

Customer Loyalty Analysis on Fast Food Purchase

Joko Samboro ¹⁾, Chamdana Taqie . S. ²⁾

¹⁾State Politechnic of Malang

²⁾ Sepuluh Nopember Institute of Technology

Abstract

The main objectives of this study are: a. To find out and analyze the significant influence between the Product Quality on the purchase decision, b. To find out and analyze the significant effect between the Product Quality on customer loyalty through the purchase decision.

The research location is in Permata Jingga housing complex, especially the congregation of Cahyaning ati Mosque and Abdillah Mosque in Malang City, while the population of this research is all customers who have studied at Pizza Hut while the sample is 110 respondents.

The results showed that the halal variable had an influence on purchasing decisions and its impact on loyalty was 14,25.1%. These findings are expected to be useful for: a). For the Company, as input for decision making in determining business policies, especially those related to marketing, especially as an evaluation material for the company. b) For Malang State Polytechnic, as input for the improvement of the educational curriculum, especially in marketing management courses. c) For Advanced Researchers, a stepping stone can be used towards perfecting future research.

Key words: halal label, purchase decision, customer loyalty

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I. INTRODUCTION

We often hear the term product quality. Even with the same words, we usually apply it to our daily life with the slogan of a quality life. What exactly is the quality of the product? And why in the business world is it important to pay attention?

According to Aksa (2011: 105) quality has 8 measurement dimensions, which consist of aspects 1. Performance (Performance), 2. Product Diversity (Features), 3. Reliability (Reliability), 4. Conformance (Comformance), 5. Durability / Durability (Durability). 6. Serviceability, 7. Aesthetics, 8. Perceived Quality.

From the several elements of product quality described, a product can be said to be good if it meets the existing criteria. These criteria can be assessed through the performance of the product itself and the diversity of its products. Another thing that can determine whether a product can be said to be good is through reliability, durability, serviceability, aesthetics, and quality as perceived by consumers.

Likewise in the business world, the fast food business is not spared. This kind of service company, competes to offer it to customers, in various ways, one of which is by creating good quality products.

The fact which is empirical support, reveals that product quality also influences purchasing decisions. This is supported by research by Melinda (2017) which states that product quality affects consumer purchasing decisions by 51.6%.

Actually, in 1982, Pizza Hut was the restaurant that introduced the pizza brand for the first time to Indonesia with its first outlet in Jakarta. Pizza Hut is the largest pizza restaurant in the world with more than 13,000 outlets spread across 97 countries.

Pizza Hut is a restaurant that comes from abroad and has good product quality and is able to compete with other restaurants in Indonesia. By having good quality in every product it sells, Pizza Hut is able to maintain its existence and has its own added value to consumers. This is also one way for Pizza Hut to compete with its competitors in Indonesia. In addition, Pizza Hut is also considered capable of maintaining its original taste. The taste is one of the reasons that can attract consumers to make purchases at Pizza Hut. In order to retain its customers, Pizza Hut must prove that Pizza Hut is able to guarantee the quality of its products.

Considering the product quality factor is so important, resulting in customers being loyal to the company, because the ultimate goal of the company's success is to establish relationships with its customers to form strong loyalty (Samboro, 2019).

According to Keith (2003) the ultimate goal of a company's success in establishing relationships with its customers is to form strong loyalty. Indicators of strong loyalty are:

- a. Say positive things, is to say positive things about the products that have been consumed.
- b. Recommend friend, is recommending to friends.
- c. Continuous purchasing, is a repeat purchase of the product that is consumed.

