



The influence of sales promotion and brand image on customer loyalty of Ria Busana Fashion House

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Abstract

This research aims to find how the influence of Sales Promotion (X1) and Brand Image (X2) on Customer Loyalty (Y) at Ria Busana Fashion House. The population in this study is the number of customers at Ria Busana Fashion House which on average for a month amounted to 875 customers. The research sample was taken as many as 90 respondents whose number was determined using the Slovin formula. The sampling technique is carried out using purposive sampling techniques with the criteria of having made at least two visits and purchases at Ria Busana Fashion House. This research was conducted in 2020. This research used quantitative data processed with SPSS 24.0 with multiple linear regression models. The results showed that sales promotion and brand image both partially and simultaneously had a positive and significant effect on customer loyalty at Ria Busana Fashion House. Sales promotion is the most dominant variable affecting customer loyalty. 80.6% of customer loyalty can be explained and obtained from sales promotion and brand image, while the remaining 19.4% is obtained from other factors. Customer loyalty has a very strong relationship to brand image and sales promotion with an R value of 0.900.

Keywords: Customer loyalty, brand image, sales promotion

Introduction

In this era of globalization, the development of fashion in Indonesia is increasingly rapid. Initially, Indonesian fashion trends were influenced by European and Asian culture, especially Korean culture which has recently become a trend. Fashion is any fashion of clothing or jewelry that is trending during a certain time or jewelry that is trending during a certain time or at a certain place. Currently fashion is a business that is growing today and where many retail businesses have sprung up that offer various types of fashion made locally and abroad, such as Korean, Thai, Arabic, Chinese, Indian, and so on. Every fashion business is competing to attract consumer buying interest in the products offered. This affects the behavior of humans who tend to want to get everything quickly in fulfilling their needs and desires in a satisfying capacity. The more fulfilled the expectations of consumers, of course, consumers will be more satisfied so that consumers can be maintained existence, a company must have a strategy in marketing its products. If the consumer is satisfied, then he will make repeated purchases of the same product so as to form loyalty. Hurriyati (2015) explains that customer loyalty is a deep commitment of customers to resubscribe or repurchase selected goods or services consistently in the future, even though the influence of the situation and marketing efforts has the potential to cause behavior change. There are many factors that affect customer loyalty. Marconi (2013) mentioned that factors that influence consumer loyalty to a product or service are price, product quality, brand and company image, comfort and convenience, satisfaction, sales promotion, service quality, and warranty and guarantee. Therefore, it can be concluded that consumer loyalty is at least influenced by sales promotion and brand image. This theory is also supported by the results of research conducted by Amanah (2011) which shows that promotion and brand image have a positive and significant effect simultaneously on consumer loyalty.

Kotler (2015) explains that sales promotion is a form of direct persuasion through the use of various incentives that can be arranged to stimulate the purchase of products immediately or increase the number of goods purchased by customers. Sales promotion carried out by the company aims to introduce products to consumers and still make consumers remember the company's products. Consumers naturally trust products they are familiar with or products that many people are familiar with. Without a sales promotion, it is difficult for consumers to keep remembering products, especially the increasing number of competing products known to consumers. So this makes consumers will switch to competing products that are better known. An effective image will have an effect on solidifying the character of the product and the proposed value, conveying that character in a different way to competitors, and providing emotional strength that is more than just a mental image of the brand image. A good brand image of an item will increase a good perception of someone. In addition, a good brand image gives pride to consumers who use the product. This sense of pride makes consumers maintain the use of product brands so that loyalty can continue to increase. Ria Busana Fashion House is a retail company in Indonesia, especially in Medan, North Sumatra, which is one of the long-established retail companies in the city of Medan. Based on the observations and interviews that the author conducted, in 2023, Ria Busana Fashion House will experience a decrease in terms of the number of customers and sales. In 2023, only a few customers of Ria Busana Fashion House will make repeat purchases. This can be seen from employees who have never seen customers before, customers who don't know much about Ria Busana Fashion House, the absence of membership cards, and recognition from customers themselves who are shopping at Ria Busana Fashion House for the first time. The lack of old customers returning indicates a decrease in customer loyalty.

Method

The population in this study was a customer of Ria Busana Fashion House for a month. Based on data from August 2023, the number of customers of Ria Busana Fashion House is 875 customers. According to Sugiyono (2016), the determination of the number of samples is determined using several methods, including using formulas. One formula that can be used in sampling is to use the Slovin formula:

$$n = \frac{N}{1 + N e^2} = \frac{875}{1 + 875 (0.1)^2} = \frac{875}{1 + 875 (0.01)} = \frac{875}{9.75} = 89,74$$

From the calculation results, the minimum sample size is 89.74 with an error rate of 10%. Therefore, in this study the samples taken were as many as 90 samples. This quantitative data of this study is in the form of questionnaires to consumer of Ria Busana Fashion who are respondents and fill out questionnaires. In this study, the data used is quantitative data because it is expressed by numbers that show the value of the magnitude of the variable it represents. Research data sources are divided into 2, namely primary data sources and secondary data sources (Sugiyono, 2015). The data source used in this study is primary data where data is obtained from the results of respondents' answers to the questionnaire shared, and further tabulated and analyzed with statistical aids. Data analysis is an activity after data from all respondents or other data sources are collected. Activities in data analysis are grouping data based on variables and types of respondents, tabulating data based on variables of all respondents, presenting data on each variable studied, performing calculations to answer problem formulations and performing calculations to test hypotheses that have been submitted (Sugiyono 2015). The data obtained in this study will be analyzed using statistical tools, namely SPSS 24.0 Software.

