Effect Product Quality, Price Perception, Customer Satisfaction
Batik Betawi Loyalty in Jakarta

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Abstract: The problem of research is that batik Betawi classified as newly developed in the capital, thus whether batik Betawi has a strong brand loyalty. Researchers will test brand loyalty through customer satisfaction because of some researchers have contradictory research results. The Betawi Batik motif is more focused on Betawi culture which is influenced by Arabic, Indian, Dutch, and Chinese culture. Ancient Batik Betawi motif is divided into several types, namely Ondel-ondel, Nusa Coconut, Ciliwung, Rasamala, and Salakanegara. Berbeda with motif batik Cirebon, Solo and Yogyakarta which has long been developed. Respondents of this study amounted to 125 people. While research methods through surveys, using SEM analysis tool. The results showed that product quality has no effect on consumer satisfaction but consumer satisfaction influences on brand loyalty batik betawi.

I. Introduction

Indonesia is a country rich in crafts. One of the handicrafts of Indonesian people is batik. Everyone is certainly familiar with the craft this one. The world has already admitted it. In each region almost have at least one type or motif of batik, for example only Betawi batik. Betawi is a Jakarta native community has become one of the ethnic very creative and famous with the art drama or lenongnya. Characteristic of Betawi batik cloth that is sarong cloth with accentuated typical motif of Tumpal, which is geometric pattern of triangle as a line that fence the head of fabric and fabric body. When worn, the lump must be on the front. The motif of the hong bird is also included in the characteristic of betawi batik as a symbol of happiness. At that time the area of Sunda Kelapa is still a jungle which is overgrown with trees of Rasamala type. Betawi people consider the sacred Rasamala tree because of the smell of fragrant, bark, rasamala made sesanggi.

Each motif has its own philosophy and purpose. Loreng Ondel-ondel for example, this motif is made to lift Ondel-ondel figure as a puppet who can resist reinforcements. This motive contains the hope that the wearer will get a better life and be far from reinforcements. Usually this type of batik Betawi motif is used in the event of customary Betawi. While Nusa Coconut motif has a design idea from Peta Ceila made in 1482-1521 during the reign of King Siliwangi. From the map, it was known that Jakarta used to be called Nusa Kelapa, until it became Sunda Kelapa, Jayakarta, Batavia, and Jakarta. The name of Nusa Kelapa was taken by the ancestors of Betawi people at that time, to be a Betawi batik motif. Meanwhile, Ciliwung motif based on the idea of human civilization that comes from the banks of the Ciliwung River. It is said that the Portuguese and Dutch rulers were so interested in the Ciliwung River that they intended to control Betawi.

As the name implies, the use of batik is expected to become the center of the wearer and as a symbol of sustenance that continues to flow. Rasamala motif motifs depict the Dutch history when entering into the Sunda Kelaparegion. While Salakanegara batik motif is a batik that raised the first themed motifs of the kingdom of Betawi land founded by Aki Tirem in 130 AD. Salakanegara name relates to the belief of the people at that time who think that the mountain has the power and the mountain is Mount Salak located in Bogor Regency. Another uniqueness of Betawi batik is Betawi people, both upper and lower use the same motif, which distinguishes the election the ingredients. For the upper class, generally made of fine mori cap sel. As for the bottom, made of rough mori or calico. Batik Betawi became a popular clothing material among the Betawi male population in the late nineteenth century, especially in the Betawi region of Central. They use batik as pants material like the Dutch people. In addition, Betawi batik is also used for everyday wear, for the purposes of celebration party (http://infojakarta.net/mengenal-motif-batik-betawi/).

But unfortunately, now batik ancient Betawi is difficult to find again. The existence of ancient batik motifs Betawi only often encountered in the exhibition or big event betawi batik was founded on the basis of the desire to revive batik ever existed in Jakarta. Most of the people of Jakarta themselves, even the Betawi people as indigenous people born in the 70s and above never knew about the existence of batik craftsmen in Jakarta. As a native who has witnessed a time when many mothers who worked as batik in the village of Teregong and

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surrounding areas, felt challenged to rise again and present together with batik-batik from other areas coloring repertoire batik in this country. Besides that the existence of Betawi Terogong batik is expected to empower housewives who in their spare time can be used for positive, beneficial and productive activities.

