
Did Brand Perceived Quality, Image Product And Place Convenience Influence Customer Loyalty Through Unique Value Proposition?

Bakri¹, Ika Yulistiana², Roro VemmiKesuma Dewi³, Nurjaya⁴, Mahnun Mas'adi⁵,
Denok Sunarsi⁶, Iljasmadi⁷, Heri Erlangga⁸

¹Ministry of Religion, Tangerang Regency, Banten, Indonesia

^{2,3}STAI Al Aqidah Al Hasyimiyyah, Jakarta Timur, DKI Jakarta, Indonesia

⁴Universitas Suryakencana, Cianjur, Jawa Barat, Indonesia

^{5,6}Universitas Pamulang, Banten, Indonesia

⁷STIE El Hakim, Solok, Sumatra Barat, Indonesia

⁸Universitas Pasundan, Bandung, Jawa Barat, Indonesia

Email: ⁶denoksunarsi@unpam.ac.id

ABSTRACT

The purpose of this study was to examine and analyze the effect of brand perceived quality on unique value propositions, to test and analyze the effect of product brand image on unique value propositions, to test and analyze the effect of confidence of place on unique value propositions, to test and analyze the effect of unique value proposition to customer loyalty. This research is a quantitative research with descriptive statistics. The approach used is the survey method. In this study, the respondents were 243 consumers of SMEs products in Tangerang City. Data collection in this study was carried out by means of questionnaires and interviews. Based on the calculation, it can be concluded that brand perceived quality is positive and significant. affect unique value preparation, product brand image positively and significantly affect unique value preparation, confidence of place has a positive and significant effect on unique value preposition, value preposition has a positive and significant effect on customer loyalty.

Keywords: Brand Perceived Quality, Brand Image Product, Confidence of Place, Unique Value Preposition, Customer Loyalty

1. INTRODUCTION

Economic growth is the development of activities in the economy that causes goods and services produced in society to increase so that it will increase the welfare of the community (Sukirno, 1994). Economic growth is defined as an increase in GDP / GNP regardless of whether the increase is greater or less than the population growth rate, and whether there is a change in the economic structure or not. According to Schumpeter (Suryana, 2000), economic development is not a harmonious or gradual process, but is a change that is spontaneous and uninterrupted. Economic development is caused by changes, especially in the industrial and trade fields. According to Todaro (2000), development is a multi-provincial process that includes various fundamental changes to social structures, community attitudes, and national institutions, income inequality and poverty alleviation. Regional development is

expected to also have a positive impact on economic growth. Micro, Small and Medium Enterprises (MSMEs) are said to be the spearhead of economic development because MSMEs can absorb a large number of workers and play a role in the distribution of development results, besides that MSMEs have also been recognized as one of the most important players in the economy regardless of the size of the economy (Saleh and Nelson, 2006). MSMEs have an important role in workforce growth, innovation and trade in various countries (Bagchi-Sen, 1999). From a worldwide perspective, it has been recognized that Small and Medium Enterprises (MSMEs) play an important role in economic development, as they have become a major source of job creation and output growth, not only in developing countries, but also in developed countries.

(Tambunan, 2008). According to Levy, et al. (1999) there is no doubt that the performance of MSMEs is very important for economic development in developing countries. Over time, the role of Micro, Small and Medium Enterprises (MSMEs) is increasingly becoming more important in domestic economic development due to their impact on employment and Gross Domestic Product (GDP). According to Ayyagari, et al. (2003) in low-income countries, MSMEs are able to generate 31 percent of employment and 15% of GDP, in middle-income countries, MSMEs are able to contribute around 55% to employment and nearly 40% of GDP, but in high-income countries, making SMEs an important aspect. SMEs also contributed 65% in generating employment and had an impact of 50% on the GDP of high-income countries. Micro, Small and Medium Enterprises (SMEs) is one of the fields that makes a significant contribution to spurring Indonesia's economic growth. This is because the absorption of MSMEs to the workforce is very large and close to the small people. Indonesian worker statistics show that 99.5% of Indonesian workers work in the MSME sector (Kurniawan, 2008). The government is fully aware of this, so that MSMEs are included in one of the focuses of the development program launched by the Indonesian government. This statement is supported by data from the Ministry of Cooperatives and SMEs which are shown in Graph 1, which shows that from 2014-2018 the number of SME units and the SME workforce continued to increase.

