

# Effect of Loyalty from Consumer Decisions Choosing Exterior Wall Paint

Prita Prasetya

Manajement Program Study, Economics & Business Faculty, Mercu Buana University

#### Abstract

The research aim to analyze the effect of price perception, product quality and brand image towards purchase decision and their impact to customer loyalty of Decorshield, exterior paint manufacture by PT. Propan Raya. This research using survey method with questioner tools as data collection. Respondent in this study are customers who buying Decorshield in Tangerang area. The analysis approach used in this research in Structural Equation Modeling (SEM). Hypothesis results show that price perception and brand image has positively influence significantly towards the decision to buy Decorshield, but there is no significant effect between product quality toward purchase decision. Then there is significant effect between purchase decision toward customer loyalty.

**Keywords:** price perception, product quality, purchase decision, loyalty, Structural Equation Modeling (SEM)

### Introduction

Paint is a very promising business in Indonesia. Of course, the still high growth of the property business has become the main trigger factor that has pushed up demand for paint. By seeing an increase in population and housing needs, the property industry in Indonesia remains promising in 2017. This has a positive effect on the building materials industry. Besides that, demand for paint will also increase and provide opportunities for the growth of the paint industry (MARS Indonesia, 2017). The survey results from frost & sullivan, in 2017 average paint consumption per capita in the Asia Pacific region in 2015 was 4.7 liters. Combined CAGR values in Malaysia, Indonesia, Myanmar, Cambodia and Laos at 7.7% grew from USD 1,224.0 million in 2016 to USD 1772.4 million in 2021. This means that the development of the paint industry in Indonesia still has promising potential in developing market share, so that paint producers in the country compete with each other to win the market.

Some players in the paint industry in Indonesia include PT Propan Raya ICC, PT Nipsea Paint and Chemicals, PT Avia Avian, PT ICI (Dulux and Catylac), PT Jotun Indonesia, PT. Pacific Paint, and so on. Table 1 shows the profile of paint factories in Indonesia as seen from their production capacity. Decorative paint is the main target of paint manufacturers, because the market potential reaches 60% of the total domestic paint. Not only paint for the interior, exterior paint also shows its growth.

Table 1. The Profile of Paint Factories in Indonesia

NO	COMPANY NAME	TOTAL	PRODUCTION CAPACITY (TON)
1	PT. Nipsea Paint and Chemicals	4	300.000
2	PT. Avia Avian	3	150.000
3	PT. ICI	1	100.000
4	PT. Jotun Indonesia	2	100.000
5	PT. Pacific Paint	1	100.000
6	PT. Propan Raya ICC	2	48.000

Source: berita-bisnis.com (2016)

Exterior wall paint on the market is currently available in many options. Every manufacturer of wall paint has at least one exterior paint brand. Decorshield is the main product of decorative paint PT. Propan Raya, which in the last 5 years has begun to focus on being marketed in the retail market. This brand competes with the Dulux Weathershield, Mowilex Weathercoat, Nippon Weatherbond and Jotashield (Jotun) brands, with market share still dominated by Dulux. Based on internal research data (Figure 1), the market share of Decorshiled is still low compared to other brands.



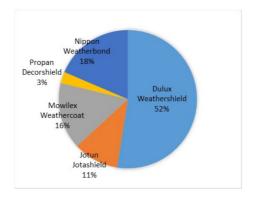


Figure 1. Market share of Decorshield exterior paint Source: Internal research data

Data on the sale of this product from 2009 to 2013 always showed improvement, but in 2014 showed a decline, as shown in Figure 2 Propan Raya realized that the decline was caused by various factors, namely internal and external factors. In internal factors, generally can be controlled by companies, such as, product, price, promotion and distribution. While on external factors, one of them is a competitor from another brand that might offer a better product, price, promotion and distribution. Propan Raya needs the right support activities and marketing strategies to win the competition in the exterior wall paint market. Companies must understand the behavior of consumers by meeting the needs and desires of consumers. As is well known, in modern marketing the term marketing mix is known as the core of a modern marketing system where the elements are products, prices, places and promotions. Marketing not only develops a good product, but must set attractive prices, and make it affordable and must communicate with customers.

