

The Effect of Product Design and Country of Origin on Purchase Decisions: The Moderating Role of Price Discounts in Mitsubishi Electric Air Conditioners

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Abstract

This study analyzes the effect of product design and country of origin on purchase decisions, with price discount as a moderating variable, in the context of Mitsubishi Electric air conditioners in Medan, Indonesia. A quantitative explanatory approach was applied using purposive sampling. Data were collected from 400 consumers who had purchased Mitsubishi Electric air conditioners and were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS). The findings indicate that product design and country of origin do not significantly influence purchase decisions. In contrast, price discount has a strong and significant positive effect on purchase decisions. The moderating role of price discount on the relationship between product design and purchase decision is not supported. These results suggest that economic considerations, particularly promotional pricing strategies, are more influential than intrinsic product attributes or country-of-origin perceptions in shaping consumer decisions about durable home electronics in competitive markets.

Keywords: Product Design; Country of Origin; Price Discount; Purchase Decision and Air Conditioner.

I. INTRODUCTION

The air conditioning (AC) sector is expanding significantly due to global climate change and the growing demand for comfortable living in tropical areas. Urbanization and the rise of the middle class are driving up demand for long-lasting, energy-efficient, and aesthetically pleasing air conditioners [1], [2]. International producers such as Mitsubishi Electric are renowned for providing premium cooling systems with innovative designs and low energy consumption [3]. From the standpoint of customer behavior, brand qualities and product design play a major role in influencing purchase decisions [4], [5], [6]. Additionally, customers' perceptions of the product's nation of origin influence their assessments of a brand's quality and reputation. The country of origin, discounts, and product design are still included as moderating factors in a small number of empirical studies on the Indonesian AC market, though. Theoretically, a product's design, which integrates aesthetics, innovation, and practicality, can enhance its perceived value among consumers. On the other hand, the country-of-origin effect clarifies how labels indicating a product's place of origin can influence consumers' perceptions of its quality and reliability, especially for electronics made in industrialized nations such as Japan [7], [8].

Still, many consumers rely heavily on pricing and promotional tactics, such as sales, when making a final purchase. Previous research, primarily focusing on the direct effects of pricing, product quality, and brand image, has overlooked discounts. Discounts, on the other hand, are a strategic tool for boosting product appeal and consumer-perceived value in today's competitive digital age [9], [10]. Although brand rivalry is fierce in Indonesia, the air conditioning industry is seeing encouraging growth. International brands such as Daikin and Panasonic have a strong presence in consumer preferences, while Mitsubishi's market share is relatively more competitive [11]. This situation suggests that design excellence and country-of-origin reputation do not necessarily automatically lead to dominant purchasing decisions. As a country with very price-sensitive consumers, Indonesians frequently prioritize sales and discounts. Hence, to learn how discounts dampen the impact of design and country-of-origin on buying choices, a more in-depth study is required. There are distinct dynamics in the Medan air conditioning market due to customer profiles that respond to promotions and price [6], [12]. Customers still value the value they get from sales and promotions, even though a company's reputation and brand equity are vital to establishing trust.

Discounts have a dual effect: they increase demand for premium brands like Mitsubishi Heavy Industries and Mitsubishi Electric and change consumers' perceptions of those brands' quality. This

phenomenon illustrates the value of understanding discounts as a moderating variable that enhances or diminishes the association between product features and purchase decisions, in addition to their role as an independent variable. This study aims to fill these knowledge gaps by examining the effects of product design and place of origin on the decision to purchase Mitsubishi air conditioners in Medan City. To further understand this relationship, discounts will be included as a moderating variable. We anticipate this study, with its focus on Indonesian home electronics, to significantly contribute to the growing body of knowledge on consumer behavior. In practice, businesses can use the study's findings to inform better marketing strategies, focusing on product design optimization, boosting the country of origin's reputation, and implementing appropriate discount policies to influence consumers' purchase decisions.

