliable data by input all ordinal data to Data view then click Analyze $\longrightarrow$ Scale $\longrightarrow$ Reliability Analysis $\longrightarrow$ copy all variances

to the Items Statistics $\longrightarrow$ Descriptives for (all item have to click)

Continue $\longrightarrow$ Ok

4. Alpha Cronbach will display the Reliable value.

3.3. Sampling Design

Sampling design is about how to measure the population and sample of the target area, this is important before deciding who and how the respondents are. There are two major types of sampling design which are probability and non-probability. Non-probability are using in this study, because in this research do not have a known or predetermined change of being selected as subject or respondent. In general, respondent is people who have a car.

3.3.1. Respondents (Samples)

Respondent is a person who provides data for analysis by responding to survey questionnaire (Babbie 2008). The collection of elements or objects that possesses the information the resercher seeks and about which the researcher will make inferences (Malhotra & Peterson 2006). This is unknown population, on this research everybody are possible to be the respondents, because there no lomitation of population for such subject resercher develop. The people who have a car or potential people is respondent in this study, to determine total respondent, the researcher use based on survey method; according to that methodology the researcher should use 5:1 of scale, its mean if the respondent are 150 the questions should be 30.

This formula chosen because the population is unknown, the researcher decides to use method that based on survey methodology. The sample concern on non-probability sampling design, which form to convenience sampling and purposive sampling this study attempt to judgment sampling (Sekaran Uma,2003). Convenience sampling is non-probability sample where element selection is based on ease of accessibility (Schindler 2006). Convenience sampling refers to collection of information from member of the population who are conveniently available it. Judgment sampling is purposive sampling where the researcher

arbitrarily selects sample units to conform to some criterion (Cooper 2006). During collect data questionnaire, researcher did by spreading to potential respondent who adjusting eligible and convince to fulfill questionnaire. Such a sample is a judgment sample.

3.3.2. Margin of Error

Margin of error according to (Lind, Marchal and Mason, 2003) is the difference between a sample statistic and it is corresponding population parameter. It represents a given population under consideration. Margin error in this study is 0.05 (5%) by considering 95% confidence level.

3.3.3. Sampling Size

Sampling design is about how to measure the population and sample of the target area, this is important before deciding who and how the respondents are. Sample is selecting some elements from a population to represent that population in the study, so sample is a part of population. There is several stipulation of sampling design, which are the larger the sample the more accurately it represents the population from which it was taken and as the sample size decreases, the degrees of representatives become less.

According to (Malhotra & Birks 2006) population is the aggregate of all the element, sharing some common set of characteristic, that comprise the universe for the purpose of the marketing research problem. Population also is total group of respondents that the researcher wants to study, population are too costly and time consuming to study in entirety.

3.4. Data Processing

3.4.1. Factor Analysis

The statistical methodology in this study is address to Factor Analysis as to perception and shaped in decimal numerical.

This study using Quantitative methodology concern on Analysis factor to determine factor influences of 4P's and 1B Toyota indicators toward to customer buying decision. Quantitative analysis was chosen because this study need a

population, sample, questionnaire and study research toward to customer consideration. In order to get data, questionnaires were spread. There are two types variables conduct to analysis factor method.

1. *Manifest variable*

   Manifest variable are used in latent variable statistical models, which relationship between a set of manifest variables and a set of latent variables. In term of this study the Manifest variable are the questionnaire provides by researcher.

2. *Latent variable is the variable capture the correlation between different components.*

   Latent variables are used to represent constructs that have fundamental substantive importance but are only measured indirectly through multiple indicators that capture different aspects of the constructs.

There are several steps to construct data by using SPSS.

1. Construct Data

   The data were gathering with 30 questions and spread actual questions to 150 correspondents. The data still convert from ordinal to interval, using *successive interval method*; the process is help by Microsoft Excel as the tool.

2. Correlation Matrix

   The correlation matrix show the multi and singular degree between each variables, it is about to see roughly normal distribution each variable to this significant study and to each variables. Correlation matrix is important to generalize the results of analysis beyond answers collected from questionnaires.