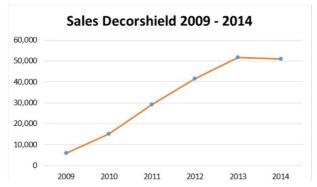


Figure 2. Sales Report Decorshield 2009-2014 Source: Internal company data

The preliminary study was conducted on 100 respondents to find out the factors that influence the selection of exterior wall paint. From the criteria chosen by consumers in table 2, it can be assumed that the 3 important factors in the selection of exterior wall paint are the perception of price, product quality, and brand image of the company. Decorshield has a price that is less competitive than the prices of other competitor products. Product quality is also an important factor for consumers in choosing exterior wall paint, because consumers have high expectations for the protection of the walls outside. For consumers who have used one of the exterior wall paint brands and feel satisfied, they will remain loyal to using the product, and even recommend it. Brand image is a determining factor for consumer purchases, because consumers will generally buy products that already have a good brand image in the community. Up to 2017, Propan Raya's products have never been in the top three of the Top Brand Index, compared to other competitors' products.

Table 2. Factors influencing the purchase decision of exterior wall paint

NO	Factor affecting	%
1	Price Perception	25
2	Product quality	20
3	Brand Image	20
4	Promotions (Direct Prizes)	15
5	Shop Distance	10
6	Shopkeeper Information	10

Source: Primary data processed by the author



From the criteria selected by consumers in table 2, it can be assumed that the important factors in selecting exterior wall paint are the perception of price, product quality, and brand image of the company. Decorshield has a price that is less competitive than the prices of other competitor products. Product quality is also an important factor for consumers in choosing exterior wall paint, because consumers have high expectations for the protection of the walls outside. For consumers who have used one of the exterior wall paint brands and feel satisfied, they will remain loyal to using the product, and even recommend it. Brand image is a determining factor for consumer purchases, because consumers will generally buy products that already have a good brand image in the community. Up to 2017, Propan Raya's products have never been in the top three of the Top Brand Index, compared to other competitors' products.

wall paint (2016)		wall paint	(201	7)	
Brand	тві	ТОР	Brand	тві	ТОР
Dulux	22.1%	TOP	Dulux	21.5%	TOP
Avitex	20.6%	TOP	Avitex	20.1%	TOP
Vinilex	14.0%	TOP	Vinilex	13.4%	TOP
Catylac	10.7%		Catylac	9.8%	
Paragon	7.7%		Paragon	6.7%	

Figure 3. TOP Wall Paint Brand Index Source: TOP Brand Indonesia

It is not easy to play in the paint industry, this is due to the strong market competition among paint brands marketed domestically. The results of the TOP Brand Index for the wall paint category for the last 2 years, the top five are still dominated by the same brand (Figure 3). This shows that the brand's user loyalty is quite high. Customer loyalty has an important role in a company, to get loyal customers can not be done at once, but through several stages, ranging from looking for potential consumers, making it back again to make them loyal. One of the factors that must be considered in obtaining loyal customers begins with the formation of purchasing decisions by consumers themselves. The purchase decision can occur because of many common factors such as consumer perception about price, product quality, and brand image in the eyes of consumers.

Previous research has shown that there are many factors that influence consumer purchasing decisions in purchasing wall paint. Yosep's (2013) research shows that the perception and promotion factors influence the purchasing decisions of Mowilex wall paint. Next is the research from Putra (2013), the result is cultural, social, personal and psychological factors that have a positive effect on Dulux brand wall paint purchase decisions. Prasetyo (2017) confirms a positive relationship between product quality, brand image and price on purchasing decisions.

