The Impact of Product Quality, Promotion and Brand Image on Brand Loyalty and Impulse Buying Consumer Oriflame in Jember

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ABSTRACT: *Company of Oriflame specially consultant representing tip of lance at marketing, so require to apply theory of brand loyalty and impulse buying to improve the amount of sale. Therefore, require to check how influence of quality of product, brand image and promotion to brand loyalty and impulse buying at product consumer of Oriflame. This research conducted at 61 respondend product consumer of Oriflame in Jember and variable is the quality of product, promotion, Brand Image, brand loyalty and impulse buying . Data Research analysed by Partial Least Square (PLS).The result of this research is the statement that quality of product don't have an effect to brand loyalty, promotion have an effect to brand loyalty, brand image have an effect to brand loyalty, brand loyalty don't have an effect impulse buying, quality of product don't have an effect to impulse buying, promotion have an effect to impulse buying impulse and brand image have an effect to impulse buying. While most having an effect on variable to brand loyalty is brand image and most having an effect to impulse buying is promotion.*

Keywords: *the quality of product, promotion, brand image, brand loyalty and impulse buying*

I.   INTRODUCTION

Oriflame is a direct selling company or company with a direct sales system that depends on distributors who play an active role to market products from ordering through the website to distribution to customers. Oriflame companies, especially the consultants who are the spearhead of marketing need to apply the theory of brand loyalty and impulse buying in order to increase the number of sales. Kotler [12] states that loyalty is a repurchase made by a customer because of a commitment to a brand or company. There are several factors affecting brand loyalty, namely product quality, promotion and brand image. According to research Khraim[11] and Nurullaili et al. [13] product and promotional quality have a positive and significant effect on brand loyalty, so if the higher product quality and promotion, the higher the loyalty in the brand. But Prinoya et al. [14] denied the study by generating a statement that product quality had no significant effect on brand loyalty. The results of Khraim's research [11], Greve[5] and Bastian [1] explained that brand image has a positive and significant impact on brand loyalty. The study was denied by the Jalees et al. [8] entitled "An Empirical Investigation on The Effects of Brand Loyalty" shows that brand image has no positive effect on brand loyalty.

Brand loyalty to Oriflame products will make consumers want to know about other products in the Oriflame catalog that may also be good for them so that it triggers to make unplanned purchases or impulse buying. So in addition to brand loyalty, researchers are also researching about impulse buying consumers.Impulse buying or unplanned buying by Engel et al. [3] is an act of purchase made without a pre-planned purchase or decision made at the time in the store. Then according to Rook in Engel et al. [3] suggests that impulse-based purchases occur when the consumer experiences a sudden urge, which is usually strong and settles to buy something immediately. The impulse to buy is hedonically complex and may stimulate emotional conflict and lack attention to the consequences of the purchase.

In the study of Wiguna et al. [18] proves that product quality has a significant positive effect on impulse buying. Razak et al. [15] refuted the study by generating a statement that product quality negatively affects Impulse Buying. The relationship between brand loyalty and impulse buying has a significant positive effect examined by Seinauskiene et al. [17]. Research on this relationship is very rare, so researchers have only one reference journal. Because there has not been much research that has not researched this relationship, researchers are interested to examine the relationship. Based on the reseach gap found on the relationship of product quality to brand loyalty, brand image to brand loyalty and product quality to impulse buying above, hence writer interested to reexamine relationship in this research.

The influence of promotion on brand loyalty and impulse buying will also be examined by the authors because the previous research mostly examines consumers in stores and online consumers. In this study, the author will examine the consumers of Oriflame products in Jember after viewing the catalog and receive an explanation about the products of the consultant Oriflame. The objectives of this research are: (a) To know and analyze the influence of product quality, promotion and brand image to brand loyalty and impulse buying on consumer of Oriflame product in Jember, (b) To know and analyze the most influential variables on impulse buying and brand loyalty on consumers of Oriflame products in Jember.

