

Price Analysis, Marketing Communication, and Brand on Customer Loyalty

Cyndy Melliani Pratiwi^{1*}, Purnama Yanti Purba², James Han's³, Stevent Tanadi⁴

^{1,2,3,4} Program Studi Manajemen, Fakultas Ekonomi Universitas Prima Indonesia, Indonesia

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ABSTRACT

This study aims to test and analyze the influence of the test and analyze the influence of Price, Marketing Communication and Brand Loyalty of the Customers. The phenomenon of decrease in number of subscribers, the price of which is not optimal, marketing communication has not been satisfactory and brands that are less well interesting background of this research. The research method is quantitative approach, type of research is descriptive and quantitative nature of this research is descriptive explanatory. The population was 144 customers from January to December 2019. The sample in this study was 106 customers. The sampling technique used is simple random sampling. Testing the validity and reliability of 30 consumers taken from the rest of the population that is not used in the sample. The data was collected using questionnaires distributed to consumers as respondents, interviews were conducted with consumers, and documentation studies. Methods of data analysis is multiple linear regression analysis. The test results obtained the calculated F value (25.019) > F table (2.69) and the significance probability was 0.000 < 0.05. The results of the calculation of partial hypothesis testing obtained tcount > ttable or 2,581 > 1,983 and significant obtained 0.011 < 0.05. So, it can be concluded that price analysis, marketing and brand communication has positive and significant effect on customer loyalty.

1. INTRODUCTION

The existence of customers has access to the existence of products in the market so that all company activities will be strived to be able to position the product so that it can be accepted by customers. Customer loyalty is very important for companies in this era of very tight business competition (Bahrudin & Zuhro, 2015). The importance of customer loyalty for companies is unquestionable, many companies hope to retain their customers in the long term, even, if possible, forever. Customer loyalty is a deeply held commitment to repurchase a product or service in the future. Customer loyalty can be realized if a customer is satisfied with what is provided by the company. Presenting good quality products at affordable prices and building a strong brand image can be one way for companies to create consumer loyalty. To achieve customer satisfaction, a company must be able to provide maximum service quality, affordable prices, and a good brand image in the eyes of customers.

PT Calispo Multi Utama Medan in carrying out its product marketing activities is still not optimal because the marketing communications used are still not following today's era, most of which are online. In addition, bad brands and prices that are not optimal are also still problems found, resulting in a decrease in the number of customers. Whereas the suitability of the price and quality offered needs to be a concern to create a good image so that customers are loyal. Consumer perceptions of the price following the quality of the product obtained affect customer satisfaction and customer loyalty. Several previous studies have examined the factors that influence customer loyalty. Price (affordability of price, quality conformity, price competitiveness, suitability of benefits), Promotion (consumer promotion, trade promotion, sales promotion), and service quality (tangible, reliability, responsiveness, assurance, and empathy) have a significant and strong influence to customer satisfaction (Anggraini & Budiarti, 2020; Tobing et al., 2021). Another study on marketing communication variables found that marketing communication strategies had an effect on customer loyalty at Apotek K24 Mulyosari Surabaya (Dedy Ayub Wicaksono, 2018). Other research on brands was also conducted and found that there was an influence between a brand image on Oppo Smartphone Customer Loyalty in a positive effect (Huda &

*Corresponding author.

E-mail: purnama.js@gmail.com

Nugroho, 2020). This study also encourages researchers to examine the customer loyalty of PT Calispo Multi Utama Medan in terms of its relationship to price, marketing communication, and brand factors. The purpose of this study was to determine the effect of price analysis, marketing communication, and brand on customer loyalty at PT Calispo Multi Utama Medan.

2. METHODS

This research approach is based on a quantitative approach because this research has a clear and orderly flow. This type of research is a type of quantitative descriptive research. The nature of this research is descriptive explanatory. The population was 144 customers from January to December 2019. The sample in this study was 106 customers. The sampling technique used is simple random sampling. Testing the validity and reliability of 30 consumers taken from the rest of the population that is not used in the sample. The data was collected using questionnaires distributed to consumers as respondents, interviews were conducted with consumers, and documentation studies. This research is descriptive quantitative and the nature of this research is descriptive explanatory. The data analysis method is multiple linear regression analysis with validity and reliability testing, classical assumption test, determination, and hypothesis testing simultaneously and partially. The conceptual framework can be seen in Figure 1.