Based on the 2016 Economic Census, there are three non-agricultural Micro, Small Business (SMEs) business fields whose businesses rank at the top of the national economy. The first is the wholesale and retail trade sector. SMEs players engaged in this sector reached 46.17 percent. The workforce absorbed in this sector reached 31.81 percent of the workforce. Business in the wholesale and retail trade sector is the sale of goods without the process of changing the form of the product being traded, except for sorting or repackaging. The second is the provision of accommodation and provision of food and drink. As much as 16.72 percent of SMEs are engaged in this sector with the workforce absorbed reaching 11.97 percent. The accommodation and food supply business includes restaurants, restaurants, cafes, caterers and the like. The third is the processing industry. This sector is occupied by 16.53 percent of MSME actors with a workforce absorbed reaching 22.75 percent. criteria for MSMEs with large businesses based on assets and turnover. Micro enterprises have assets of a maximum of IDR 50 million (excluding land and buildings for business premises) and a maximum turnover of IDR 300 million per year. Small businesses have assets of more than Rp. 50 million to Rp. 500 million (excluding land and buildings for business premises) and a maximum turnover of more than Rp. 300 million to Rp. 2.5 billion per year. Medium-sized businesses have assets of more than IDR 500 million to IDR 10 billion (excluding land and buildings for business premises) and a turnover of more than IDR 2.5 billion to IDR 50

billion per year. Large businesses have assets of more than IDR 10 billion (excluding land and buildings for business premises) and a turnover of more than IDR 50 billion per year.

The increase of SMEs every year is almost 100%. From ten years ago 2009 to 2016 more than 59,000,000 units. Imagine why the president of the Republic of Indonesia said that SMEs could sustain our country's economy, even when the global crisis did not affect it. As the vanguard of SMEs has a role in Indonesia and even ASEAN. The labor absorption is quite large. Therefore, cooperation for the development and resilience of SMEs needs to be prioritized. In 2015, credit increased by 60% -70% according to Bank Indonesia data, Bank Indonesia has issued a regulation requiring banks to allocate credit / financing to MSMEs starting in 2015 at 5%, 2016 by 10%, 2017 by 15%, and at the end In 2018, 20%. In this era of globalization, everyone must compete to run SMEs and seize existing business opportunities. For that, a good business financial arrangement is needed to support its sustainability. This research is expected to provide constructive contributions in the field of knowledge, especially in the field of marketing economics. In this case, it is hoped that through this research, literature review related to research on SMEs can increase. Mainly related to brand perceived quality, product brand image, convenience of place and how this affects the loyalty of SMEs consumers by considering the unique value proposition.

1. To test and analyze the effect of perceived quality brand on unique value propositions.
2. To test and analyze the effect of product brand image on unique value propositions.
3. To test and analyze the effect of confidence of place on unique value propositions
4. To test and analyze the effect of unique value proposition on customer loyalty.

2. LITERATURE REVIEW

2.1 Small and Medium Enterprises.

Small business is a productive economic business that stands alone, which is carried out by an individual or a business entity that is open as a subsidiary or not a subsidiary owned, controlled or part of, either directly or indirectly, of a medium or large business that meets the criteria. small business as referred to in the Law. Meanwhile, a micro business is an independent productive economic business carried out by an individual or a business entity that is not a subsidiary or branch of a company that is owned, controlled, or is part of, either directly or indirectly, of a micro business, small business or large business which fulfills criteria for micro enterprises. The criteria for SMES means that a business entity can be called an SMES if it has certain characteristics or characters. Here are the criteria 1. Micro Enterprises, the criteria that enter the first SMES are micro enterprises. That is a business or company that has a net business asset of approximately 50 million per month. Usually for this type of business, assets in the form of buildings and companies that are the place of business are not included in the calculation. In addition, micro businesses have certain characteristics. As if they have never carried out a systematic financial administration, it is difficult to get assistance from banks, the goods sold are always changing and the form of business is relatively small. Meanwhile, examples of MSMEs that fall under the criteria for micro-businesses are grocery stalls, chicken breeders, catfish breeders, barbers, rice stalls and similar businesses. 2. Small Business, Small business is also a criterion for an MSME business entity. In which this small business is a business that is managed by a person but is not classified as a business entity. The wealth of a business that is classified as a small business is usually below 300 million per year. This is a perfectly calculated net worth. Small businesses also have certain characteristics. Namely, they do not have a bookkeeping system,

find it difficult to increase the scale of the business, non-export-import businesses and still have limited capital. When viewed from this perspective, of course small businesses have a higher business progress than micro businesses. For example, such as small industries, cooperatives, minimarkets, convenience stores, and others. 3. Medium Business, a business entity can be called a medium business if the net profit or assets of the company reach 500 million per month. However, similar to other business criteria, assets such as land and buildings as business premises in this type are also not included in the calculation. Medium-sized businesses usually have the characteristics of more modern business management and carry out a financial administration system even with a very limited model. In addition, workers in the company with the criteria for medium-sized enterprises usually have received health and employment insurance. As for the company itself, at least it must have a NPWP, neighbor's license and other legality. Examples of medium-sized enterprises are plantation businesses, import-export trade, shipping shipping and the like. These three criteria are actually the characteristics or characters of MSMEs. This is also in accordance with the abbreviation, namely Micro, Small and Medium Enterprises.

