

## ENHANCING CUSTOMER LOYALTY THROUGH PRODUCT QUALITY, BRAND COMMITMENT, AND BRAND TRUST

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### ABSTRACT

*At this time there has been an extraordinary competition between countries, products, and even among the brands themselves. Companies and manufacturers must manage products that are launched well. The company must deal well with existing competitors, and handle and manage customers, both existing customers and potential customers. With increasingly fierce competition, and the increasingly diverse products available, this makes customers increasingly have a variety of choices. The more variety of product choices, it makes customers more selective in choosing products. This makes the customer try to look for deeper information. Furthermore, customers will of course be looking for products with better quality than competitors, but at more economical prices. In other words, customers will look for products with better value than competing products. By noting that the current competition is getting tougher, it is a must that the company must adopt a strategy to make customers more engaged, and more loyal to the company. So based on the explanation above, the purpose of this research is to increase and deepen customer loyalty through the implementation of strategies to improve product quality, deepen brand commitment, and sharpen brand trust from customers, which in turn is expected to increase revenue and company profits. The objectives of this study was to obtain a study of the effect of product quality on customer loyalty, the influence of brand commitment on customer loyalty, and the influence of brand trust on customer loyalty. Methodology stages of research conducted, is to use primary data through respondents by distributing questionnaires, randomly using random sampling. Respondents in this study were smartphone users in Jakarta, Indonesia, selected from several locations in Jakarta. After the data was collected, the hypothesis testing analysis is performed using regression techniques. The findings of the study are concluded that customer loyalty is influenced by product quality, brand commitment, and brand trust. This research is expected to provide input to related parties to be able to utilize relevant factors to increase customer loyalty. In addition, this research is also expected to provide input on the dominant component in brand commitment to increase customer loyalty. Furthermore, brand trust is expected to increase further, which of course is expected to increase customer loyalty. Finally, this research is expected to contribute solution, and comprehensively, to be able to increase customer loyalty, through increasing product quality, deeper levels of brand commitment, and sharper brand trust in smartphone industry. The findings obtained in this study are that there is an effect of product quality on customer loyalty, there is an influence of brand commitment on customer loyalty, and there is an influence brand trust on customer loyalty.*

*Keywords: Customer loyalty, Product Quality, Brand Commitment, Brand Trust*

### INTRODUCTION

At present there has been tremendous competition in various industrial sectors. The various industrial sectors in question consist of various elements. The service sector and the goods sector are some of the most important sectors. Broadly speaking, currently businesses can be grouped into three large business sectors, namely the business services sector, the manufacturing business sector, and the intermediary business sector (Pride, Hughes, & Kapoor, 2017). On the other hand, the need for people to interact with each other and social relationships with each other has increased tremendously. Indonesia as one of the archipelago countries with a very wide range of countries, consisting of land and sea, of course, requires a communication activity that is fast, accurate, and reliable. The population of Indonesia, spread from Sabang to Merauke, from Miangas to Rote Island, and based on the latest data, numbering approximately 260 million people, certainly in need of good communication tools. The enormous potential of Indonesia's population, as well as the increasing need for communication between residents, has made Indonesia one of the countries with enormous potential. This is an excellent opportunity for a business entity to run a business. Furthermore Pride, Hughes, & Kapoor (2017) also revealed that the company's most important goal is how the company can satisfy customer needs. Customer needs that are very important at this time, is the need to communicate, to interact and socialize. When viewed from Maslow's hierarchy of needs, socialization is at level number three. Thus, it can be said that communication is very important for humans to interact and socialize with each other. This is a very potential market for the communications industry. Broadly speaking, this industry can be divided into two major elements, namely the provider and the physical product itself. Large provider companies, such as PT. Telkomsel, PT. Indosat, and XL Axiata and others. As for this case, it is certainly a smartphone device. The smartphone device industry in Indonesia has developed very rapidly. Old brands that have long existed, and still remain like Apple with the I Phone, and Samsung with its type variations. As for new products with a variety of brands make the existing market more crowded. The market becomes increasingly difficult to be able to predict accurately. Furthermore, it can also be seen, that for now based on the existing conditions, customers are getting smarter and smarter, because at present information and anything is very easy to find and access. As for new products with a variety of different brands, now it has begun to appear. Relatively new brands such as Oppo, Vivo, Xiaomi, race against each other to be at the forefront. The features displayed have started to try to rival even more products that already exist today. With the still existing brands, and the more vigorous new brands entering the market, competition among brands becomes tighter. Global smartphone products on an international scale with brands that are increasingly varied, as well as increasingly competitive product quality, making competition even in regional regions such as ASEAN, or Asia making competition even tougher. More and more customers have the choice to choose products with brands that suit their needs and desires, as well as purchasing power that matches their abilities. But on the other hand, companies also increasingly have the opportunity to be able to innovate products by making breakthroughs by creating products that fit customer criteria. Furthermore, with the increasingly stringent