In order to see the degree of correlation between variables, singularity and multicollinearity are representative measurement to know. Singularity means variables are perfectly correlated and multicollinearity means variables are highly correlated. High correlation value refers to correlations which have the determinant value closer to 0. (Zero point).

Furthermore, another important part to see is Kaiser-Meyer-Olkin (KMO) value, this value shows the appropriate of factor analysis toward sampling design. The value of KMO is should be greater than 0.50 to indicate factor analysis generally can be used in processing data of this study, KMO value in this study is 0.588 with significant 0.00 which means the variables can be analyzed by using analysis factor.

Table 3.2
KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.588
Bartlett's Test of Sphericity	Approx. Chi-Square	434.115
	Df	190
	Sig.	.000

Source: SPSS 16.0

3. Anti-image Correlation Matrix
This part is to decide which variables cannot be analysis. The treatise value of this part is MSA (Measure of Sampling Adequacy). There are several criteria of MSA, which are:

1. MSA = 1 the variable can be prediction without default by other variable
2. MSA>0.5 variable can be prediction and analyze to the next step
3. MSA<0.5 variable cannot be prediction, analyze and must be eliminate. Eliminating value which below 0.5 will affect to KMO value, KMO will be increase. Deleting value below 0.5 can done more than once until all the value (MSA) is adequate and KMO 0.50.

4. Loading Factor Value
Loading factor will show the contribution proportion on latent variable, which according to statistical significance of the coefficient correlation loads. Coefficient correlation is the size that used to determine the degree of correlation, variables that have higher loading factor shows that the influence is bigger on the latent variables. Based on the loading factor, the manifest

variables grouping can be formed. The value of loading factor is depending on the respondents of the research as shown in table, in this study the loading factor value is 0.45 concerns on 150 respondents:

Table 3.3

Factor Loading

Factor Loading	Respondents
0.40	200
0.45	**150**
0.50	120
0.55	100
0.60	85
0.65	70
0.70	60
0.75	50

Source: Hair, Black, Babin and Anderson (2006)

5.   Rotated Component Matrix

Component matrix is result from rotation processing, which showing distinctive and actual variable. The result of component matrix through rotation process shows the distribution of variable more clearly and makes it easier to be interpreted. In this study, the rotated component matrix process used orthogonal varimax in order to make the result of one factor has as limited variable as possible. The rotation varimax will show the maximal value of manifest variable contribution to the latent variable.

CHAPTER IV
ANALYSIS DATA AND INTERPRETATION
OF RESULTS

4.1. Data Collection

Data collecting in this study conduct by spreading questionnaire, it was started on February 3rd. Questionnaire result that has been successfully collected is 153 from 155 respondents, with 150 can be calculated since all of the statement in the questionnaires has been filled by the respondents, while 3 questionnaire considered not qualified and cannot be used because the respondents not filled several latent variables (statements) in questionnaire or there is more than one answer on one single statements. As a part of questionnaire, term of that part as follows.

4.1.1. Research variable

Research variable of this study formed into quetionnaire which construct from customers reason and consideration in buying car decision. There are 30 statements as a part of related questions consist of 8 from product, 4 from price, 6 from place, 9 from promotion and ads, 3 from brand. Details quetionnaire attached in **Appendix A.**

4.1.2. Reliability Questions

For reliability, *Cronbach Alpha* Coefficient Analysis refers to the reliability testing that test the reliability of the instrument used for this research (Sekaran 2003). The reliability test is shown in table below:

Table: 4.1
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.746	.739	20

Source: SPSS 16.0

The standarized of Reliability is should be greater than 0.70. In this study the value of Cronbach's Alpha is 0.746 which means questionnaire is rieliable enough and have a good correlation between variables.

