Student Loyalty In Buying Cell Phone To Support Online Learning In The Time Of Covid-19

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Abstract: - The aim of this study was to comprehensively examine the consumer loyalty model involving product quality, price, promotion, and distribution variables. The objects of this research were the students affected by the Covid-19 pandemic located in Semarang City, Central Java. The main results of this study found that the product quality variable had the greatest influence compared to the other independent variables. This finding is very surprising considering that several previous studies conducted during the Covid-19 pandemic placed the price variable as the variable that greatly influenced the level of loyalty. However, in this study, the respondents agreed that the product quality element had a greater influence than the price variable. The results of this study validate that superior product quality will be able to influence student loyalty in buying cell phones in the Covid-19 era. For this reason, it is recommended for cell phone manufacturers to be able to produce cell phones with good quality. The way is to always display superior features and easy to operate, and the other way is to always offer products that follow the latest technological developments. This research also suggests to marketers to always communicate with consumers by informing the advantages of the product, including the ability of cell phones to provide the availability of Bluetooth, internet, social media, and other features that can support the teaching and learning process in an interesting way.

Key-Words: - Loyalty, Product Quality, Price, Promotion, Distribution.

1 Introduction

Students are one of the parties who are very interested in the use of mobile phones during the implementation of education that is affected by the Covid-19 outbreak. During the Covid-19 outbreak, students are forced to study from home online by using one of the learning support tools in the form of cellphone as a means to communicate. Likewise, students in the Central Java Province of Indonesia are affected by the teaching and learning process caused by Covid-19. According to the data from the Indonesian Central Statistics Agency, the number of students in the province of Central Java, Indonesia reached 552,621 students in 2019 and with the number of universities reaching 272, which is a significant number as a mobile phone sales market [1].

According to the Top Brand Index, which is one of the Brand rating agencies in Indonesia, there are five mobile phone brands which are the main choices, namely Samsung, Oppo, Xiomi, and Vivo. In 2019, the Samsung brand had a brand score of 45.8%, followed by the Oppo brand at 16.6%, Xiami at 14.5% and Vivo at 7.9% [2]. Meanwhile, in 2020, Samsung's ranking score rose to 46.5% but then decreased in 2021 to 37.1%. In other hand, the Oppo brand experienced an increase in 2020 to 17.7% and then increased again in 2021 to 19.3%. For the Xiaomi brand, there was a decrease in 2020 to 10.1% but increased in 2021 to 12.4%. A surprising thing happened in 2021 in which the position of the Vivo brand cellphone increased to 7.9%. The Vivo brand did not enter the rankings because it was replaced by the IPhone brand with a score of 11% [2]. This data

shows that there was very tight competition in the mobile phone industry even though the number of student markets was quite large.

According to [3], a large market must be accompanied by good service so that customers do not easily switch to other manufacturers. Companies must be able to provide the best service in order to be able to retain customers [4]. Only the best companies will be able to retain loyal customers [5][6]. The research of [7] found that the level of customer loyalty is determined by company's ability to offer attractive products, and this is also supported by the opinion of [3] and [8] who found that product and price factors are able to increase the number of purchases. In addition, [9] found in their research that the companies that carry out promotions continuously to their customers will be able to increase the number of loyal customers. The research of [10] found that improving on-time service and providing a flexible place will attract consumers to buy products. Although the data described above shows that the mobile phone market for students is quite large, it is followed by many competitors who offer similar products so that the competition is very tight. Based on this, this research was conducted to test the right loyalty model in cell phone purchases.

The aim of the study was to examine the model of student loyalty in an integrated manner using the predictors in the form of product quality, price, promotion, and distribution. The results of this study are intended as input for cell phone companies in preparing their marketing programs, especially in order to increase the number of loyal customers. In addition, it was aimed at marketers so that they are able to improve customer loyalty programs, especially for the student segment.

2 Theoretical Background

2.1 Customer Loyalty
Consumer loyalty indicates a long-standing relationship between the customer and the companyc[3]. They decide to voluntarily buy certain company products for a long time, to be willing to use certain products, and to make repeat purchases regularly in the long term. According to [11], consumers prefer to have long-term relationships in purchasing certain products because they get the expected certainty. Companies benefit from loyal customers for the long term [5] [6]. The benefit obtained by a company from loyal customers is the certainty of purchasing for the long term. Companies with a sufficient number of loyal customers will tend to exist for future developments.

