

Brand Image as a Mediator between Price Perception and Purchase Decisions: Evidence from Artshop Consumers in Ubud

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Abstract - This study aims to analyze the role of brand image in mediating the influence of price perception on purchase decisions at Paneca Collection Artshop in Ubud, Bali. This research is motivated by declining sales performance and preliminary indications that consumers have not fully perceived price, brand image, and purchase decisions positively. Drawing on Cue Utilization Theory, this study positions price perception as an extrinsic cue that helps consumers form brand evaluations and purchase decisions, particularly in the context of cultural retail. The study used a quantitative approach involving 100 consumers selected through purposive sampling. The data were analyzed using PLS-SEM. The results show that price perception has a positive and significant effect on brand image and purchase decisions. Brand image also has a positive and significant effect on purchase decisions and partially mediates the influence of price perception on purchase decisions. These findings confirm that purchase decisions in cultural retail are shaped by the interaction between rational price evaluation and symbolic brand evaluation. Practically, this study emphasizes the importance of aligning pricing strategies with consumers' value perceptions and strengthening an authentic brand image to encourage purchase decisions.

Keywords: *brand image, cue utilization theory, price perception, purchase decision, retail culture*

INTRODUCTION

Purchase decision-making is a central issue in consumer behavior and marketing studies because it is influenced not only by product characteristics, but also by how consumers interpret information associated with the product. Purchase decisions essentially reflect the process through which consumers recognize needs, seek information, evaluate alternatives, and decide to buy products that best meet their expectations (Clarita, 2023). In increasingly dynamic business competition, understanding the factors that shape purchase decisions is important for companies to maintain competitiveness and business sustainability.

One factor that has consistently received attention in the consumer behavior literature is price perception. Price is not only understood as a form of financial sacrifice that consumers must make, but it also as evaluative information that consumers interpret during the purchase process. Price perception refers to consumers' psychological responses to prices that they observe, compare, and evaluate as reasonable or unreasonable based on the benefits received (Herdioko, 2020; Khaira et al., 2022). Therefore, price perception may influence purchase decisions when consumers perceive the offered price as being consistent with the quality, benefits, and experience obtained.

This relationship can be explained through Cue Utilization Theory. This theory explains that when consumers are unable to fully assess a product's intrinsic quality before purchase, they rely on available cues, particularly extrinsic cues, to evaluate product quality and value. In the marketing literature, price, brand name, and store name are considered extrinsic cues that shape consumers' perceptions of quality, sacrifice, and

value. Thus, price serves not only as a cost indicator, but it is also as an evaluative cue that helps consumers assess products under conditions of limited information.

Within this framework, positive price perception may not only directly influence purchase decisions, but it also shape consumers' evaluations of brands. When prices are perceived as reasonable, consistent with quality, and reflective of product value, consumers tend to form more positive associations with the brand. In this context, brand image is a relevant variable because it reflects the associations, beliefs, and impressions formed in consumers' minds about a brand (Ningsih et al., 2024). Brand image is influenced not only by a company's marketing communication but also by consumer experience, brand reputation, and perceptions of product attributes (Noviasari, 2023; Sitohang et al., 2024). In other words, when price is perceived as a positive cue, the brand image formed in consumers' minds also tends to be more favorable.

The role of brand image becomes increasingly important for products with symbolic, aesthetic, and cultural value, such as artshop products. For this type of product, consumers make purchases not only based on utilitarian functions, but it is also based on the cultural meanings, identities, and experiences associated with the product. Under such conditions, product quality often cannot be fully assessed objectively before purchase, so consumers tend to rely more on available extrinsic cues. In this context, price can serve as an initial cue of artistic quality, uniqueness, and product value, while brand image functions as an evaluative outcome that strengthens consumers' confidence to buy. Therefore, the relationship among price perception, brand image, and purchase decisions is highly relevant to examine in the context of cultural retail (Apriani & Arifin, 2020).

The relevance of this issue can be seen in the development of handicraft businesses in Bali, which continue to grow alongside tourism growth and tourists' interest in local arts and culture. Handicraft businesses are not only a source of income for local communities but also part of cultural identity with high economic and symbolic value. As one of Indonesia's main tourist destinations, Bali encourages the development of various artshops offering local products, thereby increasing competition among similar businesses (Sya'idah, 2020). Under these conditions, business actors need to develop pricing strategies that align with consumers' value perceptions while building a strong brand image to improve purchase decisions.

