Modeling and Strategy of Marketing Antecedent to Enhance Consumer Loyality on Batik Cloth

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Abstract:
Research Objectives to evaluate the relationship of consumer loyalty with product quality, price, distribution and promotion, Customer loyalty is a determining factor in the sustainability of batik cloth product marketing.

Design / methodology / approach – using descriptive and verification methods. The design uses consumer report data from the objective test results of 100 consumers from 4,500 populations. Measured responses include product quality, price, distribution and promotion. Modeling and analysis of measured data is carried out by path analysis to estimate customer loyalty.

Finding - marketing models and strategies are important factors in influencing the loyalty of consumers of Batik cloth.

Research limitations / implications - understanding patterns that lead to antecedent marketing strategy models.

Practical implications - a marketing strategy model with loyalty. This model is a way to understand and explain antecedent marketing strategies towards increasing consumer loyalty in batik cloth.

Originality / value development of the antecedent marketing strategy model to increase consumer loyalty.

Conclusion showed that all four variables had a significant influence in the amount of 0.366 for product quality, 0.147 for price, 0.104 for distribution and 0.456 for promotion.

1 Introduction

The economic situation in the current era of globalization has made business competition sharper, both domestic and global markets. Growth interest shows the loyalty of its consumers, therefore product quality must have more value and be different from other products offered by sellers to buyers. These factors include performance, features, reliability, conformance to specification, durability, serviceability, and aesthetics, all of which are interrelated elements. Appropriate pricing as well as Cost Oriented, Demand oriented pricing, Competitive oriented pricing in accordance with market needs must be sensitive and flexible in understanding the existing circumstances and developments such that prices are in accordance with interests, developments and market demand and have a strong competitiveness where things this can grow one's loyalty to a product. Place or location or distribution is a form of control over the way and to whom the product is sold which must be adjusted to the characteristics of the product to determine the distribution method which consists of several factors such as Replacement Rate, Gross Margin, Adjustment, Time of consumption and Searching Time. The main purpose of the promotion is to inform, influence and persuade and remind target customers about the company and its marketing mix which are described in the form of Informing, Persuading and Stayding. Consumer Loyalty is defined as loyalty shown by Batik customers. Some indicators used to measure Customer loyalty variables are Repeat Purchase, Retention and Referalls. Consumer loyalty has an important role in a company maintainingthem means increasing financial performance and maintaining the viability of the company this becomes the main foundation for a company to attract and maintain them. In Indonesia, in general the batik industry is an industry. small and medium enterprises (UKM) that are the livelihoods of some people. Before the monetary crisis in 1998 this small and medium industry had experienced quite rapid progress. Some batik entrepreneurs had experienced a golden period. Moreover, in the 1980s batik was an official dress that had to be worn at every state event and could be introduced by enhancing the image of batik in the international world at that time. The batik industry in Indonesia is scattered in several regions on the island of Java which later became the name of these types of batik such as Cirebon batik, Pekalongan batik, Surakarta batik, Yogya batik, Lasem batik, Sragen batik. Each batik from the area has a specific motif. There are three types of batik produced, namely written batik, printed batik and batik printing. The development of the batik industry in Indonesia is closely related to the development of batik, which began hundreds of years ago. Countries that are fixed markets for Pekalongan batik products include Malaysia, Japan and the Middle East. Whereas the domestic market is the Bali and Jakarta markets.And also other cities in Indonesia. In addition to maintaining batik as a part of Indonesian society, batik art is incorporated into the local curriculum in secondary schools so

that young people in Indonesia can get to know batik well. Yogya and Solo inner craftsmen are diminishing. Likewise with other batik such as Ciamisan batik, Banyumas batik, Indramayu batik, Cirebon batik, cimahi batik and Tasik batik. Even if there is a production usually based on orders in small parties and entrusted to the owners of famous brands such as Batik Keris or DanarHadi. Basically, the development of a marketing strategy is to develop a broad formula about how consumers are loyal to the batik, what goals should be achieved, and what policies will be needed to achieve these goals. Marketing strategy consisting of quality product, price, distribution and promotion to increase consumer loyalty is a combination of goals and policies.

2 SECTIONS

According to Khare, A., Sarkar, S. and Patel, S. (2019), the importance of the cultural dimension to the sales promotion strategies used by retailers in malls. This study establishes that perceptions of retail promotion differ between cultures. Various promotions offered by retailers generate diverse responses from consumers in various cultures which will affect their commitment to the mall.