4.2. Data Processing

This study try to explores indicator of customer buying decision by analysing effecting factor of Toyota car (4p's and 1b) .The data processing is using Quantitative Analysis concern on Factor Analysis. Steps to find the factors will following as below :

4.2.1. Organizing Data

To organize data, the first thing researcher do is arranging questions by asking the reasons why they (Toyota customers) buy Toyota instead other car after that the researcher deciding the latent variable of customer consideration in buying decision (4p's and 1b). Questionnaire can be seen in **Appendix A.**

4.2.2. Transforming Data

Questionnaire was arranging based on Likert Scale score, the score is in Ordinal scale. Ordinal scale catagorizes the variables in such a way as to denote differences among the various catagories and perceptions, cause in a various catagories and perception view, it have to establish in one or same find effecting factor based on customer buying decision applied in Toyota at Lippo Cikarang. The part in getting data and factor analysis part as follows.

4.2.3. Factor Analysis

The statistical methodology in this study is address to Factor Analysis as to perception and shaped in decimal numerical.

1.   Correlation Matrix

The correlation matrix is indicate the relationships of all variables. Based on the computation, determinant value of correlation matrix is greater than 0.00001, which means there is no multicollinearity, and no variable have value more than 0.9 which means there is also no singularity exists between variables in the study. In addition the singularity was shown in correlation part, between same variable the significant number is 1.000 which means there is similar, but if seen in different of latent variable, for instance product 1 with product 4 the value is 0.230 means there is no similarity. Based on this, the requirement of using factor analysis is fulfilled.

2.   Anti-Image Correlation

This part is to decide which variables cannot be analysis. The treatise value of this part is MSA (Measure of Sampling Adequacy), which standard value is 0.50. MSA value is tighly correlate with KMO(Keiser Meyer Olkin), if MSA's value below 0.50 have to eliminated and it would inreasing KMO's value. Keiser (1974) recommends accepting values greater than 0.50 as acceptable. Furthermore value between 0.5 and 0.7 is mediocre, values between 0.7 and 0.8 are good, values between 0.8 and 0.9 are great.

This study have ten anti image correlation which have to eliminated in order to be able to analyze by factor analysis and to support this

Table 4.2

Anti Image Correlation

Variables	MSA of Image Correlation
1st Product	0.449
6th Product	0.444
2nd Place	0.494
3rd Place	0.444
6th Place	0.474
5th Promotion	0.440
6th Promotion	0.405
8th Promotion	0.398
1st Brand	0.395
2nd Brand	0.345

Source : SPSS 16.0

After eliminate variables above, value of KMO and Bartllet's test is increasing from 0.524 to 0.588. Which falls into the range of being good, so it should be confident that factor analysis is appropriate for this data and this study.

3.   Extraction Factor

The next step is extract the manifest variables into several latent variable, which in this study make 30 variables to form 20 new factor. The result of extraction factor can be seen on the table below:

Table 4.3
Communalities

Variables	Initial	Extraction
V1	1.000	.610
V2	1.000	.593
V3	1.000	.540
V4	1.000	.675
V5	1.000	.592
V6	1.000	.715
V7	1.000	.721
V8	1.000	.607
V9	1.000	.640
V10	1.000	.499
V11	1.000	.742
V12	1.000	.646
V13	1.000	.612
V14	1.000	.665
V15	1.000	.629
V16	1.000	.704

V17	1.000	.708
V18	1.000	.644
V19	1.000	.673
V20	1.000	.472

Source : SPSS 16.0 and primary data

The communalities in the column labelled extraction reflect the common variance in data structure, table above shows the communalities before and after extraction. Therefore, before extraction the communalities are all 1.000. For product 2, it means that 61.0% of the variance associated with variable 1 can be explained by the variable formed, while for price 10 it only can explained 60.7% of the variance associated with 8th variable, and so on. While the result of eigen value can be shown in the following table.

Table 4.4

Eigen Value

Component	Eigen Value	% of Variance	Cumulative
1	2.483	12.413	12.413
2	2.094	10.472	22.885
3	1.704	8.519	31.405
4	1.580	7.898	39.303
5	1.447	7.236	46.538
6	1.237	6.187	52.725
7	1.092	5.461	58.186
8	1.046	5.232	63.418

Source : SPSS 16.0 and questionnaire result

From table above, there are 8 Eigenvalues constructing with adequacy standard value greater than 1. Which means the 8 components was formed will represent the manifest variable in this study. The first factor is the factor with 12.41% and total cumulative 63.41% which means only 36.59% cannot be explained in this study.