II. METHODOLOGY

This research includes exploratory research or confirmatory research, also called hypothesis testing research, which explains the influence of variables or causal relationships between variables through hypothesis testing [4]. Population in this research is all consumer of Oriflame ever do order at consultant in Jember. The sampling technique used in this research is purposive sampling. Characteristics of respondents of this study are:
(a) Age 18 and above,
(b) order back but do not plan to buy the desired product before (impulse buying). and researchers spread questionnaires to 61 respondents through the Google Form application.
The measurement indicators of the variables are described in Table 1.

Table 1 Indicators of Variables

Variabel	Indicators of Variables	
ProductQuality (X_1)	a.	Feature *(X_{11})*
	b.	Endurance (X_{13})
	c.	Ease of Service (X_{14})
	d.	Aesthetics*(X_{15})*
Promotion (X_2)	a.	Advertising (X_{21})
	b.	Personal Sales (X_{22})
	c.	Sales promotion (X_{23})
	d.	Public relations (X_{24})
Brand Image (X_3)	a.	Attribute (X_{31})
	b.	Benefits (X_{32})
	c.	Brand Attitude (X_{33})
Brand Loyalty (Y_1)	a.	Satisfied with the cost of transition (Y_{11})
	b.	Like brand (Y_{12})
	c.	Consumers who commit (Y_{13})
Impulse Buying (Y_2)	a.	Spontaneity (Y_{21}
	b.	Strength, Compulsion and intensity (Y_{22})
	c.	Excitement and Stimulation (Y_{23})
	d.	Indifference to the consequences (Y_{24})

The method chosen to analyze the data is with Partial Least Square (PLS) and the software used is Smart PLS. The reason for using this PLS is because in this research will be evaluated outer model (outer model evaluation), inner model evaluation (inner model evalution), path analysis, mediation test / indirect influence and multigrup comparison [6]. PLS uses bootstrapping or randomly multiplied, so the assumption of normality will not be a problem. In addition to the normality of data, with the bootstrapping of the PLS does not require a minimum number of samples so that studies that have small samples can still use PLS [6].

Hypothesis testing based on previous research, namely:
2.1. Product quality to brand loyalty
The results of Khraim[11] and Nurullaili et al. [13] explained that product quality variables have positive and significant impact on loyalty. While the results of research Prinoya et al. [14] argue that the quality of the product has no significant positive effect on loyalty.
H_1 : product quality affects brand loyalty to Oriflame product consumers in Jember.
2.2. promotion of brand loyalty
The results of research Khraim[11] explained that the promotion has a significant positive effect on brand loyalty. So is the research of Nurullaili et al. [13] support that promotion has a significant positive effect on brand loyalty. Prinoya et al. [14] also supports the statement.
H_2: promotion affects brand loyalty to consumers of Oriflame products in Jember.
2.3. Brand image to brand Loyalty
Bastian research results [1] explained that brand image variables have a positive and significant impact on brand loyalty. as well as research by Greve[5] resulted in the statement that brand image has a significant positive effect on brand loyalty. While the results of research Jalees et al. [8] has denied Bastian's [1] and Greve[5]research, that the brand image has no significant positive effect on brand loyalty.

H_3: brand image has an effect on brand loyalty to consumer of Oriflame product in Jember.

2.4. Brand loyalty to impulse buying

The results of Seinauskiene et al. [17] explained that brand loyalty variable has a significant positive effect on Impulse Buying.

H_4: brand loyalty affects impulse buying on consumers of Oriflame products in Jember.

2.5. Product Quality to Impulse Buying

Research conducted by Wiguna et al. [18] produced a statement that product quality had a significant positive effect on Impulse Buying. While research Razak et al. [15] has denied research by Wiguna et al. [18] that the product quality has a significant negative effect to Impulse Buying.

H_5: product quality affects impulse buying on consumers of Oriflame products in Jember.

2.6. Promotion to Impulse Buying

The results of Razak et al. [15], Kharis[10], Karbasivar et al. [9] and Candra et al. [2] explains that promotion has a significant positive effect on Impulse Buying.

H_6: promotion affects impulse buying on consumers of Oriflame products in Jember.

2.7. Brand Image to Impulse Buying

The results of Wulansari et al. [19] explained that the brand image has a significant effect on Impulse Buying. so does Husnain et al. [7] who support that brand image has a significant positive effect on impulse buying.