Problem formulation: (1) Does the quality of the product affect customer satisfaction (2) Does price perception affect customer satisfaction (3) Does satisfaction affect brand loyalty. The research objectives are (1) to test the effect of product quality on customer satisfaction (2) to examine the effect of price perception on customer satisfaction (3) to examine the effect of customer satisfaction on brand loyalty. The benefits of research are (1) For researchers it is useful to understand how brands affect loyalty (2) For academics these findings are useful for developing brand loyalty theories (3) For practitioners these findings can be used to design Batik shop strategies.

II. Literature Review and Hypothesis

Relevance of product quality, price perception, customer satisfaction and brand loyalty

Quality perception can be defined as the customer's perception of the overall quality or superiority of a product or service that is related to what is expected by the customer (Zeithaml, 1988). According to Aaker (1997), perceived quality is the consumer's perception of the overall quality or superiority of a product or service that is the same as the intended purpose (Aaker, 1997; Kirmani and Zeithaml, 1993; Akdeniz, Calantone and Voorhees, 2013). Actor (1997); McDonald's and Sharp (2000) a company should pay attention to how consumers perceive the products produced, because by knowing these perceptions, the company can determine the steps that can be taken to strengthen the customer's perception of the brand owned by the company (Aaker, 1997) Furthermore, the general perception of quality can produce values such as (i) reasons for buying, (ii) differentiation or position, (iii) premium price, (iv) distribution of customer intentions and finally (v) brand extension, brand perception, brand awareness and brand association of brand loyalty.

Multi-linear regression analysis has been applied to determine the combined effect of quality perception, brand awareness and brand associations on brand loyalty. This research was conducted to determine the effect of brand value components on brand loyalty. In this scope, an analysis of the relationship between the sub-dimensions of brand value needs to be done. And brand loyalty. Product Quality according to Garvin and Davis (2005) is a dynamic condition which relates to products, labor, processes and tasks, environments that meet customer expectations. Quality includes all dimensions of product offerings that produce benefits. Tjiponto (2012) argues that products are anything that can be offered by producers to be considered, requested, sought, purchased, used, consumed by the market as a fulfillment of the needs and desires of the relevant market. While Kotler and Keller (2013) argue that products are everything that can be offered to the market to satisfy a desire and needs including physical goods, services, experiences, events, people, places, properties, organizations, information and ideas. So the definition of product quality is a product that conforms to hinted or standardized. Something product has quality when in accordance with predetermined quality standard.

Kotler and Amstrong (2010) define product quality as the ability to carry out their duties which include durability, reliability, progress, strength, ease of packaging and product repairs and other characteristics. A product is anything that has value in the target market where its ability to provide benefits and satisfaction including objects, services, organizations, places, people, and ideas. The way to view products like this involves a wide range of situations including concrete and abstract services. Kotler and Keller (2013) divided the product level into five, the first core benefit, namely the basic benefits of a product offered to consumers. The second basic product is the basic form of the product that can be felt by the five senses. The third expected product is a series of product attributes and conditions expected by the buyer at the time of buying the product. The fourth augmented product is one that distinguishes between the products offered by business entities and the products offered by competitors. The fifth product potential is all the arguments and changes that are improved, the form experienced by the product in the future.