4. **Rotated Component Matrix**

The table above shows which variables that are included to certain new factors formed, this study use loading factor of 0.45 because the respondents is 150, so only variables that has coefficient correlation bigger than 0.45 are included to the new factors formed.

Table 4.5

Rotated Component Matrix

Factors	Manifest variable	Factor variable
1	V4	.644
	V9	.649
	V11	.645
2	V2	.641
	V13	.750
	V16	.542
	V21	.474
3	V22	-.785
	V27	.715

4	V19	.746
	V20	.760
	V21	.497
5	V16	.478
	V25	-.746
	V30	.609
6	V3	.690
	V10	.523
	V17	.688
7	V7	.599
	V8	.817
8	V5	.777
	V12	.525

Source : SPSS 16.0 and question result

1. 1st factor consist of Product and Price. Which the most come from Price .649
2. 2nd factor consist of Product, Place and Promotion. The most value addressed to Place .750
3. 3rd factor is Promotion with -.785
4. 4th factor consist of Promotion with .760 factor variable
5. 5th factor consist of Place, Promotion and Brand. Which is the most come from Promotion -.746
6. 6th factor consist of Product, Price and Place. Which is the most high rate is Product .690
7. 7th factor is Product with .817

8. 8th factor consist of Product and Price. The most value deliver to Product with .777

4.3. Data Interpretation

In this section, these studies will determine factors that represent manifest variable. Then, the manifest variables will construct the latent variables. Based on the factor analysis calculation (SPSS 16.0), from 30 manifest variables which have been analyzes can be extracted into 8 factors or components. This study identify cumulative percentage acquired is 63.41%, which 36.59% cannot be explain in this study. There are 8 latent variables that created by manifest variables, these are:

4.3.1. First Factor

The first factor has 12.41% from the total variance.Those variables are as follow:

Table 4.6

First Factor

No	Variables	Statements	Factor value
1	V4	*Toyota is a car that is durable in comparison to other brands of car*	.644
2	V9	*Toyota is offering a reasonable price for a new car*	.649
3	V11	*Toyota offers low price for spare parts*	.645

Source: SPSS 16.0 and questionnaire result

The first factor consist of 3 manifest variables, it reflectes the **Toyota provide high level of vehicles and low level for cost services.** All customers have same idea before buy something; they always and always think about the durability of the product, if the product has short term life for use is no point to buy it (Pandita 2006). Product is a tool to help people in their life, customers have two reasons to

41

buy; for short and long term, short term usually for food or inside of body and long term for outside of body (Sabir 2011). Besides that people in world dominantly think about the price first then the quality product, they always think if it cheap and worth it they will buy but if it expensive and not worth it they will change their mind not to buy at least delay it (Orr 2004). Most of the people in Lippo Cikarang have same mind with global, they won't buy the expensive one if there is have same quality and little bit different of price. But some of them who have so much money they don't think about price first they pick whatever they want even high price. Based on Kotler 2006: customers will not buy a product, if the price is greater than the product value. Toyota has good market in the world especially in Indonesia they have huge market, one of possibly is because high after sale, they also give to the customer with reasonable price for spare parts, Because of this strategy they grab many customers in the worldwide.

4.3.2. Second Factor

The second factor has 10.47% of total variance. The strong indulgence is determined because has bigger than 0.45 factor value. This factor is constructed with several variables, which are

Table 4.7

Second Factor

No	Variables	Statements	Factor value
1	V2	*Toyota uses high-quality materials in the manufacture of car*	.641
2	V13	*Toyota has a showroom, dealers and service center with extensive coverage*	.750
3	V16	*Toyota has a high-quality service in the showroom, dealers and service center*	.542
4	V21	*Toyota has non-monetary sales promotions are more like: lottery sweepstakes and free coupons*	.474