Literature Review and Hypothesis Development

Product design is an inherent quality that can give a product an edge in the market. It brings together aesthetics, functionality, innovation, and comfort. When viewed through the lens of marketing management, design is a tool for strategic differentiation that enhances the perceived value and quality of products [13]. When evaluating products, consider their practicality and subjectivity, including how well they fit the user's needs, how long they last, how easy they are to use, how modern the materials are, how beautiful they are, their color, and their overall design. Recent studies show that people are more likely to buy home gadgets that look good and work well [14], [15]. Comfortable, innovative, and aesthetically pleasing designs influence consumers' perceptions of the benefits and lifestyle fit of air conditioning devices.

H1: Product design has a significant influence on purchasing decisions.

According to the country-of-origin effect theory, as put forth by Diamantopoulos, customers utilize the product's country of origin as an external cue to assess its quality [16]. Product design and other inherent qualities can also reinforce preconceived notions about the country of origin. Nations with stellar reputations in manufacturing and technology tend to produce products with innovative and meticulous designs [17]. Consumers' emotional and intellectual reactions to a product's place of origin are reflected in metrics such as brand recall, perceived quality, favorable impressions, reputation, user experience, and prior satisfaction. According to recent research, high-quality design increases trust in a brand and fosters positive perceptions of the nation of origin [18]. Therefore, the design of Mitsubishi Electric air conditioners is likely to influence consumers' perceptions of the place of origin.

H2: Product design has a significant influence on Country of Origin.

When consumers make purchasing decisions, the country of origin is a sign of the brand's legitimacy and quality. Consumers are more likely to buy air conditioners from countries with a solid reputation for technological innovation and quality control. Quality perception, favorable impressions, brand reputation, and user experience are all factors that influence the development and fulfillment of purchase intentions [16], [17], [18]. New empirical evidence suggests that consumers' perceptions of a product's value and their trust in its brand are both positively affected by the product's nation of origin [19]. Consequently, consumers are more likely to buy Mitsubishi Electric air conditioners if they have a favorable impression of the place of origin.

H3: Country of Origin has a significant influence on Purchasing Decisions.

As a form of advertising, price cuts aim to boost perceived value by encouraging buyers to part with less cash. Before making a purchase, customers weigh the benefits against the price, according to value-based decision-making theory [20]. Flash sales, consumer benefits, discount size, discount frequency, discount value, and cashback are all indicators of how enticing and intense price promotions are. According to recent research, sales of long-lasting goods make consumers feel more compelled to buy and accelerate the purchase process [21], [22]. In the highly competitive air conditioning industry, we expect discounts to have an immediate impact on purchasing decisions.

H4: Price discounts have a significant effect on Purchasing Decisions.

Discounts can moderate the effect of product design on consumer choice by either amplifying or dampening it. A product's aesthetically and functionally superior design amplifies its perceived value when paired with compelling sales. But research shows that expensive products could lose some of their perceived

exclusivity if reductions are too steep [21]. Hence, the surrounding price promotion determines the magnitude of the non-linear impact of design on consumer choice.

H5: Price Discount moderates the relationship between Product Design and Purchase Decision.

Customers are more likely to trust a product and its quality if it is made in a reputable nation. However, discounts in price-sensitive markets can alter the strength of this link. According to Grewal, when the reputation of the place of origin is combined with price incentives, perceived value can increase simultaneously [20]. The inverse is also true: people may perceive lower quality when they see steep reductions in goods made in high-end countries. Consequently, people believe that sales mitigate the influence of consumers' home countries on their purchasing patterns.

H6: Price Discount moderates the relationship between Country of Origin and Purchase Decision.

This study model combines intrinsic qualities (product design) and extrinsic features (country of origin) to affect purchase decisions while accounting for the moderating influence of price discounts. Product design theoretically affects country-of-origin perceptions and directly impacts purchasing decisions. The country of origin acts as a quality indicator that enhances consumer assessments. Price discounts serve as situational factors that can enhance or diminish the impact of product features on purchasing decisions. This model integrates product differentiation theory, the impact of country of origin, and price promotion theory into a cohesive conceptual framework.