2.2 Brand Perceived Quality

Perceived quality is defined as a user's assessment of the superiority or superiority of a product (Aaker and Jacobson, Che Anniza et al, 2011: 778) which is based on subjective perceptions. Perceived quality is an attitude resulting from a comparison of user expectations with actual performance (Parasuraman et al, 1985). perceived quality is a consumer's overall assessment of a particular product. The product referred to here can be in the form of goods or service products. It is abstract or intangible. And usually this calculation is done by someone who is an expert in the field of the product. The basis used in this calculation is the customer response which will later be processed into a data source that will be used to improve product quality and subsequent marketing strategies. Perceptions of quality can be applied to types of goods or services. However, there are several different dimensions that are used for the identification process of these two types of products. For a more detailed explanation, the following is a review of each dimension for goods and service products. There are several dimensions used for the process of identifying consumer quality perceptions of products in the form of goods, among others, the first dimension, performance. This performance dimension includes how effectively these manufactured goods carry out their functions according to consumer needs. If the item in question is in the form of food, how effective is it at satisfying consumer needs. The second dimension is the features or complementary items provided with the item. This dimension will assess whether the features or features provided for the item in question are appropriate and support the main function of the item. The third dimension is the reliability or durability of an item at different times. This dimension focuses on assessing the performance of goods that are operated at different periods of time each time the item is activated or used. The fourth dimension is durability. By identifying these dimensions, you will get an assessment of how long and how strong this item is to be operated under certain conditions, loads, and duration of use. The fifth is the final result dimension. In this dimension, an assessment will be obtained whether consumers can feel that this item is considered a quality item or is even considered an item that is not different from other brands. Meanwhile, for products in the form of services, the dimensions of perceived quality used are as follows: support tools. This dimension will assess whether the tools used for services are appropriate or not. Second, the dimension of reliability. This will provide identification of whether the service provides the same quality service at different times. The third is competence. This dimension will provide an assessment of whether the service actors have the capabilities that are needed for these services

2.3 Brand Image of Product

A brand image is a representation of the overall perception of a brand and is formed from information and past experiences with that brand. The image of the brand is related to attitudes in the form of beliefs and preferences for a brand. Consumers who have a positive image of a brand are more likely to make purchases. Brand image can be considered as a type of association that appears in the minds of consumers when remembering a particular brand.

According to Freddy Rangkuti (2009: 90), a brand image is a brand perception that is associated with a brand association that is inherent in the memory of consumers. Some of the marketing tools that can be used to create a brand image are the product itself, packaging / label, brand name, logo, colors used, point of purchase promotion, retailers, advertising and all other types of promotion, price, brand owner, country of origin, even target market and product users. There are 3 components to form a Brand Image, namely: 1. Image Maker (corporate image), namely: a set of associations that consumers perceive the company that makes a product and service. 2. Image User (user image), namely: a set of associations that consumers perceive users who use goods or services, including the user himself, lifestyle or personality and social status. 3. Product image, namely: a set of associations that consumers perceive a product, which includes the product attributes, benefits for consumers, its use, and guarantees. The brand image that has been formed by the company and has become a consumer's perception, will provide benefits to both the company and consumers. There are also benefits as follows: Companies can develop other product lines by utilizing the positive image that has been formed towards their old products. Consumers with a positive image towards a particular brand are more likely to make purchases until they are repeated repurchases. The brand can be positioned with a positive image. various ways, for example by placing a specific position in the mind of the customer. Helping positioning is placing all aspects of the brand value (including functional benefits) consistently, so that it is always number one in the minds of customers. The more precisely the brand is positioned in the minds of customers, the more competitive the brand will be. To manage this we need to know the brand value. Brand values shape brand personality. Brand personality changes faster than brand positioning. Because brand personality reflects the fluctuation of changes in consumer tastes, the final stage of communicating the right brand value and positioning to consumers must be supported by the right concept. Concept development is a creative process, because it is different from positioning, the concept can continuously change according to the product life cycle. A good concept is to be able to communicate all the elements of brand value and proper positioning, so that the brand image can be continuously improved

2.4 Customer Perceive Quality

According to Aaker in Durianto (2001: 3) Perceptions of quality are consumers' perceptions of the overall quality or superiority of a product or service that is the same as the intended purpose. According to Susanto (2004: 129) perceived quality can be defined as customer perceptions of the overall quality or superiority of a product or service with respect to the intended purpose. Loyalty has been identified with repeat purchases, then providing this from another and starting to look more extensive. Glinkskienė, Kvedaraitė and Kvedaras (2010) Gudynaitė argue that marketing loyalty theory has long been seen as a repetition of the purchase of a particular brand, product or service which is described as a constant repetitive action by buyers. Customer loyalty or customer loyalty in enjoying the products and services used, loyal customers will be loyal to the brand and the products and services used. Customer loyalty will have an impact on increasing company profits. In general, Customer Loyalty is a form of consumer loyalty to use a product or service continuously, because it has high

satisfaction with the products or services used, will tend to arise a sense of recommending these products or services to other people, so that they can feel what kind of satisfaction they feel when using the products or services used. While the definition according to experts, loyal customers are people who make purchases regularly, buy between product lines or the same services, referencing others, and demonstrating immunity to the pull of competitors. So, Loyalty is not about the percentage of customers who previously bought, but about repeat purchases. Loyaitas is about the percentage of people who have bought in a certain time frame and made repeat purchases since their first purchase. Griffin (2003: 31)