Paneca Collection Artshop is one of the artshops in Ubud, Gianyar, that offers various Balinese products, such as Balinese paintings, Balinese batik, beach cloths, souvenirs, and accessories. As part of culture-based retail, Paneca Collection Artshop is required not only to offer attractive products but also to build value perceptions that align with consumer expectations. Based on observation results, Paneca Collection Artshop experienced a decline in sales performance from 106.97 percent in 2023 to 89.46 percent in 2024. This decline indicates instability in sales performance and suggests that consumer purchase decisions have not been optimally formed. Several product categories, such as Balinese paintings and Balinese batik, also experienced a significant decline, strengthening the indication that problems may exist in consumers' evaluation of the products offered.

This indication is supported by the results of a pre-survey involving 40 consumers of Paneca Collection Artshop. The preliminary results show that 87.5 percent of consumers had no intention of recommending Paneca Collection Artshop products to others. In addition, 75 percent of respondents stated that product prices were not consistent with the quality offered, while only 20 percent perceived Paneca Collection Artshop as having a positive image. These preliminary findings show that purchase

decision issues in this research object are related not only to price evaluation, but it is also to the weak formation of brand image in consumers' perceptions. In other words, the problem can be understood in terms of how consumers use price as an initial cue to assess the quality and brand of artshop products.

Empirically, the relationship among price perception, brand image, and purchase decisions has been widely studied, but the previous findings remain inconsistent. Several studies have found that price perception has a positive and significant effect on purchase decisions (Puspasari et al., 2024; Pratama & Hidayat, 2024), whereas other studies have shown that price perception has a negative effect on purchase decisions (Zakiyah, 2020). Similar inconsistencies are found in the relationship between brand image and purchase decisions. Several studies show that brand image has a positive and significant effect on purchase decisions (Tjira et al., 2024), whereas other studies found that brand image did not have a significant effect on purchase decisions (Yudistira, 2022). These differences indicate that the relationships among the variables are not yet fully established and require further testing, especially in the context of cultural retail, which has symbolic and experiential product characteristics.

In addition to these empirical inconsistencies, there remains room to further explain the mechanism underlying the relationship between price perception and purchase decisions. Some previous studies have emphasized the direct influence of price perception on purchase decisions. However, from the perspective of Cue Utilization Theory, price is an extrinsic cue that consumers first process to assess product quality and value. This evaluation process may form a stronger brand image before ultimately influencing purchase decisions. Thus, brand image is worth examining as a mediating variable because positive price perception can create a more favorable brand image, which may ultimately strengthen purchase decisions. This argument is supported by previous research showing that brand image can mediate the influence of price perception on purchase decisions (Kamila & Khasanah, 2022). However, other studies have shown that brand image does not significantly mediate this relationship (Nurfatmah & Sigarlaki, 2024). This condition indicates that the mediating role of brand image still requires further empirical examination.

Based on the empirical phenomenon and the research gap, this study is relevant and necessary. Theoretically, this study seeks to clarify the application of Cue Utilization Theory in explaining how price perception as an extrinsic cue can shape brand image and consumer purchase decisions. Contextually, this study expands consumer behavior research in cultural retail settings, particularly artshops in Bali, which remain relatively limited in previous studies. Practically, the results of this study are expected to provide input for the management of Paneca Collection Artshop in formulating pricing strategies that are not only competitive, but it is also able to strengthen brand image and encourage consumer purchase decisions. Thus, this study aims to examine the relationships among price perception, brand image, and purchase decisions, with brand image positioned as a mediating variable at Paneca Collection Artshop in Ubud.

LITERATURE REVIEW

Cue Utilization Theory

Cue Utilization Theory explains that consumers use various cues to evaluate product quality when intrinsic attributes cannot be fully assessed before purchase. Szybillo and Jacoby (1974) distinguish these cues into intrinsic and extrinsic cues, with

price, brand name, and store reputation included as extrinsic cues that consumers often use in the quality evaluation process. In situations of limited information, consumers tend to rely on such external cues to form an initial assessment of product quality and value.

Rao and Monroe (1989) assert that price is an important external indicator in product evaluation because it not only indicates monetary sacrifice, but it also helps consumers infer product quality. Furthermore, Teas and Agarwal (2000) show that external cues such as price, brand name, store name, and country of origin influence consumers' perceptions of quality, sacrifice, and value. Therefore, Cue Utilization Theory is a relevant foundation for this study because it explains how price perception, as an extrinsic cue, can shape brand image and ultimately influence purchase decisions.

