

## **Brand Image Linkage, Product Diversity and Store Atmosphere to Customer Loyalty in Fashion Shops in Bali**

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Loyalty is created based on the experience of consumers buying and consuming products, the factors that influence the emergence of customer loyalty so that they can carry out the right strategy for the survival of the company. brand image, product variety, and store atmosphere. The purpose of this study was to analyze the effect of brand image, product variety, and store atmosphere on customer loyalty. The population of this study are consumers who come to shop at least 2 times. The sampling technique is purposive sampling, this method uses the census method with a total of 102 fashion shop owners. Samples in this study were 102 respondents, with multiple linear regression analysis. Results of this study brand image has a significant positive effect on customer loyalty, product variety has a significant positive effect on customer loyalty, store atmosphere has a significant positive effect on customer loyalty in fashion stores in Bali.

*Keywords: Brand image, Product diversity, Store atmosphere and Customer loyalty.*

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## INTRODUCTION

The retail business is growing rapidly in Indonesia, especially in Bali. Modern retail prioritizes comfort, safety, cleanliness, location, product quality, completeness, and variety. This concept has had a major influence on the growth and development of the Indonesian retail industry, especially in Bali. Each company determines the best strategy to win the competition. Companies can win the competition by taking advantage of opportunities and implementing appropriate marketing strategies to dominate the market. Customers are assets that determine a company's success in achieving its goals. To maintain business performance, many retailers try to provide satisfaction to retain their customers (Woen & Santoso, 2021). However, currently satisfying customers is not enough because customer satisfaction (Customer Satisfaction) does not always guarantee that customers will be loyal (Pawarti et al., 2022). According to Muriza (2021), "product diversity is the number of choice items in each product category. Stores with a wide variety of products can be said to have good depth. According to Kotler & Keller (2021), "product diversity is a collection of all products and goods offered by certain sellers to buyers."

Several study results in "Effect of Quality, Price, and Product Diversity on Customer Loyalty" state that product variety has a positive effect on customer loyalty (Rohmawati, 2018), Rachman et al., 2017 states "that the store atmosphere has a positive effect on customer loyalty. According to Griffin (2016) in Almira (2021) "customer loyalty is a manifestation of the behavior of decision-making units to make continuous purchases of the goods/services of a selected company." According to Kotler & Keller (2016), "loyalty or fidelity is defined as a deeply held commitment to buy or subscribe to certain products or services again in the future."

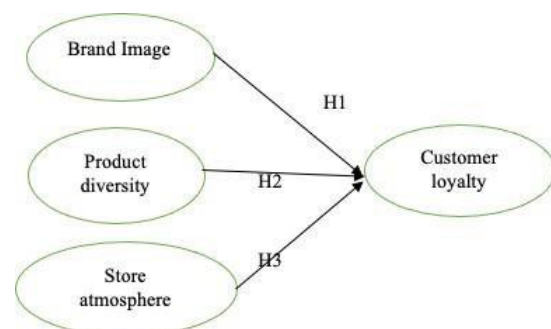
According to Sirgy (2015), self-congruity is part of the suitability of self-image with the image of a product or brand. This occurs as an interaction between product or store image and self-image. The image of conformity affects consumer behavior directly and indirectly through the functional aspects of products and brands, including fashion (Sirgy, 2015). self-congruity is the difference in value between brand personality and consumer self-image to determine the incompatibility between self-image and brand personality (Kressmann et al., 2006). Self-image is used to show the compatibility between two

variables from the suitability of self-image with product image, brand image, or store image (Sirgy, 2015); some of the results of studies such as Narotama (2019) state that image and service have a significant effect on customer loyalty, while product variety does not have a significant effect on customer loyalty. Andjarwati & Chusniartiningsih (2018) state that brand image and awareness positively and significantly affect customer loyalty.. Nurhasanah et al., 2020 states that product diversity greatly influences consumer decisions. Setiawan et al., 2021 states that the store atmosphere positively and significantly affects customer loyalty. Tara (2018) states that the store atmosphere positively affects customer loyalty. This research has increased customer loyalty to fashion stores based on these phenomena and research gaps.

## RESEARCH METHODOLOGY

This research is clarified with a research model so that it knows the determining variables of fashion stores in increasing customer loyalty. Based on this framework, it can be seen in more detail regarding the influence of brand image, product variety, and store atmosphere on customer loyalty so that a conceptual framework can be made schematically in this study shown in Figure 1.1 below:

Figure 1.1 Research Concept  
The Influence of Brand Image, Product Diversity  
and Store Atmosphere  
Against Customer Loyalty



Source: researcher 2023

The hypothesis of this study

H1: Brand image has a significant positive effect on customer loyalty.