II. METHODS

This study used a quantitative methodology utilizing an explanatory research design to examine the impact of product design and country of origin on purchase decisions, with price discounts serving as a moderating variable. The study's sample consisted of Medan inhabitants who had acquired air conditioners (ACs), whereas the respondents were customers who purchased ACs from electronics stores in Medan. The sampling method employed was purposive sampling [23], with criteria specifying that respondents must reside in Medan and have purchased Mitsubishi Electric air conditioners. Out of 462 distributed questionnaires, 400 fulfilled the criteria and were deemed eligible for the study. Research variables play a crucial role in providing scientific answers to the formulation of problems by serving as features that may be measured, observed, or altered [24]. The operationalization of the variables encompasses product design, assessed via indicators of comfort, design innovation, durability, usability, material innovation, aesthetics, color, and overall design [13]; country of origin, evaluated through brand memorability, historical satisfaction, perceived quality, favorable impression, brand reputation, and user experience [25].

Purchase decision, gauged through style, satisfaction with evaluation, post-purchase experience, purchase interest, purchase realization, and logistics [16], [17], [18].; and price discount, measured through cashback, frequency of discounts, magnitude of discounts, value of discounts, consumer benefits, and flash sales [20]. All factors were assessed utilizing a five-point Likert scale. The data were analyzed using Structural Equation Modeling based on Partial Least Squares (SEM-PLS) with SmartPLS software, which is well-suited for testing models that examine direct effects, mediation, and moderation simultaneously. The model was reviewed by examining the outer model to ensure the ideas were valid and dependable, using tools such as loading factors, Average Variance Extracted (AVE), Composite Reliability, and Cronbach's alpha. Also, the inner model was checked by examining path coefficients, R-squared values, effect sizes (f-squared), and significance tests [26]. Moderation experiments were conducted by creating interaction terms between price discounts and product design, as well as between country of origin and product design, to examine their influence on purchasing decisions.

III. RESULT AND DISCUSSION

Demographic Result

Table 1. Respondent Characteristic Result

Respondent Characteristics		N = 400	%	Respondent Characteristics		N = 400	%
Gender	Male	278	70%	Employment	Private Employee	117	29%
	Female	122	31%		Civil Servant	99	25%

Age (years)	25 - 30	78	20%	Salary	Housewife	86	22%
	31 - 40	196	49%		Self-Employed	98	25%
	> 41	126	32%		3 - 5 M	98	25%
Type of AC	Split	272	68%	Purchase	5,1 - 10 M	175	44%
	Portable	58	15%		> 10,1 M	127	32%
	Cassette	47	12%		Cash	137	34%
	Floor Standing	23	6%		Credit Card	165	41%
AC Size	1/2 PK	81	20%	Shipping	PayLater	98	25%
	3/4 PK	65	16%		Store Delivery	312	78%
	1 PK	94	24%	How to Buy	Take-Way	88	22%
	1,5 PK	77	19%		Online	287	72%
	2 PK	46	12%		In-store	113	28%
	2,5 PK	44	11%				
AC Used	Resident	154	39%				
	School	87	22%				
	Office	124	31%				
	Warehouse	14	4%				
	Church/Mosque	21	5%				

Source: Respondent survey regarding the in-store purchase in this study in 2025.

