

## **The Influence of Cultural, Social, Personal, and Psychological Factors on the Process of Making Decision to Buy Toyota in Auto2000, Binjai Branch Office**

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**Abstract:** *The objective of the research was to find out and to analyze cultural, social, personal, and psychological factors on the process of making decision to buy Toyota in AUTO2000, Binjai Branch Office. The research used descriptive analytic method with multiple linear regression analysis. The samples were 95 respondents, taken by using Slovin formula. The result of the research showed that cultural factor had significant influence on making decision to Toyota, social factor had significant influence on making decision to Toyota, personal factor had positive and significant influence on making decision to Toyota, and psychological factor had significant influence on making decision to Toyota. Simultaneously, cultural, social, personal, and psychological factors had significant influence on making decision to Toyota at AUTO2000, Binjai Branch Office at the Adjusted  $R_{square}$ -value = 0.778 or 77.80% which indicated that the factor of assessment gave its contribution to explain about decision to buy Toyota at AUTO2000, Binjai Branch Office of 77.80%, while the remaining 22.20% was influenced by the other factors excluding the research. It is recommended that the management of AUTO2000, Binjai Branch Office increase the understanding about the importance of cultural factor in approaching customers, the importance of social factor to customers, and the importance of personal and psychological factors through personal communication.*

**Keywords:** *Cultural, Social, Personal, Psychological, Making Decision*

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### **I. Introduction**

The rapid development of the automotive industry in Indonesia makes the level of competition especially in the car industry tight. Car manufacturers continue to innovate on products that will be offered to consumers. This can be seen from the increasingly diverse brand and type of car in Indonesia. As a result, consumers must be more selective in choosing products to buy. Factors that are considered for consumers in choosing a product are the value or benefit factors that consumers will get from a product. In addition, consumers also consider how much it costs to get the product.

The number of products that have the same shape, usability, and other features make it difficult for consumers to differentiate these products. Product innovations continue to be carried out by car manufacturers to attract the attention of consumers and of course that consumers are willing to buy the products they produce (Mangkunegara, 2012).

Consumers are encouraged to be more careful in making choices, where consumers who still have a sense of hesitation in buying a car because it is influenced by consumers' ignorance of developments, products, then product innovations continue to be carried out by producers to attract attention, in the hope that consumers are willing buy the product it produces. Because, the decision to buy a car product is influenced by very diverse consumer behavior.

To achieve success in marketing needs to be supported by a good understanding of consumer behavior. By understanding consumer behavior, companies can design and design whatever consumers want. Consumer behavior is the behavior exhibited by consumers in searching for, buying, using, evaluating, and consuming products and services that they hope will satisfy their needs (Hariandja, 2002). Consumer purchasing decisions can be interpreted as the best conclusion for consumers to make a purchase. Meanwhile, according to Robert and John (2002) consumer decisions are the stages in the process of making purchasing decisions where consumers actually buy. The relationship with the purchase decision of a product or service is the process of making a purchase decision ending in the stage of after-purchase behavior where consumers feel the level of satisfaction or dissatisfaction that is felt to affect subsequent behavior (Robbins, 2012).

Companies are strongly encouraged to continue to study and understand consumer behavior in order to more precisely determine their marketing activities. One important consumer behavior is the behavior in making purchases of goods or services. The decision to make a purchase is one of the stages in a purchase. Realizing the importance of consumer decisions, the object of this study was the dealers of large automotive companies in Indonesia and specifically in Medan City, AUTO2000.

AUTO2000 is a service, sales, maintenance and repair service network for Toyota parts which was established in 1975 under the name Astra Motor sales, and in 1989 changed its name to AUTO2000 with management fully handled by PT. Astra International, Tbk. The automotive industry especially cars from year to year has increased in the field of sales, especially cars produced by Toyota, seen from car sales at the big event which was recently held in the automotive world is the Gaikindo Indonesia International Auto Show (GIAS).

Personal factors are a way to gather and classify the consistency of an individual's reaction to the situation that is happening (Riani, 2011). Personal factors include age and stages in the buyer's life cycle; employment and economic conditions; personality and self concept; and lifestyle and values. Because many of these characteristics have a very direct impact on consumer behavior, it is important for marketers to follow them closely.

Given the importance of the customer as the key to business success, the company must be able to establish long-term relationships with customers. The relationship of personal factors with purchasing decisions is a way to collect and classify the consistency of an individual's reaction to the situation that is happening, personal factors, namely, age, work, economic conditions, lifestyle and personality and self concept.

