

The Effect of Price, Product Quality, Brand Image on Consumer Loyalty: Study on Consumer Ouval Research on Jalan Dr. Mansyur Medan City

Ricky Dian Adytama Sinulaki and Onan Marakali Siregar

*Department of Business Administration Science, Faculty of Social Science and Political Science,
Universitas Sumatera Utara, Jl. Prof. Dr. A. Sofyan No. 1 Kampus USU, Medan, Indonesia*

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Abstract: Loyalty is one of the success factors in marketing a product. Lack of consumer loyalty to the products Ouval Research offers makes sales of Ouval Research products inconsistent. Factors that can maintain consumer loyalty such as price, product quality, and brand image. The purpose of this research is to analyze the effect of price on consumer loyalty, analyze the effect of product quality on consumer loyalty, analyze the effect of brand image on consumer loyalty, and analyze the effect of price, product quality, brand image on consumer loyalty Ouval Research Medan. The research method used in this research is quantitative. The population in this research were SCH consumers, the sample set was 96 respondents. The results of this study indicate that the price (X1) has no significant effect on consumer loyalty. Meanwhile, product quality (X2) and brand image (X3) significantly influence consumer loyalty. However, price, product quality, brand image have a simultaneous effect on consumer loyalty (Y). The value of the coefficient of determination of this study shows that the variable price, product quality, brand image can explain the variable consumer loyalty of 77.9%.

1 INTRODUCTION

The rapid development of business has an impact on the demands of business actors in presenting products, services, goods, and services that can retain and attract consumers. Business actors are expected to be able to develop their business in terms of marketing management to survive in a competitive and rapidly changing trading situation. If business actors cannot compete with competitors, they can impact on the sustainability of its business. One of the business scopes that is also experiencing development is the business in the fashion sector. According to Salim and Ernawati (2017) the fashion or apparel industry has recently become a vital industry that contributes to gross domestic product. Based on data, the value of apparel production globally has grown by 3.1% annually. In Indonesia, the market share of apparel production has increased by 1.1% annually. The development of the fashion industry is also influenced by the increase in the needs and desires or lifestyles of people who are increasingly heterogeneous and are caused by the flow of information exchange. Based on data from the

assessment and development of the apparel industry, there are around 1,705 apparel industry companies in Indonesia and 1,540 of them are owned by local companies, but only 113 companies registered in the APGAI register their trademarks nationally (BPPKP, 2015). The development of authorized dealers in the fashion industry in Indonesia is strongly influenced by cultural trends in choosing fashion preferences. According to Sawyer (2019), today's young people have more of a streetwear type of fashion.

Streetwear clothing models not only adapt apparel that has an aesthetic style that is not outdated but also the quality that is presented. As a result, many young people in Indonesia have abandoned the concept of fashion distributions (Putra, 2021). One of the apparel brands that has an authorized dealer located in North Sumatra, precisely in the city of Medan, is Ouval Research.

Ouval Research (SCH) which is a clothing manufacturer/distributor to produce apparel, pants, jackets, bags, and others. This company was founded in 1997 in Bandung which is one of the leading garment manufacturers in Indonesia, especially in Bandung. Ouval Research (SCH) has several

distribution subsidiaries spread across major cities in Indonesia such as Makassar, Surabaya, South Jakarta, Bogor, Yogyakarta, Bali and Medan. Based on sales data from Ouval Research (SCH) throughout Indonesia.

Table 1. The Sales in Big Cities

No	Kota	Penjualan (unit)		
		2019	2020	2021
1	Jakarta Selatan	5.633	4.503	4.961
2	Makassar	8.912	9.044	9.345
3	Bogor	2.031	3.187	2.987
4	Surabaya	7.091	7.601	8.011
5	Yogyakarta	6.778	7.021	7.341
6	Medan	8.765	7.882	8.408
7	Bali	5.610	6.033	6.519

Based on the table, it can be seen that the number of sales of Ouval Research (SCH) which experienced sales fluctuations during 2021 this happened from February where sales of Ouval Research (SCH) decreased to 630 units even in March there was a decline in sales of 601 units where in March the previous January sales touched 736 units. The next thing that can be seen is that sales of Ouval Research (SCH) experienced a fairly high sales increase compared to other months, namely April, May, and December where in these months there are major holidays such as Eid al-Fitr. and also Christmas.

In the explanation above, it is known that sales fluctuations occur due to several factors, both internal and external factors of Ouval Research (SCH), where internal factors are caused by the lack of variety of SCH product designs so that consumers tend to be bored with designs that are less diverse. variety, and its external factors are caused by there are many local brands that have designs that are more attractive to young people, where the majority of new brands that have sprung up carry more design concepts with streetwear themes so that they have a direct impact on Ouval Research (SCH) sales. These factors are what cause the lack of consumer interest to maintain their loyalty to products from Ouval Research, even though consumer loyalty has an effect on the sustainability of a business.