Based on the characteristics of 400 respondents, many Mitsubishi Electric Air Conditioner buyers are men (70%), predominantly aged 31–40 (49%), representing a productive and economically stable age group. Most respondents use split-type AC units (68%), with capacities of 1 HP (24%) and 1/2 HP (20%), primarily in homes (39%) and offices (31%). This profile indicates that consumers are in a rational segment and consider both functional and aesthetic aspects, making product design a key factor in driving purchase decisions. Modern, energy-efficient designs suited to residential space requirements have the potential to increase product appeal in this segment. Furthermore, as a brand with a reputation in Japan, Mitsubishi Electric's country of origin can strengthen consumer confidence in the product's quality, technology, and durability. Conversely, many respondents are in the middle-income group (44%) in the 5.1 – 10 million IDR range, with a preference for online purchases (72%), credit card payments (41%), and PayLater (25%). This pattern indicates that consumers are quite responsive to promotional incentives and payment flexibility. Therefore, price discounts can act as a moderating variable, strengthening the influence of product design and country of origin on purchase decisions. Although consumers consider design quality and the reputation of the country of origin, the presence of price discounts, installment promotions, or cashback can be a driving factor in accelerating and strengthening the decision to purchase a Mitsubishi Electric AC.

The results of the SEM-PLS analysis were obtained by synthesizing questionnaires from Mitsubishi Electric AC buyers in Medan (figure 1).

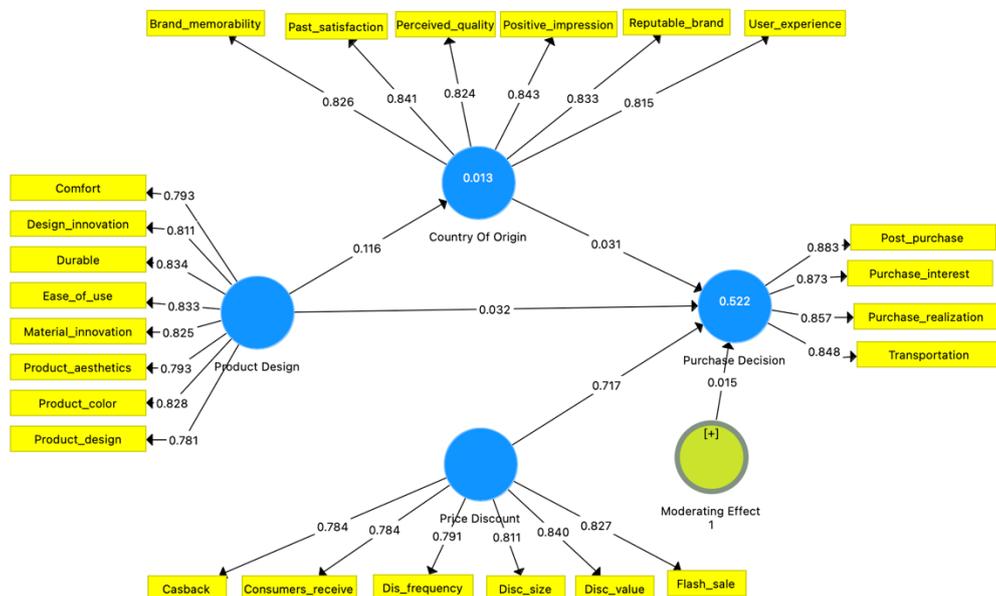


Fig 1. The PLS-SEM results indicate

Measurement and Structural Model Results

All the study's constructs showed outstanding validity and reliability, according to the results of the measurement model evaluation in Table 2. Convergent validity criteria were met by the outer loadings for the product design variable, which ranged from 0.781 to 0.834 and exceeded the minimum threshold of 0.70 [27]. The Country-of-Origin variable also performed well, with a loading of 0.815 to 0.851, a CA of 0.911, a CR of 0.930, and an AVE of 0.689. The Composite Reliability (CR) value of 0.939 and Cronbach's Alpha (CA) of 0.929 indicated very strong internal consistency, and the AVE of 0.660 confirmed that the construct explained more than half of the variance. In a similar vein, Purchase Decision had the highest AVE among the constructs, with a CA of 0.889, a CR of 0.923, a high loading (0.848–0.883), and an AVE of 0.749. All conditions were likewise satisfied by the price discount variable, which acted as a moderator. It had an AVE of 0.650, a CA of 0.893, a CR of 0.918, and a range of 0.784 to 0.840.