Consumer Behavior

Consumer behavior refers to the study of how individuals, groups, and organizations choose, buy, use, and acquire goods, services, ideas, or experiences to satisfy their needs and wants (Kotler and Keller, 2016). This view explains how consumers fulfill their needs and wants by making decisions to choose appropriate goods and services. Mowen and Minor (2002) define consumer behavior as the study of purchasing units and exchange processes involving the acquisition, use, and disposal of goods, services, experiences, and ideas. This definition emphasizes the process consumers go through before deciding to purchase and acquire a product or service.

Furthermore, Swastha (1999) explains that consumer behavior examines how individuals make purchasing decisions influenced by psychological, social, cultural, and economic factors through decision-making processes that include need recognition, information search, alternative evaluation, and post-purchase behavior. Thus, purchase decisions are part of consumer behavior in fulfilling needs and desires, including in the context of artshop products.

Purchase Decision

After recognizing a problem, consumers begin searching for relevant information about specific products or brands that may meet their needs. This stage is part of the process that occurs before consumers make a purchase decision. Kotler and Keller (2016) explain that purchase decisions represent a stage in the consumer decision-making process in which consumers choose and buy certain products or services after identifying needs, seeking information, and evaluating alternatives.

Fauzi (2021) states that purchase decisions involve steps taken by consumers in recognizing and understanding the problems or needs they face. Kumbara (2021) emphasizes that purchase decisions involve considerations and reasons that encourage consumers to choose and purchase a product. Therefore, consumer purchase decisions occur after consumers go through the stages of problem recognition, information search, alternative evaluation, and the actual decision to buy products or services.

Price Perception

Price perception refers to the process by which consumers interpret price information and assign meaning to a product's price based on affordability, quality suitability, and perceived benefits (Kotler and Keller, 2016). This process leads consumers to compare the sacrifices made with the benefits obtained from the product. Schiffman and Wisenblit (2015) explain that, in consumer behavior, price perception refers to consumers' interpretation of price information, which is influenced by

experience, references, and expectations; consumers often use price as an indicator of product quality and value. Similarly, Tjiptono (2015) argues that price is subjective because each consumer may evaluate it differently. Thus, price perception reflects how consumers view certain prices as high, low, or reasonable, which may affect purchase decisions.

Brand Image

Brand image refers to the perceptions or impressions formed in consumers' minds about a particular brand before purchase. Kotler and Keller (2016) state that brand image is a set of consumer perceptions, beliefs, and impressions of a brand formed through experience and received information. Siregar et al. (2022) explain that brand image is related to a name, term, sign, symbol, design, or a combination of these elements that provides identity to a product or service offered by an individual or group of sellers. Brand image functions as a marker that helps consumers distinguish one product from another and recognize it before making a purchase. This is supported by Tjiptono (2015), who states that brand image refers to consumers' associations and beliefs toward certain brands.

The Influence of Price Perception on Brand Image

Based on Cue Utilization Theory, price is one of the extrinsic cues consumers use to assess a product's quality and value when its intrinsic quality cannot be fully evaluated. The literature shows that price cues contribute to the formation of quality and value perceptions; therefore, prices perceived as reasonable, appropriate, and representative of product quality tend to result in more positive evaluations. In this context, when consumers perceive price as a cue that reflects product quality and benefits, they are more likely to form positive associations with the brand. In this case, consumers consider not only the nominal price of the product, but it is also how well the price matches the perceived value based on their previous experiences and expectations regarding product quality and benefits (Dzulkharnain, 2020). According to Anugrah and Khuzaini (2024) and Aprilia and Sari (2023) show that price perception has significantly positive effect on brand image.

H1: Price perception has significantly positive effect on the brand image of Paneca Collection Artshop

The Influence of Price Perception on Purchase Decisions

Based on Cue Utilization Theory, price is one of the extrinsic cues consumers use to assess a product's quality and value when its intrinsic quality cannot be fully evaluated. The literature shows that price cues contribute to the formation of quality and value perceptions; therefore, prices perceived as reasonable, appropriate, and representative of product quality tend to result in more positive evaluations. In this context, when consumers perceive price as a cue that reflects product quality and benefits, they are more likely to form positive associations with the brand. In this case, consumers consider not only the nominal price of the product, but it is also how well the price matches the perceived value based on their previous experiences and expectations regarding product quality and benefits (Dzulkharnain, 2020). According to Anugrah and Khuzaini (2024) and Aprilia and Sari (2023) show that price perception has significantly positive effect on brand image.