The importance of innovation is applied to AUTO2000 Binjai Branch, management needs to issue more creative innovations and teamwork in marketing its product cars. Toyota has a weakness that is the difference in perception between the domestic market and the international market about the class of Toyota products, especially Avanza, Rush variance and sometimes consumers cancel the order process because they are disappointed by the promise given by the Toyota dealer.

## **II. Literature Review**

### **2.1 Consumer Behavior**

According to Engel et al in Sutrisno (2009), consumer behavior is an action that is directly involved in the acquisition, consumption, and finishing of a product or service, including the processes that precede and follow these actions. According to Griffin in Sopiha and Sutrisno (2009), consumer behavior is all activities, actions, and psychological processes that encourage such actions at the time before buying, when buying, using, spending products and services after doing the above or activities evaluate.

According to Riani (2011), consumer behavior is the study of processes involved when individuals or groups choose, buy, use, or arrange products, services, ideas or experiences to satisfy the needs and desires of consumers. According to Hasibuan (2004) Consumer behavior is the study of how individuals, groups and organizations choose, buy, use, and how goods, services, ideas, or experiences to satisfy their needs and desires.

### **2.2 Factors Affecting Consumer Behavior**

#### **a.Cultural**

Culture is the basis of one's desires and behavior. Marketers must really pay attention to the cultural values of each country to understand how to market the quality of products, various kinds of food menus offered. Culture consists of several smaller subcultures that provide more specific identification and socialization for their members. Sub culture includes nationality, religion, racial groups, and geographical areas.

#### **b.Social**

Almost all groups of people experience social stratification, often in the form of social classes, relatively homogeneous and enduring divisions in a society, structured hierarchically and have members who share the same values, interests, and behaviors.

#### **c.Personal**

i. When purchasing decisions are also influenced by personal characteristics. Personal factors include age and stage in the buyer's life cycle, employment and economic conditions, as well as lifestyle and product value.

ii. Age and Life Cycle Stage.

Taste in choosing food and drinks including the atmosphere at the dealer. Location is also shaped by the family life cycle and the number, age and sex of people in the household at any given time.

iii. Economic Jobs and Conditions.

Taste in choosing food and drinks or the atmosphere and location of the Dealer is influenced by economic factors

iv. Personality and Self-Concept.

Every person has personal characteristics that influence his buying behavior.

v. Lifestyle and value lifestyle is a pattern of life in the world that is reflected in activities, interests and opinions. Consumer purchasing decisions are also influenced by core values, belief systems that underlie attitudes and behavior. Int values are deeper than behavior or attitudes and determine a person's choices and desires at a basic level in the long run.

#### **d. Psychological**

Three key psychological processes of motivation, perception, and memory fundamentally affect consumer responses.

##### **i. Motivation**

Some needs are biogenic: they arise from states of psychological distress such as hunger, thirst or discomfort. Other needs are psychogenic: needs arising from conditions of psychological pressure such as needs arising from states of psychological distress such as the need for recognition, appreciation, or feeling have.

##### **ii. Perception**

Perception is a person who is motivated ready to act. How he acts is influenced by his views on the situation. Learning encourages changes in our behavior that arise from experience.

##### **iii. Memory**

When a consumer actively thinks about and elaborates the importance of information on a product or service, the association created in memory gets stronger. Consumers also find it easier to create associations of new information when extensive and relevant knowledge structures are already in memory.

### **2.3 Decision Making**

Decision making is a process through a combination of individuals or groups and integrating existing information with the aim of choosing one of various possible actions. Decision making is also defined by Sweeney and McFarlin in (Mangkunegara, 2012) as a process of evaluating the choices available to obtain the expected results.

While states that decision making is the science and art of choosing alternative solutions or alternative actions from a number of alternative solutions and actions available to solve problems. In addition, decision making can also mean a person or group authorized to make a final choice or decision to choose one among several alternative solutions to problems.

## **III. Research Methods**

### **3.1 Type of Research**

This type of research used in this research is quantitative descriptive analysis research with multiple linear regression approach that is a research method that describes an event or event based on existing data and facts when the research takes place, then the data obtained is collected, processed, analyzed and can attract an conclusion.

### **3.2 Place and Time of Research**

This research was conducted at PT. ASTRA Internasional Tbk. Toyota Sales Operation, Medan Binjai Branch or better known as Toyota AUTO2000, Binjai Branch, address at Km. 16.7 Sei Semayang Village, Sunggal District, Deli Serdang.