According to the research of [8], consumer loyalty is influenced by price. This is also in accordance with the studies of [4] and [7] which state that loyalty may occur because of the elements of price and product quality. The other studies conducted by [9] found that loyalty can be formed from the element of promotional power. Then, the studies by [11] and [12] found that consumer loyalty is formed from the elements of distribution and ease of obtaining goods.

2.2 Product Quality
Product quality is related to the company's ability to provide satisfaction to customers who buy their products [13]. The company will always offer quality products with the product characteristics having features that are in accordance with the wishes of consumers. Consumers will always select the products they buy based on the consideration of the product features that are able to satisfy their expectations [7] [13]. Consumers have very high expectations for the goods they buy that these goods may provide benefits according to the money they spend. The quality of the product is not only reflected in its durability, efficiency, but it is also reflected in the level of ease of consumption [14].

Various studies linking product quality with the element of consumer loyalty had been carried out by many researchers, including those conducted by [7] who found that quality products and the ones accepted by consumers are able to have a positive impact on consumer loyalty in the future. The research was conducted by taking Smartphone objects located in India using a sample of MBA program students. The other researchers such as [3] also found a positive relationship between product quality and consumer loyalty.

H1 : Product quality has a positive and significant relationship with consumer loyalty buying cell phone.

2.3 Price

Price is a certain value paid by consumers. Consumers make exchanges by paying a certain amount of money to get the desired item [8]. Prices are generally agreed in advance between buyer and seller. Consumers really expect that the price they pay is in accordance with the benefits they get [15]. If the price paid by the consumer is in accordance with the expected benefits and even exceeds expectations, the consumer feels that the transaction he has made is very satisfied because the price is appropriate [5]. Consumers are very happy if the price they pay turns out to be lower than similar prices sold by other producers [16]. Consumers actually want the price as a payment that has the maximum benefit for them.

According to the research of [8], they found that prices that are well received by consumers in transactions will have a positive impact on consumer loyalty going forward. The study involved 304 respondents in Turkey. Then, the research by [4] underlined that price is a very decisive element in shaping consumer loyalty.

H2 : Price has a positive and significant relationship with consumer loyalty in buying cell phone.

2.4 Promotion

Promotion is a seller's effort to potential buyers that communicates product advantages [17] [5]. Communication is carried out in order to influence the decision of prospective buyers in buying products [18]. Companies continuously conduct promotions by informing potential customers. The information provided by a company aims to make consumers willing to accept and then buy the product. Promotional activities can be in the form of disseminating information, persuading, influencing, and trying to remind consumers of the product existence [19]. Promotion is very important in marketing programs, even being the spearhead in realizing product sales goals. A quality product will not be known by consumers if not communicated properly [17] [20].

Various studies linking promotion with consumer loyalty had been carried out by taking various objects. A research by [11] found that promotion has a positive impact on loyalty. In addition, [5] also underline that the relationship in a positive direction occurs between promotion and loyalty variables.

Likewise, the research by [9] confirms that there is a relationship in a positive direction between promotions and customer loyalty.

H3: promotion has a positive and significant relationship with consumer loyalty to cell phone.

2.5 Distribution

Distribution is related to the flow of goods from producers to the acceptance by end users [6] [12]. Distribution is done by coordinating various channels so that goods can be consumed on time and in the right quantity [21][22]. Manufacturers need a well-organized organization so that goods can be delivered properly to their consumers. Distribution has the nature of being easy to reach and efficient in terms of cost so that it does not burden consumers. Distribution that tends to provide convenience to consumers in getting the product will be one of the elements in the purchase assessment. Manufacturers will try to distribute their products in various ways so that distribution reaches all consumers easily. The series of marketing carried out by a company will be reflected in the alertness in distributing goods.

The research conducted by [12] found that even distribution activities have an impact on consumer loyalty. Likewise, the research by [23] also found that a good distribution will affect consumer loyalty in a positive direction.

H4: Distribution has a positive and significant relationship with consumer loyalty to cell phone.

