



The Effect Of Product Quality on Customer Loyalty at Waroeng Steak And Shake in Juanda Bekasi

Anissa Setyoningthias

STIE Tribuana

Email: soeroyo.anissa@gmail.com

Article Info

Article History:

Received: November 26, 2021

Revised: December 21, 2021

Published: December 2021

e-ISSN: 2623-2324

p-ISSN: 2654-2528

DOI: 10.5281/zenodo.5851778

Abstract:

This study aims to determine whether there is an effect of product quality on customer loyalty at Waroeng Steak and Shake in Juanda Bekasi. The population in this study were customers of Waroeng Steak and Shake in Juanda Bekasi, totaling 400 people a week. The samples in this study were customers of Waroeng Steak and Shake taken using a random sampling of 80 people. The data analysis method uses a correlation technique with the Pearson Product Moment and Cronbach's Alpha formulas, and simple linear regression with the help of the SPSS program. The results of this study indicate that product quality as an independent variable has a direct positive effect on customer loyalty as the dependent variable, indicated by a regression value of 0.799%. Thus, the increase in Product Quality affects Customer Loyalty by 87.7%. While the remaining 12.3% is influenced by other variables that are not included in this research method.

Keywords: *Product Quality, Customer Loyalty*

INTRODUCTION

In the modern era like today, competition in the business sector is currently very tight and continues to change along with technological and cultural developments, the development of the business world and consumer needs.

The food industry as one of the creative industries in its current development is increasing rapidly and has resulted in various people's tastes in the culinary field, because food is a basic need for every human being. That is one of the reasons that the effort the food is quite promising. But there must be creation, innovation, and taste which are currently used as a field of business for entrepreneurs so as to create excellent product quality and make customers frequent to make repeat purchases.

Customer loyalty is a condition that shows the loyalty of a customer to repurchase a product. Customer loyalty is obtained when customers make consistent repeat purchases, customers buy back the same products offered by the company, recommend the company's

products to others, customers communicate by word of mouth regarding the product to others, customers do not easily switch to products customer competitors are not interested in offering similar products from competitors, Tjiptono (2009: 107). Customer loyalty is formed from customer satisfaction with the results of the products they receive in accordance with the expectations they have, one of which affects customer satisfaction is product quality. Customer satisfaction is a problem that is often faced by companies, that companies are not necessarily able to provide maximum satisfaction that is really expected by customers.

In the midst of today's intense competition, food entrepreneurs compete with each other to win the hearts of customers. Entrepreneurs must be able to design the right marketing strategy in achieving company goals, one of the company's goals is to create customer loyalty. Effort

Maintaining loyal customers is a challenge for Waroeng Steak and Shake, because today's customers are increasingly critical in using or using products according to their expectations. This is not an easy thing, considering that many changes can occur at any time in the customer.

Product quality is closely related to customer loyalty. Product quality provides a special impetus for customers to establish long-term mutually beneficial relationships with entrepreneurs. This kind of emotional bond allows the entrepreneur to carefully understand the expectations of the customer's specific needs. Thus, companies can improve product quality and contribute to the creation of customer loyalty.

Waroeng Steak and Shake is a culinary business that is currently developing by providing a variety of food menus with the main menu being Sirloin Pepper. Waroeng Steak and Shake created a new innovation in the form of steak at an affordable price and has a taste that is no less delicious than steak that is sold at an expensive price. Waroeng Steak and Shake always emphasizes all halal food and drink ingredients.

Waroeng Steak and Shake entrepreneurs must determine the direction of consumers in order to compete, survive and be able to maintain the quality of their products in the culinary business. Waroeng Steak and Shake must also be able to provide satisfaction to the community as customers and provide a good image in the eyes of the community, by providing a delicious taste that makes consumers want to buy the food again.

From the data above, it can be seen that in September as many as 800 customers came to Waroeng Steak and Shake

October customers who returned as many as 640 customers. It can be concluded that 20% of customers are disloyal, including 10% of customers switch to other similar products, 6% because the price given is not in accordance with the product obtained, 4% when they want to buy the menu listed turns out the menu is not available to order. by the customer. Based on research that has been done by several customers who have tried Waroeng Steak and Shake products and feel that the taste on the menu is sometimes not as good as what has been tried before.

Recognizing the important role of product quality on customer loyalty, the company seeks to find ways to increase customer loyalty, this is also realized by Waroeng Steak and Shake which provides food services that are demanded continuously to improve product quality in order to increase customer loyalty.

As for suggestions and complaints from consumers, they are highly expected for the future progress of Waroeng Steak and Shake and will be used as material for improvement and

the best solution is sought. Because the complaints from customers are very meaningful. And the Waroeng Steak and Shake party should also be able to understand the wishes of its customers which can affect customer satisfaction so that customers will make repeat purchases of Waroeng Steak and Shake products.

