

Factors Affecting Customer Loyalty in Products

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Abstract : *This study aims to determine the factors that can influence consumers have loyalty to a product produced by a company. The research method used is a qualitative method with a descriptive analytical approach. From the results of research conducted, it is known that customer loyalty is needed by producers, especially to market their products as well as the commitment of management to provide satisfactory service and quality products needed by consumers. The role of the government is often needed especially to overcome the high price of production raw materials because it is still imported from abroad.*

Keywords : *customer loyalty; brand image; product quality*

I. Introduction

In the world of marketing, consumers are assets that must be maintained and maintained their existence in order to remain consistent with the products we produce. One form of commitment that must be given to consumers is by providing good and satisfying services and leading to the creation of customer loyalty [1], [2]. In addition, product quality that meets consumer needs will also have an impact on increasing the brand image of a product that has high competitiveness that is much in demand by users of the product and it is a distinct advantage for producers [3]-[4]. With customer loyalty to the products produced by the company, it will make it easier for consumers to recommend products to other consumers [5]. Therefore customer loyalty is very important for the development of business organizations, especially in the banking sector [6], [7] the hotel and leisure sector [8] and the retail industry sector [9].

To get consumers who have loyalty to the products produced, of course, must be supported by marketing strategies and good product quality, especially those needed and can provide satisfaction to consumers [10] - [11]. With marketing strategies and product quality that has value and competitiveness. the high will win the competition and gain loyalty from customers [12] - [13]. This will also support the brand image of the products produced by the company and motivate customers to increase loyalty [14] - [15]. From the description above, the purpose of the research conducted by the author is to find out the factors that cause customers to have high loyalty to a product.

II. Review of Literature

2.1. Customer Loyalty

The development of business organizations can be realized if supported by two very significant factors, namely customer satisfaction and loyalty for the products we produce [16] - [17]. The greater the satisfaction received by consumers and the higher the value of customer loyalty, the greater the profits the company will get. However, customer satisfaction is also strongly influenced by the attitudes and behavior of consumers themselves [18] - [19]. From the results of research conducted by Fullerton & Taylor [20], Caruana [21], Jahanshahi

et al. [22], Dimiyati [23], and Bei & Chiao [10] it can be concluded that customer loyalty can be caused by several factors including good service quality, competitive prices, and satisfaction with product quality.

2.2. Brand Image

Brand image grows and develops along with the number of consumers who use products produced by business organizations. The choice of a product by consumers starts from the experience and knowledge of previous consumers in buying products. A good brand image is a positive manifestation for companies whose products can be accepted by consumers because they have characteristics and advantages compared to similar products from other companies [24] - [25]. This is supported by the opinion expressed by lau & Phau [26], Rubio et al. [27], and Diallo et al. [28] which states that brand image is the trust given by consumers to a particular product. From the results of research conducted by Khan et al. [29], Chi et al. [27], and Rubio et al. [30] it can be concluded that the brand image of a production result has a positive impact on consumer loyalty.

2.3. Product quality

The development of business organizations depends on the quality of the products they produce. The better the product produced and useful, the more consumers will enjoy it, especially to meet their daily needs. The quality of products that are in great demand by consumers can be seen from several factors including packaging, price, quality, and benefits obtained by consumers [31] - [32]. With good product quality it will have an impact on consumer loyalty and increase revenue for producers [33], [34]. This is confirmed by the opinion of Halim et al. [35] that products that have good quality will have an impact on increasing consumer loyalty. The results of research conducted by Chinomona et al. [32], agyekum et al. [31], and Halim et al. [36], Akbar [37], Bobalca [38], and Doney & Cannon [39] it can be concluded that quality products have a very strong impact and have a positive effect on consumers to be loyal to the products produced by a company.

III. Research Methods

The research was conducted at PT. Sinjaraga Santika Sport located in Majalengka Regency. The company produces soccer balls both for domestic and foreign consumption. The method used is a qualitative method with a descriptive explorative approach. The type of data collected is primary data obtained through in-depth interviews with information sources (informants). In conducting surveys, researchers use a personal approach (unstructured questionnaire) to obtain information related to the bag industry business. Data analysis techniques in this study used a descriptive qualitative interactive model in the form of data collection, data reduction, display data, and conclusions / interpretative verification.

IV. Results and Discussion

From the results of research conducted at PT. Sinjaraga Santika Sport (Triple S) related to consumer loyalty when compared to companies that produce similar products can be seen in the following table:

Table 1. Comparison of Marketing Activities and Brand Licenses

Marketing Activities and Brand Licenses	Brand		
	Triple S	Proteam	Pespex
Ekpor	√	√	√
Online	√	√	√
Supermarket (such as Carefour, Hypermart, etc)	-	√	√
Sekolah Sepak Bola	√	√	√
Own Shop in the mall	-	-	-
FIFA License	√	-	-

Source: Data processed from various sources

From table 1 above it can be explained that consumers become loyal to the products produced by PT. Sinjaraga Santika Sport (Triple S) because it has advantages that are not owned by similar companies such as those licensed by FIFA. In addition, the price offered varies from Rp. 60,000 up to Rp. 300,000 per unit. This price for domestic consumption is very competitive in competition, because almost all domestic soccer ball producers offer prices as listed above. Therefore, PT. Sinjaraga Santika Sport (Triple S) chooses foreign markets to market their products both online and conventional. This is done by more promising and prospective foreign markets for the development of the soccer industry and supported by optimal service to consumers. This is in line with the opinion expressed by Dimiyati & Subagyo [1] and Djumarno & Djamaludin [2] that the existence of high commitment from producers in the form of satisfying service to consumers will have a positive impact on customer loyalty.

With the license obtained from FIFA for the quality of soccer balls produced by PT. Sinjaraga Santika Sport (Triple S) has an impact on brands and sales as shown in the following table:

Table 2. Data on Triple S Ball Sales for the 2016-2018 Period

Year	Value of Selling Triple S soccer balls (Rp)
2016	1.371.465.000
2017	2.193.895.494
2018	3.587.808.000

Source: Data of PT. Sinjaraga Santika Sport, 2018

From table 2 it can be explained that the quality of products produced by PT. Sinjaraga Santika Sport (Triple S) can be accepted by overseas consumers. This is evident from the increase in the value of transactions generated has increased. This of course is inseparable from the license issued by FIFA and the company's commitment to provide the best service to achieve customer satisfaction. This certainly supports the opinion expressed by Anderson & Sullivan [31], and Almaamari [32] that good and quality product quality and the amount of benefits consumers can get will have an impact on brand image which will ultimately create loyalty consumer.

However, various kinds of obstacles and obstacles were also felt by the management of PT. Sinjaraga Santika Sport (Triple S) is mainly related to the high price of raw materials due to the majority of which are still imported from abroad. Other problems faced are related to

the quality of human resources and high bank interest rates. Therefore support from the government is needed for the continuity and development of PT. Sinjaraga Santika Sport (Triple S).

V. Conclusion

From the description above, it can be seen that customer loyalty can be formed from the commitment of the management of business organizations to provide the best for consumers, especially related to product quality, competitive prices, and satisfying services. However, several obstacles faced by business organizations include high raw materials, and capital. Therefore, the role of the government is highly expected by business actors, especially related to the import policy of raw materials which is considered very burdensome to producers.

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