Table 2. Measurement Model Assessment Results

Variabel	Item	Loading	VIF	CA	CR	AVE
Product Design	The Mitsubishi Electric AC is designed with a high level of durability for long-term use.	0.834	2.522	0.929	0.939	0.660
	The Mitsubishi Electric AC's design makes it easy for users to operate it daily.	0.833	2.606			
	The Mitsubishi Electric AC's color selection enhances the product's visual appeal.	0.828	2.409			
	The Mitsubishi Electric AC uses materials that reflect technological innovation.	0.825	2.660			
	The Mitsubishi Electric AC boasts an innovative design compared to its competitors.	0.811	1.872			
	The Mitsubishi Electric AC's visual appearance gives a modern and elegant impression.	0.793	2.155			
	The Mitsubishi Electric AC's design provides optimal comfort in use.	0.793	2.722			
	Overall, the Mitsubishi Electric AC's design meets my expectations.	0.781	2.515			
Country of Origin	Mitsubishi Electric's country of origin left a positive impression on me.	0.851	2.607	0.911	0.930	0.689
	I'm satisfied with the products I've used from Mitsubishi Electric's home country.	0.841	2.209			
	Mitsubishi Electric's country of origin is synonymous with high-quality standards.	0.833	2.461			
	I easily remember that Mitsubishi Electric is from Japan.	0.826	2.645			
	I believe that products from Mitsubishi Electric's home country are of superior quality.	0.824	2.448			
	My experience using Mitsubishi Electric's products reinforces my confidence in their quality.	0.815	2.257			
Purchase Decision	I have a strong intention to purchase a Mitsubishi Electric AC.	0.873	9.010	0.889	0.923	0.749
	I am willing to recommend the Mitsubishi Electric AC to others.	0.883	2.806			
	I fully realized my Mitsubishi Electric AC purchase as planned.	0.857	2.307			
	The product delivery process went according to my expectations.	0.848	2.361			
Price Discount	The discount offered on Mitsubishi Electric ACs provides me with valuable value.	0.840	2.416	0.893	0.918	0.650
	The flash sale program encourages me to make a purchase decision immediately.	0.827	2.163			
	The discount is significant for me.	0.811	2.212			
	I tend to wait for the discount period before making a purchase.	0.791	2.035			
	I accept and trust the discount promotion offered on this product.	0.784	2.007			
	The cashback program further enhances my appeal to this product.	0.784	1.934			

There were no significant multicollinearity problems among the indicators, as all VIF values were below the critical limit of 10, with most falling below 3 [27]. Nevertheless, one indicator—Purchase Decision—showed a comparatively high VIF of 9.010, suggesting that more research is necessary. Overall, these findings support the validity and reliability of the study tool to examine how country of origin and product design affect purchasing decisions, as well as how a price reduction may act as a moderator. Thus, the measurement model is deemed appropriate and robust enough to proceed to the next phase, which involves analyzing the structural model to understand how the variables influence one another in relation to the research objectives.

Table 3. Discriminat Validity Test

Contrust	1	2	3	4	5
1. Country Of Origin					
2. Moderating Effect	0.270				
3. Price Discount	0.266	0.264			
4. Product Design	0.107	0.082	0.049		
5. Purchase Decision	0.219	0.177	0.791	0.060	

Source: SEM-PLS Processing HTMT Results, 2025

All correlation coefficients between the different factors are below 0.90 (and some are even below 0.85), showing that each variable is clearly distinct from the others, based on the results of the discriminant validity test using the HTMT standard in Table 3 [27]. Many of the variables associated with Country of Origin have low values, including the Moderating Effect (0.270), Price Discount (0.266), Product Design (0.107), and Purchase Decision (0.219). These numbers prove that people's views of their nation are separate from the other factors in the study, both theoretically and in practice.