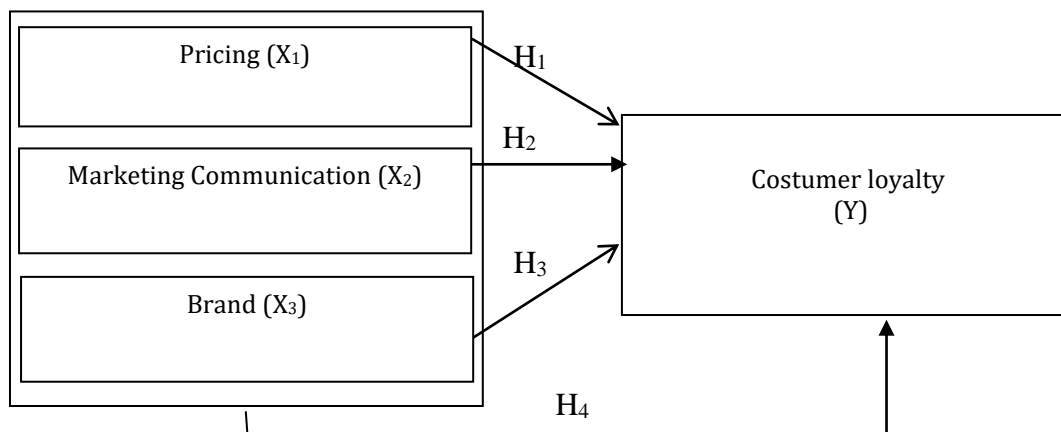


Figure 1. Conceptual Framework.

3. RESULTS AND DISCUSSIONS

The results of the analysis prerequisite tests carried out in this study. It includes the normality test of the data distribution, multicollinearity test, and heteroscedasticity test. The results of the normality test can be seen on Table 1.

Normality Test

Table 1. Normality Kolmogorov-Smirnov

		Unstandardized Residual
N		106
Normal Parameters ^{a,b}	Mean	0.0000000
	Std. Deviation	7.96955641
Most Extreme Differences	Absolute	0.094
	Positive	0.094
	Negative	-0.074
Kolmogorov-Smirnov Z		0.963
Asymp. Sig. (2-tailed)		0.312

Table 1 shows the results of the normality test using the Kolmogorov Smirnov test showing a significant value of $0.312 > 0.05$. Thus, the results of the Kolmogorov Smirnov test show that the data is normally distributed.

Multicollinearity Test

Multicollinearity can also be seen from the value of tolerance and variance inflation factor (VIF). If a low tolerance value is the same as a high VIF value (because $VIF = 1/\text{tolerance}$) used to indicate the presence of multicollinearity is a tolerance value > 0.10 or equal to a VIF value < 10 . The results of the multicollinearity test can be seen in Table 2.

Table 2. Multicollinearity Test

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	0.937	2.567		0.365	0.716		
	Pricing	0.350	0.135	0.221	2.581	0.011	0.768	1.303
	Marketing Communication	0.301	0.076	0.325	3.937	0.000	0.826	1.210
	Brand	0.242	0.065	0.311	3.737	0.000	0.813	1.229

Table 2 shows that the tolerance value is > 0.1 and the VIF value is < 10 . Thus, in the multicollinearity test, there is no correlation between the independent variables.

Heteroscedasticity Test

The results of the heteroscedasticity test can be seen in Table 3.

Table 3. Heteroscedasticity Test

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	4.713	1.579			2.986	0.004
	Pricing	0.052	0.083	0.070		0.622	0.535
	Marketing Communication	0.008	0.047	0.019		0.177	0.860
	Brand	0.015	0.040	0.041		0.379	0.706

Table 3 shows the significant value of price $0.535 > 0.05$, marketing communication $0.860 > 0.05$ and brand $0.706 > 0.05$, there is no heteroscedasticity problem.

Multiple Regression Analysis

The results of the regression analysis can be seen in Table 4.

Table 4. Multiple Linear Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	0.937	2.567			0.365	0.716
	Pricing	0.350	0.135	0.221		2.581	0.011
	Marketing Communication	0.301	0.076	0.325		3.937	0.000
	Brand	0.242	0.065	0.311		3.737	0.000

The constant of 0.937 states that if the independent variables of price, marketing communication, and brand do not exist or are constant then the dependent variable is customer loyalty at 0.937 units. The regression coefficient of the price independent variable is 0.350 and is positive, this means that if each increase in the independent variable price of 1 unit will increase the dependent variable of customer loyalty by 0.350 units assuming other variables remain. The regression coefficient of the independent variable marketing communication is 0.301 and is positive, this states that if each increase in the independent variable marketing communication 1 unit will increase the dependent variable customer loyalty by 0.301 units assuming the other variables are fixed. The regression coefficient for the

independent variable brand is 0.242 and is positive, this means that if every increase in the independent variable brand 1 unit will increase the dependent variable customer loyalty by 0.242 units with the assumption that the other variables are fixed.

Hypothesis Determination Coefficient

The results of the analysis of the coefficient of determination can be seen in Table 5.

Table 5. Hypothesis Determination Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
dimension0 1	0.651 ^a	0.424	0.407	8.08591

The results of the coefficient of determination test obtained the Adjusted R Square value of 0.407, this means 40.7% of the variation in the dependent variable, namely customer loyalty which can be explained by variations in price, marketing communication, and brand variables while the remaining 59.3% (100% - 40, 7%) is explained by other variables not examined in this study, such as innovation, product, marketing strategy and so on.

F Test Analysis

The results of the F test can be seen in Table 6.