Results and Discussion

This research was carried out by taking objects at the Ria Busana Fashion House. The data used is data obtained from the process of distributing questionnaires to the employee who is used as a sample where the sample is a consumer which amounts to 90 people. The purpose of this study is to find out The Effect of Sales Promotion and Brand Image on Customer Loyalty.

Partial sales promotion has a significant positive effect on customer loyalty in Medan Fashion

Based on the results of the analysis of the test results that have been carried out, it is known that the Sales Promotion variable (X1) has a regression value of 0.443 which indicates that sales promotion has a positive effect on customer loyalty. The results of the t test show that the tcount possessed for the Sales Promotion variable (X1) is 6.811, with a table value of 1.988, it is known that the tcount value is > ttable. The significant value t of the Sales Promotion variable (X1) is 0.000, which is much less than the significant threshold of 0.05. Therefore, the test results meet the equation tcalculate > ttable and sig < 0.05. Then reject Ho (accept Ha). So it can be concluded that partially there is a significant influence of Sales Promotion (X1) on Customer Loyalty (Y). Therefore the H1 hypothesis which reads: "Sales promotion has a positive and significant effect

on customer loyalty in Medan Fashion Mode" has been tested, acceptable, and proven true (accept Ha)

Brand image partially has a significant positive effect on customer loyalty in Medan Fashion

Based on the results of the analysis of the test results that have been carried out, it is known that the Brand Image variable (X2) has a regression value of 0.376 which indicates that brand image has a positive effect on customer loyalty. The results of the t test show that the tcount possessed for the Brand Image variable (X2) is 4.408, with a ttable value of 1.988, it is known that the tcount value is > ttable. The significant value t of the Brand Image variable (X2) is 0.000, which is much smaller than the significant threshold of 0.05. Therefore, the test results meet the equation tcalculate > ttable and sig < 0.05. Then reject Ho (accept Ha). So it can be concluded that partially there is a significant influence of Brand Image (X2) on Customer Loyalty (Y). Therefore the H2 hypothesis which reads: "Brand image partially has a positive and significant effect on customer loyalty in Medan Fashion Fashion" has been tested, acceptable, and proven true (accept Ha)

Sales promotion and brand image simultaneously have a significant positive effect on customer loyalty in Medan Fashion

Based on the results of the analysis of the test results that have been carried out, it is known that the variables Sales Promotion (X1) and Brand Image (X2) each have a positive regression value which indicates that together (simultaneously) sales promotion and brand image have a positive effect on customer loyalty. The results of the F test show that the Fcalculate obtained is 185.471. This Fcalculate value is much greater than the Ftable value of 3.101. A significant value of 0.000, which is much less than the significant threshold of 0.05. Therefore, the test results meet the equations Fcalculate > Ftable and sig < 0.05. Then reject Ho (accept Ha). So it can be concluded that simultaneously there is a significant influence of Sales Promotion (X1) and Brand Image (X2) on Customer Loyalty (Y).

Conclusion

Some of the conclusions of the results of the analysis test on the data used are as follows: Partial sales promotion has a significant positive effect on customer loyalty in Medan Fashion Mode. Where is the promotional time, so it is recommended for Medan Fashion Fashion management to do promotions at more appropriate times such as at the beginning of the month, at special moments such as Hari Raya, New Year, Valentine, and others.

Brand image partially has a significant positive effect on customer loyalty in Medan Fashion Mode. The lowest indicator is recognition which means that the level of recognition of the Fashion Fashion brand is quite low, so it is recommended for the management of Fashion Fashion Medan to try to introduce the Fashion Fashion brand more widely by advertising on social media such as Instagram, Youtube, Google, and Facebook. Opening booths at special events so that people are more accustomed to seeing the Fashion Fashion brand so that the Fashion Fashion brand is better known by the wider community.

Sales promotion and brand image simultaneously have a significant positive effect on customer loyalty in Medan.

The results showed that sales promotion became the most influential variable on customer loyalty. Therefore, it is recommended for Medan Fashion management to first prioritize increasing sales promotion so that customer loyalty is formed faster. In addition, sales promotion and brand image only contribute 80.6% to customer loyalty, so it is advisable for other researchers to re-examine this research by substituting other variables so that other factors that affect loyalty in Medan Fashion will be known.

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