The link between price discount and purchase decision has the highest HTMT value of 0.791, indicating a strong association that remains within acceptable bounds. This means that the two variables remain discriminatively distinct. The product design construct stands out in the model due to its low association with other variables, such as Price Discount (0.049) and Purchase Decision (0.060). Every one of the model's constructs—Country of Origin, Product Design, Price Discount, Moderating Effect, and Purchase Decision—has its own distinct idea and merits additional structural model testing, according to these findings. The model has fulfilled the criteria of discriminant validity.

Table 4. Discriminat Validity Test

Contrust	1	2	3	4	5
1. Country Of Origin	0.830				
2. Moderating Effect	-0.265	0.719			
3. Price Discount	0.247	-0.261	0.806		
4. Product Design	0.116	-0.073	0.022	0.812	
5. Purchase Decision	0.208	-0.181	0.721	0.051	0.865

Source: SEM-PLS Processing Fornell-Larcker Criterion Results, 2025

The attached table shows that all the study model's constructs satisfy the criteria for discriminant validity, based on the Fornell-Larcker Criterion test results. The AVE's square root, which is displayed on the table's diagonal, clearly shows this to be the case, as it exceeds the correlations between other constructs in the same row and column. Country of Origin (0.830), Moderating Effect (0.719), Price Discount (0.806), Product Design (0.812), and Purchase Decision (0.865) are the diagonal values for each variable. We can conclude that each construct provides a better explanation of its indicators than of the others, because all these values exceed the construct's correlations with other variables.

Although Purchase Decision has a strong connection with Price Discount (0.721), it has the highest distinct value (0.865), indicating that it is both strong and distinct from the other variables. Given that the diagonal values are significantly higher than the correlation between the variables, Product Design (0.812) and Price Discount (0.806) both demonstrate excellent construct separation. The Fornell-Larcker criterion is not violated even when the moderating effect is negatively correlated with other variables (e.g., -0.265 and -0.261). This conclusion is because the AVE's root value (0.719) remains higher than its correlations with other constructs [27]. The model of this study, which examines how product design and country of origin

affect buying decisions, with price discount as a moderator, has been found to meet the Fornell-Larcker criteria for discriminant validity. This result means that structural model testing can now begin.

Table 5. Coefficient of Determination (R² Adjusted) and Effect Size (f²) Results

Construct	F-Square Size					R-Square Size	
	1	2	3	4	5	R ²	Adjusted
1. Country Of Origin					0.002	0.013	0.011
2. Moderating Effect					0.000		
3. Price Discount					0.967		
4. Product Design	0.014				0.002		
5. Purchase Decision						0.522	0.518

Source: SEM-PLS Processing Results, 2025 (Processed by Researchers)

The R² value is 0.522, and the adjusted R² is 0.518 for the purchase decision variable, based on the results shown in Table 5. With an f² value of 0.967, which is considered very significant (over), the result means that the model's independent variables—Country of Origin, Product Design, Price Discount, and the Moderating Effect—explain 51.8% of the variation in purchase decisions. According to the criteria of Hair et al. (2022), the model has excellent explanatory power, with an R² of 0.522, which falls within the moderate-to-strong range in consumer behavior research. At the same time, the country-of-origin variable has a very low predictive value in this structure, with an R² of 0.013 (adjusted 0.011), suggesting that it is scarcely impacted by the other constructs in the model [27].

With an f² value of 0.967, which is considered very substantial (above 0.35), the influence of price discounts on purchase decisions is strongly explained by these discounts. This conclusion is drawn from the effect size (f²) side of the equation. On the other hand, the effect sizes of Product Design (0.002 and 0.014), Country of Origin (0.002), and Moderating Effect (0.000) are extremely modest, suggesting that these factors have a negligible impact on the endogenous variables in this model. To test the interaction hypothesis, additional research is required to determine the relative importance of product design and country of origin, but this finding suggests that, when it comes to buying Mitsubishi Electric AC, the price discount factor is more important.