H2: Price perception has significantly positive effect on purchasing decisions at Paneca Collection Artshop

The Influence of Brand Image on Purchase Decisions

Brand image reflects consumers' overall evaluation of a brand and serves as a psychological representation of the quality, reputation, and value associated with a product. Brand image includes various elements, such as the perceived value, quality, and characteristics of the products or services offered by the brand. In this context, brand image is influenced not only by companies' marketing communications but also by consumers' direct experiences with products, customer service, and brand reputation in the market (Sofiyatuzzahro et al., 2021). Previous studies by Tjira et al. (2024) and Kamillah et al. (2024) show that brand image has significantly positive effect on purchase decisions.

H3: Brand image has a significantly positive effect on purchasing decisions at Paneca Collection Artshop

The Influence of Brand Image in Mediating the Influence of Price Perception on Purchase Decisions

Cue Utilization Theory provides a strong basis for explaining the mediating relationship examined in this study. This theory asserts that consumers use external cues to form perceptions of product quality, sacrifice, and value. In this context, price perception as an extrinsic cue not only influences purchase decisions directly, but it may also shape consumers' evaluations of brands. A positively perceived price may create stronger associations with product quality, credibility, and value, which are then internalized as a more positive brand image. Furthermore, a strong brand image may increase consumer confidence and the likelihood of making a purchase decision (Teas and Agarwal, 2000).

In this case, consumers consider not only the nominal price of the product, but it is also about how well the price matches the perceived value based on their previous experiences and expectations regarding product quality and benefits (Dzulkharnain, 2020). Previous studies by Arini and Sudiksa (2018) and Kamila and Khasanah (2022) show that price perception has significantly positive effect on purchase decisions through brand image as a mediating variable.

H4: Brand image has a significant role in mediating the influence of price perception on purchase decisions at Paneca Collection Artshop.

METHODOLOGY

This study used a quantitative approach with an explanatory design to examine the influence of price perception on brand image and purchase decisions, as well as the mediating role of brand image in these relationships. The research model was built on Cue Utilization Theory, which explains that consumers use external cues, such as price, to assess product quality, value, and brand when a product's intrinsic attributes cannot be fully evaluated before purchase (Szybillo and Jacoby, 1974; Rao and Monroe, 1989; Teas and Agarwal, 2000).

The research object was Paneca Collection Artshop in Ubud, Bali. The population consisted of all consumers who had made purchases at the artshop. However, the exact population size could not be definitively identified. Therefore, this study used non-probability sampling with a purposive sampling technique based on two criteria:

respondents had to be at least 17 years old and had made at least one purchase at Paneca Collection Artshop (Sugiyono, 2017). A sample of 100 respondents was considered adequate for PLS-SEM analysis because the research model was predictive and involved testing direct and indirect relationships among latent constructs (Hair et al., 2017).

Data were collected through a structured questionnaire developed based on indicators of price perception, brand image, and purchase decisions from the relevant literature. The data were then analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS. The analysis included measurement model evaluation to test construct validity and reliability, and structural model evaluation to test the coefficient of determination, effect size, and significance of relationships among variables through bootstrapping procedures (Hair et al., 2017).

RESULTS

Evaluation of the Outer Model

Convergent validity aims to determine the validity of each relationship between an indicator and its latent construct or variable.