3 CITATIONS

According to Boyle, Peter J., Kim, Hyosin& Lathrop, E Scott. (2018) The use of price as an indicator of quality already owned by consumers has been well documented by researchers (for a systematic review and analysis of phenomena for decades, see Brucks et al., 2000; de Langhe et al., 2014; Rao and Monroe, 1989; Völckner and Hofmann, 2007). However, the strength of that relationship perception varies. For example, it appears stronger for some consumers (Shapiro, 1973), and in European countries (Dawar and Parker, 1994; Völckner and Hofmann, 2007) compared to developing countries (Agarwal and Teas, 2002; Zhou et al., 2002). Perceived relationships also vary by decision context, such as time pressure, so when the circumstances surrounding purchasing decisions change, the use of prices as quality cues can shift (Bornemann and Homburg, 2011; Cronley et al., 2005; Miyazaki et al., 2005). Other factors such as the product domain. For example, Kirchler et al. (2010) found that products valued higher in complexity by Austrian consumers were expected by those consumers to show a stronger relationship with prices. In US consumer surveys, the perceived relationship between price and quality has been found to be stronger for durable goods (Boyle and Lathrop, 2009; Mitra and Golder, 2006; Lichtenstein and Burton, 1989). Research conducted by Lenzun, Jessica J, Massie, James dd, Adare.,Decky (2014) concerning. The influence of productquality, price and promotion on Telkomsel prepaid card customer satisfaction. The results of this study indicate that in general the product quality, price, location and customer satisfaction is already good. The results showed that simultaneous product quality, price and promotion had a significant effect on customer satisfaction. Product quality and

price have a positive and significant effect, while promotion has a negative but not significant effect. Research conducted by Mandasari (2017), on the Role of Products, Prices, and Customer Service in Forming Customer Satisfaction and Loyalty, Based on the results of the analysis, products and customer service still have a positive effect on customer satisfaction, but prices negatively affect customer satisfaction. Understanding this negative influence that the cheaper the price, the more satisfied customers. Compared to products and prices, customer service has the most influence on customer satisfaction. According to Huang, D., Markovitch, D. and Ying, Y. (2017) For many products with short life cycles, such as books, music, films and software, new product sales momentum at the introduction stage predicts subsequent performance. For example, the success of the box office film on the opening weekend is highly correlated with that receipt for the remainder of its theatrical performances (Eliashberg et al., 2006; Vogel, 2007, p. 150), or, the initial user base of a software program is an indication of adoption subsequently (Brynjolfsson and Kemerer, 1996; Gandal, 1994).

4 EQUATIONS

The study was conducted at the SME Batik FY industry located in the village of Trusmi, Plered, Cirebon using descriptive and explanatory survey methods that are descriptive and verification. To examine the effect of product quality, price, distribution and promotion on Consumer loyalty in FY batik, primary data and secondary data are needed by interviews, questionnaires, observations and library research. Population in research these are batik buyers, totaling 4500 people. minimum sample calculation disproportionate random sampling known that the minimum number of samples needed is 100 people. The statistical test that will be used in this study is path analysis, which examines the relationship between research variables of product quality, price, distribution, and consumer loyalty on FY batik using primary data obtained from questionnaire results processed through the statistical test.The results of the validity test of the variable product quality, price, distribution, promotion, and consumer loyalty above 0.3 which means that the value of r count> r table then the variable is valid. While all variables are declared reliable, where overall test results are still above 0.6. By using the statistical test in Tables 1-6 we can know the path coefficient value, the overall effect of X_1, X_2, X_3, and X_4 on Y or often called the determinant coefficient of 50.41% for X_1, 51.84% for X_2, 53.29% for X_3 and 36% for X_4 are in Table 1 below

5 Helpful Hints

Table 1.
Correlation Matrix Between Variables

Variabel	X_1	X_2	X_3	X_4	Y
X_1	1	0.91	0.72	0.69	0,71
X_2	0.91	1	0.76	0.69	0.72
X_3	0.72	0,76	1	0.64	0.73
X_4	0.69	0.69	0.64	1	0.60
Y	0.71	0.72	0.73	0.60	1

Table 2.
Product Quality Indicator Data

No	Statement	Score	Evidence
1	Performance	360	Good
2	Features	380	Good
3	Reliability	375	Good
4	Conformance	340	Fair
5	Durability	360	Good
6	Servicebility	325	Fair
7	Estetika	370	Fair