Source: SPSS 16.0 and questionnaire result

Second factors come from product, place and promotion, it drives between materials, area and the feedback what they get, so those address to **Toyota gives outstanding service with a great value for money, and they also have strategic promotional materials**. Toyota customers in Lippo Cikarang believe that Toyota provides good materials in the cars they produce, they believe if the car made from good material it will exactly does good performance and has durability effect. All customers has consideration in buying a car, place is one of their considerations, place is the most powerful in marketing strategy, the more strategic businessman get a place the more people will coming to the store and the more profit they will get (Blij 2009), that's why Toyota implement that strategy they want to get the customer as many as they can. Toyota provides strategic area where many potential people there and give them with high-quality of service. Lippo Cikarang is the one of the best place in Cikarang area, many middle class here there, which is one of way for Toyota to grab customer. Every customer also like to get feedback from what they received, at least something valuable for them that's what Toyota does, they give good trick of non-monetary sales promotions, to seem like free coupons. One of way to get customer attention is given it something valuable for the customers (Dickson 2007).

4.3.3. Third Factor

Table 4.8

Third Factor

No	Variables	Statements	Factor value
1	V22	*I know Toyota brand of car advertising*	-.785
2	V27	*It seems to me that global advertising has influenced me to buy Toyota*	.715

Source: SPSS 16.0 and questionnaire result

The third factor consists of Promotion with 8.51% variance. This manifest variables about **Toyota have a very strong perception in peoples mind with a local and global advertising strategy** From this research, the researcher knows

In addition, these factor showing Toyota ad in Lippo Cikarang are good advertisement which is has effectiveness to be continue.

With emphasize this part was Advertised to become basic need, reflects how important promotion and advertising is for Toyota. Physiologically, when things become essential part, people would do something to get it and it refers to what they see first after that exploring the information will be the next step of customer behavior (Kotler 2006). Advertising are one of marketing tools that very useful to attack the customer mind (Amstrong 2006). According to the research, people know about Toyota from ad and they realize that global advertise made them to buy Toyota this happen because of two things, first it is possibly because sometimes Indonesian believe that global products are better than local and global word more powerful in their to buy good product in high price. In the end global ads is very effective way for Toyota to get Indonesian customers.

4.3.4. Fourth Factor

This factor has 7.89% total variance come from Promotion latent variable. The character indicates the **Toyota have many forms of creative promotion to get people interested in Toyota.**

Table 4.9

Fourth Factor

No	Variables	Statements	Factor value
1	V19	*Toyota has an interesting sales promotion than the others*	.746
2	V20	*Toyota has a monetary sales promotions are more like: discounts and coupons*	.760
3	V21	*Toyota has non-monetary sales promotions are more like: lottery sweepstakes and free coupons*	.497

Source: SPSS 16.0 and questionnaire result

Fourth factor has representatives how Toyota's perspectives about promotion ways, process, and style. Beside of giving attractive ads, Toyota also gives benefit of promotions. People psychologies in the Lippo Cikarang are interest to get free or discounted items and free tastes better than buying or spending money. According to that customer behavior Toyota has decide to give attractive promo to get the attention of people, they try to give discounts rate for consumer to attract them to buy or give free coupons to spirit of the consumer. One of way to get customer attention is given it something valuable for the customers (Dickson 2007).

4.3.5. Fifth Factor

Total variance of fifth factor is 7.23 %. Place, Promotion and Brand are to be variables in this factor in customer buying decision.

Table 4.10

Fifth Factor

No	Variables	Statements	Factor value
1	V16	*Toyota has a high-quality service in the showroom, dealers and service center*	.478
2	V25	*I think Toyota has global advertising in Indonesia*	-.746
3	V30	*Toyota has the positive image and reputation in Indonesia*	.609

Source : SPSS 16.0 and questionnaire result

Total variance of fifth factor is 7.23 %. **Toyota show room is user friendly, with multinational advertising and it is rated highly in Indonesia.** While, actually people are like and very happy to get a good service, Toyota gives special services for their customer to make them satisfy. Beside that Toyota advertising there conduct in Bahasa and also in English making it global advertising in Indonesia

which is good to make the brand stand out more and catch the attention of everyone. According to the data anybody in Lippo Cikarang they also know about Toyota this is because the brand awareness of Toyota is so high, they advertise everywhere and the car is seen everywhere. Toyota lives up to their motto of being '*the car in front is a Toyota'*.