# **Price Perception**

Price according to Kotler and Armstrong (2009) is the amount of money paid for goods and services or the amount of value that consumers exchange in order to get benefits from owning or using goods or services. More broadly, price is the sum of all the values that consumers exchange for the benefits of owning or using a product or service. While the perception of prices according to Schifmann and Kanuk (2007) is the consumer's perspective in assessing whether a product has a reasonable, expensive or cheap price. Price perception will determine the value of a product and the desire to buy the product.

The key to determining price perceptions is to deliver more value than competitors and demonstrate to prospective buyers. Basically companies must understand the customer's decision making process. Based on this, a hypothesis can be built:

## H<sub>1</sub>: Price perception affects purchasing decisions

## **Product quality**

Quality according to Goestch and Davis (2010) is a dynamic condition that deals with products, services, people, processes, and environments that meet or exceed expectations. The product is defined as everything that can be offered to the market to get attention, expertise, usability, or consumption that satisfies desires or needs (Kotler, 2009).

In defining quality products, there are several additional characteristics that need to be taken into account according to David Garvin who was quoted again by Yamit (2005), to determine the dimensions of the quality of goods can be through eight dimensions, including: Performance, Feature, Reliability, Conformance, Durability, Serviceability, Aesthetics, and Fit and Finish.

Product quality is an understanding that the product offered by the seller has more selling value that is not owned by competing products. Therefore the company tries to focus on product quality and compare it with competing products. Based on this understanding, a hypothesis is built:



# H<sub>2</sub>: Product quality affects purchasing decisions

## **Brand Image**

Brand becomes an identification for the seller or manufacturer of a product or service. According to Kotler (2011). The second dimension of consumer-based brand knowledge is the image of a brand. Brand image can be considered as a type of association that appears in the minds of consumers when remembering a particular brand. The association can simply appear in a particular form of thought or image associated with a brand, as well as when we think about other people. This association can be conceptualized based on type, support, strength, and uniqueness. Types of brand associations include attributes, benefits and attitudes.

Corporate brand image is a valuable intangible capital that is difficult to replicate and can help organizations to achieve sustainable and superior financial performance (Keller, 2011). Therefore, the attitude and actions of consumers towards a brand are largely determined by the brand's image. It is not easy to form an image, so if it is formed it will be difficult to change it. The image that is formed must be clear and have advantages when compared to its competitors. When brand distinctions and advantages are faced with other brands, brand positions appear. Basically the same as the perception process, because images are formed from long-established perceptions. After going through the stages that occur in the process of perception, then proceed at the stage of consumer involvement. This level of involvement in addition to effecting perception also affects memory function. Based on this explanation, a third hypothesis will be built, namely:

# H<sub>3</sub>: Brand image affects purchasing decisions

# **Purchasing decision**

Kotler and Armstrong (2009) define purchasing decisions as stages in the purchasing decision process, where consumers actually buy products. Purchasing decisions are when consumers buy a product at a certain time. According to Sumarwan (2011), purchasing decisions are a decision as the choice of an action from two or more alternative choices. The purchase decision is a time when the consumer determines to buy or not a product and make an order related to his choice in an effort to meet his needs and desires. This decision gives birth to buying actions both for the present and the future (Rekarti, 2012).

From some of the above understanding about purchasing decisions, the conclusion that can be taken is that purchasing decisions are consumer behavior in treating consumer decision-making as a solution to the problems faced, eventually consumers will decide to buy a product at a certain time.

## **Customer loyalty**

Loyalty is the ability to buy back a product or service that is consistently preferred in the future (Taylor, et al., 2004). The emergence of loyalty in the minds of customers to the company and its products can be caused by rational factors or emotional factors. Rational factors that cause loyalty are related to satisfaction with the characteristics of the product or service offered to the customer physically while the emotional factor is related to the feeling of satisfaction of the customer towards the company and its products (Rauyruen and Miller, 2007). So in loyalty there is a balance between the quality of the company physically or functionally and also the quality of the company that customers feel emotionally.

Another concept regarding customer loyalty according to Griffin (2005) states that the concept of loyalty is more directed towards behavior (behavior) than attitude (attitude) and a loyal customer because it shows buying behavior that can be interpreted as a regular purchase pattern and in a long time, conducted by decision makers. Baloglu (2002) also reveals two basic customer loyalty approaches based on behavior and attitude.