Table 3
Price Indicator Data

No	Statement	Score	Evidence
1	Cost Oriented	362	Good
2	Demand Oriented Pricing	379	Good
3	Competitor Oriented Pricing	375	Good

Table 4
Data Distribution Indicators

No	Statement	Score	Evidence
1	Replacement Rate	400	Good
2	Gross Margin	375	Good
3	Adjustment Service	380	Good
4	Time of Consumption	340	Fair
5	Searching Time	330	Fair

Table 5.
Promotion Indicator Data

No	Statement	Score	Evidence
1	Informing	290	Fair
2	Persuading	325	Fair
3	Remainding	288	Fair

Table 6.
Data on Consumer Loyalty Indicators

No	Statement	Score	Evidence
1	Repeat Purchase	360	Good
2	Retention	340	Fair
3	Refferalls	335	Fair

the statistical calculation results that the path coefficient partially between Product Quality (X_1) with Consumer Loyalty (Y) of 0.366, Price (X2) with Consumer Loyalty (Y) of 0.147, Place (X3) and Consumer Loyalty (Y) amounted to 0.104, Price (X4) with Consumer Loyalty (Y) of 0.456 is in figure 7 in the form of conceptual frame work.
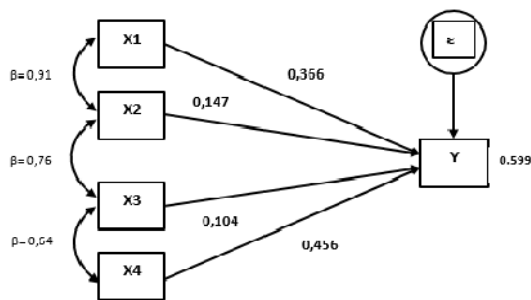
Figure7:Conseptual Framework. (Capture)

Hypothesis testing is done through the F test statistic, From the calculations the following results are obtained: F = From table F for the 0.05 significance level and degrees of freedom db1 = 2 and db2 = 100-4-1 = 95, obtained F0.05 (2; 95) = 2.47. Because Fcount>Ftable, H0 is rejected at the 0.05 significance level, it can be concluded that there is a significant (real) effect between Product Quality (X_1), Price (X_2) Place (X_3) and Promotion (X_4) together on Consumer Loyalty (Y).H0: ρyxi = 0 (There is no effect of Product Quality, Price, Place and Promotion on Consumer Loyalty). H1: ρyxi ≠ 0 (There is an influence of Product Quality, Price, Place and Promotion of Consumer Loyalty). (for i = 1, 2, 3 and 4). Furthermore, the value is compared with the table value for n = 100 with an error level of 10% and db = n-k = 100-5 is 1.661. The first research hypothesis (1) Based on the results of statistical tests with the t test obtained t count = 4.112>ttable = 1.661, so H0 is rejected, which means Product Quality influences Consumer Loyalty. The second research hypothesis (2) Based on the results of statistical tests with the t test obtained t count = 2.333> t table = 1.661; so H0 is rejected, which means Price influences Consumer Loyalty. Third research hypothesis (3) Based on the results of the statistical test with the t test obtained tcount = 1.678>ttable = 1.661, so H0 is rejected, which means Place influences Consumer Loyalty. The fourth research hypothesis (4) Based on the results of statistical tests with the t test obtained tcount = 5.071>ttable = 1.661, so H0 is rejected, which means Promotion influences Consumer Loyalty. Product quality (X_1) price (X_2) Distribution (X_3) and promotion (X_4) jointly influence Consumer Loyalty (Y), with the magnitude of influence of 51.18% representing the number of direct and indirect effects of variable X on variable Y and the remaining 48.82% is influenced by other factorsnot observed in this study as shown inTable8

Table 8
Effect of variable X on Y

Direct and indirect effects	Contributions	
X_1- X_4 Direct and Indirect	51.18%	
Total Effect X on Y		48.20%

6Conclusions

Batik in general has a good quality product, there are several products that must be improved in quality such as Performance and Serviceability. Good prices in accordance with demand and

market interests, in terms of cost oriented more attention again. The overall distribution process is good but time searching and consumption must be increased again. Promotion according to informing, persuading and remainding must be further improved to increase consumers. Consumer loyalty has both retention and referral companies must be increased again. From the research results it is known that simultaneously product quality, price, place and promotion influence consumer loyalty and partially product promotion and quality are more dominant than price and distribution on batik.

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