4.3.6. Sixth Factor

The sixth factor has 6.18% percentage of variance value, Manifest variables that constructed this factor are:

Table 4.11
Sixth Factor

No	Variables	Statements	Factor value
1	V3	*Toyota has a high-performance machine*	.690
2	V10	*Toyota has good resale value*	.523
3	V17	*Toyota has a standard special service in every showroom, dealer and service center*	.688

Source : SPSS 16.0 and questionnaire result

Sixth factor indicating of **Toyota outstanding performance level is a good investment** in Lippo Cikarang. The reason why more and more people are buying Toyota is because they are already aware of how successful it is and they do not judge the machine they already know it's good. In addition to this it stands as a very good asset, with a slow depreciation level. In addition to this everywhere in Indonesia it is easy find a service station and the spare parts are not expensive because there spare parts are made here and are not always imported.

4.3.7. Seventh Factor

Table 4.12

Seventh Factor

No	Variables	Statements	Factor value
1	V7	*Toyota has an elegant design*	.599
2	V8	*Toyota has a high security level*	.817

Source: SPSS 16.0 and questionnaire result

The seventh factor consists of the elegant design and the security level. **Toyota is innovative because they have many new models coming out, with a high level of security.** So as the researcher knows a today person always want to buy something that has a new model because nobody wants to be seen with old items, they always want to follow new trends. This is why Toyota always works very hard to innovate their vehicles to attract a new market. As people can see recently Toyota has recently released a new All New Avanza and already many people are buying this vehicle. In addition to this safety comes first in all and any departments. That's why before people purchase a vehicle they want to know about its safety procedures and what they follow to make the vehicle safer.

4.3.8. Eighth Factor

Table 4.13

Eighth Factor

No	Variables	Statements	Factor value
1	V5	*Toyota has a machine that fuel efficient*	.777
2	V12	*Toyota gives the price of services/repairs commensurate*	.525

Source: SPSS 16.0 and questionnaire result

The eighth factor consist of the price of the service and repair, in addition to this the fuel efficient level also. **Toyota all in all gives a cheap service and running price.** The reason why people come back for Toyota again and again is because it's very fuel efficient and as people can see from the factor value this factor is also rated highly. One of the first things that people consider is how much money is going out. That's why cars that are not very fuel efficient are rarely seen in Indonesia. Indonesia is a big country and requires people travel big distance so it means that fuel efficient cars are a very wise option in Indonesia. In addition to this people also know that cars are just machines and they always break down. That's why people must know that it is important to customer to get our cars fixed at a nearby service station. Toyota provides many service stations and areas for people to fix their vehicles. So therefore where ever people are in Indonesia they will always find a Toyota service station nearby so it is very effective any easy for the customers to fix their cars.

CHAPTER V
CONCLUSION AND RECOMMENDATION

5.1. Conclusion

4P's indicators and brand are used as measurement to find out what it is that affects peoples buying decision before purchasing a car. This study was taken in Lippo Cikarang where lots of people are using Toyota vehicle.

By conducting several things that researcher have done during the past one month, which were, processing data from questionnaire result, and finally this study thought to conclusion as bellow.

1. The result of data processing, presents 63.41% of the cumulative percentage variance, so means there is 36.59% of total variance is not represented in this study. There are 30 statements (manifest variables) constructed from 5 indicators as latent variables. After conducting the anti-image researcher can only use 20 and 10 cannot be used. The Cronbach's Alpha is 0.746.

2. Based on above calculation, that formed eight influences factors that affect the customer buying decision, which are about Toyota provides a high level of vehicles and low level for cost services, Toyota gives outstanding service with a great value for money; they also have strategic promotional materials, Toyota have a very strong perception in peoples mind with a local and global advertising strategy, Toyota have many forms of creative promotion to get people interested in Toyota. Toyota show room is user friendly, with multinational advertising and it is rated highly in Indonesia, Toyota outstanding performance level is a good investment; Toyota is innovative because they have many new models coming out, with a high level of security, and the last is Toyota all in all gives a cheap service and running price.