Loyalty will develop following three stages, namely cognitive, affective and conative stages. Customers will be loyal to their cognitive aspects first, then to the affective aspect, and finally to the conative aspect. This opinion is in line with the concept of consumer behavior, that consumers will go through the learning stage  $\rightarrow$  perception  $\rightarrow$  attitude  $\rightarrow$  behavior. The cognitive component is related to consumer learning, while the affective component deals with attitude and conative related to behavior. This means that before reaching the conative aspect, consumers must pass through the cognitive and affective aspects first.

Loyalty is how to create profits for customers, so that customers want to continue to buy company products so that customer loyalty can be created and can change the level of customers from ordinary customers to loyal customers (Shhihab and Astini, 2008). So that the fourth hypothesis can be built in this study, namely:

# H<sub>4</sub>: Product quality affects purchasing decisions

The purpose of this study are: (1) To determine the effect of price perception on the purchase decision of Decorshield exterior wall paint; (2) To determine the effect of product quality on the purchase decision of Decorshield exterior wall paint; (3) To determine the effect of brand image on the purchase decision of Decorshield exterior wall paint; (4) To find out the effect of purchasing Decorshield exterior wall paint on consumer loyalty.

The outcome of this research is that the results of this study are expected to provide benefits for the company. By knowing the attributes of the purchase decision, the company will get feedback on price perception, product



quality and brand image at the consumer's point of view so that the management can evaluate and make various improvements to be better. The results of this study can be used as a reference that can be used as a reference for further research with a focus on the study of marketing science, giving ideas for further research, can find the definition and influence of price perception, product quality and brand image on purchasing decisions and their impact on loyalty consumer.

### Research Framework

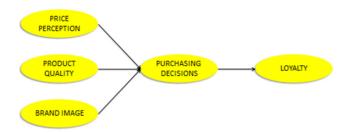


Figure 4. Research Framework

## **METHOD**

## Research Design

In this study the researchers wanted to test the hypothesis of the relationship between variables of price perception, product quality and brand image on satisfaction and its impact on customer loyalty. Collecting data and information is taken from the sample using a questionnaire, then analyzed to obtain accurate data about the facts and the relationship between the research variables.

## Populatiom and sample

The location of the study is based on the limitations of researchers, namely consumers in the Tangerang area. The population is all consumers using Decorshield exterior wall paint with a sample of 125 respondents.

## **Data Analysis Techniques**

The level of measurement used in this study is a questionnaire constructed in the form of a rating scale using a Likert scale. Data analysis techniques used in the study are analysis of validity and reliability, analysis of structural equation models (SEM), and dimension correlation analysis.

# Structural Equation Model Analysis (SEM), Validity and Reliability Test

SEM data processing techniques using confirmatory analysis method are used in this study. Validity test relates to whether a variable measures what should be measured based on the value of Confirmatory Factor Analysis (CFA), the standard factor charge  $\geq 0.50$  is very significant. Reliability is the consistency of a measurement. High reliability indicates that indicators have a high consistency in measuring the latent construct. In SEM analysis the most appropriate reliability test is to use the value of construct reliability. The value of  $CR \geq 0.70$  shows good reliability.

**Table 3. Goodness of Fit Index** 

No	Goodness of Fit Measure	Cut of Value
1	Chi Square (x <sup>2</sup> )	Diharapkan kecil
2	Significance Probability (p)	≥ 0,05
3	Root Mean Square Error of Approximation (RMSEA)	$RMSEA \le 0.08$
4	Normed Fit Index (NFI)	$NFI \ge 0.90$
5	Tucker-Lewis Index atau Non Normed Fit Index (TLI atau NNFI)	$NNFI \ge 0.90$
6	Comparative Fit Index (CFI)	CFI ≥ 0.90
7	Incremental Fit Index (IFI)	IFI ≥ 0.90
8	Relative Fit Index (RFI)	RFI ≥ 0.90
9	Goodness of Fit Index (GFI)	GFI ≥ 0.90
10	Adjusted Goodness of Fit Index (AGFI)	$AGFI \ge 0.90$

## Source: Ferdinand (2002)

In SEM there is no single statistical tool to test the model created. Generally the suitability of the model is done by testing the various criteria of goodness of fit. Table 3 shows several suitability indexes to test whether a model can be accepted or rejected.