RESEARCH METHODS

The population in this study amounted to 400 people in two weeks with the number of samples in this study amounted to 80 people. The types and sources of data used in this study are: primary data and secondary data. Namely interviews, questionnaires, and natural studies in this case the author uses a descriptive quantitative analysis method, namely by analyzing the results of research with numbers, so that it can provide a real picture of whether there is an influence between variables X and Y. The data analysis method in this study uses a tool computer help program SPSS version 17 for windows.

RESULTS AND DISCUSSION

Data Analysis Techniques Descriptive Statistical Analysis

Descriptive statistical analysis test is used to determine the description of the variables studied through the average (mean), maximum value, minimum value, standard deviation, variance and range.

The respondents who met directly in the field were 80 people. Of the 80 respondents who filled out the Customer Loyalty (Y) questionnaire, the minimum score was 37.00 and the maximum value was 50.00 with an average total answer of 43.4000 and a standard deviation of 3.53500. The Product Quality variable (X) has a minimum value of 35.00 and a maximum value of 50.00 with a total average value of 43,8250 and a standard deviation of 4.14233.

Normality test

This normality test aims to determine the distribution of the data in Table 2: Normality Test Results

The variables used in this study are data that have a normal distribution. Normality test is a test conducted to determine a regression model, namely the dependent variable of customer loyalty and the independent variable of product quality both have a normal distribution or close to normal. As it is known that the t test and F test assume that the residual value follows a normal distribution. The following are the results of processing normality test data using the SPSS version 17 program tool.

From the result, it can be seen that the significance value (Asymp.Sig 2-tailed) of 0.126. Because the significance value is greater than 0.05 ($0.126 > 0.05$), then the residual is normal.

Normality can be detected by looking at the spread of data (points) on the diagonal axis of the graph. If the data (dots) spread around the diagonal line and follow the direction of the diagonal line, it does not show a normal distribution pattern which indicates that the regression model does not meet the assumption of normality, Ghozali (2011: 110). Figure 4.1 shows the presence of the distribution of data (points) on the diagonal axis that approaches the diagonal line. Based on the normality test guidelines, it is said that if the spread of data (points) follows or approaches the normal line, a study can be said to be normal. To detect whether the residuals

are normally distributed or not, that is by looking at the normal probability plot that compares the normal distribution.

Figure 1: Grafik Normal P-P Plot



Classical Assumption Test Multicollinearity Test

The multicollinearity test was used to determine whether there was a relationship or correlation between independent variables. In this study, the multicollinearity test was used to test whether there was a correlation or relationship between product quality and customer loyalty. A good regression model should not have a correlation in the independent variables. If the independent variables are correlated, then this variable is not orthogonal. Orthogonal variables are independent variables that have a correlation value equal to zero. Multicollinearity can be seen from the value of tolerant and its opponent VIF. The cut off value that is commonly used to show the existence of multicollinearity values is the tolerance value < 0.10 or the same as $VIF > 10$, Ghozali (2011: 91).

It can be seen that the tolerance value for each variable is 1,000, while the VIF value is 1,000 for each. Based on the guidelines for the multicollinearity test, the tolerance value > 0.1 and the VIF value < 10 , it can be seen that there is no multicollinearity in this regression model.

Heteroscedasticity Test

Heteroscedasticity test aims to test whether in a regression model there are similarities or differences in variance that can be seen from the graph plot. Detect whether or not

Heteroscedasticity can be done by looking at the presence or absence of a certain pattern on the scatterplot graph between SRESID and ZPRED, the residual (Y predicted – Y actually) that has been studentized.

If the plot forms a certain pattern (wavy, widened, then narrowed) it indicates that heteroscedasticity has occurred. If the plot does not form a certain pattern, such as the dots spread above and below the number 0 on the Y axis, it indicates that heteroscedasticity has occurred. A good regression model is a plot that indicates homoscedasticity or there is no heteroscedasticity, Ghozali (2011:105). The results of the heteroscedasticity test in this study can be seen in Figure 4.3 as follows:

Figure 2: Heteroscedasticity Test Results

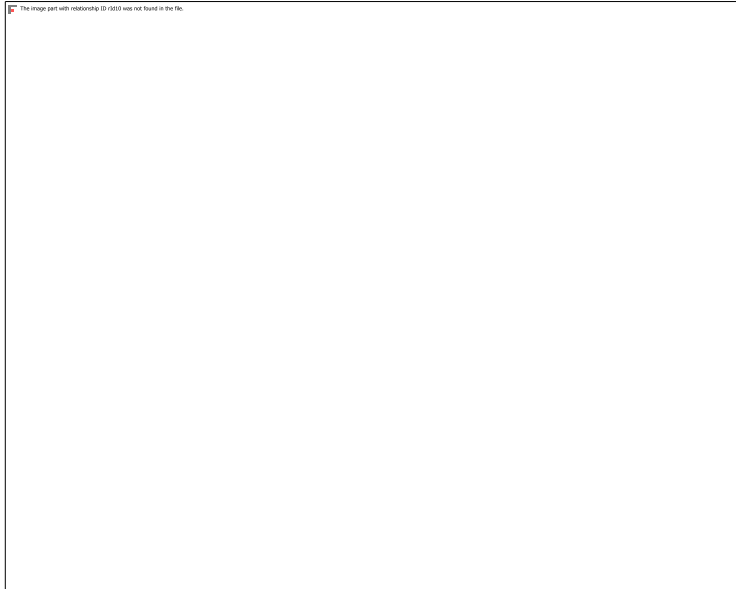


Figure 2 shows that there is no certain regular pattern such as wavy, widening, narrowing, etc. In accordance with the heteroscedasticity test guidelines, in this study there was no heteroscedasticity or so-called homoscedasticity so that this study deserves further testing. Simple Linear Regression Test.

Simple linear regression test was used to determine the effect of product quality on customer loyalty at Waroeng Steak and Shake. The following are the results of processing simple linear regression test data using the SPSS version 17 program.

The results of testing the effect of product quality variables on customer loyalty using a simple regression test formula: $Y = a + bX$. Based on the above test, there are values:

1. Constant of 8.367 shows that if the independent variable is product quality in a constant state (fixed), then customer loyalty is 1%, then the value (Y) of customer loyalty is 0.8.367%. The better the quality of the company's products, the better for consumers in customer loyalty.
2. The regression coefficient of the product quality variable (X) of 0.799 means that it will increase by 0.799%.

Test Hypothesis Test(T-test)

The t test is used to test whether the independent variable (independent variable) has an effect on the dependent variable (bound). In the research hypothesis 1 and hypothesis 2 were tested using the t test. The t-test is carried out by means of the probability value. If the significant value is less than 0.05 or 5%, then the proposed hypothesis is accepted or said to be

significant. Meanwhile, if the significant value is greater than 0.05 or 5%, then the proposed hypothesis is rejected or said to be insignificant.

Based on table 4.13 the results of the t-test (hypothesis) obtained t-count for the product quality variable that is equal to 2.631. By using the t distribution table sought at = 5% and a significance of 0.05. Then the results obtained for the t table of 1.990.

Because the value of tcount > ttable (2,631 > 1,990) Ho is rejected, meaning that product quality affects customer loyalty.

F test (F – test)

The F test is used to test the effect of the independent variables on the dependent variable together. To obtain information about the overall effect of the independent variables on the dependent variable by comparing the calculated F with the F table. If the significant value is less than 0.05 then Ho is rejected, meaning that there is a significant effect of the independent variable (independent) on the dependent variable (dependent). Meanwhile, if the significant value is greater than 0.05 then Ho is accepted, meaning that there is no significant effect of the independent variable on the dependent variable.

Based on table 4.14 it can be seen that the results of the F test show that the calculated F value is 558,422 from the F table value of 3.96, so Fcount > Ftable (558,422 > 3.96). It means that Ho is rejected, which means that the quality of the product simultaneously affects customer loyalty at Waroeng Steak and Shake in Juanda Bekasi.

Coefficient of Determination Test Results (R²) The coefficient of determination is the level of the independent variable's contribution to dependent variable (r\$, \$). The coefficient of determination is denoted by the value of \$. Suppose \$ = 96%, then the value of the dependent variable that can be explained by the independent variable is 96% while the remaining 4% is explained by error or the influence of other variables. The results of the coefficient of determination test can be seen in the adjusted R square column.

Based on the table above, it can be seen that the coefficient value of R² (R Square) generated by the independent variable is 0.877:

$$\begin{aligned} Kd &= r^2 \times 100\% \\ &= 0.877 \times 100\% = 87.7\% \end{aligned}$$

This shows that the percentage of the influence of the independent variable on product quality on the dependent variable of customer loyalty is 87.7%. While the remaining 12.3% is influenced by other variables that are not included in this research model.

The standard error of the estimate is a measure of the number of errors the regression model makes in predicting the value of Y . From the regression results above, the value is 1.24546, this means that customer loyalty is 1.24546. With the provisions of the unit used is the dependent variable of company profit. The smaller the SEE value will make the regression model more precise in predicting the dependent variable.

Discussion

Effect of Product Quality on Customer Loyalty

Based on data analysis, it can be seen that the research results have an effect on product quality on customer loyalty. The results of the t-test that product quality has a significance level of 0.000 and a tcount value of 2.631 > ttable of 1.990.