There are 8 stages of customer loyalty according to Griffin (2005: 35), namely Suspect: People who might buy your product or service Prospects: People who need your product or service and have the ability to buy Disqualification Prospects: Prospects that you have learned enough to know that they don't need or have the ability to buy your product. First-time customers: people who have bought from you once. That person can be your customer as well as your competitor's customer.

Repeat Customers: People who have bought from you twice or more. Client: This person buys regularly. You have a strong and ongoing relationship, which makes them immune to the pull of competitors. Advocate: Like a Client, the Supporter buys whatever you sell and can use and buy regularly. However, proponents also encourage others to buy from you. It talks to you, does marketing for you, and brings customers to you. Missing customer or client: A person who was a customer or client but hasn't bought back from you in at least one normal buyer cycle.

2.5 Unique Value Proposition

Unique Selling Proposition (USP) or also known as Unique Selling Point is a differentiating factor in a product / service that is not owned by competitors / competitors, products or businesses. Generally, this USP is the determinant that will make the product / service more special to the prospect / customer. A simple example, street lighting that uses electricity is no longer special. To create a USP, companies must create hybrid lamps that can store solar energy and make conventional electric power an alternative if there is not enough solar energy to light the lamps. This hybrid system is the USP for the product being offered. This kind of ability is of course a special value for customers.

In business and marketing, UVP (unique value proportion) is a statement or slogan that clearly tells the direction of a company's potential customers how they will benefit from the offerings a company provides, how the company's products or services will meet their needs and solve problems. them, and what makes that company's offering different from other competitors. Unique value proposition is a form of brand message that helps companies make their customers stick with the company brand. In simple terms, a Unique Value Proposition (UVP) or also known as a Unique Selling Proposition (USP) can be interpreted as the uniqueness that you offer and offer, of course, to bring in customers. This uniqueness is what you believe will bring many people to choose your product and then become your customers. In order to win the competition it is very important for you to determine what your UVPs are that the competitors do not have. Products can be the same, but uniqueness will make a difference. It could be that one makes the price part of the UVP, while the other makes the quality the UVP, and another makes the service a UVP.

2.6 Convenience of Place

The importance of convenience as a determinant of consumer acceptance of products and services can be observed in the wider variety of convenience features that are applied to new

products and in the form of comfort level survey forms that appear in marketing systems. In the digital era of industry 4.0, the convenience of a place for buying and selling transactions is no longer just the convenience of an offline place but online application-based or can be called e-service convenience (Ling et al, 2011).

3. Method

This research is a quantitative research with descriptive statistics. The approach used is the survey method, namely research that takes a sample from a population and uses a questionnaire as a data collection tool. The nature of the research with explanatory research. Sugiyono (2008) states that explanatory research is a study that aims to explain the position of the variable under study and the relationship between one variable and another. In this study, the population is consumers who buy SME products in the city of Tangerang as many as 243 people, the sample is defined as part of the overall population selected, so that it can present or represent the population as a whole. The basic idea of sampling (sampling) is that by selecting part of the population elements, conclusions about the entire population can be obtained (Cooper et al, 2005). In this research, the required data are primary data and secondary data. Data collection in this study was carried out by means of questionnaires and interviews. Measurement techniques The variables used in the measurement consisted of 5 points (Davis, et.al, 1993). The respondent's answer interval will be adjusted to the questions to be asked, for example: alternative answers used in this study are as follows: 1. Strongly agree score = 5; 2. Agree score = 4; 3. Disagree with score = 3; 4. Disagree score = 2; 5. Strongly disagree with score = 1

Validity and reliability testing was carried out on 243 respondents from the sample tested. Distribution (Table r) for $\alpha = 0.05$ and degrees of freedom ($dk = n-2$). Decision method: if $r_{count} > r_{table}$ means valid and vice versa if $r_{count} < r_{table}$ means invalid. If the Corrected Item Total Correlation value for each question is greater than 0.30 then the question items are considered valid. Reliability test was conducted to obtain the level of accuracy (reliability) of the data collection tools (instruments) used. The number of item variants is sought first by finding the variant value for each item. Testing is done by trying out the instrument just once, then the data obtained is analyzed with a certain technique, in this case the technique used is the Cronbach Alpha (α) technique. A variable is said to be reliable if it gives a Cronbach Alpha value > 0.60 . (Ghozali, 2005).