H_7: Brand image affects impulse buying on consumers of Oriflame products in Jember.

III.   RESULTS AND DISCUSSION

3.1. Path Analysis Test Results (Path Analysis)

Path Analysis (Path Analysis) shows the influence and significance between latent variables in the study. Path analysis results seen from the magnitude of the coefficient of structural path (Path Coeficients) and t test set at significance of 0.05 with t table 1.96. The results of path coeficients can be seen in Table 2.

Table 2 Path Coeficients

	Original Sample (O)	Sample Mean (M)	Standart Deviation	t Statistics	P Values
Brand Image -> impulse buying	0.495	0.479	0.203	2.437	0.008
Brand Image->Brand Loyalty	0.625	0.615	0.136	4.598	0.000
Product Quality -> Impulse buying	0.146	0.148	0.165	0.883	0.189
Product Quality->Brand Loyalty	0.003	0.005	0.130	0.025	0.490
Brand Loyalty-> Impulse buying	-0,295	-0,263	0.207	1.430	0.077
Promotion -> Impulse Buying	0.535	0.536	0.139	3.842	0.000
Promotion ->Brand Loyalty	0.349	0.355	0.101	3.442	0.000

a. The path coefficient of Oriflame Brand Image for respondents in Jember (X3) to impulse buying (Y2) has parameter value of 0.495. This shows the positive influence brand image of Oriflamefor respondents in Jember towards impulse buying of 0.495. While the value of t-statistic> t-table or 2.437> 1.96 which means brand image Oriflame for respondents in Jember affects impulse buying, so the seventh hypothesis (H7) accepted.

b. The path coefficient of Oriflame brand image for respondents in Jember (X3) on brand loyalty (Y1) has parameter value of 0.625. This shows the positive influence brand image of Oriflame for respondents in Jember towards brand loyalty of 0.625. While the value of t-statistics> t table or 4.598> 1.96 which means brand image Oriflame for respondents in Jember affect the brand loyalty, so Third Hypothesis (H3) accepted.

c. The Path coefficient of Oriflame product quality for respondents in Jember (X1) to impulse buying (Y2) has parameter value of 0.146. This shows the positive effect of Oriflame product quality for respondents in Jember towards impulse buying of 0.146. While the value of t-statistics <t table or 0.883 <1.96 which means product quality for respondents in Jember no effect on impulse buying so Fifth Hypothesis (H5) rejected.

d. The path coefficient product quality of Oriflame for respondents in Jember (X1) to brand loyalty (Y1) has parameter value of 0.003. this shows the positive effect of Oriflame product quality for respondents in Jember towards brand loyalty of 0.003. While the value of t-statistics <t table or 0.025 <1.96, means that

the quality of Oriflame products for respondents in jember does not affect the brand loyalty so First Hypothesis (H1) is rejected.

e. The path coefficient brand loyalty of Oriflame for respondents in Jember (Y1) to impulse buying (Y2) has parameter of -0.295. This shows the negative influence of Oriflame brand loyalty for respondents in Jember to impulse buying of -0.295. While the value of t-statistics <t table or 1.430 <1.96, meaning that Oriflame brand loyalty for respondents in Jember no effect on impulse buying so Fourth Hypothesis (H4) rejected.

f. The path coefficient promotion of Oriflame for respondents in Jember (X2) to impulse buying (Y2) has a parameter value of 0.535. This shows the positive influence of Oriflame promotion for respondents in Jember towards impulse buying of 0.535. While the value of t-statistics> t table or 3.842> 1.96 which means the promotion of Oriflame for respondents in Jember affects impulse buying, so Hypothesis Six (H6) accepted.

g. The path coefficient promotion of Oriflame for respondents in Jember (X2) on brand loyalty (Y1) has parameter value of 0.349. This shows the positive influence of the promotion of Oriflame for respondents in Jember to brand loyalty of 0.349. While the value of t-statistics> t table or 3.442> 1.96 which means the promotion of Oriflame for respondents in Jember affect the brand loyalty, so Second Hypothesis (H2) accepted.