II. LITERATURE REVIEW

2.1. Road Map

Research roadmap / research roadmap related to purchasing decisions and their impact on loyalty, starting with a scientific paper in the form of THESIS 2010: The Effect of Process, People and Physical Evidence on Student Decisions to Choose Polynema, then continued on research funded by DIPA. DIPA 2017. Customer Loyalty of Toga Mas Bookstore Malang and DIPA 2020: The Effect of Halal Label on Purchase Decisions and Its Impact on Customer Loyalty of HOKBEN Fast Food

2.2. Empirical Studies

Empirical studies such as that conducted by Melinda (2015) with the results that product quality has an influence on purchasing decisions of 51.6%, Igir et al (2018), that there is an Influence of Product Quality and Price on Purchase Decisions for Daihatsu Grand Max Pick Up Cars, Oktavenia et al. (2019), that there is an effect of product quality on purchasing decisions for Nokia mobile phones.

The empirical study mentioned above is a form of support for the results of research that has been carried out regarding the variables studied.

2.3. Theory Study.

2.3.1. Product Quality

According to Aksa (2011: 105) quality has 8 dimensions of measurement, which consist of the following aspects.

1. Performance (Performance). The first dimension of product quality measurement is performance. Performance here refers to the character of the product which includes the brand, measurable attributes, and aspects of individual performance.
2. Product Diversity (Features). The second dimension to measure product quality is product diversity. Product diversity can be in the form of additional products from a core product that can add value to a product.
3. Reliability (Reliability). The third dimension is reliability. Reliability is related to the possibility of a product experiencing a malfunction.
4. Conformance. The next dimension is conformance or conformance. The suitability of an item can be adjusted to the standards in the industry.
5. Durability. A measure of the durability of a product includes from a technical and economic point of view. Technically, the durability of a product is defined as the number of uses that a person obtains before experiencing a decline in quality. Economically, durability is defined as the economic life of a product seen through the number of uses obtained before damage occurs and the decision to replace the product.
6. Serviceability. In the dimension of product quality measurement, it can be measured through service capability. Service capability can also be referred to as speed, competence, usability, and ease of product repair.
7. Aesthetics (Aesthetics). It is the most subjective measurement dimension. Aesthetics or what is commonly known as the beauty of a product is seen through how a product sounds to customers, how the product looks, tastes and smells. So, aesthetics is an assessment and reflection that is felt by customers when consuming goods.
8. Perceived Quality. Customers may not have complete information about the attributes of the product or service that they will consume. However, usually a customer has information about the product indirectly, for example through the brand, name and country of manufacture.

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2.3.2. Consumer behavior

Consumer behavior according to Setiadi (2015: 2) is an action that is directly involved in obtaining, consuming, and spending products and services, including the decision processes that precede and follow these actions.

According to Sumarwan (2014: 5) consumer behavior is all activities, actions, and psychological processes that encourage these actions at the time before buying, when buying, using, spending products and services after doing the things above or evaluating activities.

Based on the explanation above, it can be concluded that consumer behavior is an act or attitude of consumers towards the consumption of certain goods or services involving several internal and external factors.

2.3.3. Purchase Decision

In starting a business, it is important to first study and analyze consumer behavior and the environment that influences purchasing decisions so that it can determine a strategy that will have a good impact on the company's plans in the future.

Hawkins and Mothersbaugh (2010: 499) state that: The decision-making process begins with the introduction of consumer problems that can be solved through the purchase of several products or services.

According to Tjiptono (2015: 53) "the purchasing decision process can be broadly categorized into three main stages, namely pre-purchase, consumption, and post-purchase evaluation. The pre-purchase stage includes all consumer activities that occur before the purchase and use of the product. This stage includes three processes, namely identification of needs, information search and evaluation of alternatives. The consumption stage is the stage of the consumer decision process in which consumers buy and use products or services. While the post-purchase evaluation stage is the stage of the consumer decision-making process when the consumer determines whether he has made the right purchase decision.

2.3.4. Loyalty

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2.3.5. Relationship Between Variables

Consumers' perceptions of a product will be considered by consumers in determining which product choices to buy. If the perception is high then consumers will be interested and evaluate the information inputs they get about the item and then buy it. To produce the right perception for consumers, companies should pay attention to the quality criteria of their products.