Research variables can be measured if the researcher can operationalize the variables into a concept. Operational definition attaches meaning to a construct or variable by defining the activities or actions necessary to measure the variable (Kerlinger, 2006). The research variables consisted of independent variables and dependent variables, independent variables. Descriptive analysis is used to help researchers describe the characteristics of the variables studied or summarize the results of research observations that have been carried out without making generalized conclusions (generalizations from research results) from the data obtained from the population or study sample. Descriptive statistics are related to recording, compiling, and summarizing activities by describing or describing data from observations of events or phenomena in a quantitative manner. The data analysis technique used in this research is the SEM (Structural Equation Model) analysis technique. SEM is a dependent multivariate statistical family, SEM allows direct analysis between several dependent and independent variables (Hair et al., 1995) Component-based or variance-based SEM is an alternative covariance with a component-based approach with PLS for prediction. Latent

variable is defined as the number of indicators. PLS can simultaneously analyze the constructs formed by reflective and formative indicators.

The research hypothesis is structured as follows:

1. Hypothesis 1: There is an effect of brand perceived quality on unique value propositions.
2. Hypothesis 2: There is an effect of product brand image on unique value propositions.
3. Hypothesis 3: There is an effect of confidence of place on unique value propositions
4. Hypothesis 4: There is an effect of unique value proposition on customer loyalty.

Table 1.
Information descriptive of the respondents

Criteria		Total
Age	< 30 years	50
	30 - 40 years	113
	> 40 years	80
Working Experience	< 5 years	77
	5-10 years	118
	> 10 years	48
Gender	Male	118
	Female	125

3. RESULT AND DISCUSSION

Convergent validity, discriminant validity, and composite reliability testing are the measurement models used in the testing phase. To test the research hypothesis if all the indicators in the PLS model have met the requirements of convergent validity, discriminant validity and reliability testing can use the results of the PLS analysis. To see the loading factor value of each indicator, do a convergent validity test. For most references, latent constructs are considered to have sufficiently strong validation explained through a factor weighting of 0.5 or more (Chin, 1998; Hair et al, 2010; Ghazali, 2014). AVE requirements for each construct > 0.5 are accepted as the minimum loading factor size in this study (Ghozali, 2014). All indicators have a loading factor value above 0.5 so that the model meets the convergent validity requirements, which is based on the estimation results of the PLS model in the picture above. Convergent validity is assessed from the AVE value in each construct, besides that it is also seen from the value of the loading factor on each indicator. AVE value for each construct of this research is above 0.5. So the convergent validity of this research model meets the requirements. In table 2 below can see the loading value, Cronbach's alpha, composite reliability, and AVE of each construct:

Table2.
Items, Loadings, Cronbach’s Alpha, Composite Reliability, and Average Variance Extracted (AVE)

Variables	Items	Loadings	Cronbach’s Alpha	Composite Reliability	AVE
<i>Brand Perceived Quality</i>	X11	0.664	0.864	0.912	0.642
	X12	0.744			
	X13	0.664			
<i>Brand Image Product</i>	X21	0.877	0.964	0.942	0.842
	X22	0.864			
	X23	0.946			
<i>Confidence of Place</i>	X31	0.964	0.946	0.942	0.753
	X32	0.935			
	X33	0.924			
<i>Unique Value Proposition</i>	Y11	0.924	0.964	0.942	0.853
	Y12	0.824			
	Y13	0.824			
<i>Customer Loyalty</i>	Y21	0.846	0.924	0.942	0.853
	Y22	0.964			
	Y23	0.964			

a. *Discriminant Validity Test*

To ensure that each concept of each latent variable is different from other latent variables do discriminant validity. If the AVE squared value of each exogenous construct (diagonal value) exceeds the correlation between construct and another construct (values below the diagonal) it can be interpreted that the model has good discriminant validity (Ghozali, 2014). AVE squared value is used as a result of the discriminant validity test by looking at the Fornell-Larcker Criterion Value obtained as follows:

Table3.
Discriminant Validity

Variables	X1	X2	X3	Y1	Y2
X1	0.786				
X2	0.735	0.928			
X3	0.722	0.824	0.974		
Y1	0.723	0.821	0.813	0.898	
Y2	0.764	0.864	0.832	0.863	0.964

The results of the discriminant validity test in table 3 above can conclude that the model meets the discriminant validity show by all constructs that have AVE square root values above the correlation value with other latent constructs (through the Fornell-Larcker criteria).

b. Construct Reliability Test

The value of Cronbach's alpha and composite reliability of each construct can assess construct reliability. The recommended composite reliability and Cronbach's alpha values are more than 0.7. (Ghozali, 2014). All constructs have composite reliability and Cronbach's alpha value greater than 0.7 (> 0.7) is indicated by the reliability test results in table 2 above. In conclusion, the required reliability have been met all constructs.

c. Hypothesis Test

The t-statistic test in the partial least squared (PLS) analysis model using the help of SmartPLS 3.0 software perform using the direct effect test. The table below obtain the bootstrapping technique, R Square values, and significance test values:

Table4.
R Square Value

	R Square	R Square Adjusted
Y1	0.871	0.713
Y2	0.764	0.765

Table5.
Hypothesis Test

Hypothesis	Relationship	Beta	SE	T Statistics	P-Values	Decision
H1	X1 ->Y1	0.143	0.087	2.665	0.001	Supported
H2	X2->Y1	0.443	0.085	4.342	0.000	Supported
H3	X3 ->Y1	0.176	0.085	2.242	0.001	Supported
H4	Y1->Y2	0.186	0.093	2.342	0.001	Supported

According to Table 4 above, the R Square Unique Value Propositionvalue of 0.871 which means that the Unique Value Propositioncan be explained by Brand Perceived Quality,Brand Image Product, Confidence of Place variable by 87.1%, while other variables explain the remaining 12.9% (not discussed in this research). While Table 5 displays the effect between the research variables that have been mentioned are showed the T Statistics and P-Values .

4. DISCUSSION

The effect of brand perceived quality on unique value prepositions.

Based on statistical calculations using PLS in Table 5 above, it can be concluded that the perceived quality brand variable positively and significantly affects the unique value preposition. This is evidenced by the t-statistics value of 2.665 which is greater than 1.96 and the p-value of 0.001 is smaller than 0.05. That is, the hypothesis is accepted. These findings are in line with and in accordance with the results of previous studies (Asbari, 2020;

Purwanto et al., 2020; Wijayanti, et al., 2020) which state that unique value propositions have a positive and significant effect on unique value propositions.

The influence of the product image brand on unique value propositions.

Based on statistical calculations using PLS in Table 5 above, it can be concluded that the variable brand image product positively and significantly affects the unique value preparation. This is evidenced by the t-statistics value of 4.324 which is greater than 1.96 and the p-value of 0.001 is smaller than 0.05. That is, the hypothesis is accepted. These findings are in line with and in accordance with the results of previous studies (Asbari, 2020; Purwanto et al., 2020; Wijayanti, et al., 2020) which state that product brand image has a positive and significant effect on unique value propositions.

The effect of confidence of place on unique value propositions

Based on statistical calculations using PLS in Table 5 above, it can be concluded that the confidence of place variable positively and significantly affects the unique value proposition. This is evidenced by the t-statistics value of 2.242 which is greater than 1.96 and the p-value of 0.001 is smaller than 0.05. That is, the hypothesis is accepted. These findings are in line with and in accordance with the results of previous studies (Asbari, 2020; Purwanto et al., 2020; Wijayanti, et al., 2020) which state that confidence of place has a positive and significant effect on unique value propositions.

The effect of unique value proposition on customer loyalty.

Based on the statistical calculations using PLS in Table 5 above, it can be concluded that the variable value preparation positively and significantly affects customer loyalty. This is evidenced by the t-statistics value of 2.342 which is greater than 1.96 and the p-value of 0.001 which is smaller than 0.05. That is, the hypothesis is accepted. These findings are in line with and in accordance with the results of previous studies (Asbari, 2020; Purwanto et al., 2020; Wijayanti, et al., 2020) which state that value proposition has a positive and significant effect on customer loyalty.

This research is relevant to the results of research conducted by Agung Nugraha (2014) which shows that brand awareness, brand association, perceived quality, brand loyalty have a significant influence on purchasing decisions. The results of this study are in line with previous research conducted by Guntur MahendroSaputro (2015). Brand Awareness, Brand Association, Perceived Quality, and Brand Loyalty have a positive effect on purchase intention. The results of this study are in line with Adi Waskito's (2008) research that the Brand Association has a significant effect on purchasing decisions. Brand loyalty has an important role in making purchase decisions. Aaker (2013) defines brand loyalty as a measure of customer relationship to a brand. This measure is able to provide an overview of the likelihood of a customer switching to another product, especially when the brand is undergoing changes, both regarding price or other attributes. In line with that Rangkuti (2009: 60) states that brand loyalty is a measure of consumer loyalty to a brand. Brand loyalty affects consumer purchasing decisions because based on the results of research conducted by Yang (2009), Shukla (2009), and Amir et al (2016) which states that brand loyalty affects purchase decisions. Perceived quality is a relative concept that has situational, comparative, and individual attributes.