3.2. Model Conformity Test

Tests on the structural model is done by looking at R-square which is a goodness-fit test model. The R-Square results are shown in Table 3.

Table 3 Output R-Square

Variable	R-Square
Brand Loyalty (Y$_1$)	0.688
Impulse Buying (Y$_2$)	0.528

Based on Table 3, it can be seen that the variability of Brand Loyalty (Y1) can be explained by product quality (X1), Promotion (X2) and Brand Image (X3) for Oriflame respondents in Jember of 68.8%, the rest of 31.2% is another variability not found in the model. The variability of Impulse Buying (Y2) can be explained by product quality (X1), Promotion (X2) and Brand Image (X3) for the respondent Oriflame in Jember 52,8%, the remains 47,2% is another variability not found in research model. This research uses 3 (three) exogenous variables are product quality, promotion and brand image. While the endogenous variables used in this study are brand loyalty and impulse buying. The dominant variable here is the exogenous variable that has the most influence on the endogenous variable. Because there are two endogenous variables, there are two analyzes that are the most influential variables on brand loyalty and the most influential variable on impulse buying. First, based on the path coefficients analysis in Table 2 can be concluded that the most influential variable on Oriflame brand loyalty is the brand image. This means that the better the Oriflame brand image for consumers, it will greatly affect the repurchase of this brand. Second, based on the path coefficients analysis in Table 2 can be concluded that the variable that most influence on impulse buying is promotion of Oriflame product by consultant. This means that the more promotions made by Oriflame consultants the greater the impulse buying consumer.

3.3. Research Findings

Based on the results of PLS output in Table 2 there are 3 (three) rejected hypotheses. Respondents analysis and differences with previous research, there are some findings from this research, namely:

a. Respondents in this study were consumers of Oriflame products in Jember with different types, while in the study Nurullaili et al. [13], Khraim[11], and Wiguna et al. [18] are consumers of similar products

b. On the influence of brand loyalty to impulse buying shows the results that do not have an effect because consumers are still considering the consequences after purchase because there are other factors that influence the price factor

c. The number of samples is smaller with Seinauiskiene et al. [17], Khraim[11], Nurullaili et al. [13], and Wiguna et al. [18] which averaged over 100 respondents, while in this study only 61 respondents

d. d. This study does not have a fixed place of study as in Wiguna et al. [18] in the form of stores or outlets, but based on the presentation of consultants and catalogs published every month.

IV. CONCLUSION

This study aims to determine and analyze the effect of product quality, promotion and brand image on brand loyalty and impulse buying on Oriflame consumers in Jember yield the following conclusion: (1) Product quality does not affect brand loyalty to Oriflame consumers in Jember, because consumers who are respondents

of this research are consumers in different types of products, namely body care, hair care, cosmetics, perfume, soap and toothpaste and skin care, while the empirical results of previous studies only consumers one product type, (2) Brand loyalty has no effect on impulse buying on Oriflame consumers in Jember, because consumers in doing impulse buying still consider the after-purchase effect, (3) Product quality has no effect on impulse buying on Oriflame consumers in Jember, because even though the quality of the product is good for the consumer, but still considering the after-purchase effect, (4)Brand image is the most influential variable on brand loyalty, so it can be a consideration of consultants in selling Oriflame products in Jember, (5) Promotion is the most influential variable on impulse buying, so it becomes a consideration for consultants to improve personal presentation and public relations,whileOriflame management further increase the sales promotion in the form of special discounts displayed in the catalog every month.

Research and analysis have been discussed in the previous chapter, but there are limitations of research and suggestions that may be improved in the future. Limitations of such research and advice are: (1) Future research is recommended to use samples on Oriflame consumers only one product only, especially cosmetics or perfume, (2) Future research is expected to use larger samples to produce more valid data, (3) This study uses three independent variables that become the determinant of brand loyalty and impulse buying on Oriflame consumers in Jember, but the variables that also determine the price variables and catalog design, (4) In the future research is expected to use a wider area not only Oriflame consumers in Jember, but can be expanded into Surabaya branch area or all of Indonesia.

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