and intense competition, it is very important for smartphone companies to provide superiority and uniqueness to their products, in order to differentiate from competing products. Furthermore, companies want and must put their customers' perceptions that their products are better than those of competitors.

At the moment when there is intense competition in the smartphone industry, researching customer loyalty is very interesting to be further investigated. (Izogo, 2016). The increasingly fierce competition between smartphone brands, making companies must be able to increase customer loyalty. This is so customers do not leave the company's products, then move to competing products. Another factor that can be avoided is the customer's desire to try out competing products. The desire of customers to try to use competing products is the beginning of customer switching. This must be avoided by the company. Quality is a fairly complex concept. In the era of very complex competition, quality is the main means for companies to achieve success and survive from competitors. (Hoe & Mansori, 2018). Therefore, it is very important for companies to build sustainable customer loyalty because of the already very intense competition. Customer loyalty will decrease with brand transfer or customers will try other products if customer needs cannot be met, or it turns out that product performance is below customer expectations. (Morgan & Govender, 2017). Product quality is an important factor in increasing customer loyalty. This is supported by research conducted by Chinomona & Maziriri (2017). In the quality of the product itself is supported by several dimensions that shape it. Brand commitment is also an important element to form customer loyalty. Support for the research was carried out by Izogo (2016), Van Tonder (2016), and Rather & Sharma (2017). One of the elements is a brand trust, where brand trust is an element that increases customer loyalty. This research was supported by Van Tonder (2016). Thus, to increase customer loyalty, companies need to implement superior product quality, increase customer brand commitment to the product, and increase brand trust in the minds of customers. Based on the explanation above, the purpose of this research is to improve product quality towards customer loyalty, increase brand commitment to customer loyalty, and increase brand trust in customer loyalty.

## LITERATURE REVIEW

### Product Quality

When seen in general, quality is the ability of a product or service to meet and satisfy the needs of consumers (Chowdhury, 2017). Furthermore, Kotler & Keller (2016) suggests that quality is the overall features and characteristics of a product or service based on its ability to meet customer needs. Furthermore Kotler & Keller (2016) also suggested that companies that have good quality, differentiate quality into conformance quality and performance quality. Therefore, product quality is a very important element for companies in marketing their products. Product quality is a very important element for companies in marketing their products. Conceptually, product quality is a condition of the ability of a product continuously to be able to meet customer needs, or exceed customer expectations (Chinomona & Maziriri, 2017). Companies that have the ability to implement product quality will be able to compete and have competitiveness compared to competitors. (Lin, Liang & Zhu, 2018). Broadly speaking, Lin, Liang & Zhu (2018) divide product quality into eight components, those are performance, features, reliability, conformance, durability, serviceability, aesthetics and perceived quality. To complement the dimensions of product quality above, furthermore, Chowdhury (2017) based on Garvin's opinion suggests dimensions of product quality, namely performance, features, reliability, conformance, durability, serviceability, aesthetics, and perceived quality. This study is reinforced by the opinion of Chinomona & Maziriri (2017) that product quality affects loyalty. Based on the explanation above, the proposed hypothesis is.

H1: Product quality has impact on customer loyalty.

### Brand Commitment

For a long time, commitment was seen as a very important part to be studied more deeply and further in the area of marketing. Commitment is a concept that is defined in various ways and in various styles.

In marketing management, commitment is one of the most important elements. (Rather & Sharma, 2017). Commitment can be explained as any maximum effort to build a good relationship so that it can improve performance and achievement. (Van Tonder, 2016). Furthermore, according to Rather & Sharma (2017), commitment is an effort that is done hard and continuously to maintain a very good relationship. Dimensions of commitment in this research as a basis for analyzing are affective commitment, normative commitment and calculative commitment. There have been several studies examining the effect of commitment on customer loyalty. One of them is done by Van Tonder (2016). Other studies conducted were Rather & Sharma (2017).