Based on on background behind The problem above is the reason why researchers are interested in researching Ouval Research (SCH) in the city of Medan because the clothing line business has been growing, this can be seen from the increasing number of local fashion products on the market, both those who have opened physical stores or those that are still just online stores. Coupled with the famous

consumptive population. In addition, researchers are also interested because Ouval Research (SCH) has been established since 1997 until now which if it is calculated that Ouval Research (SCH) has been established for almost 25 years, it means that the brand image owned by Ouval Research (SCH) is as a brand that has products with good quality at relatively low prices,

Based on this, the researcher wants to know whether price, product quality, brand image affect consumer loyalty at the Ouval Research (SCH) store located on Jalan Dr.Mansyur Medan. The title of this research is "The Influence of Price, Product Quality, Brand Image on Consumer Loyalty" (Study on Consumer Ouval Research on Jalan Dr. Mansyur Medan City.

2 LITERATURE REVIEW

2.1 Marketing

According to Kotler and Keller (2018:5) marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering, and freely exchanging products and services of value with others. According to Priansa (2017:30) says that marketing comes from the word market. In simple terms, the market can be understood as a place where a group of sellers and buyers meet to carry out transactions for exchanging goods. Markets are places where consumers with their needs and wants are available and able to engage in exchanges to satisfy those needs and wants.

2.2 Price

Kotler and Armstrong (2018:308) state that price as the amount of money charged for a product or service, the sum of the values that customers exchange for the benefit of having or using the product or service. In addition, according to Alma (2016:171) that price is an attribute attached to an item that allows the item to meet needs, desires, and satisfaction. The price indicators according to Kotler & Armstrong (2018:308) consist of affordable prices, conformity with quality, conformity with benefits, competitiveness.

2.3 Product Quality

According to Kotler and Armstrong (2018:250) the quality of the product itself is a measure or an ability product in maintain quality and be able to perform its

functions and performance in accordance with what is desired and needed by consumers. Putro (2014) explains that product quality is a characteristic possessed by goods or services in meeting the needs and maintaining the quality of the product. Product quality indicators according to Tjiptono (2016:134) are product performance, features, reliability or reliability, conformation of specifications, durability, serviceability, aesthetics.

2.4 Brand Image

Brand image is formed from consumer perceptions or perceptions of a product that is owned by a particular brand (Lasander, 2013). Another opinion was expressed by Kenneth and Donald (2018:42) who explained that brand image reflects consumer and company sentiment towards the whole organization, not just individual products, and product lines. The brand image indicators according to Kotler and Keller (2018:347) consist of the strength of brand associations, the advantages of brand associations, and the uniqueness of brand associations.

2.5 Consumer Loyalty

According to Kotler and Keller (2018:138) the notion of consumer loyalty is a deeply held commitment to rebuy or repatronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behavior. Customer loyalty is people who regularly repurchase products or there is a condition that requires customers to buy at least twice in a certain time interval (Griffin, 2015:5). Indicators of consumer loyalty according to Kotler & Keller (2018:57) are repurchase, shopping retention, and customer loyalty provide references to others.

3 RESEARCH METHODS

This study uses associative method with quantitative approach. The population in this study are all consumers who have shopped at the Ouval Research (SCH) Store at least 2 times, the number of which is not known with certainty. The technique for determining the number of samples is the purposive sampling method with 96 respondents, designs in data collection using google form and data processing through SPSS. The measurement instrument in this study uses a Likert scale to produce accurate quantitative data. Furthermore, the research instrument test was carried out, which included

normality, multicollinearity, heteroscedasticity, and linearity tests to ascertain whether the instruments made could be used as analytical tools in this study.

4 RESULTS AND DISCUSSION

4.1 Effect of Price on Consumer Loyalty Ouval Research Medan City

Table 2: Partial Significance Test Results (t Test).

Model		Coefficients ^a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	1,319	1,348		,979	,330
	Harga	,137	,081	,172	1,698	,093
	Kualitas Produk	,147	,045	,361	3,265	,002
	Citra Merek	,288	,065	,404	4,403	,000

a. Dependent Variable: Loyalitas Konsumen

Based on the results of the t-test in the table above, it can be concluded that: The test results for the Price variable (X1) on Consumer Loyalty (Y) obtained a tcount value of 1.698 the value of tcount is greater than ttable, which is 1,662 ($1,698 > 1,662$). That the significant value obtained is greater than 0.05 ($0,93 > 0,05$) and the regression coefficient is positive at 0.137. This shows that the price variable (X1) has an insignificant effect on Consumer Loyalty (Y). The results of this study are because the prices offered by Ouval Research are in accordance with the prices expected by consumers with product quality that is classified as very good, so consumers do not fully think about it when making their next purchase.

