

## THE INFLUENCE OF PRODUCT QUALITY AND BRAND IMAGE ON CUSTOMER LOYALTY HAMMERSTOUT DENIM CLOTHING

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**Article History:** Received: 10 January 2021; Revised: 12 February 2021; Accepted: 27 March 2021; Published online: 20 April 2021

**Abstract:** Economic development will greatly affect the progress of a country. One of them in the textile industry, talking textile does not escape the name of fashion, fashion development also will affect the consistency of a brand. Having a good brand quality and image will not guarantee consumers' loyalty to the product. Factors in this study aim to determine the effect of product quality and brand image on customer loyalty at Hammerstout Denim Clothing. This study uses descriptive and verification research methods. The sample of this study was consumers who bought 95 products of Hammerstout Denim Clothing with Nonprobability sampling technique. Data collection uses questionnaires that have been tested for validity and reliability. Data analysis techniques were carried out using multiple regression analysis. The results showed that product quality and brand image had a positive and significant effect on customer loyalty on Hammerstout Denim products. It is known that the calculated f value is 16,032. Based on the regression test, R square is 25.80%, which means that the Product Quality and Brand Image has an effect of 25.80% on Customer Loyalty, while the remaining 74.20% is influenced by other variables not discussed in this study.

**Keywords:** Product Quality, Brand Image, and Customer loyalty

### 1. Introduction

Bandung is one of the cities that has the greatest potential in the development of fashion in Indonesia. The city of Bandung has long been known as a center for textiles, fashion, art, culture and not to forget its tourist destination, where the city of Bandung has become a central point in future economic development based on creative industries, especially in the fashion sector which is supported by contributing the largest GDP. with a percentage of 54.40%. Currently, fashion is the most important part for modern society, which realizes that fashion needs are not just appearance but can also reflect someone's personality. The competition is getting tougher with the establishment of many boutiques, factory outlets, distributions and clothing in the city of Bandung.

The development of the fashion world continues to increase and gives birth to new works and increasingly encourages the development of the creative industry. The development of the world of fashion among young people is also no longer just a hobby to be pursued on the basis of a hobby. Fashion is growing into an industry, starting from a small scale to a fairly large scale.

The growing number of new competitors in the fashion sector which continues to increase and the emergence of this situation has an impact on making many old customers who do not hesitate to turn to competitors who are able to satisfy their desires despite the presence of new customers who also continue to grow. Even though the hammerstout itself has made changes in several aspects to win the competition. For example, in terms of features in the hammerstout product itself, initially there were no pocket pockets on t-shirt type clothes, then those who initially never endorsed a famous artist are now starting to make famous artists become models or endorsing famous artists, so that the brand benefits & competence of the hammerstout are starting to be felt customers feel confident about eating hammers' products.

The proliferation of distributions in the city of Bandung with a variety of competitions, namely colored by a variety of products, attractive display designs and also the best quality of materials. The ups and downs of sales of Hammerstout Denim products cannot be separated from customer loyalty. In general, there are many things that affect consumers in customer loyalty. Therefore, it is necessary to analyze the things that affect customer loyalty, the strategy that must be carried out by the company is to be able to attract consumers so that consumers can decide to purchase products with marketing efforts that are not only viewed from a rational perspective but make consumers feel satisfied and proud

from the feeling side which aims to persuade, influence and convince consumers for the purchase process.



Figure. 1. Produk Hammers Tout Denim

In order to attract consumers to transact and buy Hammers Tout Denim products, of course, it is related to what products are offered by the company itself. If a product is known to the general public about its good quality, consumers will be interested in buying it, especially for consumers who want the best quality regardless of the price of the product, of course, it will determine the purchase decision to make transactions very easily. Brand image can also generate consumer interest, if the product already has a strong brand, it will attract consumers to make transactions to buy a product.

## 2. Literature Review and Hypothesis

- Product Quality

Product quality is an important thing that consumers will consider when they are interested in a product, until they finally decide to make a purchase or not. The definition of product quality according to Kotler and Armstrong (2014) states that: product quality is the ability of a product to perform its function, this includes overall durability, reliability, accuracy, ease of operation, and product repair as well as other product attributes. There are nine dimensions of product quality according to Kotler and Keller (2015): form, feature, performance quality, perceived quality, durability, realitbit, repairability, style, design.