3 Results and Discussion

3.1 Description of Respondents

Questionnaires were distributed to the respondents consisting of the students affected by Covid-19 who lived in Semarang city, Central Java and had purchased cell phones, owned and used them for at least one year. The respondents used cell phone as a means of supporting the learning process during the Covid-19 pandemic. The number of respondents who were given a questionnaire was 120 students, but 100 out of 120 questionnaires were returned and declared complete and can be used. From the characteristics of the respondents, 58 percent of them were male and 42 percent were female. A total of 74 percent were undergraduate students and 26 percent were postgraduate students. There were 61 percent of the

respondents aged 20 to 25 years, and there were 22 percent aged 26 to 30 years. There were 17 percent aged between 31 and 35. Based on the opinions of the parents of respondents, 31 percent had income below USD. 1.000,- per month and the rest of 69 percent had income above USD.1.000,-.

3.2 Research Method

The questionnaires distributed to the respondents were divided into five question items consisting of price, product quality, promotion, distribution, and level of loyalty. Before the questionnaires were distributed, a trial had been conducted by sending it to a limited number of respondents. The respondents in this study had the following criteria; the students affected by Covid-19 who lived in Semarang city, Central Java, Indonesia, aged at least 18 years old, at least 1 year of owning and using a cellphone. The cell phones were used by the students in order to support the teaching and learning process during the Covid 19 pandemic. The tool used for data processing was the SPSS program.

3.3 Statistical Test Results

Based on the validity test, it was concluded that the questionnaires used in this study had fulfilled and were declared valid. The data shows that the r table of 0.165 is compared with the calculated r value with the largest value of 0.636 and the smallest value of 0.393, so it can be concluded that it has met the valid criteria; r count must be greater than the value of r table. This study has also met the criteria for reliability in terms of reliability testing. The data shows that Cronbach Alpha with the highest range value of 0.777 and the lowest of 0.701 has met the requirements above 0.60. Then, it can be concluded that all items on the questionnaires can be used properly as a measuring tool.

The results of the multicollinearity test show the smallest number of 0.184 and the largest one of 0.261. This indicates that there is no multicollinearity between the variables because it has met the tolerance reference requirements above 0.10. The regression results in this study are in accordance with Table 1 below (with a significance level of 0.05).

Table 1: Multiple Regression

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1(Constan)	,152	,662		,230	819
Product Quality	,312	,091	,324	3,328	,001
Price	,224	,102	,196	2,128	,034
Promotion	,228	,104	,220	2,180	,031
Distribution	,299	,108	,226	2,674	,009

Dependent Variable: Customer Loyalty

The coefficient of determination shows the value of Adjusted R Square of 0.818. This indicates that the effects of product quality, price, promotion, and distribution are able to explain the level of consumer loyalty in this study amounting to 71.5%, while the remaining 28.5% is explained by other variables not discussed in this study.

4 Discussion

The aim of the study was to test the consumer loyalty model by using the independent variables in the forms of product quality, price, promotion, and distribution by taking the students affected by Covid-19 as cell phone owners in Semarang City, Central Java, Indonesia. The respondents were the students who used cell phones as a means to support online learning during the Covid 19 pandemic. The results of this study found that all independent variables (product quality, price, promotion, and distribution) were able to significantly affect the dependent variable (customer loyalty). Even the product quality variable is able to affect the level of consumer loyalty with a significance level of 0.001. Surprisingly, it was found that the product quality variable had the greatest effect compared to the other independent variables. This automatically proves that several previous studies which found that the price variable

is the most important in determining consumer loyalty in buying goods is automatically refused [8]. It turned out that during the Covid-19 pandemic, the students still saw that product quality was the most important element in determining the level of loyalty in buying cell phones [3]. Based on the results of descriptive analysis, the data was obtained that consumers felt that during the Covid-19 period they needed complete cell phone features. This is understandable considering that during the Covid-19 outbreak, students were not free to move out of the house, so they relied on communication with cellphones that had complete features. The complete feature criteria according to the respondents are the most important benchmark in assessing the quality of mobile phone products. Meanwhile, the second indicator that is considered very important by the respondents in this study was the ability of cell phones to present new technology meaning that the students considered that quality mobile phones are the ones with the capacity to provide the latest technological facilities, for example; key lock technology with fingerprint, touch screen, voice command and the like. The results of this study are in line with those conducted by [7] which validated the presence of positive relationship between product quality and consumer loyalty.