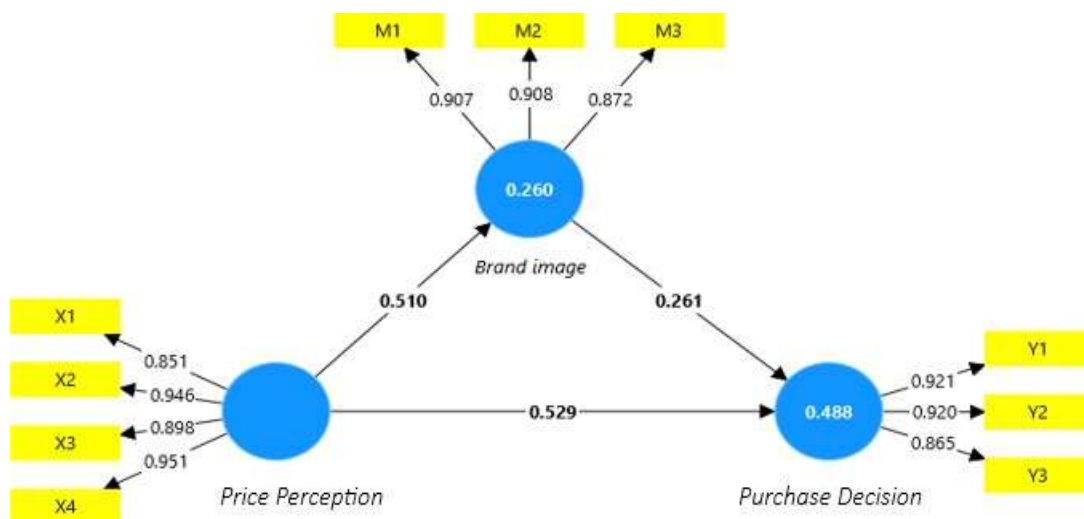


Figure 1. PLS Alogaritm Results

Source: Smart PLS

The output results of Smart PLS as displayed where it appears to have met convergent validity because the original value of the sample is above 0.70, then all indicators in the price perception variable, brand image variable and purchase decision variable can be said to be valid.

Table 1. Cross Loading Testing

	Purchase Decision	Price Perception	Brand Image
Y1	0,921	0,631	0,432
Y2	0,920	0,561	0,537
Y3	0,865	0,597	0,466
X1	0,600	0,851	0,438
X2	0,604	0,946	0,519
X3	0,606	0,898	0,394
X4	0,606	0,951	0,501
M1	0,399	0,490	0,907
M2	0,456	0,415	0,908
M3	0,555	0,462	0,872

Source: Authors

The results of the evaluation of the measurement model show that all indicators in the constructs of price perception, brand image, and purchase decisions have met the criteria of convergent validity. This is indicated by the outer loading value which is entirely above the required threshold, so that each indicator is considered to be able to adequately reflect the latent construct it measured. Furthermore, the validity of the discriminant is also fulfilled because each indicator has a higher cross loading value on its own construct compared to other constructs. Thus, each indicator is considered to have adequate ability to distinguish the construct being measured.

Table 2. Reliability Testing and Cronbach's Alpha

Variable	Composite Reliability	Cronbachs Alpha	Remarks
Purchase decision	0,929	0,885	Reliable
Price perception	0,952	0,932	Reliable
Brand image	0,924	0,878	Reliable

Source: Authors

In addition, the results of the reliability test showed that the entire construct had a composite reliability value and Cronbach's alpha above 0.70, which was 0.929 and 0.885 for the purchase decision, 0.952 and 0.932 for the price perception, and 0.924 and 0.878 for the brand image. These findings show that the entire construct has good internal consistency and is suitable for use in the next stage of analysis.

Inner Model Evaluation

The R square (R²) determination coefficient is a way to assess how much an endogenous construct can be explained by an exogenous construct. The R-Square value is an indicator that shows how much influence independent variables have on dependent variables in a regression model.

Table 3. R-Square Testing

Variable	R Square	Categories
Brand image (M)	0,260	Small
Purchase decision (Y)	0,488	Medium

Source: Authors

In the structural model, the R-square value shows that price perception is able to explain 26.0 percent of brand image variations, while price perception with brand image is able to explain 48.8 percent of purchase decision variations. These results show that

the clear power of the model on brand image is at a small level, while the clear power of the model on purchasing decisions is at a moderate level. In other words, the brand image in this study is not only influenced by price perception, but it is also by other factors outside the model. Similarly, purchasing decisions are not fully explained by price perceptions and brand image, so there are still other variables that have the potential to influence consumer decisions in the context of Paneca Collection Artshop.

Table 4. F-Square Testing

	Purchase Decision	Brand Image
Brand Image	0,098	
Price Perception	0,404	0,351

Source: Authors

The results of the effect size test through the F-square value showed that price perception had a big influence on the purchase decision, with a value of 0.404, and also had a big influence on the brand image, with a value of 0.351. In contrast, brand image had a small influence on purchase decisions with a value of 0.098. Thus, these results show that in the research model, price perception is a more dominant predictor than brand image in explaining purchasing decisions.

Table 5. SRMR Testing

Criteria	Saturated model	Remarks
SRMR	0,064	Model fit

Source: Authors

The evaluation of the suitability of the model through the Standardized Root Mean Square Residual yielded a value of 0.064. This value is below the limit of 0.10 used in the manuscript as the basis for assessing the fit model, so the research model is considered to have an adequate level of conformity with the observational data and is feasible to continue with hypothesis testing (Alvionita & Marhalinda, 2024). These results show that the constructed structural model has been representative enough to test the relationship between price perception, brand image, and purchase decisions at the Paneca Collection Artshop.