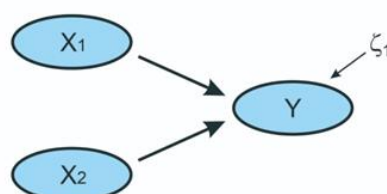
- Brand Image

A brand image is a series of perceptions that consumers have on a brand, usually organized into a meaning. The relationship to a brand will be stronger if it is based on experience and gets a lot of information. According to **Kotler and Keller (2014)**: "Brand image is how consumers perceive or assess (brand) a company actually, as reflected in the associations **that occur in consumer memory.**" Meanwhile, according to **Kotler and Armstrong (2014)**, brand image is "The set of belief held about a particular brand is known as brand image". What it means is that the quote on the previous page is a set of beliefs a Brand Personality about a brand called a brand image. Dimension of Brand Image : **Brand identity, Brand Personality, Brand Personality, Brand Personality, Brand Personality.**

- Customer Loyalty

Definition of Customer Loyalty According to Griffin in Utami (2015: 645) argues that customer loyalty is: "Customer loyalty is a commitment to defend in depth to re-purchase or re-subscribe the selected product or service consistently in the future, although the influence of the situation and marketing efforts have the potential to cause a change in behavior". According to Rai & Medha (2013) defines that loyalty is: "Customer loyalty not only ensures repeat purchases and positive publicity with greater value in terms of reliability, it also leads to host of other significant benefits such as cross buying intentions, exclusive and priority based preference to the company and its products/ services, greater share of wallet and so on which provide a competitive edge to the company".

- Framework and Hypothesis



**Figure 2. Relationship Flow Framework between Latent Variables**

- $X_1$  = Product quality (variabel laten eksogen)
- $X_2$  = Brand Image (variabel laten eksogen)
- $Y$  = Coustomer Loyalty (variabel laten endogen)
- $\zeta$  = Residue factor

• **Hypothesis**

- H1: Product Quality (has an influence on Coustomer Loyalty
- H2: Brand Image has an influence on Coustomer Loyalty .
- H3: Product Quality and Brand Image has an influence on pu Coustomer Loyalty

**3. Research Methodology**

The object of research in the preparation of this thesis Hammers Tout Denim products Bandung. With the variables examined are the effects of price and product quality on purchasing decisions. The design research used in this research is exploratory, descriptive, verifiative, and causal, which aims to find views or insights into the problem in general, to clarify emerging phenomena and to clarify the priority of the problem in research. Descriptive research is research that aims to obtain variable characteristics or provide a more accurate description of the variable or segment. Hypothesis testing with Multiple Linear Regression Analysis.. So in determining the research sample 95 is carried out by using probability sampling techniques.

**4. Research Finding and Argument**

- Goodnes fit model test (F-test)

**Table .1**  
ANOVA<sup>b</sup>

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.              |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1     | Regression | 15,049         | 2  | 7,524       | 16,032 | ,000 <sup>a</sup> |
|       | Residual   | 43,178         | 92 | ,469        |        |                   |
|       | Total      | 58,226         | 94 |             |        |                   |

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y

With the help of SPSS calculation processing, the Fcount is obtained for 16.032. Meanwhile, the critical value of Ftable with numerator 2 and denominator 197 in  $\alpha$  (0.05) degrees of freedom is 3.10. Thus Fcount (16.032) > Ftable (3.10), so it is clear that H0 is rejected and H1 is accepted. This shows that product quality ( $X_1$ ) and brand image ( $X_2$ ) simultaneously affect Customer Loyalty (Y).

