(RESEARCH ARTICLE)

Contribution of brand image, price, and product quality in purchase decisions through the buy now, pay later (BNPL) feature on beauty care products

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Abstract

This study aims to examine the influence of brand image, price, and product quality on consumers' purchase decisions when using the "Buy Now, Pay Later" (BNPL) feature for beauty products. The research involved 101 respondents who are active BNPL users. The research method used is multiple linear regression analysis. The results showed that price and product quality had a significant positive influence on purchase decisions, while brand image had no significant influence. This indicates that consumers prioritize rational factors such as price and quality over emotional factors such as brand image when deciding to purchase beauty products through the BNPL feature. The implications of this study are that businesses need to focus more on competitive pricing strategies and improving product quality to attract customers, as well as integrating the BNPL feature as one of the flexible payment options.

Keywords: Buy Now Pay Later; Brand Image; Price; Quality Product; Purchase Decision

1. Introduction

The rapid development of financial technology has significantly transformed the consumer shopping landscape. One of the most prominent innovations is the emergence of the "Buy Now, Pay Later" (BNPL) feature, which provides consumers with the flexibility to obtain goods or services without having to pay in full upfront. In the increasingly competitive beauty industry, the BNPL feature has become a significant attraction for consumers, especially younger generations who tend to be more tech-savvy and seek flexible payment options. However, behind the convenience offered by BNPL, there are a number of complex factors that influence consumer purchasing decisions, particularly in the beauty industry, which is dominated by emotional and perceptual factors.

This study aims to uncover the extent to which brand image, price, and product quality contribute to consumer purchasing decisions through the BNPL feature in the context of beauty care products. A strong brand image can build consumer trust and foster brand loyalty. Previous research has shown that consumers tend to choose products from reputable brands, even if they are more expensive. On the other hand, price is also a significant factor influencing purchasing decisions. Consumers often compare product prices with the benefits they receive, and the BNPL feature can influence consumers' perception of the value offered by a product. Additionally, high product quality is a determining factor in consumer satisfaction and can enhance brand loyalty. This research has several unique features:

- Focus on BNPL: This study specifically examines the role of BNPL in influencing the purchase of beauty products, a relatively under-researched area.
- Interaction between variables: This study will test how brand image, price, and product quality interact in influencing purchasing decisions through BNPL.

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- Beauty industry context: This study focuses on the beauty industry, which has unique characteristics related to consumer purchasing decisions.

The research hypotheses are as follows:

- H1: Brand image has a positive influence on the purchase of beauty care products through the BNPL feature.
- H2: Price has a positive influence on the purchase of beauty care products through the BNPL feature.
- H3: Product quality has a positive influence on the purchase of beauty care products through the BNPL feature.
- H4: Brand image, price, and product quality interact and have a significant influence on purchase decisions through the BNPL feature.
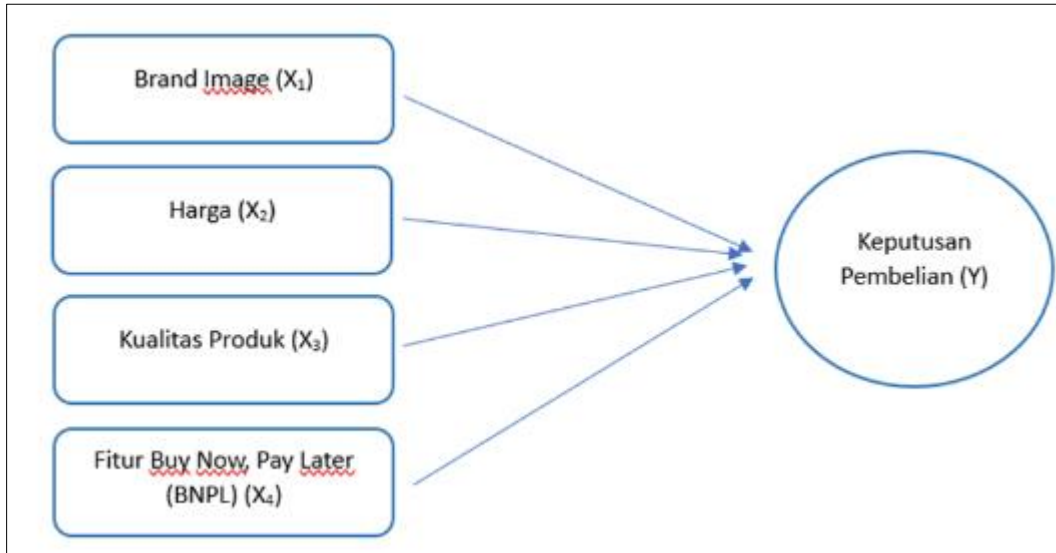

Figure 1 Conceptual Framework

2. Method

The methodology employed in this research includes multiple linear regression analysis, using questionnaire distributed to 101 respondents at Semarang. The data processing application used is SPSS and the sampling technique applied is a purposive sampling. Table 1. Characteristics of respondents based on the age range of active users.