H2: Product diversity has a significant positive effect on customer loyalty

H3: Store Atmosphere Has a Significant Positive Effect on Customer Loyalty

This research was conducted in Bali, where the object of research was the effect of brand image,

product variety and store atmosphere on customer loyalty. This research method includes quantitative methods. The population in this study are consumers who have come to shop at the Kuta Fashion Store at least 2 times. It is part of the number and characteristics possessed by the population (Sugiyono, 2016, p. 149). The sampling technique used in this study was purposive sampling. According to Sugiyono (2014: 122), purposive sampling is a sampling technique for data sources with certain consideration criteria; namely, data sources are considered to know best about what is expected, making it easier for researchers to explore objects or social situations that are being researched Ghozali (2016). This method uses a non-probabilistic sampling method with a total sample of 102 respondents. The analysis technique in this study is a multiple linear regression model. This study's multiple linear regression model was used to determine the effect of brand image, product variety and store atmosphere on customer loyalty. Test Instruments in this study consisted of: The validity test was carried out by testing 30 respondents to the completed questionnaire, and the instrument can be said to be valid if it meets the requirements of the correlation coefficient  $\geq 0.30$ , as shown in Table 1.1 below.

Table 1.1 Validity test

Variable	Indicator	Person Correlation	Conclusion
Brand image (X1)	Reputation	<b>0.648</b>	<b>Valid</b>
	Credibility	<b>0.520</b>	<b>Valid</b>
	Attitude	<b>0.601</b>	<b>Valid</b>
	Attractiveness	<b>0.850</b>	<b>Valid</b>
	Wide.	<b>0.767</b>	<b>Valid</b>
	Depth	<b>0.746</b>	<b>Valid</b>
Product Diversity	Breadth	<b>0.651</b>	<b>Valid</b>

Store Atmosphere (X3)	Product mix consistency	<b>0.619</b>	<b>Valid</b>
	Eksterior Desain eksternal	<b>0.776</b>	<b>Valid</b>
	Atmosphere/Ambience	<b>0.834</b>	<b>Valid</b>
	Store Planning.	<b>0.740</b>	<b>Valid</b>
Customer Loyalty (Y)	Repeat purchase	<b>0.715</b>	<b>Valid</b>
	Brand consuming habits.	<b>0.759</b>	<b>Valid</b>
	Great passion for the brand.	<b>0.698</b>	<b>Valid</b>
	Brand standing.	<b>0.728</b>	<b>Valid</b>
	The belief that a particular brand	<b>0.559</b>	<b>Valid</b>

The reliability test is a tool for measuring questionnaires, indicators of variables or constructs. The reliability test is shown in Table 1.2 below

Table 1.2  
Reliability Test Results

Variable	Mark Cronbach's Alpha	Conclusion
<b>Brand Image</b>	0.646	<b>Reliable</b>
<b>Product Diversity</b>	0.640	<b>Reliable</b>
<b>Shop Atmosphere</b>	0.664	<b>Reliable</b>
<b>Customer loyalty</b>	<b>0.726</b>	<b>Reliable</b>

The characteristics of respondents based on gender are dominated by women, with as many as 68 respondents. The characteristics of the age level are dominated by 21-30 year olds, with as many as 44 respondents. Characteristics of education level is dominated by bachelor with a total of 54 respondents.

Table 1.3  
Brand Image Variable Respondents Responses

No	Variable	Statement	Frequency of Respondents' Answers					Amount	Average	Criteria
1	Brand Image (X1)	Reputation	1	2	3	4	5			
			0	2	20	65	15	399	3.91	<b>Good</b>
		Credibility	0	0	21	75	6	393	3.85	<b>Good</b>
		Attitude	0	1	20	70	11	397	3.89	<b>Good</b>
		Attractiveness	0	0	23	66	13	398	3.90	<b>Good</b>

The overall average of Brand Image variables

3.89 Good

Based on the results of the respondent's assessment of the product diversity indicator (X2), which had an average score of 3.97, the indicator with the largest value of breadth is that consumers recognize that the products sold at Fashion Stores in Bali have various types and enter into good intervals, as shown in Table 1.4.

Table 1.4  
Respondents' Responses to Product Diversity

No	Variable	Statement	Frequency of Respondents' Answers					Amount	Average	Criteria
			1	2	3	4	5			
		Wide.	0	1	21	61	19	404	3.96	Good
2	Product Diversity (X2)	Depth	0	6	23	50	23	396	3.88	Good
		Breadth	0	1	10	75	16	412	4.04	Good
		Product mix consistency	0	1	20	61	20	406	3.98	Good
The overall average of Product Diversity variables									3.97	Good

Store atmosphere describes the respondents' assessment of the store atmosphere variable (X3), as shown in Table 1.5 below.