Table 6. F Test Analysis Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4907.274	3	1635.758	25.019	0.000 ^a
	Residual	6668.952	102	65.382		
	Total	11576.226	105			

The test results obtained the calculated F value (25.019) > F table (2.69) and the significance probability is 0.000 < 0.05, meaning that Ho is rejected and Ha is accepted, namely simultaneously Price, Marketing Communication and Brand have a positive and significant effect on Sparepart Customer Loyalty Aspira brand at PT Calispo Multi Utama Medan.

Analysis of t test

The results of the t test analysis can be seen in Table 7.

Table 7. Results of t test analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.937	2.567		0.365	0.716
	Pricing	0.350	0.135	0.221	2.581	0.011
	Marketing Communication	0.301	0.076	0.325	3.937	0.000
	Brand	0.242	00.065	0.311	3.737	0.000

The results of the calculation of partial hypothesis testing obtained t-count > t-table or 2,581 > 1,983 and significant obtained 0.011 < 0.05, meaning that Ho is rejected and Ha is accepted that is partially Price has a positive and significant effect on Customer Loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. The results of the calculation of partial hypothesis testing obtained the value of t-count > t-table or 3.937 > 1.983 and significant obtained 0.000 < 0.05, meaning that Ho is rejected and Ha is accepted that is partially Marketing Communication has a positive and significant effect on Customer Loyalty of Aspira Brand Spare Parts in PT Calispo Multi Utama Medan. The results of the calculation of partial hypothesis testing obtained the value of t-count > t-table or 3.737 > 1.983 and significant obtained 0.000 < 0.05, meaning that Ho is rejected and Ha is accepted that is partially Brand has a positive and significant effect on Customer Loyalty of Spare Parts Brand Aspira at PT Calispo Multi Main Medan.

Discussion

First, the price has a positive and significant effect on customer loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. Price is a very important tool is a factor influencing purchasing decisions in the public sector. Price has an important role in increasing customer loyalty (Haryono & Octavia, 2014; Putra & Ekawati, 2017; Tobing et al., 2021). Price is the value of an item expressed in money. Companies need to pay attention to prices because, in business competition, the prices offered by competitors can be lower by offering the same or even better quality. Consumers generally have the impression of luxury goods for products with high prices, and the opposite applies. The suitability of the price and quality offered needs to be a concern for the creation of a good image (Lin et al., 2021; Llewellyn et al., 2020; Shen & Yahya, 2021). Consumer perceptions of the price following the quality of the product obtained affect customer satisfaction and customer loyalty. 4 indicators can be used to measure price perceptions, including 1) price affordability, in the form of the price offered is a price that is following the purchasing power of consumers; 2) price suitability is related to the comparison of the price to the quality offered; 3) price competitiveness, namely the price given by the producer is a competitive price with products sold by other producers on the same type of product, and 4) the price offered is following the benefits that consumers can get from the products they buy (Kuuluvainen et al., 2021; Putra & Ekawati, 2017; Zulfigarov & Neuenkirch, 2020).

The results of the second study, marketing communication has a positive and significant effect on customer loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. Marketing communication is an attempt to convey messages to the public, especially consumers as targets regarding the existence of products in the market. Marketing communication plays a very important role for marketers. Without communication, consumers or customers as a whole will not know the existence of the product in the market. Clear marketing communications that benefit customers can make customers loyal to the company by making repeat purchases. For this reason, good marketing communications must be designed more specifically so that customers are satisfied, such as determining promotions that use purchase packages supported by attractive prices. This can encourage customers to be loyal and make quite a lot of purchases. Marketing communication influences customer loyalty. The results of this study are supported by the results of research conducted by (Muntadliroh, 2016) found that the implementation of an integrated marketing communication strategy for ecotourism services at the Eka Karya Bali Botanical Gardens has a significant impact on increasing tourist interest in visiting the Eka Karya Bali Botanical Gardens. Interest in choosing a college is influenced by integrated marketing communications, reference groups, attitudes, and subjective norms of prospective students (Harwani et al., 2018).

The results of the third study, the brand has a positive and significant effect on customer loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. If consumers hear of a product with a well-known and established brand name, there is no need to doubt it, consumers just need to choose a product with what specifications they want to buy, whether the physical size is large or small, color, price, shape, packaging, product facilities, and other competing products. It is also a consideration for consumers in deciding to purchase a product. The higher the consumer's trust in a brand, the higher the loyalty (Haryono & Octavia, 2014). The results of this study are supported by the results of research conducted by (Huda & Nugroho, 2020) who found that there was an influence between a brand image on Oppo smartphone customer loyalty in a positive direction. Then the research conducted by (Putra & Ekawati, 2017) found that brand image has a positive and significant effect on customer loyalty for Vespa motorcycles in Denpasar.

4. CONCLUSION

Price has a positive and significant effect on Customer Loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. Marketing and brand communications also have a positive and significant effect on Customer Loyalty of Aspira Brand Spare Parts at PT Calispo Multi Utama Medan. For PT Calispo Multi Utama Medan, it is recommended to improve the more competitive pricing strategy, improve marketing communications that are more satisfying to customers by using social media that accommodates customer aspirations so that brand image improvements can increase customer loyalty to the company.

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