### **3.3 Population and Samples**

Population is a whole of research subjects that have certain characteristics. Population is the whole research object to be studied. The population of this research is 210 customers of AUTO2000 Binjai Branch with the assumption of a sales target of 70 units per month with a study period of 3 months, so that the population in this study is 210 people and the sample of this study is 95 people.

### **3.4 Data Analysis Method**

This study uses descriptive qualitative analysis method to determine the existence of relationships between dependent variables and independent using inductive statistics correlation with multiple regression analysis. The qualitative descriptive objective in this study is to provide a systematic, factual and accurate description of certain facts.

#### **Multiple Linear Regression Analysis**

The data analysis method used in this study is multiple regression analysis (Sugiyono, 2007). Therefore the research formulation in the path analysis framework only revolves around the independent variable ( $X_1, X_2, \dots, X_k$ ) influencing the dependent variable  $Y$ , or how much direct, indirect, and total influence or simultaneous set of independent variables ( $X_1, X_2, \dots, X_k$ ) to the dependent variable  $Y$ . Hypothesis testing using t test, F test, r squared test.

IV. Results

Coefficient of Determination

Based on the data in Table 1 it can be explained that the Adjusted R Square Value is 0.778 or 77.80%, meaning that the research variables contribute or contribute in explaining the Purchase Decision of the Toyota AUTO 2000 Binjai Branch Branch at 77.80% while the remaining 22.20% influenced by other factors outside this research such as marketing mix variables, price, buying interest, motivation, personal factors and situation factors, government policies and the national economic situation.

Table 1 Determination Coefficient Test Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.743 <sup>a</sup>	.718	.778	2.80242	1.502

a. Predictors: (Constant), X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub>

b. Dependent Variable: Y

Source: Research Results, 2019 (Data Processed)

Simultaneous Significance Test (Test f)

Based on the data in Table 2, it shows that the Fcount value is 2.996 with a significant level of 0,000. Meanwhile, the value of F table at the 95% significance level ( $\alpha = 0.05$ ) is 2.474 where (Fcount > F table) so that 2.996 > 2.474 and sig value < 0.05 (0.000 < 0.05). Thus, simultaneously there is a significant influence between Cultural Factors, Social Factors, Personal Factors and Psychological Factors on Purchasing Decisions of Toyota AUTO 2000 Brand Binjai Branch.

Table 2 Simultaneous Test (Test f) ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	94.128	4	23.532	2.996	.023 <sup>b</sup>
	Residual	706.819	90	7.854		
	Total	800.947	94			

a. Dependent Variable: X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub>

b. Predictors: (Constant), Y

Source: Research Results, 2019 (Data Processed)

Partial Test (t test)

T-test (partial test) was conducted to see individually the positive and significant influence of the independent variable (X) in the form of Cultural Factors (X<sub>1</sub>), Social Factors (X<sub>2</sub>), and Personal Factors (X<sub>3</sub>) and and Psychological Factors (X<sub>4</sub>) on Toyota AUTO2000 Brand Car Purchase Decision Binjai Branch as a dependent variable (Y). The t value is used to prove the significant effect between the independent variables on the dependent variable. T value can be seen in the regression results through the significance value < 0.05. Partial test conducted between each independent variable on the dependent variable and the results are shown in Table 3 below:

Table 3 T test (Partial Test) Coefficients<sup>a</sup>

Model		t	Sig.	Collinearity Statistics	
				Tolerance	VIF
1	(Constant)	2.439	.017		
	X <sub>1</sub>	3.407	.016	.598	1.674
	X <sub>2</sub>	3.384	.002	.849	1.177
	X <sub>3</sub>	3.939	.030	.552	1.811
	X <sub>4</sub>	2.246	.027	.998	1.002

a. Dependent Variable: Y

Source: Research Results, 2019 (Data Processed)

Based on the data in Table 3 it can be explained as follows:

1. Partial t value of the Cultural Factor (X<sub>1</sub>) variable obtained results, namely the tcount is 3.407 and the ttable value is 1.661 where the tcount > ttable (3.407 > 1.661) and sig value < 0.05 (0.016 < 0.05), so it can be

concluded that the Cultural Factor partially significantly influences the Toyota Car Purchase Decision Process at AUTO2000 Binjai Branch of 3.407.

2. Partial t value of the Social Factor variable ( $X_2$ ) obtained results, namely tcount is 3.384 and ttable value of 1.661 where tcount > ttable (3.384 > 1.661) and sig value < 0.05 (0.002 < 0.05), so it can be concluded that the Social Factor partially has a significant effect on the Purchasing Decision of Toyota Brand Cars for Customers at AUTO2000 Binjai Branch as much as 3,348.