# **Hypothesis Test**

After the measurement model meets the requirements, the next thing to do is test the hypothesis. T test is done to show how far the influence of an independent variable individually in explaining the variation of the dependent variable.

# **RESULTS**

## Karakteristik Responden

Karakteristik responden dalam penelitian ini dikelompokkan berdasarkan jenis kelamin, usia, pendidikan terakhir, dan pekerjaan. Secara spesifik, karakteristik demografi konsumen dalam penelitian ini ditunjukkan pada tabel 4.

**Table 4. Respondent Demographic Characteristics** 

No	Characteristics	Classification	%
1	Gender	male	76%
		female	24%
2	Age	20 - 30  year	24%
		30 - 40  year	43%
		> 40 year	34%
3	Education	Junior HS	13%
		Senior HS	52%
		Diploma / Bachelor	35%
4	Job	Private employees	69%
		Entrepreneurship	18%
		civil servant / army	13%

Source: Primary data, processed in 2018

# Validity Test

Validity test is done by calculating the value of Confirmatory Factor Analysis (CFA) using LISREL 8.8 software, the results are in table 5 below:

**Table 5. Validity Test Results** 

Variable	Indicator Code	$SLF \ge 0.50$	Variable
Price Perception	X11	0.91	Valid
•	X12	0.84	Valid
	X13	0.71	Valid
	X16	0.68	Valid
Product quality	X21	0.53	Valid
· ·	X22	0.60	Valid
	X23	0.65	Valid
	X24	0.63	Valid
	X25	0.62	Valid
	X26	0.71	Valid
	X27	0.64	Valid
Brand Image	X31	0.58	Valid
	X32	0.85	Valid
	X33	0.61	Valid
	X34	0.71	Valid
	X35	0.62	Valid
<b>Purchasing Decision</b>	Y11	0.77	Valid
	Y12	0.68	Valid
	Y13	0.75	Valid
	Y14	0.62	Valid
	Y15	0.66	Valid
	Y16	0.53	Valid
Loyalty	Z11	0.97	Valid
	Z12	0.71	Valid
	Z13	0.94	Valid

**Source: LISREL Data Processing Results 8.8 - 2018** 

## **Reliability Test**

Reliability is a measure of internal consistency of indicators of a construct that shows the degree to which each



indicator indicates a common construct. Reliability test is also used to test research instruments which, if used several times to measure the same object, will produce the same data.

In the SEM analysis in this study, reliability testing was carried out using construct reliability. If the construct reliability value is  $\geq 0.70$ , it shows good reliability. The reliability test results are shown in Table 5 below:

**Table 6. Variable Reliability Test Results** 

Variable	Construct Reliability	Information
Price perception	0.88	Reliabel
Product Quality	0.82	Reliabel
Brand Image	0.81	Reliabel
<b>Purchasing Decisions</b>	0.82	Reliabel
Loyalty	0.79	Reliabel

Source: Primary data, processed in 2018

### **Measurement Model Analysis**

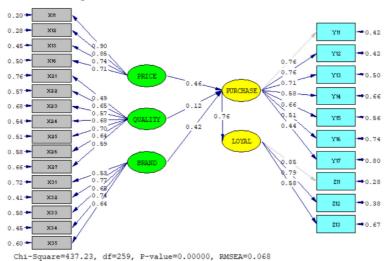
The initial SEM modeling in the form of the basic standardized solution model is shown in Figure 5. Furthermore, it is carried out with a goodness of fit test. The results of the match test obtained results as shown in table 6.