H1: Product Quality affects customer satisfaction

Understanding the perception of prices according to Kotler and Keller (2013) is a process by which we choose, organize and translate information input to create a meaningful world picture. The important thing is that perception depends not only on physical stimulation, but also on the relation of stimuli to the surrounding plane and the conditions in each of us, while the price is the sum of all the valuable that the customer gives to profit from giving a deep meaning to them. When consumers evaluate and research the price of a product is influenced by consumer behavior. According to Kotler and Keller (2013) there is a pricing objective covering first the orientation on profit or called the profit maximization that every company always chooses the price that can give the most profit. Second Orientation on volume pricing objectivity. Third orientation to the image. Company image can be formed through pricing strategies. High prices for prestigious shows while low prices are used for trust purposes.
Kotler and Keller (2013) mention customer satisfaction is a person's feeling that is the result of a comparison of the performance of a product purchased with what is expected by consumers. Customer satisfaction is defined by the customer's response to the evaluation of perceived nonconformity between expectations and performance. Oliver (2010) states that customer satisfaction is a post-purchase evaluation where the perception of product performance exceeds customer expectations. Lovelock (2012) states that customer satisfaction is an emotional state, their post-purchase reaction can be anger, dissatisfaction, irritation, excitement, and neutrality. Customer satisfaction has a direct relationship with customer loyalty, profits and market share. Customers if they are satisfied with the value provided by products and services, are likely to become customers for a long time. Crosby, Evan and Cowles (19900 and Kim and Cha (2002) state that customer satisfaction is defined as an experience based on customer evaluations or evaluations, namely reality greater than expectations, factors that influence customer satisfaction if expectations are smaller than reality, then the customer is not satisfied, whereas if the reality is greater than expectation then said the customer is satisfied.

H2 Price perception affects customer satisfaction

Consumers have a reason in choosing a brand from a brand that is offered as likely to be related to brand quality perceptions as well as brand awareness and brand associations (Cunningham, 1956). While the attitude theory approach, emphasized on the repurchase behavior of a brand can not be an indicator of its own and required an evaluation by connecting with psychological processes (Kuehn 1962: McConell 1968: Yacoby, 1971). Brand loyalty has been expressed as a positive consumer feeling about the same brand, consumers buy brands more often than other brands and buy and use the same brand for a long time (Dick and Basu, 1994; Day, 1969). There are several trends and conditions generally stated in order to talk about brand loyalty (Yacoby, 1971, McConnell, 1969). Brand loyalty includes psychological functions such as prejudice, behavioral reactions, specific time frames, specific decision-making components, about one or two alternative brands in addition to the vast number of currently outstanding products with different brands (Yacoby and Kiner, 1973).

According to the behavioral theory approach, brand loyalty selects one brand with another brand and the repurchase behavior of a brand. Mentioned that the reasons for choosing one brand from another brand can be attributed to motivation, advertising and promotion (Tuker, 1964: Cunningham, 1956: Frank, 1962). According to the attitude theory approach, it is emphasized that the repurchase behavior of a brand can not be an indicator of its own and needs to be evaluated by relating it to a psychological process (Kuehn 1962: McConell 1968: Yacoby, 1971). Brand loyalty has been expressed as a positive feeling of consumers about the same brand, consumers buy brands more often, and use the same brand for a long time. Jahanshahi et al, (2011) the results of his research show that customer satisfaction affects brand loyalty. While Mohsan et al (2011) also mentioned that customer satisfaction influences brand loyalty. According to (Senthilkumar, 2012; Ganiyu, 2017) the results of his research indicate that customer satisfaction affects brand loyalty.

H3 Customer satisfaction affects brand loyalty.

Description of research model: predicted Product Quality, Price Perception on Customer Satisfaction affect brand Loyalty, if good product quality of consumer will be satisfied and influence brand loyalty. Whereas if prices are competitive, consumers will feel satisfied and influence brand loyalty.

III. Research Methods

Research Design

The questionnaire technique has been used in research as a tool for data collection, questionnaires used in the study consisted of two parts. There are six questions relating to demographic characteristics in the first part (name, age, gender, monthly expenses, education and employment) Twenty-five questions related to product quality indicators, price perceptions, customer satisfaction and brand loyalty in part two. Likert point has been used in the preparation of questions related to product quality indicators (nine indicators), price perceptions (three indicators), customer satisfaction (three indicators) and brand loyalty (ten indicators) in the form of questionnaires. Consumers living in Jakarta and shopping in batik Betawi Jakarta is the target population of this study. To calculate samples, taken from the population or according to Hair et al., 1998) of the number of questionnaires twenty-five can be multiplied by five to 125 respondents. Previous research by Shah (2014) has not jointly tested product quality, price perception, customer satisfaction with brand loyalty. This data is generally obtained through questionnaire techniques. In previous research the quality of service, price perceptions and satisfaction with brand loyalty. Some findings indicate that the most influential variable on brand loyalty is the quality of service.

