

ABSTRACT

Consumers often judge the quality of a product with basic information. Some of the information providing specific product characteristics while others are extrinsic to the product such as the perception of the buyer price, the store and the brand name. There are several examples of the characteristics of certain products, such as volume, ingredients, and origin of the product. It shows that the need for brand equity and price so that a product can be seen penjualanya level. Related to this, there should be research on brand equity and premium price on purchase decisions. Brand equity and premium price becomes the variable that is measured to determine how effective the purchasing decision of smartphones in Indonesia.

This research will be carried out through the measurement of the effect of brand equity and premium price on purchase decisions smartphones in Indonesia. Methods of data collection is done through a questionnaire through online and offline to smartphone users in Indonesia. Obtained from questionnaires distributed 416 valid respondents, the data processing is done using SPSS and SmartPLS 3.0.

Based on the results of data processing, it can be seen that the variable brand equity has a very significant influence on purchasing decisions smartphones in Indonesia and variable premium price also has a significant influence on the purchasing decisions of smartphones in Indonesia.

While based on the evaluation of the effect of variable sub brand equity sub-variables showed that brand awareness, brand loyalty, perceived quality, uniqueness has significant value to the purchasing decision. While based on the track path coefficient, brand equity has a significant relationship to the purchase decision and the premium price to have a significant relationship to the purchasing decision.

Based on the results of the study, eat to increase consumer purchases vicarious smartphone smartphone manufacturers should prioritize brand equity so as to raise the level of sales of the smartphone itself in the market.

Keywords: *Brand Equity; Price Premium; Purchase Decision*