Table 6. Model Fit Assessment Results

	Saturated Model	Estimated Model
SRMR	0.052	0.083
d_ULS	0.822	2.051
d_G	0.358	0.371
Chi-Square	830.403	843.264
NFI	0.873	0.871
rms Theta	0.141	

Table 6 shows that the research model has an adequate level of fit based on the Model Fit Assessment results. The estimated model has an SRMR (Standardized Root Mean Square Residual) of 0.083, while the saturated model is 0.052. Most people agree that an SRMR score below 0.08 is excellent, but in the context of SEM-PLS, a score close to 0.10 is still acceptable [27]. An excellent model under saturated conditions is indicated by a value of 0.052, and the estimated model is still within the limits of fit at 0.083. The model's minimal residual error rate allows us to draw this conclusion. There is no significant mismatch between the d_ULS (0.822; 2.051) and d_G (0.358; 0.371) values; hence, the model is still deemed appropriate in general.

In addition, the model has a decent level of fit, with NFI (Normed Fit Index) values of 0.873 in the Saturated Model and 0.871 in the Estimated Model. However, it has not yet achieved the optimum cut-off of 0.90. Due to their sensitivity to large sample numbers, the rather big chi-square values in SEM-PLS (830.403 and 843.264) are typically not given much attention. At the same time, a value of 0.141 for RMS Theta suggests that the reflective model has minor flaws, since the recommended value is typically below 0.12 [27], [28]. On the other hand, the structural model that examines the impact of product design and country of origin on purchase decisions, with price discount serving as a moderator, generally performs well according to the goodness-of-fit indicators, so it should be further analyzed for hypothesis testing.

Table 7. Structural Model Path Coefficients and Hypothesis Testing Results

Hypothesis Relation		Original sample	Sample mean	Standart Deviation	t-Statistic	P-Value	Note
H 1	PD → PuD	0.036	0.036	0.038	0.929	0.353	Not supported
H 2	PD → COO	0.116	0.133	0.054	2.153	0.032	Supported
H 3	COO → PuD	0.031	0.030	0.034	0.922	0.357	Not supported
H 4	PDisc → PuD	0.717	0.715	0.033	21.717	0.000	Supported
H 5	PD → COO → PuD	0.004	0.004	0.005	0.700	0.484	Not supported
H 6	Moderating → PuD	0.015	0.001	0.029	0.511	0.610	Not supported

Note: PD (Product Design), PuD (Purchase Decision), COO (Country Of Origin), PDisc (Price Discount).

The direct link between Product Design (PD) and Purchase Decision (PuD) shows a value of 0.036, with a t-statistic of 0.929 and a p-value of 0.353 (which is greater These results are based on the structural model path coefficients and the hypothesis tests reported in Table 7. So, when it comes to Mitsubishi Electric ACs, the product's design isn't a deciding factor. The direct influence of COO on the third hypothesis, which is the purchase decision, is also not statistically significant ($\beta = 0.031$; $p = 0.357$). Nonetheless, H4 is supported, as Price Discount (PDisc) strongly influences Purchase Decision ($\beta = 0.717$; $t = 21.717$; $p = 0.000$). In other words, our data proves that sales prices are the most important consideration for consumers. Additionally, there was a perceived association between product design and the country-of-origin image, as product design significantly influenced the country-of-origin image (H2: $\beta = 0.116$; $p = 0.032$).

The interaction results for the moderation test indicated a t-statistic of 0.511 and a p-value of 0.610 (>0.05), indicating no significant moderation. The coefficient for this test was 0.015. The results do not support the moderation hypothesis (H6), which states that the impact of price discount on the influence of product design on purchase decision is statistically insignificant. Therefore, the price discount has no effect on the strength of the relationship between product design and purchasing decision. These results demonstrate that product design significantly influences consumers' final purchasing decisions, regardless of sales availability. In both high- and low-discount scenarios, price is more important to consumers than product design evaluations when making purchases in this context.