Table 6. Goodness of Fit

No	Goodness of Fit Measure	Test Results	Evaluation
1	Chi Square $(x^2)$ , $p \ge 0.05$	437.23 $p = 0.00$	not fit
2	Root Mean Square Error of Approximation (RMSEA)	0.07	Fit
3	Normed Fit Index (NFI)	0,89	Fit
4	Tucker-Lewis Index atau Non Normed Fit Index (TLI atau NNFI)	0,93	Fit
5	Comparative Fit Index (CFI)	0,94	Fit
6	Incremental Fit Index (IFI)	0,94	Fit
7	Relative Fit Index (RFI)	0,87	Fit
8	Goodness of Fit Index (GFI)	0,79	Marginal
9	Adjusted Goodness of Fit Index (AGFI)	0,72	not fit

**Source: LISREL Data Processing Results 8.8 - 2018** 

Figure 5. Basic Model Standardized Solution

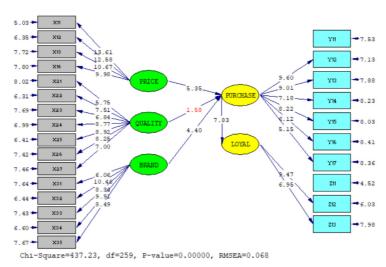


Source: Primary data, processed in 2018

The results of 9 Goodness of Fit measures, 6 of which show good values (fit), one marginal data and two data that are not fit. Overall the model is good. According to Wijanto (2007) there are several models of compatibility in SEM and the model suitability assessment is assessed based on how many model sizes can be met by the suitability of the research model. The more target values Goodness of Fit measures of the Goodness of Fit met by the model, the better the research model.



Figure 6. Structural t-value model



Source: LISREL Data Processing Results 8.8 - 2018

Most of goodness of fit tests show a fit model so it can be concluded that the model used in this study can be used as a basis for analysis of the problems of this research. After the overall goodness of fit model and data is good, the next step is to test the goodness of fit measurement model with the t-value test shown in Figure 6.

This research has 4 hypotheses as described in the previous chapter. Testing the hypothesis is done by looking at the significance of each variable relationship. The significant value ( $\alpha$ ) used is 0.05 or 5% with the -t value of  $\geq$  1.96. The estimation of the causal relationship of the structural model tested and the results of testing the hypothesis with the t value of each relationship can be seen in Table 7. There are 3 hypotheses that have significant influence and one hypothesis that has no significant effect.

**Table 7. Research Hypothesis Testing Results** 

-	Structural Path	t-values	informatin
H1	Price perception → purchasing decisions	5.35	Significant
H2	Product quality → purchasing decisions	1.58	not significant
Н3	Brand image → purchasing decisions	4.40	Significant
H4	purchasing decision s→ Loyalty	7.83	Significant

Source: Primary data, processed in 2018

# Discussion

Characteristics of respondents in this study are grouped by gender, age, last education, and employment. Characteristics of respondents based on the results of the study were the majority of respondents who bought paint as much as 77% were more than 30 years old. The majority have senior high school education (52%) and work as private employees (69%).

Price perception variables have a positive and significant influence on the purchase decision of Decorshield brand wall paint. The most influential dimension is the perceived price of products affordable for consumers. Affordable definition is the ability of customers to be willing to pay for the benefits received for the products offered. This shows that the perception of affordable prices greatly influences the decision of consumers to buy Decorshield paint. The number of competitors in the selection of exterior wall paint brands makes consumers prefer wall paint at a price that is more affordable, lower and has a difference between the price paid and the benefits received.

Product quality has no significant effect on the purchase decision of Decorshield brand wall paint. Respondents stated that the quality of the exterior wall paint products between one brand and another brand was considered to have no difference. This is also supported by the opinions expressed by the seller, both the owner and the shop keeper. In making purchasing decisions, consumers generally ask the store about the information on the paint products to be purchased. Exterior wall paint products in the market generally have comparable quality, this information can be seen from the explanation of product specifications in the packaging or product catalog. Product quality does not have an influence on purchasing decisions, but with the increasingly standardized quality of the paint available, the price is not a major issue for customers in making paint purchasing decisions.