Table 2 Characteristics of respondents based on the age range of active users

Age Range	Number of respondents	Percentage
18-24	41	41%
25-34	35	35%
35-44	15	15%
45 years and older	10	9%
Total	101	100%

Table 1 shows that 101 respondents sampled, in this study, respondents' job characteristics consist of four groups: student, private employees, Entrepreneurial, housewives. Out of a total of 101 respondents, 30% were student, 50% private employees, 15% entreprenurial, while 5% were housewives. In percentage terms, it can be concluded that 50% private employees respondents accounted for approximately, whereas others respondents constituted about 30%, 15%, and 5%. This ratio illustrates that private employees participation is more dominant in this research, providing valuable insights into consumer attitudes towards the use of Buy Now, PayLater.

Table 2 Respondents' Jobs By Age

Types of Jobs	Percentage
Student	30%
Private Employess	50%
Entrepreneurial	15%
Housewives	5%
Total	100%

Table 2 shows Respondents' Job by age characteristics show significant variation. Out of 101 respondents sampled, in this study, respondents' job characteristics consist of four groups: student, private employees, Entrepreneurial, housewives. Out of a total of 101 respondents, 30% were student, 50% private employees, 15% entreprenurial, while 5% were housewives. In percentage terms, it can be concluded that 50% private employees respondents accounted for approximately, whereas others respondents constituted about 30%, 15%, and 5%. This ratio illustrates that private employees participation is more dominant in this research, providing valuable insights into consumer attitudes towards the use of Buy Now, PayLater. The report titled " Contribution of Brand Image, Price, and Product Quality in Purchase Decisions Through the Buy Now, Pay Later (BNPL) Feature on Beauty Care Products". According to Sugiyono (2014) cited in Jasmalinda (2021), non-probability sampling does not afford equal opportunity for every element of the population to be selected as a sample. Purposive sampling was chosen in this study to select respondents aged 18-24 who are active Buy Now, PayLater users. Questionnaires were distributed online, resulting in 101 valid respondents. While purposive sampling maynot perfectly represent the entire Buy Now, Pay Later user population, it facilitated gathering relevant and specific data on respondents' job by age toward Buy Now, PayLater, providing insightful findings despite potential sample bias affecting result generalization.

In this context, the perception of brand, price, and product quality through the buy now feature, paylater confidence about Buy Now, paylater service quality, payment security, and convenience. The dependent variable, "Purchase Decision," reflects consumers' willingness to use the buy now-pay-later feature, influenced by Brand Image, Price, Product Quality and user comfort within the system buy now, paylater.

Table 3 Perception of brands

No	Statement	Average
1	I have the intention to use important is the brand when choosing beauty products	4.00
2	I prefer products from well-known brands rather new brands	3.72
3	I am satisfied influence do recommendations from friends or family have on your choice of beauty product brands	3.86
4	I feel lucky willing to pay more for products from reputable brands	3.96
	Average Perception of Brands	3.88

Based on Table 3, it can be concluded that the majority of respondents tend to agree with various aspects related to brands when purchasing beauty products. The statement "saying that brands are a choice when buying beauty products makes it easier" has a score of 4.00, indicating a tendency for respondents to be loyal to certain brands. This is reinforced by the high score (3.96) on the statement "I feel fortunate to be willing to pay more for products from leading brands," indicating that respondents have a strong emotional connection and trust in these brands.