Perceptions of quality will be influenced by factors such as previous experience, level of education, and perceived risk and situational variables such as purchase objectives,

purchasing situation, time pressure, and social background of consumers (Holbrook & Corfman, 1985). Perceived quality affects consumer purchasing decisions because it is based on the results of research conducted by Yang (2009) and Najib et al (2016) which state that perceived quality affects purchase decisions. Kotler and Keller (2012) define brand image as perceptions and beliefs held by consumers, as reflected in the associations embedded in customers' memories, which are always remembered for the first time when they hear the slogan and are embedded in the minds of consumers. Brand Image affects consumer purchasing decisions because it is based on research conducted by Foster (2016) and Wulandari (2011), which states that brand image affects purchasing decisions. According to Durianto, (2004: 54) "brand awareness shows the ability of consumers (or prospective buyers) to recognize or recognize that a brand is a part of a certain product category". According to Kotler and Keller (2012: 263) Brand is a term, sign, symbol, design or combination that is intended to identify products or services from sellers who distinguish these products / services from other products, especially competitive products. Brand is the most important part of a product. A brand is similar to a name which is often interpreted as a slogan, it is the difference between a product and another.

According to Durianto, (2004: 54) "brand awareness (brand awareness), shows the ability of consumers to recall or recognize a brand is a part of a certain product category". Rangkuti (2004: 243) says that "brand awareness is the ability of a customer to remember a particular brand or particular advertisement spontaneously or after being stimulated by key words". Brand awareness is a general goal of marketing communication, with high brand awareness it is expected that whenever a category need arises, the brand will be brought back from memory which is then used as a consideration for various alternatives in decision making. Brand awareness shows consumer knowledge of the existence of a brand. Brand awareness is very influential on consumer purchasing decisions. Aaker (2013) Brand loyalty is a measure related to a customer towards a brand. This measure is able to provide an explanation of the possibility of customers switching to other products, especially when the brand makes changes to its products, either in terms of price or other attributes. Aaker (2013) Perceived quality is the customer's perception of the overall quality or superiority of a product and service for services related to what customers expect. Because perceived quality symbolizes customer perceptions. Customer perceptions can involve very important for customers because they have different interests in a product / service. Perceptions of quality will be influenced by factors such as previous experience, level of education, and perceived risk and situational variables such as purchase objectives, purchasing situation, time pressure, and social background of consumers (Holbrook & Corfman, 1985). In short, perceived quality is a consumer's subjective assessment of the quality of a product, and it will evaluate the quality of the product from their previous experiences and feelings. A brand image is a picture that is in the minds of consumers consisting of information gathered about a particular product. This information can be empirical, it can come from friends, advertisements, packaging and so on.

The relationship of a brand will be stronger if it is based on experience and enough information. The image formed from the association (perception) is the basis for making buying decisions and even brand loyalty from consumers. Brand image includes knowledge and belief in brand attributes (cognitive aspects), the impact of using the brand and the appropriate use situation, as well as evaluations, feelings and emotions perceived by the brand (Peter and Olson, 2013). Kotler and Keller (2012) define "Brand image is a belief held by consumers, as reflected in the associations embedded in customers' memories, which are always remembered for the first time when they hear the slogan and are embedded in the

minds of consumers". Kotler & Armstrong (2016: 177) Purchasing decisions are one part of consumer behavior, namely the study of how individuals, groups and organizations choose, buy, use goods, services, ideas or experiences to satisfy their needs and desires. In entering the previous purchasing decision stage, consumers are faced with several choices so that at this stage the consumer will take action to decide to buy a product based on the chosen choice. Purchasing decisions cannot be separated from consumer behavior so that consumers will have different habits every time they make a purchase. Kotler & Armstrong (2016: 188)

5. CONCLUSION

Based on the calculation, it can be concluded that brand perceived quality positively and significantly affects unique value preparation, product brand image positively and significantly influences unique value preparation, confidence of place has a positive and significant effect on unique value preposition, value preposition has a positive and significant effect on customer loyalty.

6. REFERENCES

- [1] Aurier, P. and Séré de Lanauze, G. (2012), "Impacts of perceived brand relationship orientation on attitudinal loyalty: An application to strong brands in the packaged goods sector", *European Journal of Marketing*, Vol. 46 No. 11/12, pp. 1602-1627. <https://doi.org/10.1108/03090561211260004>
- [2] Bibby, D.N. (2009), "Brand image, equity, and sports sponsorship", Woodside, A.G., Megehee, C.M. and Ogle, A. (Ed.) *Perspectives on Cross-Cultural, Ethnographic, Brand Image, Storytelling, Unconscious Needs, and Hospitality Guest Research (Advances in Culture, Tourism and Hospitality Research, Vol. 3)*, Emerald Group Publishing Limited, Bingley, pp. 21-99. [https://doi.org/10.1108/S1871-3173\(2009\)0000003006](https://doi.org/10.1108/S1871-3173(2009)0000003006)
- [3] Cretu, A.E. and Brodie, R.J. (2009), "Chapter 7 Brand image, corporate reputation, and customer value", Glynn, M.S. and Woodside, A.G. (Ed.) *Business-To-Business Brand Management: Theory, Research and Executivecase Study Exercises (Advances in Business Marketing and Purchasing, Vol. 15)*, Emerald Group Publishing Limited, Bingley, pp. 263-387. [https://doi.org/10.1108/S1069-0964\(2009\)0000015011](https://doi.org/10.1108/S1069-0964(2009)0000015011)
- [4] DelVecchio, D. and Puligadda, S. (2012), "The effects of lower prices on perceptions of brand quality: a choice task perspective", *Journal of Product & Brand Management*, Vol. 21 No. 6, pp. 465-474. <https://doi.org/10.1108/10610421211264946>
- [5] Duffy, D.L. (2003), "Internal and external factors which affect customer loyalty", *Journal of Consumer Marketing*, Vol. 20 No. 5, pp. 480-485. <https://doi.org/10.1108/07363760310489715>
- [6] Hapsari, Pradnya Paramita & Abdul Hakim, Saleh Soeaidy. (2014). "PengaruhPertumbuhan Usaha Kecil Menengah (UKM) terhadapPertumbuhanEkonomi Daerah (Studi di Pemerintah Kota Batu)", *JurnalAdministrasiPublik*, Vol. 17, No. 2
- [7] Han, J.-W. and Kwon, H.H. (2009), "The mediating effect of perceived quality between extrinsic cues and perceived value in ski products", *International Journal of Sports Marketing and Sponsorship*, Vol. 10 No. 4, pp. 18-32. <https://doi.org/10.1108/IJSMS-10-04-2009-B003>