Based on the explanation above, the hypothesis that can be proposed is.

H2: Commitment has impact on customer loyalty.

### Brand Trust

At the current industry situation, trust can be interpreted as the need of an individual or company to rely on or rely on our business partners (Kotler & Keller, 2016). Another understanding is the desire of someone to depend or rely on others, where the person in question has good abilities and can be trusted, and has good integrity. (Van Tonder, 2016). It is not easy to make other people trust the products marketed by the company. Customers will trust if our company has a good image. Lovelock & Wirtz (2011) suggested that the desire of customers to change their way of thinking into trust in our products, depends on positive customer perceptions of the organization or company. Furthermore, Van Tonder (2016) further explained that trust is the customer's perception of the company's honesty of a product or brand.

Another definition is feelings of security that are felt by customers when interacting with products or brands based on the perception that the product or brand can be trusted, and can be responsible to the customer (Chao, 2017). According to Chao (2017), the components of trust as a basis for analyzing are fiability and intentionality. There have been several studies

examining the effect of trust on customer loyalty. One of them is done by Van Tonder (2016). Other studies conducted by Andleeb (2017).

Based on the explanation above, the hypothesis that can be proposed is.

H3: Trust has impact on customer loyalty.

**Customer Loyalty**

Research on loyalty has been done for a long time, and is continuously being done because customer loyalty is a very important element for marketers. At the moment when there is intense competition in the smartphone industry, researching customer loyalty is very interesting to be further investigated. (Izogo, 2016). Having a customer with a high level of loyalty is the company's goal, because loyal customers make the company can last for a long time. (Danibrata, 2017). Kotler & Keller (2016) suggested that loyalty is a deep commitment to rebuy products or services that are desired in the future, even though there are situations or conditions that allow customers to switch products or services. Van Tonder (2016) states that loyalty can be divided into two elements, namely attitudinal loyalty, and behavioral loyalty.

**RESEARCH METHODS & MODELS**

**Research Methods**

This study uses a hypothesis testing method using regression as a hypothesis testing tool. Questionnaires were distributed by conducting a survey method. The distribution of the questionnaire was carried out through a cross sectional method.

The method for distributing questionnaires is to respondents who are smartphone users of certain brands, where the intended product is from various companies. The location for taking respondents is taken in several locations in Jakarta. Jakarta is used as a place for data collection, because indeed all brands of smartphone products are in Jakarta, as well as a very large population of smartphone users. The number of respondents who filled out the questionnaire was 100 respondents. Sampel determination technique is done randomly. The measurement scale used is a Likert scale, with a scale of numbers one to five. The variables used are product quality, brand commitment and brand trust as independent variables, while the dependent variable is customer loyalty. This research aims to increase customer loyalty through product quality, brand commitment and brand trust.

**Research model**

The following is the research model used in this study. Product quality has impact on customer loyalty. Brand commitment has impact on customer loyalty. Brand trust has impact on customer loyalty. Based on the previous theory, it is known that a quality product will increase customer loyalty. Product quality must be biased to compete with similar products with different brands. Likewise brand commitment, customers who commit to a brand, will increase customer loyalty. And finally, with high trust, customers will be more loyal to certain smartphone brands.

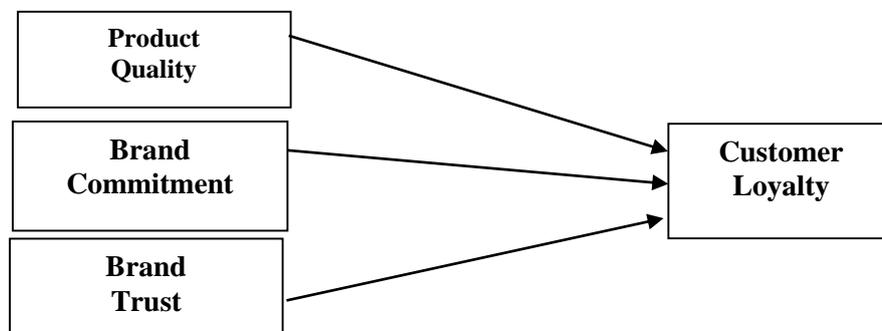


Figure 1. Research Model

**DATA ANALYSIS**

Hypothesis testing used in testing this hypothesis is a regression method using t test. This t-test is used to partially test several independent variables, namely product quality, brand commitment and brand trust on one dependent variable, namely customer loyalty. Based on the analysis of the results obtained, that all independent variables have impact on dependent variable. This means that product quality, brand commitment and brand trust have impact on customer loyalty.