Although price has an effect on the product quality variable, it turns out that the price variable is able to be a good predictor for the consumer loyalty variable. This is evidenced by the value of the effect of 0.196 with a significance level of 0.034. The results of this study prove that the more competitive the price of mobile phones, the higher the loyalty of the students to buying the products. This research is also in line with the research conducted by [4]. However, from this research, there was an interesting fact that the students considered the most important thing in determining the price level during the Covid-19 outbreak is the quality of goods. The students saw that every value of money used to buy a cellphone must be balanced with the appropriate quality of the product. The students demanded that the expenditure of money made to obtain goods must be accompanied by the level of quality of the goods purchased. The respondents are only willing to pay for goods that they consider to have quality. This is understandable because during the Covid-19 outbreak all resources

were limited so they had to be careful in spending money. In addition, this study found that the after-sales price indicator became the second most important thing in assessing prices. This means that the students had a tendency to be loyal to cell phones with high after-sales price criteria.

This study found that the promotion variable is able to influence consumer loyalty in a positive direction of 0.220 with a significance level of 0.031. This shows that promotions that are performed well will be able to affect the level of loyalty of students in purchasing cellphones during the Covid-19 outbreak. The more promotions are carried out continuously with a good choice of advertising media will be able to affect the level of consumer loyalty, and this is in line with the results of the research by [5]. However, there were different things in this study in which the respondents assessed the element of choice of advertising media as an important part of promotion. The choice of promotional media through online media was the most favored by students during the Covid-19 period. The online media such as the promotions on YouTube, Facebook, and Google, became the choice of students in looking for purchase references. The students felt that looking for references online will make it easier to get information. The level of ease of obtaining this information can affect the level of consumer loyalty in purchasing cell phones during the Covid-19 period.

The results of the other studies found that the distribution variable is able to be a good predictor in determining consumer loyalty to mobile phone purchases. The results of this study found that the distribution variable was able to influence the loyalty variable of 0.226 with a significance level of 0.009. Consumer loyalty will increase if the distribution is carried out properly by mobile phone sellers. This is in line with the research of [10] that the better the distribution channel, the more positive the influence on consumer loyalty. The results of the descriptive analysis found that the element of ease of obtaining goods was an important factor. This means that the students assumed the level of ease of getting goods on time and in the right quantity as the most important part in the distribution variable. For this reason, it is recommended for sellers to provide stock of goods that are easily accessible by students.

Various facilities such as providing outlets supported by online sales will have a positive impact, especially for the students affected by Covid-19.

5. Conclusions and Recommendations

This study examined the relationship between the independent variables consisting of product quality, price, promotion, and distribution variables on consumer loyalty variable. The objects of this research were the students whose teaching-learning process was affected by Covid-19. Surprisingly, the product quality variable was able to be the variable with the greatest influence compared to the other independent variables. This research is different from previous studies because it turns out that the product quality variable is able to be a dominant predictor compared to the price variable. Previous studies has discussed a lot of price competition which tends to be the main consideration for consumers in buying goods in the Covid-19 era. This is possible because of the downward trend in income so that it has an impact on purchasing power. However, this particular study did not apply because it was found that the students became loyal because they considered that the best quality cell phones would be able to have a positive impact on the recovery process in the Covid-19 condition. The results of this study also strengthen the argument that product quality can be a good predictor of customer loyalty. The results of this study also validate that during the Covid-19 period the level of loyalty will remain guaranteed if the quality of the goods offered is well maintained. The second variable that has the greatest influence was the distribution variable, followed by promotion and price as the last one. The results of this study also suggest to marketers to be able to maintain product quality by always displaying complete features with the latest technology because students will be loyal to the cell phones that can help them overcome online learning problems during the Covid-19 period.

6. Limitations of the Research

This study had limitations, such as; the respondents used were limited to students. Therefore, it is recommended that for further research it is possible to include respondents from other professions. In addition, the variables used in this study were still limited to one dependent variable and four independent variables, so further research should include other variables so that the scope of the research results is wider.

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