This means that H_0 is accepted so that it can be said that Product Quality has a significant effect on Customer Loyalty, this means that the better the quality of Waroeng Steak and Shake products perceived by customers as related to durability, reliability, performance and product suitability when served, it will increase customer loyalty to Waroeng Steak and Shake products. Product quality is one of the special forms to fulfill the marketing function. Product quality will lead and direct customers to feel happy after buying Waroeng Steak and Shake products. Good product quality will increase consumer satisfaction with the products produced and provided, and be able to provide a strong buyer response. In general, consumers will make repeat purchases if the product is in accordance with the order, the price given is affordable, and the quality of the product provided is good. Of the 80 consumers of Waroeng Steak and Shake who became respondents in this study, as many as 50 customers considered that the quality of the product provided was good, 15 rated the price given was affordable, and 15 rated the product provided according to the order. In this study it was found that there was a positive influence on the quality of

Products Against Customer Loyalty Waroeng Steak and Shake. This shows that the quality of the products provided by Waroeng Steak and Shake is able to give a good impression to customers and create customer loyalty.

CONCLUSION

Based on the results of the research in the previous chapter and the discussion accompanied by supporting theories regarding the Effect of Product Quality on Customer Loyalty at Waroeng Steak and Shake in Juanda Bekasi, the following conclusions are obtained:

1. From the results of Hypothesis Testing through simple linear regression with SPSS version 17, it was obtained that there was a significant relationship between the Product Quality variable and the Customer Loyalty variable at Waroeng Steak and Shake in Juanda Bekasi. From the results of the linearity test of the influence of product quality on customer loyalty, there is a significance value of 0.000 which is smaller than 0.05, so it can be said that there is an influence between the independent variables on the dependent variable partially. The results of the t-test that product quality has a significance level of 0.000 and a t-count value of 2.631 while the t-table value is 1.990 so $t_{count} > t_{table}$ then H_0 is rejected or H_a is accepted, meaning that product quality affects customer loyalty.
2. Product Quality (X) has a very strong and positive relationship to Customer Loyalty (Y) because it has a high level of correlation. Through the coefficient of determination test in this study, product quality contributed or influenced customer loyalty by 87.7%. While the remaining 12.3% is influenced by other variables that are not included in this research model.

This means that H_0 is accepted so that it can be said that Product Quality has a significant effect on Customer Loyalty, this means that the better the quality of Waroeng Steak and Shake products perceived by customers as related to durability, reliability, performance and product suitability when served, it will increase customer loyalty to Waroeng Steak and Shake products.

Product quality is one of the special forms to fulfill the marketing function. Product quality will lead and direct customers to feel happy after buying Waroeng Steak and Shake products. Good product quality will increase consumer satisfaction with the products produced and provided, and be able to provide a strong buyer response. In general, consumers will make repeat purchases if the product is in accordance with the order, the price given is affordable, and the quality of the product provided is good. Of the 80 consumers of Waroeng Steak and Shake who became respondents in this study, as many as 50 customers considered that the quality of the product provided was good, 15 rated the price given was affordable, and 15 rated the product provided according to the order. In this study it was found that there was a positive influence on the quality of

Products Against Customer Loyalty Waroeng Steak and Shake. This shows that the quality of the products provided by Waroeng Steak and Shake is able to give a good impression to customers and create customer loyalty.

BIBLIOGRAPHY

- Fandy Tjiptono & Gregorius Chandra. 2011. *Service Quality and Satisfaction*. Yogyakarta : Andi.
- Ghozali, 2011. *Aplikasi Analisis Multivariate Dengan Program SPSS. Edisi Keempat*. Semarang : Penerbit Universitas Diponegoro.
- Ghozali, Imam. 2011. *Analisis Multivariate Lanjutan Dengan SPSS. Edisi I*. Semarang : BP UNDIP .
- Ghozali, Imam. 2016. *Aplikasi Analisis Multivariate Dengan Program IBM SPSS 23. Edisi 8 Cetakan ke 8*. Semarang : Badan Penerbit Universitas Diponegoro.
- Griffin, Jill. 2013. *Customer Loyalty : How To Learn It, How To Keep It*. Jakarta : Erlangga.
- Hurriyati, Ratih. 2015. *Bauran Pemasaran dan Loyalitas Konsumen*. Bandung : Alfabeta.
- Kotler, Philip and Gary Amstrong. 2012. *Prinsip-prinsip Pemasaran. Edisi 13 Jilid 1*. Jakarta : Erlangga.
- Kotler, Philip, Keller, Kevin L. 2013. *Manajemen Pemasaran, Jilid Kedua*. Jakarta : Erlangga.
- Kotler dan Keller. 2012. *Manajemen Pemasaran, Edisi 12*. Jakarta : Erlangga.
- Kotler, Keller. (2016). *Marketing management. Edisi 15*. Boston : Pearson Education.
- Lovelock, Wirtz. 2011. *Service Marketing (People, Technology, Strategy)*. Pearson Education Limited. England.