Hypothesis Test

The test was carried out by t-test of each partial direct influence pathway and indirect influence through mediation variables. Direct testing of each variable based on the conceptual framework and hypotheses that have been tested is presented in the following table 6.

Table 6. Direct Effects Test Results

No	Relationship Between Variables	Path Coefficient (<i>Bootstrapping</i>)	T-Statistic	p-Value	Information
1	Price Perception -> Brand Image	0.510	6.575	0,000	Significant
2	Price Perception -> Purchase Decision	0.529	8.738	0,000	Significant
3	Brand Image -> Purchase Decision	0.261	3.557	0,001	Significant

Source: Authors

Direct hypothesis testing showed that price perception had a positive and significant effect on brand image, with a path coefficient of 0.510, a t-value of 6.575, and a p-value of 0.000. These results indicate that the more positively consumers perceive price, the more favorable the brand image they form. In addition, price perception also had a

positive and significant effect on purchase decisions, with a path coefficient of 0.529, a t-value of 8.738, and a p-value of 0.000. These findings indicate that price perception is one of the main determinants of consumer purchase decisions. Furthermore, brand image had a positive and significant effect on purchase decisions, with a path coefficient of 0.261, a t-value of 3.557, and a p-value of 0.001. Thus, all direct hypotheses in this study were supported.

Table 7. Indirect Effects Test Results

Hypothesis	Original Sample	T-Statistics	p-value	Remarks
Price Perception -> Brand Image -> Purchase Decision	0,133	3,267	0,001	Significant

Source: Authors

In the indirect effect test, brand image significantly mediated the relationship between price perception and purchase decisions, with an indirect effect coefficient of 0.133, a t-value of 3.267, and a p-value of 0.001. Since the direct effect of price perception on purchase decisions remained significant, the role of brand image in this model was categorized as partial mediation. This result was supported by the VAF value of 0.20, indicating that the mediating effect falls into the category of partial mediation.

Brand image partially bridges the relationship between price perception and purchase decisions, while price perception still retains a strong direct effect on purchase decisions. Thus, brand image acts as a partial mediator, meaning that it strengthens the influence of price perception on purchase decisions, but is not the only channel through which this influence occurs (Laurent, 2016).

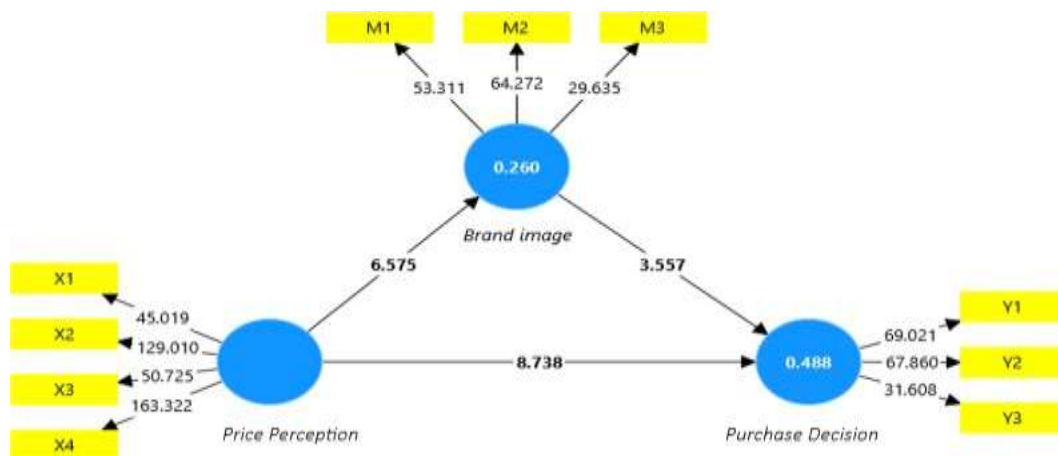


Figure 2. Diagram Model of Indirect Hypothesis Test Result

Source : SmartPLS

DISCUSSION

Price Perception Against Brand Image

Price perception plays an important role in shaping brand image and purchase decisions at Paneca Collection Artshop. The findings confirm that, in the context of consumer behavior, price is not solely understood as a form of financial sacrifice but also as an evaluative cue that helps consumers assess the quality, value, and feasibility of a product. This explanation is in line with Cue Utilization Theory, which states that when the intrinsic attributes of a product cannot be fully assessed before purchase, consumers

tend to rely on external cues, such as price, brand name, and store reputation, to form an initial assessment of product quality and value (Szybillo and Jacoby, 1974; Rao and Monroe, 1989; Teas and Agarwal, 2000).