It is possible to say that there can be an increase in brand loyalty by creating a quality service used by consumers is WOM by producing quality service. If product quality increases then brand loyalty will also increase. Thus, to improve the perception of prices, companies need to ensure that consumers believe the
price of batik producers is cheaper than competitors. To generalize the results of research, research needs to be carried out in various regions, in Indonesia and in various different sectors. Before the data are analyzed it will be tested firstly the validity and reliability using factor analysis, then analyzed using SPSS multiple regression analysis. Data collection is done in two steps, first data collected through questionnaire. Respondents are asked to identify product quality, price perception, customer satisfaction on brand loyalty. All statements measured at five points on the Likert scale with an assessment strongly agree to strongly disagree.

IV. Research Sample

The amount of sample according to Hair et al. (1998) with the number of samples between 125. Unit analysis in this research is the consumer who shopping batik cloth at batik batik shop Betawi. As for how to measure through questionnaires to be filled respondents who describe the product quality, price perception, satisfaction customer towards brand loyalty, because this variable is a latent variable. The adoption questionnaire from Stevenson (2005) for product quality amounted to nine indicators. Price perception adopted by Kim and Cha (2002) is three indicators. While customer satisfaction adoption from Lin and Ding (2006) a number of three indicators. And Zaitahaml and Bitner (2002) brand loyalty adoption was developed adjusted to capture the tested variables. The research technique used an empirical study approach to consumers of the Betawi batik shop who were shopping at the store. This research was conducted with a survey because this study presents a causal relationship between the independent variable and the dependent variable and proposes a hypothesis. The type of data is in the form of primary data, while data collection methods primer is done by survey method to Batik shop consumer.

Object of research and data collection process the object of the study was consumers who had been shopping for Betawi batik, and the data collection procedure used purposive sampling, namely all consumers of Betawi batik handicrafts that had been shopping once had the same chance, the population was unknown in number. The data collected were primary data, primary data was obtained using a structured questionnaire. Before the questionnaires were distributed to the respondents in the study, it is necessary to test the quality of the questionnaire through pre-test or try out to the students as much as 30 respondents. The purpose of the pre-test is to test the questionnaire if it is valid. While reliability testing is done by calculating the cronbach alpha of each item in a variable. The instrument used in the variable is said to be reliable if it has a cronbach alpha of more than 0.60. While to know the question in valid variable used factor analysis.

Analysis and Research Results Analysis of Research

Results with structural equation modeling by Hair, et al. (2008) suggested that, the evaluation of the suitability of the data with the model was done through several stages, namely the overall testing and individual testing for structural models and measurement models. Measurement Model Analysis is a measurement model analysis carried out to specify indicators (observed variables) for each construct variable, and calculate the reliability value for the construct Validity Testing Results using Factor Analysis. As recommended by Hair, et al. (2008) that the observation variable that is feasible to be used as an operational to the construct or its latent variable must have a factor load (loading factor) greater than 0.5 so that the model used. Validity analysis results show that not all indicators of each product quality variable, price perception, satisfaction, and loyalty can be accepted / valid because the factor loading value does not all have a good match (> 0.50) that is at KP1 (0.44), KP7 (0.42), KP8 (0.45), KP10 (0.41), PH2 (0.26), PH3 (0.49), Kep1 (0.46), L6 (0.47), L7 (0.48), and L8 (0.35) while the t-value is greater than t-table (1.96) at the 5% significance level. While the construct reliability testing results show that the reliability of the model can be tested by calculating Construct Reliability and Variance Extracted, using formulas.