Table 1 : Hypothesis testing product quality on customer loyalty (t test)

Variable	t	Sig
Product Quality	4,128	0,000

The result of the hypothesis test above is product quality has impact on customer loyalty. This result proved the hypothesis that product quality has impact on customer loyalty. This means that the results of the study support the results of the study of Chinomona & Maziriri (2017).

**Table 2 : Hypothesis testing Brand commitment on customer loyalty ( t test)**

Variable	t	Sig
Brand commitment	3, 225	0,000

The result of the hypothesis test above is brand commitment has impact on customer loyalty. This result proved the hypothesis that brand commitment has impact on customer loyalty. This means that the results of the study support the results of the study of Rather & Sharma (2017), and Van Tonder (2016).

**Table 3: Hypothesis testing brand trust on customer loyalty ( t test)**

Variable	t	Sig
Brand trust	4, 014	0,000

The result of the hypothesis test above is brand trust has impact on customer loyalty. This result proved the hypothesis that brand trust has impact on customer loyalty. This means that the results of the study support the results of the study of Andleeb (2017) and Van Tonder (2016).

## CONCLUSION

Based on the results of the analysis in this study, it can be seen that the hypotheses built in this study, all support the research results. Of the three hypotheses, all of them support. Based on the first hypothesis that there is an impact product quality on customer loyalty, the results obtained are significant, so it can be concluded that there is an impact product quality on customer loyalty. Thus it can be seen, that to increase customer loyalty, companies must be able to implement good quality products. There are several elements of product quality components that can be applied such as performance, features, reliability, conformance, durability, serviceability, aesthetics, and perceived quality. Based on the second hypothesis that there is an impact brand commitment on customer loyalty, the results obtained are significant, so it can be concluded that there is an impact brand commitment on customer loyalty. Furthermore, it can be seen that to increase customer loyalty, companies must pay close attention to customer brand commitment. The commitment dimensions that must be considered are affective, normative and calculative commitment. Based on the third hypothesis that there is an impact of brand trust on customer loyalty, the results obtained are significant, so it can be concluded that there is an impact brand trust on customer loyalty. In addition, another thing that must be considered to increase customer loyalty is to instill deep brand trust in customers. The dimensions of trust that can be applied are fiability and intentionality. But it is very important to make customer loyalty even better, by continuing to improve and strengthen the dimensions of attitudinal loyalty and behavioral loyalty.

## DISCUSSION & FUTURE RESEARCH

It is known that customers have different levels of loyalty to brands and also to companies and organizations (Kotler & Keller, 2016). In addition, Kotler & Keller (2016) also revealed that the success of a marketer or organization is determined by the ability to process and manage loyalty. After further analysis, the dominant factors to enhance customer loyalty are the dimensions of attitudinal loyalty and behavioral loyalty (Van Tonder, 2016). Thus, to increase customer loyalty is able to pay more attention to product quality, brand commitment, and brand trust. Therefore, it is imperative for companies and organizations to always look for the best way to increase customer loyalty, which can increase company profits. Based on the above, this study further strengthens previous studies, that there is indeed an effect of product quality on customer loyalty, the influence of brand commitment on customer loyalty, and the influence of brand trust on customer loyalty. The components of the research dimension that can be applied to improve each variable are, There are several elements of product quality components that can be applied such as performance, features, reliability, conformance, durability, serviceability, aesthetics, and perceived quality. The commitment dimensions that must be considered are affective, normative and calculative commitment. The dimensions of trust that can be applied are fiability and intentionality. As for suggestions for the future research, research can be done about customer satisfaction, brand equity, pricing strategy, or maybe also brand differentiation. Furthermore, research coverage can be extended to other areas outside Jakarta and surrounding areas, so that it can further generalize the population.

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