In the context of Paneca Collection Artshop, the products offered have not only functional dimensions but also artistic, aesthetic, symbolic, and cultural dimensions. Because these characteristics are difficult to evaluate objectively before a transaction is made, price becomes one of the main bases consumers use to interpret whether the product offers appropriate value. The positive influence of price perception on brand image indicates that when consumers perceive the offered price as reasonable, appropriate, and reflective of product quality, they tend to form more positive associations with the brand. In this case, price functions not only as a cost indicator but also as a signal that represents the artistic quality, authenticity, and symbolic value of the product. This finding is important because, in cultural retail, particularly artshops in Ubud, consumers buy not only goods but also experiences, stories, and cultural meanings embedded in the products. Therefore, positive price perception may strengthen the view that Paneca Collection Artshop is a valuable, credible, and clearly differentiated brand.

This explanation is in line with Teas and Agarwal (2000), who affirm that external cues affect perceptions of quality, sacrifice, and value. It is also consistent with the findings of Anugrah and Khuzaini (2024) and Aprilia and Sari (2023), who found that price perception has a positive and significant effect on brand image. However, these results should be interpreted proportionally because the ability of price perception to explain brand image in this research model remains limited. This indicates that the brand image of Paneca Collection Artshop may also be influenced by other factors outside the model, such as shopping experience, store atmosphere, service interactions, brand communication, and perceived product authenticity. Thus, price perception is an important determinant, but it is not the only factor shaping brand image.

Price Perception of Purchase Decisions

Similarly, the findings show that price perception strongly influences purchase decisions, indicating that Paneca Collection Artshop consumers carefully consider the compatibility between the price paid and the benefits received. These findings confirm that although artshop products contain symbolic and cultural value, purchase decisions are still largely driven by rational evaluations of price fairness. From the perspective of consumer behavior, this condition indicates that consumers attempt to reduce uncertainty by using price as a basis for assessing whether a product is worth buying.

Dzulkharnain (2020) explains that price perception is the process by which consumers interpret the value reflected in a price and compare it with the expected benefits. In the context of this study, when consumers perceive the price of Paneca Collection Artshop products as being consistent with material quality, artistic value, and design uniqueness, their tendency to make a purchase increases. These findings are also relevant to the initial research phenomenon, which shows that some consumers still perceive prices as not fully consistent with product quality.

Therefore, the results of this study strengthen the argument that price perception is a central factor in shaping purchase decisions. These results are consistent with the studies by Puspasari et al. (2024) and Pratama and Hidayat (2024), which also found that price perception has a positive and significant effect on purchase decisions. Thus, in the context of cultural retail, price must be understood as a strategic element, not only as a tool for

market competition but also as a value evaluation mechanism that consumers use directly when making purchase decisions.

Brand image on purchase decisions

This study confirms that brand image has a strong influence on shaping purchase decisions. This finding indicates that a positive brand image can increase consumers' confidence in buying products offered by Paneca Collection Artshop. Conceptually, brand image reflects a set of associations, impressions, and beliefs formed in consumers' minds about a brand. In decision-making, brand image serves as a psychological representation that helps consumers simplify the evaluation process and reduce doubt when choosing a product.

Sofiyatuzzahro et al. (2021) emphasize that brand image is formed by various elements, such as perceived quality, direct experience, customer service, and brand reputation in the market. In the context of Paneca Collection Artshop, a strong brand image can emerge from consumers' perceptions that the brand offers distinctive, authentic, high-quality products with strong artistic value. This condition is particularly important in cultural retail because consumers are not only buying physical objects but also seeking the identity, local experience, and symbolic legitimacy associated with the brand they choose. Therefore, when Paneca Collection Artshop is perceived as having a positive image, consumers are more likely to feel confident that their purchase decision is appropriate.

These findings are in line with the studies by Tjira et al. (2024) and Kamillah et al. (2024), which show that brand image has a positive and significant effect on purchase decisions. However, the magnitude of the effect of brand image on purchase decisions in this study was smaller than the direct effect of price perception on purchase decisions. This finding suggests that, although brand image contributes to purchase decisions, consumers at Paneca Collection Artshop remain highly responsive to price fairness. Thus, brand image strengthens the decision-making process but does not override the role of price as a key evaluative factor.