Kotler and Keller (2009:211) explain that the buying process begins when someone in the company realizes there is a problem or need that can be overcome by obtaining goods or services. This process can be triggered by internal or external stimuli. The internal stimulus can be a company's decision to develop a new product. In a broader scope, customer loyalty can be defined as a customer's commitment to a brand, store, or supplier, based on a positive attitude and reflected in consistent repeat purchases.

III. RESEARCH METHODOLOGY

3.1. Scope of Research

The scope of this research is marketing management that focuses on product quality, purchase decisions and customer loyalty.

3.2. Type of Research

In accordance with the objectives to be achieved in this study, namely to explain the relationship and influence of several predetermined variables, the type of research is survey research (Sugiyono, 2011: 6).

3.3. Research Place

The research location is in Permata Jingga Housing, Malang City

3.4. Population and Research Sample

The population of this research is all visitors who have the address at Permata Jingga Housing, who buy more than once, while the sample is determined by 110 respondents (minimum limit of path analysis).

3.5. Variable Measurement Technique

Variable Measurement Techniques in this study used a Likert scale :1 to 5

3.6. Data collection

3.6.1. Data Type

The types of data in this study can be grouped into primary data and secondary data

- a. Primary data is data obtained from the first source, in this case the results of filling out the questionnaire are considered primary data.
- b. Secondary data is primary data which is further processed and presented, in this study the data are in the form of brochures etc.

3.6.2. Data collection technique

The data collection technique used in this research is in the form of a questionnaire in the form of a list of questions that are distributed to respondents to obtain data directly (Malhotra, 2006).

3.7. Research Concept

The concept in this study can be described that the Product Quality Variable can affect the Purchase Decision Variable and have an impact on the Customer Loyalty Variable.

3.8. Operational Definition of Research Variables

Operational Definition of Research Variables is a description of the variables studied which include: Product Quality (X) Aksa (2011: 105) with indicators

: 1.Performance, 2.Product Diversity (Features), 3.Reliability, 4.Durability. 5. Aesthetics, 6. Perceived Quality, Purchase Decision (Y) Tjiptono (2015: 53) with indicators: Recognition of Needs, Information Search, Alternative Evaluation, Purchase, After Purchase, and Customer Loyalty (Z), with the items: .Positive, Recommend,Repurchase

3.9.Test Research Instruments

Test the research instrument using Validity Test and Reliability Test

43.9.1 Validity Test

The validity test is a test to determine the ability of the indicator in measuring the latent variable (Ghozali, 2008), by evaluating the level of significance between the latent variable and the indicator.

3.9.2.Reliability Test

Reliability test is used to determine the consistency of measurement indicators of latent variables,

3.10. Data analysis method

The data analysis method uses the Path Analysis model with the help of the Lisrel 8.30 or SPSS program. With this path analysis it is possible to test using the intervening variable (Gozali, 2008).

How big is the influence between the variables studied, then the value is determined by: $(\gamma) + ()$

IV. RESEARCH RESULTS AND DISCUSSION

Based on the validity test, it can be concluded that all items in the variables studied are valid and can be used for subsequent analysis. Likewise in the reliability test, it was found that all the variables studied were reliable. Thus, it can be used for further analysis purposes.

How big is the influence of the variables studied, then based on calculations, the total effect of the variables studied is 14.25%. This result is in line with previous findings, namely Samboro, et al (2020), that the results of the study show that Halal Labels have an effect on Customer Loyalty through purchasing decisions. . Likewise, the findings of Melinda (2015), Igir (2018) and Oktaviana (2019). The results showed that there was a product quality that had an effect on purchasing decisions.

Thus, the initial research objectives have been achieved.

V. CONCLUSIONS AND SUGGESTIONS

Some conclusions that can be conveyed are that: the variables studied are valid and reliable. The influence of the variables studied was 14.25%.

Based on the findings above, Pizza Hut product companies should increase product durability, because respondents consider the product to be less durable, on the other hand, it is expected that the company will maintain its main menu considering that many respondents are interested in the existing menu.

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