- [8] Jeong, E. and Jang, S.(S). (2017), "Heuristic evaluation of healthy menus: examining the effect of brand image congruity", *International Journal of Contemporary Hospitality Management*, Vol. 29 No. 10, pp. 2514-2534. <https://doi.org/10.1108/IJCHM-11-2015-0633>
- [9] Jraisat, L.E., Akroush, M.N., Alfaouri, R.J., Qatu, L.T. and Kurdieh, D.J. (2015), "Perceived brand salience and destination brand loyalty from international tourists' perspectives: the case of Dead Sea destination, Jordan", *International Journal of Culture, Tourism and Hospitality Research*, Vol. 9 No. 3, pp. 292-315. <https://doi.org/10.1108/IJCTHR-01-2015-0001>
- [10] Li, Y., Teng, W., Liao, T.-T. and Lin, T.M.Y. (2020), "Exploration of patriotic brand image: its antecedents and impacts on purchase intentions", *Asia Pacific Journal of Marketing and Logistics*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/APJML-11-2019-0660>
- [11] Müge Arslan, F. and Korkut Altuna, O. (2010), "The effect of brand extensions on product brand image", *Journal of Product & Brand Management*, Vol. 19 No. 3, pp. 170-180. <https://doi.org/10.1108/10610421011046157>
- [12] Nath Sanyal, S. and Datta, S.K. (2011), "The effect of perceived quality on brand equity: an empirical study on generic drugs", *Asia Pacific Journal of Marketing and Logistics*, Vol. 23 No. 5, pp. 604-625. <https://doi.org/10.1108/13555851111183057>
- [13] Pyun, D.Y., Kwon, H.H. and Lee, C.-W. (2011), "The influences of perceived brand quality and ethnocentrism on consumption patterns of a global sports brand: the case of Korean college students", *International Journal of Sports Marketing and Sponsorship*, Vol. 13 No. 1, pp. 18-32. <https://doi.org/10.1108/IJSMS-13-01-2011-B003>
- [14] Rowley, J. (2005), "The four Cs of customer loyalty", *Marketing Intelligence & Planning*, Vol. 23 No. 6, pp. 574-581. <https://doi.org/10.1108/02634500510624138>
- [15] Southworth, S.(. and Kim, M. (2015), "Perceived Quality of Asian Brands by U.S. Consumers: Case of Cosmetic Brand Using Age as a Moderator", *International Marketing in the Fast Changing World (Advances in International Marketing, Vol. 26)*, Emerald Group Publishing Limited, pp. 235-253. <https://doi.org/10.1108/S1474-797920150000026011>
- [16] Sasmita, J. and Mohd Suki, N. (2015), "Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image", *International Journal of Retail & Distribution Management*, Vol. 43 No. 3, pp. 276-292. <https://doi.org/10.1108/IJRDM-02-2014-0024>
- [17] Story, J. and Sue Loroz, P. (2005), "Technological congruence and perceived quality of brand extensions", *Journal of Product & Brand Management*, Vol. 14 No. 7, pp. 438-447. <https://doi.org/10.1108/10610420510633387>
- [18] Vera, J. (2015), "Perceived brand quality as a way to superior customer perceived value crossing by moderating effects", *Journal of Product & Brand Management*, Vol. 24 No. 2, pp. 147-156. <https://doi.org/10.1108/JPBM-04-2014-0551>
- [19] Woo, H. (2019), "The expanded halo model of brand image, country image and product image in the context of three Asian countries", *Asia Pacific Journal of Marketing and Logistics*, Vol. 31 No. 4, pp. 773-790. <https://doi.org/10.1108/APJML-05-2018-0173>