According to Hair, et al. (2008), a good reliability requirement is to have construct reliability > 0.70 and variance extracted > 0.50. From the calculation in Table 2, not all questionnaires in each variable fulfill the reliability requirement with good value that is construct reliability value on product quality (0.80), perception of price (0.46), satisfaction (0.69), and loyalty (0.81) and on the value of variance extracted product quality (0.29), price perceptions (0.24), satisfaction (0.43), and loyalty (0.33) (variance extracted > 0.50).

From the analysis shows that several tests show good compatibility including Chi Square, RMSEA, ECVI, AIC and CAIC. There is a result in the form of a marginal fit on the Fit Index, Goodness of Fit and poor fit on Critical N. From the results of the analysis above, it can be concluded that the suitability of the entire model meets the requirements (goodness of fit). Furthermore, this study generates the path diagram as follows:
H1: Product Quality affects customer satisfaction

Analysis and discussion

This research proposes three hypotheses namely (1) product quality affect customer satisfaction and hypothesis 1 no supported. Previous research shows that product quality affects customer satisfaction has been tested by (Jahanshahi et al, 2011). Similarly, the research resultsSenthilkumar (2012) shows that product quality affects customer satisfaction. Same with research (Saidani and Arifin, 2012; Jaya and Saefudin, 2014; Kusuma and Abdillah, 2014). That product quality affects satisfaction. (2) hypothesis two is price perception influence to customer satisfaction, hypothesis 2 supported. Price role is important for macro economy. Prices can affect wage rates, rent, profit and interest. Price is a basic regulator in the economic system because the price affects the allocation of factors of production. Secondly for the consumer the price is very sensitive despite having consideration of brand, image, location, service, value and product quality. Often expensive prices are estimated to be of high quality and low prices are considered low quality products.

On the contrary to Prayitno’s research results (2016) show that prices affect customer satisfaction. (3) the 3rd hypothesis of customer satisfaction affects brand loyalty and hypothesis 3 is also supported. While together the product quality hypothesis, price perception affect customer satisfaction and customer satisfaction have an effect on brand loyalty, this hypothesis is also supported. According to the attitude theory approach, it is emphasized that a brand’s repurchasing behavior cannot be a separate indicator and needs to be evaluated by linking it to psychological process (Kuehn, 1962; McConell, 1968; Yacoby, 1971). Brand loyalty has been expressed as a positive feeling of consumers about the same brand, consumers buy brands more often, and use the same brand for a long time. Jahanshahi et al, (2011) the results of his research show that customer satisfaction affects brand loyalty. While Mohsan et al (2011) also mentioned that customer satisfaction influences brand loyalty. According (Senthilkumar, 2012; Ganiyu, 2017) the results of his research indicate that customer satisfaction affects brand loyalty.

Conclusions, Manager Implications and Research Limitations.

This research proposes three hypotheses: (1) product quality affects customer satisfaction and hypothesis 1 is not supported. (2) price perception affects customer satisfaction, hypothesis 2 is supported. (3) the 3rd hypothesis of customer satisfaction affects brand loyalty and hypothesis 3 is also supported. While together the product quality hypothesis, price perception affect customer satisfaction and customer satisfaction have an effect on brand loyalty, this hypothesis is also supported. The implication of managers is that the quality of batik products does not affect the satisfaction indicates that batik raw material is the standard so that consumers feel normal except for batik tulis possible product quality affect customer satisfaction. For this reason, the quality of batik products needs to be evaluated so that they are consistent. While the price affects customer satisfaction because consumers are sensitive to the price so that with little price changes can affect customer satisfaction. The manager tries to evaluate the price to avoid the price of batik Betawi more expensive.
than competitors. Satisfaction affects brand loyalty, that with a sense of customer satisfaction the brand loyalty is easily improved. For that the manager needs to strive to improve customer satisfaction with several ways such as providing snack dishes and a neat place for customers to be satisfied.

Reference