The results showed that brand image had a significant effect on purchasing decisions. The most influential



dimension is the reputation or quality recognition by consumers of Decorshield wall paint. Although Decorshield products are new paint products, this product can easily enter the premium wall paint market. This is because PT. Propan Raya has a good corporate image as a quality paint manufacturer that has long been known. In addition, Decorshield products as the main sponsor in the television program about architects and interior design "The Project" in Trans TV also enhance the image of this product as a quality product.

Based on the results of the study, it was found that there was an effect of the variable decision to purchase Decorshield wall paint on consumer loyalty. These results indicate that consumers get satisfaction after buying the Decorshield wall paint. The satisfaction felt by consumers of wall paint shows that they get a product that is suitable or greater than their expectations, which in turn will lead to loyalty. The more often consumers get satisfaction, the more likely they will be loyal. Loyalty is a condition where a consumer has a positive attitude towards a product or brand, has a commitment to the brand and intends to continue its purchase in the future.

## Conclusion

As the final part of the research, the following is the conclusion of the study to answer the formulation of the problem, namely:

- 1. Price Perceptions of Decorshield paint products have a significant influence on purchasing decisions. Dimensions that are closely related are affordable perceptions, namely that customers are willing to pay for the benefits received on the products offered.
- 2. The quality of Decorshield paint products has no significant effect on purchasing decisions. This indicates that for customers, in general, exterior wall paint products in the market are of comparable quality so that product quality is not a factor that determines their purchasing decisions.
- 3. Decorshield paint brand image has a significant influence on purchasing decisions. The most influential dimension is the reputation or quality recognition by consumers of Decorshield wall paint supported by corporate image of PT. Propan Raya as a quality paint manufacturer.
- 4. Purchase decisions significant influence on customer loyalty. The results of this study indicate that increasingly makes customers feel satisfied, it will have an impact on their loyalty.

## **Suggestions**

# Suggestions for the Company

From the research results on factors that influence customer loyalty with purchasing decisions as a mediating variable, the researcher gives some suggestions that can be considered by the company in order to increase customer loyalty of Decorshield wall paint, including:

- 1. Decorshield products are perceived to have affordable prices, so companies need to set the right price strategy compared to competing products to increase sales.
- 2. Although product quality is not a factor that determines purchasing decisions, but with many competitors in the wall paint retail market, the company is expected to maintain product quality and innovate.
- 3. Decorshield brand image must be continuously improved by promoting so that product brand awareness is increasing. Have a positive influence on the satisfaction of marketing intermediaries, although not significant. This means the company must continue to maintain the quality of the Decorshield wall paint in order to be able to compete with other brands.

# **Suggestions for Further Research**

It is necessary to do further research with other variables that influence the purchase decision of wall paint. Furthermore, research can be done to confirm this model in a similar company whether it gives the same results or not.

## **Managerial Implications**

The results of this study are expected to provide practical implications for PT. Propan Raya to build customer loyalty through variable price perception, product quality and brand image in increasing the purchase decision of Decorshield wall paint products. Some practical implications can be described as follows:

- 1. Customer satisfaction can not only be improved only by increasing brand image, partially. In the eyes of consumers the lower or cheaper the price of the product, the customer satisfaction is increasing. Consumers or customers easily choose which suppliers can serve at low prices, with standard quality.
- 2. Customers of Decorshield wall paint products feel loyal, when they are satisfied with the quality of the product provided and in accordance with the image or reputation of the company. Decorshield wall paint customers must feel they have used the product, feel satisfied after using the product so that they automatically feel loyal. Consumers agree to convey to colleagues or are willing to use Decorshield wall paint for further painting.
- 3. Customers who feel satisfied using Decorshield wall paint at perceived prices are affordable and have a good brand image, making product quality not an important factor and still willing to use or buy Decorshield wall



paint products.