4.2 The Effect of Product Quality on Consumer Loyalty Ouval Research Medan City

Based on the test results for the Product Quality variable (X2), the tcount value is 3,265, which means the tcount value is greater than ttable, which is 1,662 ($3,265 > 1,662$) with a significant value smaller than 0.05 ($0,002 < 0,05$) and the coefficient regression value is 0.147. This shows that the Product Quality variable (X2) has a significant effect on Consumer Loyalty (Y). This is inseparable from Ouval Research's commitment to always innovate in every product marketed so that product quality always experiences significant progress and ultimately

makes consumers believe in Ouval Research products. This result is also in line with the theory of Kotler & Armstrong (2018:250) which states that product quality is a measure or capability that the product has in the form of goods or services and consists of several characteristics that maintain quality and function in meeting expectations consumer. Where consumers always expect good product quality with various variations of these products. Good product quality can attract the attention of consumers to buy the product and potentially become loyal to the product.

4.3 The Effect of Brand Image on Consumer Loyalty Ouval Research Medan City

From the test results for the brand image variable (X3), the tcount value is 4.403, which means the tcount value is greater than ttable, which is 1.662 ($4.403 > 1.662$) with a significant value smaller than 0.05 ($0.000 < 0.05$) and the coefficient regression is 0.288. This shows that the Product Quality variable (X2) has a significant effect on Consumer Loyalty (Y). This is because SCH always makes innovations in their marketing targeting young people, namely by creating social media in the form of Instagram so that it can always be reached by young people and also doing several collaborations with other local fashion brands such as this latest one. they collaborated with the Maternal Disaster brand. This can be seen from their commitment to embed the word "Research" on their brand, which indicates that Ouval Research will continue to change according to the wishes of its consumers.

4.4 Effect of Price, Product Quality, Brand Image on Consumer Loyalty of Ouval Research Medan City

Table 3: Simultan Result (F - Test).

ANOVA ^a						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	593,825	3	197,942	112,703	,000 ^b
	Residual	161,581	92	1,756		
	Total	755,406	95			

a. Dependent Variable: Loyalitas Konsumen
 b. Predictors: (Constant), Citra Merek, Harga, Kualitas Produk

Based on the results of data processing in the table above, it can be concluded that the Fcount value obtained is 112,703, which means the fcount value is greater than the Ftable value, which is $112,703 >$

$2,704$ or based on the sig value. Is $0.000 < 0.05$. Through these results the independent variables namely Price (X1), Product Quality (X2), Brand Image (X3) have an equal (simultaneous) effect on the dependent variable, namely Consumer Loyalty (Y).

This is because SCH products have quite affordable prices so that they can be purchased by various groups including young people, plus the quality of the products offered by SCH are in accordance with the wishes of their consumers and also the brand image owned by SCH is strong enough in the minds of its consumers. because the brand activation carried out by SCH such as collaborating and holding several special concerts in several stores, including one in Medan, is very successful in making consumers always loyal to the products they market. Meanwhile, the results of the coefficient of determination r value of 0.887, where this coefficient value shows the relationship between Price (X1), Product Quality (X2), Brand Image (X3) on Consumer Loyalty (Y) which is quite close if the value of R is closer to 1, the better the model will be. The value of the coefficient of determination above shows that Price (X1), Product Quality (X2), Brand Image (X3) can explain the Consumer Loyalty variable (Y) of 77.9% while the rest is 22.1% is influenced by other variables that are not explained in this study.

5 CONCLUSIONS

5.1 Conclusion

The price variable (X1) has a negative and partially insignificant effect on consumer loyalty (Y). So the price variable has no significant effect on consumer loyalty at the Ouval Research (SCH) store on Jalan Dr. Mansyur Medan City

Product quality variable (X2) has a positive and partially significant effect on consumer loyalty (Y). This proves that product quality affects consumer loyalty at the Ouval Research (SCH) store on Jalan Dr Mansyur, Medan City.

Brand image variable (X3) has a positive and partially significant effect on consumer loyalty (Y). Thus, proving that brand image affects consumer loyalty Ouval Research (SCH) stores on Dr. Mansyur Street, Medan City.

The independent variables, namely price (X1), product quality (X2), brand image (X3) have an equal (simultaneous) effect on the dependent variable, namely consumer loyalty (Y).

5.2 Suggestions

This research becomes input for Ouval Research regarding product quality in terms of aesthetics and also serviceability. Due to the products marketed by Ouval Research has a similar design motif. To overcome this, Ouval Research can collaborate with designers or other brands so that Ouval Research product designs have a variety of product designs and are also unique compared to competing products.

Ouval Research is expected to pay more attention to their brand image, especially in terms of the uniqueness of brand associations. Due to the existence of an advantage or brand originality owned by Ouval research, it will make the products marketed more appreciated by consumers and increase the pride of consumers in using products so that it will have an impact on consumer loyalty.

Ouval Research is expected to pay more attention to brand activation, because through this brand activation, customers can be even more loyal to the products that SCH markets. For example, like usebrand ambassador to make para consumers are becoming more interested in SCH products, as well as carrying out other activities, especially at the SCH store so that consumers are more likely to shop directly.

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