- Multiple Linear Regression Analysis

**Table .2**

**Coefficients<sup>a</sup>**

| Model           | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-----------------|-----------------------------|------------|---------------------------|-------|------|
|                 | B                           | Std. Error | Beta                      |       |      |
| 1 (Constant)    | 1,975                       | ,299       |                           | 6,611 | ,000 |
| Product Quality | ,238                        | ,105       | ,281                      | 2,272 | ,025 |
| Brand Image     | ,236                        | ,107       | ,273                      | 2,212 | ,029 |

a. Dependent Variable: Customer Loyalty

With the following information:

1. The constant value is 1.975, this indicates customer loyalty of 1.975 if it is influenced by product quality and brand image.
2. The product quality value is 0.238, this shows a positive direction, therefore if the product quality increases, the Customer Loyalty variable will increase by 0.238.
3. The brand image value is 0.236, this shows a positive direction, therefore if the product cost variable increases, the Customer Loyalty variable will increase by 0.236.

- Correlation Coefficient and Coefficient of Determination

**Table .3.  
Model Summary<sup>b</sup>**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | ,508 <sup>a</sup> | ,258     | ,242              | ,68507                     |

a. Predictors: (Constant), Product quality, brand image

b. Dependent Variable: Customer loyalty

The correlation coefficient value between product quality (X1) and brand image (X2) with customer loyalty (Y) is 0.508 indicating a moderate relationship because it is between 0.40 - 0.599.

To determine the effect of product quality (X1) and brand image (X2) on customer loyalty (Y), it can be seen from the multiple correlation coefficient or determination coefficient of 0.258 or 25.8%, which means that customer loyalty is determined by product quality (X1) and brand image (X2) of 25.8%, while the remaining 46.1% is influenced by other factors not examined.

- Correlation Test & Coefficient of Determination

To find out how strong the relationship between product quality and brand image with customer loyalty, a correlation test analysis was carried out, the results of which can be seen in the following table:

**Table .4.  
Correlations**

|                     |    | Y     | X1    | X2    |
|---------------------|----|-------|-------|-------|
| Pearson Correlation | Y  | 1,000 | ,468  | ,466  |
|                     | X1 | ,468  | 1,000 | ,686  |
|                     | X2 | ,466  | ,686  | 1,000 |
| Sig. (1-tailed)     | Y  | .     | ,000  | ,000  |
|                     | X1 | ,000  | .     | ,000  |
|                     | X2 | ,000  | ,000  | .     |
| N                   | Y  | 95    | 95    | 95    |
|                     | X1 | 95    | 95    | 95    |
|                     | X2 | 95    | 95    | 95    |

1. The calculation of the Pearson Product Moment correlation, the rs value for the relationship between product quality and customer loyalty is 0.468. Because the value of rs is between 0.40 - 0.599, the relationship between product quality and customer loyalty can be said to be moderate.

2. Results of the calculation of the Pearson Product Moment correlation, the rs value for the relationship between brand image and customer loyalty is 0.466. Because the value of rs is between 0.40 - 0.599, the relationship between brand image and customer loyalty can be said to be moderate.

3. The calculation of the coefficient of determination is carried out to determine the amount of the contribution of the product quality variable to the Customer Loyalty variable, namely  $0.4682 \times 100\% = 21.90\%$ , meaning that customer loyalty is influenced by product quality by 21.90%. The contribution of the brand image variable to the Customer Loyalty variable is  $0.4662 \times 100\% = 21.72\%$ , meaning that customer loyalty is influenced by the brand image by 21.72%.

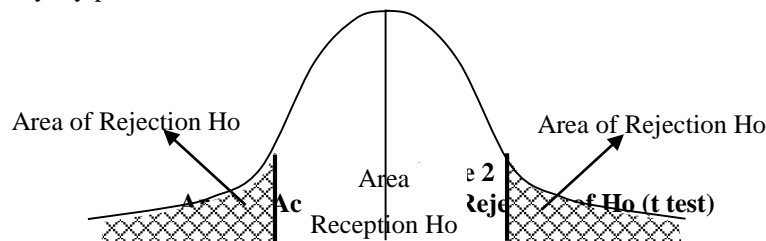
- Hypothesis Test (t-test)

Table 5.