## **Bibliography**

Baloglu, Seyhmus. 2002. "Dimensions of Customer Loyalty Separating Friends from Well Wishers". Cornell Hotel and Restaurant Administration Quarterly, Cornell University.

Berita-bisnis.com. 2016. These are the names of the rulers of the paint business in Indonesia.

http://www.berita-bisnis.com/data-bisnis/759--inilah-nama-nama-penguasa-bisnis-cat-di-indonesia.html (Accessed on October 2, 2017s)

Ferdinand, Augusty. 2006. Management Research Methods: Research Guidelines for Thesis, Thesis and Dissertation in Management Science. Diponegoro University Publishing Agency. Semarang.

Ghozali, Imam. 2011. Multivariate Analysis Application with IBM SPSS Program 19. Diponegoro University Publishing Agency. Semarang.

Goetsch, David L., Stanley D. Davis. 2010. *Quality Management for Organization Excellent. Introduction to Total Quality*. Sixth Edition. Pearson International Edition.

Griffin, Jill. 2005. Customer Loyalty, How to Earn it How to Keep it. Loxington: Books An Imprint of The Free Press.

Kotler, Philip and Armstrong, Gary. 2009. Principles of Marketing. Prentice Hall. New Jersey.

Kotler, Philip and Keller, Kevin Lane. 2011. *Marketing Management*. 14<sup>th</sup> edition. Pearson Education, Inc. New Jersey.

MARS Indonesia. 2017. Studi Profil Pasar dan Konsumen Cat 2017.

Prasetyo, et.al. 2017. An Influence Analysis of Product Quality, Brand Image, and Price on The Decision To Buy Toshiba Laptop (A Study on Students of Economics Faculty of Semarang University). Economics & Business Solutions Journal Volume 1, Number 2. 11-18

Putra, Helman Syam. 2013. Analysis of Factors Affecting Consumer Behavior Towards the Decision to Buy Dulux Brand Wall Paints at the Berkat Prima Raya Shop in Sangatta.

Rauyruen, P. and Miller, K.E.2007., "Relationship quality as a predictor of B2B customer loyalty", *Journal of Business Research*, Vol. 60 No. 1, pp:21-31.

Rekarti, Endi. 2012. Knowledge of Brand Connections in Influencing Consumer Purchases. Entrepreneur Journal (Management and Business)

Schiffman, Leon., and Kanuk, Leslie. 2007. Consumer Behavior. 10th edition. Prentice Hall Intl. New York.

Shihab, Muchsin., and Astini, Rina. 2008. The Effect of CRM-Based Services on Customer Satisfaction and Customer Loyalty. Journal of Management and Business. Management Magiser Program. Mercubuana University.

Sudiarto, et.al. 2013. Effect of Products and Prices on Consumer Loyalty with Decision to Purchase Mediation Variables at PT. Pertani (Persero) Pekalongan branch. Scientific Journal of Economic and Business Dynamics. Vol. 1 No. 2 October

Sumarwan, Ujang et.al. 2011. Marketing and Consumer Research: A Guide to Research and Studies: Satisfaction, Purchasing Behavior, Lifestyle, Loyalty and Risk Perception, PT Publisher IPB Press, Bogor.

Taylor, Shirley F, Harvir S Bansal, dan P. Gregory Irving. 2004. "Three Component Model of Customer Commitment to Service Providers". *Journal of The Academy Marketing Science*.

TOP Brand Index wall paint category http://www.topbrand-award.com/top-brand-survey/survey-result/top\_brand\_index\_2017\_fase\_1 (Accessed on January 2, 2018)

Yamit, Zulian. (2005). Quality Management of Products and Services. First Edition, Fourth Edition, Ekonisia Publisher, Faculty of Economics, UII Yogyakarta

Yosep, Lim. 2013. Influence of Price and Promotion of Consumer Decisions in Purchasing Mowilex Brand Paint in Jakarta. MIX Journal, Volume III, No. 3, October. 373 - 383.