The Role of Brand Image in Mediating Price Perception on Purchase Decisions

The relationship among the constructs in this study becomes clearer when viewed through the mediating role of brand image. The results show that brand image significantly mediated the relationship between price perception and purchase decisions, indicating complementary partial mediation. This finding means that price perception influences purchase decisions through two simultaneous paths. The first is the direct path, in which consumers use price perception to assess product feasibility and then decide whether to buy. The second is the indirect path, in which positive price perception first forms a more favorable brand image, which then strengthens the purchase decision.

This pattern is consistent with the logic of Cue Utilization Theory, which positions price as an initial external cue that helps consumers evaluate quality, value, and brand before making a purchase decision (Szybillo and Jacoby, 1974; Teas and Agarwal, 2000). In the context of Paneca Collection Artshop, consumers who perceive the price as reasonable and reflective of product quality are more likely to develop a positive brand image, which then increases the likelihood of purchase.

However, the partial nature of the mediation suggests that brand image is not the only mechanism linking price perception and purchase decisions. Part of the influence of price perception remains direct and appears stronger than the indirect effect. These

findings are substantively important because they show that, in cultural retail such as Paneca Collection Artshop, consumers do not necessarily need to form a strong brand image before deciding to buy. In many situations, the perception that the offered price is consistent with product value may be sufficient to drive a purchase. In this case, brand image reinforces and refines the decision-making process, while price remains the dominant basis for evaluation.

These findings also help explain inconsistencies in previous research regarding the mediating role of brand image. In some studies, brand image has been shown to be a significant mediator between price perception and purchase decisions, as demonstrated by Arini and Sudiksa (2018) and Kamila and Khasanah (2022). However, in other contexts, its role may not always be dominant. The results of this study show that, in cultural retail, brand image plays a significant mediating role, but only partially, because consumers remain highly responsive to direct assessments of price fairness. Thus, the theoretical contribution of this study lies not only in demonstrating the existence of mediation but also in affirming that the relationship among price perception, brand image, and purchase decisions is layered and not entirely linear.

Practical Implications of Theoretical Contributions

Based on these findings, the practical implication is that Paneca Collection Artshop should not only set competitive prices but also ensure that these prices are perceived as reasonable, feasible, and consistent with the value offered. Therefore, pricing strategies should be accompanied by clear value communication to consumers, for example by emphasizing material quality, craftsmanship, design uniqueness, and the cultural meaning of the product. At the same time, managers need to build a consistent and authentic brand image that highlights the distinctive identity of Balinese art products. Thus, pricing and brand-building strategies should not be implemented separately but should be integrated to generate stronger value perceptions and drive purchase decisions more effectively.

CONCLUSION

The results of this study provide important insights into the factors that shape purchase decisions among artshop consumers, with price perception emerging as a key factor influencing consumer purchase decisions. In addition, brand image also plays an important role in shaping purchase decisions through both direct and indirect channels.

The findings show that purchase decisions at Paneca Collection Artshop are shaped by the interaction between rational price evaluation and symbolic brand evaluation. This confirms that consumers are more likely to make a purchase when they perceive the offered price as affordable and consistent with their expectations of product quality. Thus, pricing is not only a tool for economic transactions but also an important element in building brand perception and increasing consumers' confidence to make purchases. Furthermore, price perception was found to have a positive effect on brand image and purchase decisions, while brand image had a positive effect on purchase decisions and partially mediated the relationship between price perception and purchase decisions.

These results emphasize that brand image is an important factor for artshop consumers because they seek products that not only have functional value, but it also represent desired aesthetics, identity, and distinctive qualities. Furthermore, the results confirm that consumers still consider price a major factor in purchasing, but its influence becomes stronger when the offered price also contributes to a positive brand image.

These findings strengthen Cue Utilization Theory by showing that price, as an extrinsic cue, not only influences purchase decisions directly, but it also shapes brand image as an intermediate evaluative mechanism. In the context of cultural retail, these results confirm that pricing strategies and brand-image building need to be managed in an integrated manner to generate stronger value perceptions and drive consumer purchase decisions.

LIMITATION AND IMPLEMENTATIONS

The results of this study provide important managerial implications for Paneca Collection Artshop. The finding that price perception has a strong direct influence on purchase decisions suggests that artshop managers need to ensure that the prices set are perceived as reasonable and appropriate by consumers. Therefore, prices should not only be competitive but also clearly communicated as representations of product quality, uniqueness, and cultural value.

In this context, managers need to explain why a product has a certain price, for example by providing information about material quality, craftsmanship, design complexity, handmade elements, and the cultural meaning embedded in the product. This approach is important so that prices are not perceived merely as nominal amounts but as reflections of the value consumers receive.

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