Table 1.5  
Respondent Response Store atmosphere

No	Variable	Statement	Frequency of Respondents' Answers					Amount	Average	criteria
			1	2	3	4	5			
		<i>Eksterior Desain eksternal</i>	0	6	24	55	17	389	3.81	Good
3	Store Atmosphere (X3)	<i>Atmosphere/Ambience</i>	0	5	22	61	14	390	3.82	Good
		Store Planning	0	3	32	56	11	381	3.74	Good
The overall average of the Store Atmosphere variable									3.79	Good

Customer loyalty in this study is shown in Table 1.6 below

Table 1.6. Response Respondents Customer Loyalty

No	Variable	Statement	Frequency of Respondents' Answers					Amount	Average	Criteria
			1	2	3	4	5			
		Repeat purchase	0	0	17	66	19	410	4.02	Good
		Brand consuming habits.	0	0	23	63	16	401	3.93	Good
4	Customer Loyalty (Y)	Great liking for	0	0	21	62	19	406	3.98	Good
		Brand.	0	3	19	60	20	403	3.95	Good
		Brand standing.	0	6	23	52	21	394	3.86	Good
		The belief that a certain brand is a best brand	0	1	8	80	13	411	4.03	Good
The overall average of the Customer Loyalty variable									3.96	Good

## RESULTS AND DISCUSSION

Multiple Linear Regression Test Results  
Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.754	.391	1.926	.057		
	Brand Image	.287	.092	.259	.002	0.851	<b>1.174</b>
	Product Diversity	.397	.076	.430	.000	0.875	<b>1.142</b>
	Store Atmosphere	.137	.061	.185	.027	0.872	<b>1.147</b>

### a. Dependent Variable: Customer Loyalty

Multiple linear regression analysis was used to test the effect of brand image, product variety, and store atmosphere on customer loyalty.

Multiple Linear Regression Equation:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = 0.754 + 0.287 X_1 + 0.397 X_2 + 0.137 X_3 + e$$

Effect of brand image (X1) on customer loyalty (Y)  
The results of multiple linear regression tests showed that the X1 beta value was 0.287 with a significance value of  $0.002 < 0.05$ . This shows that the brand image variable (X1) positively affects the customer loyalty variable (Y) at the Bali Fashion shop. This is supported by the results of research conducted by Andjarwati & Chusniartiningsih (2018), which state that brand image and brand awareness positively and significantly affect customer loyalty Eny (2020); Febrian et al. (2022); Haque et al. (2018).

The effect of product diversity on customer loyalty. The results of multiple linear regression tests showed that the X2 beta value was 0.397 with a significance value of  $0.000 < 0.05$ . This shows that the product diversity variable (X2) positively affects the customer loyalty variable (Y) at the Kuta Bali Fashion shop. This is supported by the results of research conducted by Nurhasanah et al., 2020 which state that product variety positively and significantly affects customer loyalty Izzudin et al. (2019); Krisjayanti & Hermani (2018); Lestari (2016); Maghfira (2016).

Effect of store atmosphere (X3) on customer loyalty (Y) Based on the results of multiple linear regression tests, it was found that the X3 beta value was 0.137 with a significance value of  $0.027 < 0.05$ . This shows that the store atmosphere variable (X3) positively affects the customer loyalty variable (Y)

at Fashion Shops in Bali. This is supported by the research conducted by Tara (2018), which state that the store's atmosphere positively and significantly affects customer loyalty ; Permana & Wahyu (2017); Ramadhoni (2021); Ramdani

et al. (2022); Rangkuti (2011); Thiodorus (2022)

## CONCLUSION

Brand image has a significant positive effect on customer loyalty at the Bali Fashion Store. The better the brand image in Fashion Shops in Bali, the higher the customer loyalty  
Product diversity has a significant positive effect on customer loyalty. The more variety of products available at Fashion Shops in Bali and the more variety of products being sold, the more consumers will come to shop and be loyal to Fashion Shops in Bali.

Store atmosphere has a significant positive effect on customer loyalty. The nicer, neater and more comfortable shop atmosphere at Fashion Bali will make customers happy and loyal to the Bali Fashion Shop.

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Factors that affect customer loyalty must be carried out and maintained so that a business can increase sales value and develop markets by meeting customer expectations. Loyalty consists of brand image linkage, product diversity and store atmosphere.

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