3. Partial t value of Personal Factor variable ( $X_3$ ) obtained results, namely tcount is 3.939 and ttable value of 1.661 where tcount > ttable (3.939 > 1.661) and sig value < 0.05 (0.030 < 0.05), so it can be concluded that the Personal Factor partially has a significant effect on the Purchasing Decision of the Toyota Brand Car for Customers at AUTO2000 Binjai Branch as much as 3,939.

4. Partial t value of the Psychological Factor ( $X_4$ ) variable obtained results, the tcount is 2.224 and the ttable value is 1.661 where the tcount > ttable (2.224 > 1.661) and sig value < 0.05 (0.001 < 0.05), so it can be concluded that the Psychological Factor is partially the dominant variable that significantly influences the Purchasing Decision of Toyota Customers' Brand Cars at AUTO2000 Binjai Branch 2,246.

## **V. Conclusion and Suggestion**

### **5.1 Conclusion**

Based on the results of research and discussion, research on the influence of Cultural, Social, Personal and Psychological on the Purchasing Decision Process of Toyota Branch Brands of Binjai, conclusions can be drawn, among others:

1. Cultural have a significant influence on Toyota Brand Car Purchasing Decisions at AUTO2000 Binjai Branch. This is indicated by the significance value smaller than the significance level of 0.05.
2. Social have a significant effect on the decision to purchase a Toyota brand car at AUTO2000 Binjai Branch. This is indicated by the significance value smaller than the significance level of 0.05.
3. Personal have a positive and significant influence on Toyota Brand Car Purchasing Decisions at AUTO2000 Binjai Branch. This is indicated by the significance value smaller than the significance level of 0.05.
4. Psychological have a significant effect on Toyota Brand Car Purchasing Decisions and are the dominant variable affecting Toyota Brand Car Buying Decisions at AUTO 2000 Binjai Branch. This is indicated by the significance value smaller than the significance level of 0.05.
5. Cultural Factors, Social Factors, Personal Factors and Psychological Factors have a significant influence and are the dominant variables influencing the Toyota Brand Car Buying Decision process at AUTO 2000 Binjai Branch. This is indicated by the significance value smaller than the significance level of 0.05.

### **5.2 Suggestion**

In connection with the results of the study, the research suggestions that can be given to the management of AUTO 2000 Binjai Branch are:

1. AUTO 2000 Binjai Branch leaders are advised to increase understanding of the importance of cultural approaches in approaching customers such as the language approach and the use of tribal specialties at special moments so that customers can make decisions about purchasing Toyota cars at AUTO 2000 Binjai Branch.
2. AUTO 2000 Binjai Branch leaders are advised to increase understanding of the importance of a social approach to customers through providing financial benefits such as purchase discounts, cashbacks or price incentives, where customers get priority as a social value in purchasing Toyota cars at AUTO200 Binjai Branch.
3. The leadership of AUTO2000 Binjai Branch is advised to be able to maintain and improve the personal approach that has been applied so far through personal communication, contacting consumers, following-up by sending emails, sending brochures via social media, calling back to do a good closing so that customers feel noticed and served during the Toyota car purchasing decision process.
4. The leadership of AUTO2000 Binjai Branch is suggested to be able to maintain and improve the psychological approach of customers through creating a comfortable and relaxed atmosphere so that psychological customers are more relaxed, get maximum attention and service in making Toyota car purchasing decisions.
5. Customers of Toyota AUTO2000 Binjai Branch suggested that they should pay more attention to the purchase decision of Toyota brand cars by prioritizing complete, clear information about Toyota AUTO2000 Binjai Branch cars as well as good communication with the staff and marketing department so that they get satisfaction after making a purchase.
6. AUTO2000 Binjai Branch staff to pay attention to the cultural, social, personal and psychological aspects of customers. This is very important so that staff understand well and approach customers through the cultural, social, personal and psychological aspects of the customer so that a Decision to Purchase Toyota Brand Cars at AUTO2000 Binjai Branch.

7.The Marketing and Customer Service Section of AUTO2000 Binjai Branch is oriented towards selling targets, it can be done by marketing online, utilizing social media, such as displaying Toyota car advertisements on browsing, media chat, WA so that customers can more easily get information about Toyota AUTO2000 Binjai Branch cars.

8.It is hoped that further researchers can develop the results of this study by adding a number of other variables not examined in this study.

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