5.2.   Recommendation

5.2.1.   For other automotive companies

1. Car manufactures should offer durable car with a reasonable price and low price for spare parts.
2. They should provide a standardized high quality showrooms, dealears and service center with extensive coverage.
3. They should do more intesive sales promotion like lottery sweepstakes, free coupons and discounts.
4. They have to make sure that the resale value is quaranteed.
5. They should provide an elegant design, a high performance machine and fuel efficient.

5.2.2. For the Future Researcher

Deriving from the result of this study, there are some recommendations for further research: This study covered can be broadening not only for Lippo Cikarang but also possibly the nearby area such Bekasi and Karawang.

1. The respondents of the study can be broadening to Toyota Company who has record of sales data and additional information. In addition also to compare and measure how the competitor cars are also doing with sales, such as Honda, Mazda, BMW etc.
2. In term of spreading questionnaire for the next researcher can possibly include potential customers, and previous Toyota users. In addition to this the researcher strongly recommends that the research in the Toyota work shop is conducted on weekends when more people come to have their cars served.

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APPENDICES

APPENDIX A: Questionnaire

Questionnaire

This survey questionnaire is a part of an independent study of Faculty of Business Management President University, Cikarang. The objective of this questionnaire is to study the critical factors that influence customer choices in buying a Toyota car.

Direction: Please mark [X] or fill out all the necessary information about yourself.

Section 1: Personal Information

1. Gender

Male	
Female	

2. Age

18 – 25 years old	
26 – 35 years old	
36 – 45 years old	
46 – 55 years old	
More than 55 years old	

3. Occupation

Student	
Office worker	
Specialist	
Business owner	
Retired	
Yang lainnya (. . . . .)	

4. How long have you using Toyota car?

1 – 2 years old	
3 – 4 years old	
5 – 6 years old	
7 – 8 years old	
More than 9 years old	

5. What is your first car?

Toyota	
Others (. . . .)	

Please rate your agreement level toward product, price, place, promotion and brand indicator. The agreement level is 1-5 that are 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree.

Section II: Your consideration in buying a car

		1	2	3	4	5
	Product					
1.	Toyota has various types of car and models					
2.	Toyota provides the high quality materials to produce car					
3.	Toyota has the high performance engine and power					
4.	Toyota car is the most durable car comparing to other brands					
5.	Toyota has fuel efficient machine					
6.	Toyota provide customers to customize car such as option					
7.	Toyota has elegant design					
8.	Toyota has high security level					
	Price					
9.	Toyota offer reasonable price for a new car					
10.	Toyota has high resale price in the market					
11.	Toyota offer low price for spare part					
12.	According to me Toyota give good price for service/repair					
	Place					
13.	Toyota has high coverage showrooms, dealers and service centers					
14.	I convenient to test car and receive information in Indonesia					
15.	Toyota has the best service in Indonesia					
16.	Toyota has high service quality in					

	the showrooms, dealers and service centers					
17.	Toyota has standardized service in every in the showrooms, dealers and service centers					
18.	Toyota attractive showrooms and service centers					
	Promotion and advertising					
19.	Toyota has attractive sales promotion than other brands					
20.	Toyota has more monetary sales promotions such as discounts and coupons					
21.	Toyota has more non-monetary sales promotions such as sweepstakes, free gifts and loyalty programmers					
22.	I aware Toyota brand and car information from advertising					
23.	Toyota has attractive advertising in Indonesia					
24.	I think Toyota has the local advertising in Indonesia					
25.	I think Toyota has the global advertising in Indonesia					
26.	I think local advertising has influence me to buy Toyota					
27.	I think global advertising has influence me to buy Toyota					
	Brand Image					
28.	From my opinion, Toyota is the global automotive brand					
29.	I think Toyota is the best automotive brand in Indonesia					
30.	Toyota has the positive brand image in Indonesia					

Thank you for your coorporation…

DAFTAR PERTANYAAN

Survei pertanyaan ini merupakan bagian dari sebuah studi independen dari Fakultas Ekonomi Management Universitas Presiden, Cikarang Baru. Tujuan dari kegiatan ini adalah untuk mempelajari faktor-faktor kritis yang mempengaruhi pilihan pelanggan dalam membeli mobil Toyota.