Tabel 4 Price and BNPL Feature

No	Statement	Average
1	Price is a significant factor in my decision to purchase beauty products	4.00
2	The "buy now, pay later" (BNPL) feature has influenced my decision to purchase beauty products	4.00
3	If a BNPL option is available, how much more would you be willing to spend on a beauty product	4.22
4	I feel that BNPL makes beauty products more affordable	4.00
5	Whenever I shop online, I always use the buy now, pay later option because I am motivated to take care of myself	4.20
6	Due to the influence of my peers who use Buy Now, Pay Later, I am also inclined to use it for purchasing branded beauty products	3.86
	Average Price and BNPL Feature	4.05

Based on Table 4, it can be inferred that the majority of respondents strongly agree that financial constraints significantly influence their decision to use the Buy Now, Pay Later (BNPL) feature for purchasing branded beauty products. The indicator demonstrating this sentiment received a high score of 4.22, suggesting that respondents are inclined to use BNPL due to financial limitations, viewing it as a means to facilitate purchases that they might otherwise postpone. Moreover, the overall mean score for the price variable was 4.05, indicating a generally positive sentiment among respondents towards the use of BNPL.

Tabel 5 Product Quality and BNPL Feature

No	Statement	Average
1	Product quality is important to me in your decision to buy beauty care products	3.7
2	Composition is a consideration in assessing the quality of beauty care products	3.28
3	I am willing to try new products even though they are not widely known, if the quality is guaranteed	3.70
	Average Product Quality and BNPL Feature	3.56

Table 5 presents a favorable mean score of 3.56 regarding the perceived quality of branded beauty products. Respondents' evaluations of branded beauty products indicate a positive perception. According to respondents, branded beauty products are perceived as reliable and offer a wide variety of unique features. These findings further corroborate the notion that high-quality products effectively meet consumer needs."

Tabel 6 Purchase Decision

No	Statement	Average
1	I choose branded beauty products as my purchase priority when I am shopping	3.09
2	I have confidence that buying branded beauty products will give satisfaction with the results of use.	3.30
3	I will consider the benefits of this branded beauty product when I decide to buy.	3.35
	Average Purchase Decision	3.24

Table 6 indicates a moderate level of agreement among respondents regarding their purchasing decisions, as reflected by the mean score of 3.24. Based on this moderate mean score, it cannot be definitively concluded that popular brands are the primary factor influencing consumer purchases. This suggests that several other factors, such as perceived benefits, also play a significant role in the decision-making process when purchasing branded beauty products.

3. Result and Discussion

Validity testing was conducted using SPSS software, adhering to the following criteria:

- If the significance level is < 0.05, the item is considered valid.
- If the significance level is > 0.05, the item is considered invalid.

Table 7 Validitas Variable X

Indicator	Taraf Siginifikansi	Hasil
X1	< 0.01	Valid
X2	< 0.01	Valid
X3	< 0.01	Valid
X4	< 0.01	Valid

Table 7 presents the results of the validity test for variable X. Pearson Correlation analysis reveals the significance level (2-tailed). For this study, a significance level of 5% was adopted, corresponding to a critical value of 0.176 with 101 respondents. Based on Table 7, the significance levels of indicators X1 to X4 are all less than 0.01, indicating a value smaller than 0.05. Given this data, it can be concluded that the indicators of variable X (Buy Now, Pay Later) are valid.

Table 8 Validitas Variabel Y

Indicator	Taraf siginifikansi	Hasil
Y1	< 0.01	Valid
Y2	< 0.01	Valid
Y3	< 0.01	Valid
Y4	< 0.01	Valid

Table 8 presents the results of the validity test for variable Y. Pearson Correlation analysis reveals the significance level (2-tailed). For this study, a significance level of 5% was adopted, corresponding to a critical value of 0.176 with 101 respondents. Based on Table 8, the significance levels of indicators Y1 to Y4 are all less than 0.01, indicating a value smaller than 0.05. Given this data, it can be concluded that the indicators of variable Y (Purchasing decision through the Buy Now, Pay Later feature) are valid.

Reliability testing was conducted using SPSS. A variable is considered reliable if the Cronbach's Alpha value is greater than 0.6. If the Cronbach's Alpha value is less than 0.6, the variable is considered unreliable."