| Model           | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-----------------|-----------------------------|------------|---------------------------|-------|------|
|                 | B                           | Std. Error | Beta                      |       |      |
| 1 (Constant)    | 1,975                       | ,299       |                           | 6,611 | ,000 |
| Product Quality | ,238                        | ,105       | ,281                      | 2,272 | ,025 |
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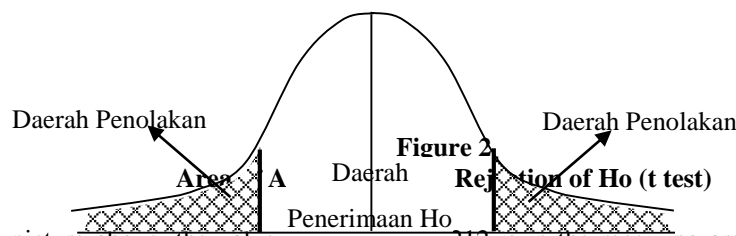
a. Dependent Variable: Loyalitas Pelanggan

From the statistical calculation of the t test above, t count for product quality = 2.272 is greater than t table = 1.986, then Ha is accepted and Ho is rejected. This means that there is a positive influence between product quality on the Customer Loyalty process.



Berdasarkan gambar di atas,  $t_{hitung} = 2,272$  lebih besar dari  $t_{tabel} = 1,971$  maka  $H_a$  diterima. Hal ini berarti hipotesis yang penulis ajukan yaitu **“Kualitas produk berpengaruh terhadap Loyalitas Pelanggan”**, dapat diterima.

Dari perhitungan statistik uji t di atas,  $t_{hitung}$  untuk citra merek = 2,212 lebih besar dari  $t_{tabel} = 1,986$ , maka  $H_a$  diterima dan  $H_o$  ditolak. Ini berarti terdapat pengaruh positif antara citra merek terhadap Loyalitas Pelanggan.



Based on the picture above, the value of t count = 2,212 is in the receiving area  $H_a$ . This means that the hypothesis that the author proposes, namely **“Brand image affects Customer Loyalty”**, can be accepted.

#### 4. Conclusion and Suggestion

- **Conclusion**

1. The quality of the product obtained an overall average value of 65.45%, which means it is quite good because it is in the interval 52.01% - 68.00%. This shows that the product quality of Hammerstout Denim on Hammerstout Denim Clothing products is an important concern for Hammerstout Denim Clothing product manufacturers, By wearing Hammerstout Denim clothes, consumers feel up to date, this is because not every Hammerstout product is up to date product quality = 2.272 greater than t table = 1.986, then  $H_a$  is accepted and  $H_0$  is rejected. This means that there is a positive influence between product quality and customer loyalty processes.

2. Hammerstout Denim Clothing brand image obtained an overall average value of 68.33%, which means good because it is in the interval 68.01% - 84.00%. This shows that the brand image of Hammerstout Denim Product, Hammerstout Denim Clothing is considered good. , From the t-test statistical calculation above, tcount for brand image = 2.212 is greater than ttable = 1.986, then  $H_a$  is accepted and  $H_0$  is rejected. This means that there is a positive influence between brand image and customer loyalty

3. The research results, the calculation with the value of F count = 16.032 is in the receiving area of  $H_a$ . This means that the hypothesis that the authors propose simultaneously, namely "Product quality and brand image affect Customer Loyalty Hammerstout Denim Clothing", can be accepted.

- **Suggestion**

- Clothing in Hammerstout Denim lacks a variety of motifs, because Hammerstout has not issued too many diverse motives. Suggestions for companies to be able to generate even more diverse motifs to minimize consumer saturation with each product from Hammerstout Denim itself.and fashion dan mengikuti tren yang ada agar dapat bersaing dengan competitor lainnya. and follow existing trends in order to compete with other competitors.

- The Hammerstout Denim brand is not easy to remember because hammerstout doesn't really create an identity in each of its products. The author's suggestion for the company is that the company should bring out more of its identity so that people are easy to remember and recognize, if the identity is clear, it will be very profitable for the company to be able to attract consumers.

- The Hammerstout Denim brand is an unknown brand, this is because Hammerstout is a new brand. The author's advice for the company, the company must increase its promotion again, promotion that aims for people to get to know more about Hammerstout Denim and also the company can participate in Clothing events that exist every year.

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