Panduan: Silahkan beri tanda (X) atau mengisi semua informasi yang diperlukan tentang diri Anda.

Bab 1: Informasi pribadi

1. Jenis kelamin

Pria	
Wanita	

2. Umur

18 – 25 tahun	
26 – 35 tahun	
36 – 45 tahun	
46 – 55 tahun	
Diatas 55 tahun	

3. Pekerjaan

Pelajar/Mahasiswa	
Pekerja kantor	
Dokter	
Pengusaha	
Pensiunan	
Yang lainnya (. . . .)	

4. Berapa lama Anda menggunakan mobil Toyota?

1 – 2 tahun	
3 – 4 tahun	
5 – 6 tahun	
7 – 8 tahun	
Diatas 9 tahun	

5. Apakah mobil pertama Anda?

Toyota	
Yang lainnya (. . . .)	

Silahkan menilai tingkat persetujuan Anda terhadap beberapa faktor dari Toyota: faktor produk, harga, lokasi, promosi, iklan dan merek. Ada 5 tingkat persetujuan: 1 = sangat tidak setuju, 2 = tidak setuju, 3 = netral, 4 = setuju dan 5 = sangat setuju.

Bab II: Pertimbangan Anda dalam memilih Toyota

		1	2	3	4	5
	Produk					
1.	Toyota memiliki berbagai jenis dan model mobil					
2.	Toyota menggunakan bahan berkualiatas tinggi dalam memproduksi mobil					
3.	Toyota memiliki mesin yang berdaya dan berkinerja tinggi					
4.	Toyota adalah mobil yang paling tahan lama dibandingkan dengan merek lain					
5.	Toyota memiliki mesin yang berbahan bakar yang irit					
6.	Toyota memberikan pilihan kepada konsumen untuk disesuaikan seperti: warna, bentuk, ukuran dan lainnya					
7.	Toyota memiliki design yang elegan					
8.	Toyota memiliki tingkat keamanan yang tinggi					
	Harga					
9.	Toyota menawarkan harga yang wajar untuk mobil baru					
10.	Toyota memiliki harga secondhand yang tinggi di pasar					
11.	Toyota menawarkan harga rendah untuk suku cadang					
12.	Menurut saya Toyota memberikan harga service/perbaikan yang sepadan					
	Tempat					
13.	Toyota memiliki showroom, dealer dan pusat pelayanan dengan cakupan yang luas					
14.	Saya merasa nyaman untuk					

	menguji mobil dan menerima informasi di Indonesia					
15.	Toyota memiliki pusat-pusat pelayanan terbaik di Indonesia					
16.	Toyota memiliki kualitas layanan yang tinggi pada showroom, dealer dan pusat layanannya					
17.	Toyota memiliki standar layanan khusus dalam setiap showroom, dealer dan pusat layanan					
18.	Toyota memiliki showroom dan pusat layanan yang menarik					
	Promosi dan iklan					
19.	Toyota memiliki promosi penjualan yang menarik dibandingkan merek lain					
20.	Toyota memiliki moneter promosi penjualan yang lebih seperti: diskon dan kupon					
21.	Toyota memiliki non-moneter promosi penjualan yang lebih seperti; undian, hadiah gratis dan program loyalitas					
22.	Saya mengetahui merek Toyota dan informasinya dari iklan mobil					
23.	Toyota memiliki iklan yang menarik di Indonesia					
24.	Menurut Saya Toyota memiliki iklan lokal di Indonesia					
25.	Menurut Saya Toyota memiliki iklan global di Indonesia					
26.	Menurut Saya iklan lokal yang telah mempengaruhi saya untuk membeli Toyota					
27.	Menurut Saya iklan global yang telah mempengaruhi saya untuk membeli Toyota					
	Pencitraan Merek					
28.	Menurut pendapat Saya, Toyota adalah merek otomotif global					
29.	Menurut Saya Toyota adalah merek otomotif yang terbaik di Indonesia					
30.	Toyota memiliki citra dan reputasi merek yang positif di Indonesia					

Terima kasih atas kerjasamanyaa…