Table 9 Reliabilitas Variable X and Y

No.	Variabel	Nilai *Cronbach alpha*	>/<	Nilai kritis *Cronbach alpha*	Keterangan
1.	Brand Image	0.674	>	0.6	Reliabel
2.	Price	0.756	>	0.6	Reliabel
3.	Quality product	0.726	>	0.6	Reliabel
4.	Buy Now, Paylater	0.713	>	0.6	Reliabel
5	Purchase Decision	0.673	>	0.6	Reliabel

Table 9 displays the Cronbach's alpha values, which are greater than the corresponding critical values, indicating that the independent variables have met the reliability criterion. Variables such as brand image, price, product quality, Buy

Now Pay Later, and purchasing decision, when subjected to reliability testing, were found to be reliable. A variable is considered reliable if its Cronbach's alpha exceeds 0.6. Thus, the indicators used to measure brand image, price, product quality, and purchasing decision are deemed reliable and valid as measurement tools.

Normality test was conducted using SPSS software. A variable is considered normally distributed if the following criterion is met:

- If the significance level is > 0.05, the sample is considered to be normally distributed.
- If the significance level is < 0.05, the sample is considered to be not normally distributed.

Tabel 10 Uji Normalitas One Sample Kolmogrov-Smirnov

Asymp. Sig. (2-tailed)	Hasil
0.057	Normal

Based on the normality test in Table 10, with a significance level of 0.057, it can be inferred that the significance level is greater than 0.05. Therefore, it can be concluded that the data is normally distributed.

Tabel 11 Coefficient of Determination Test (R^2)

R	R Square
0.599	0.358

Table 9 presents the results of the coefficient of determination test using SPSS. The test indicates a correlation coefficient (R) of 0.599. Furthermore, the table shows a coefficient of determination (R-squared) of 0.358, meaning that the independent variable (Buy Now Pay Later) accounts for 35.8% of the variance in the dependent variable (Purchasing Decision). This percentage is obtained by multiplying the coefficient of determination (R-squared) of 0.358 by 100%.

Tabel 12 Anova

F	Sig.
38.024	< 0.001

Table 12 presents the results of the F-test, showing an F-statistic value of 38.024 with a significance level of 0.001. This indicates that the significance level of 0.001 is less than 0.05, implying that the regression model is significant and that there is a significant simultaneous influence of brand image, price, and product quality on the purchasing decision of branded beauty products in Semarang.

3.1. Hipotesis testing

Tabel 13 Linear Regression Analysis

B	t	Sig.
12.880	9.302	< 0.01
0.697	8.187	< 0.01
0.175	0.391	<0.01
0.056	0.130	<0.01
1.349	3.926	<0.01
1.082	3.092	<0.01

Based on the unstandardized coefficients presented in Table 4.13, the linear regression equation relating brand image, price, and product quality to purchasing decision can be formulated as follows:

$$Y = 0.697 + 0,175X_1 + 0,056X_2 + 1,349X_3 + 1,082X_4$$

The regression equation can be interpreted as follows:

The constant of 12.880 indicates that the baseline value of the dependent variable (Purchasing Decision) is 12.880. The regression coefficient of 0.697 implies that for every 1% increase in the 'Buy Now, Pay Later' feature, the purchasing decision for branded beauty products increases by 0.697 units. The positive coefficients for brand image (0.056), price (1.349), and product quality (1.082) suggest that an increase in these variables will lead to a corresponding increase in the purchasing decision, assuming other variables remain constant.

Regarding the t-test, the calculated t-value is 8.187, which is significantly larger than the critical t-value of 1.65821 (obtained from the t-distribution table with 115 degrees of freedom at a 5% significance level). This indicates that the independent variables (brand image, price, product quality, and Buy Now, Pay Later feature) have a significant impact on the dependent variable (Purchasing Decision).

Based on the results of the linear regression analysis, the null hypothesis is rejected, and the alternative hypotheses for all independent variables are accepted. This confirms that the 'Buy Now, Pay Later' feature has a positive and significant influence on purchasing decisions in Semarang.

4. Conclusion

This study aimed to investigate the influence of brand image, price, and product quality on consumers' purchase decisions when using the Buy Now, Pay Later (BNPL) feature for beauty products. The research found that:

- Brand image did not have a significant impact on purchase decisions. While respondents generally had a positive perception of brands, other factors such as price and product quality played a more dominant role in their purchase decisions.
- Price was a significant factor influencing purchase decisions. Consumers were more likely to choose products with affordable prices, even when considering the BNPL option.
- Product quality also significantly influenced purchase decisions. Consumers valued product features, benefits, and overall satisfaction, which led to their purchase decisions.
- The BNPL feature itself was positively perceived by consumers, providing flexibility and convenience in making purchases. However, its direct impact on purchase decisions was overshadowed by the influence of price and product quality.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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