Discussion

Product design does not significantly impact consumers' decision to buy, according to the research. Although respondents had a positive impression of the Mitsubishi Electric air conditioner design throughout the evaluation phase, this finding suggests that it was not a major factor in the final purchase decision. Customers care more about the practicality and cost of long-lasting goods, such as air conditioners, than they do about their visual appeal. Khan et al. (2023) and Nguyen & Le (2026) found that consumers prioritize practicality and affordability over aesthetics when shopping for home gadgets [29], [30]. This clarifies why product design has such a negligible impact on the structural model. In addition, consumers' choice of purchase was unaffected by the country of origin. Despite Japan's stellar reputation for innovation and craftsmanship, today's shoppers are more practical and value conscious. In marketplaces where products are being globalized, research conducted in the last five years has demonstrated that the impact of the nation of origin on purchasing decisions is decreasing, particularly in cases where customers have personal familiarity with the brand [31], [32], [33]. So, when it comes to Mitsubishi Electric, the main thing that differentiates them from their competitors is no longer their reputation in Japan. On the contrary, the study's findings corroborate the idea that sales significantly impact consumers' propensity to buy. Discounts are the primary motivator for purchasing air conditioners from Mitsubishi Electric, as seen by the high path coefficient. This confirms what other recent research has shown: that sales and promotions significantly impact consumers' propensity to buy, particularly for more expensive items [34], [35].

Faster purchase decisions are facilitated by discounts because they give the impression of more value and lessen the perceived financial risk. We find no evidence of a statistically significant interaction effect between product design and purchase decisions when controlling for price discounts. This indicates that sales have no effect on the strength or weakness of product design's impact on consumers' decisions to buy. If the impact of design on consumers' purchasing decisions is minimal, then it follows that moderating variables will not be able to strengthen the link either. Researchers have shown that for price promotions to be

effective, the moderating effect must be present and substantial in the main relationship between the variables [36], [37]. As a result, rather than acting as a reinforcing variable, Price Discount is the one that drives the relationship between design and purchase decisions in this study. The study's findings corroborate previous research showing that economic criteria, rather than symbolic ones or inherent product features, are the primary determinants of AC purchase decisions in the Medan market. Hence, instead of depending just on design brilliance or country-of-origin image, Mitsubishi Electric's marketing approach should prioritize price promotions and targeted discount programs.

IV. CONCLUSION

In this study, we will examine how price discounts influenced the purchase of Mitsubishi Electric air conditioners in Medan, as well as how product design and country of origin influenced buying decisions. Product design has no substantial impact on purchase decisions, according to the analysis. This result indicates that consumers do not prioritize design when selecting durable home electronics. Good design is great in theory, but in practice, customers care more about how a product works and how much money they can save than how it looks. The data also reveal that the country of origin has minimal impact on consumers' final buying decisions. Despite Japan's stellar reputation for high-quality technology and manufacturing, opinions about the nation of origin do not sway consumers when making purchases. It appears that customers, particularly in highly competitive marketplaces, prioritize practical advantages and financial factors over the symbolic representation of the country of origin. Accordingly, in the research region, consumers' perceptions of a product's reputation relative to its nation of origin are less important when purchasing consumer electronics. Price discount, on the other hand, had a very strong, favorable effect on purchase decisions.

It is clear from these results that sales of Mitsubishi Electric ACs significantly influence consumer spending. When prices drop, consumers feel they get more for their money and are more likely to buy. Discounts do not moderate the association between product design and buying decisions, according to the moderation test. In this study, discounts serve more as a direct predictor than an interaction variable. This indicates that they neither enhance nor diminish the influence of design on purchase decisions. This study suggests that focusing on price reductions, seasonal discounts, and financial incentive programs is a better way to increase purchase decisions than just differentiating the design or highlighting the country of origin. These results provide theoretical support for the literature on consumer behavior by showing that financial factors are most important when purchasing long-lasting products. The study's limitations include its narrow focus on product design, country of origin, and price discounts, as well as its regional reach, which is limited to Medan City. To better understand customer behavior, future studies could broaden the scope, incorporate additional variables such as brand image, perceived quality, or service quality, and consider using a mixed-methods or longitudinal approach.

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