Mediation function brand loyalty on the effects of brand image and price to customer satisfaction

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Abstract

The rapid increase of technology development opens the opportunity to compete freely especially for product smartphone that grows rapidly according to their excellence, uniqueness and characteristic or distinctive features. The purpose of the study was to investigate the effects of brand image and price to customer satisfaction through brand loyalty on smartphone Samsung study toward the users of smartphone Samsung in Malang city. The sample used is 60 respondents. The analysis used the inner and outer model test from SEM-PLS, to test the hypothesis was used result analysis from the bootstrapping test. The results show that brand image, price, and brand loyalty have positive significant effects on customer satisfaction and the Brand image has a positive significant effect on Brand loyalty while price does not have a significant effect to brand loyalty. Management Samsung smartphone should pay more attention to the price to improve brand loyalty from the customer.

Keywords: Brand image; price; brand loyalty; customer satisfaction

INTRODUCTION

The rapid increase in technology development opens the opportunity to compete freely. The number of new Mobile Phone/Smartphone products grows rapidly according to their excellence, uniqueness and characteristic or distinctive features. This is very beneficial for consumers to choose products that can be tailored to their conditions or expectations. That condition can be realized due to the support of technology development that increasingly sophisticated in all areas, thus encouraging the company to create new products that can be useful in facilitating the work of the community. As we know humans today cannot be separated from the smartphone.

Indonesian smartphone users are also growing rapidly. Digital marketing research institute Emarketer estimates that by 2018 the number of active smartphone users in Indonesia is more than 100 million people. With that amount, Indonesia will be the country with the fourth-largest smartphone active users in the world after China, India, and America. In addition, Indonesia has advantages with the number of people who can be a very big market. This can be seen from the increase of smartphone users from year to year around the world as shown by the graph below.
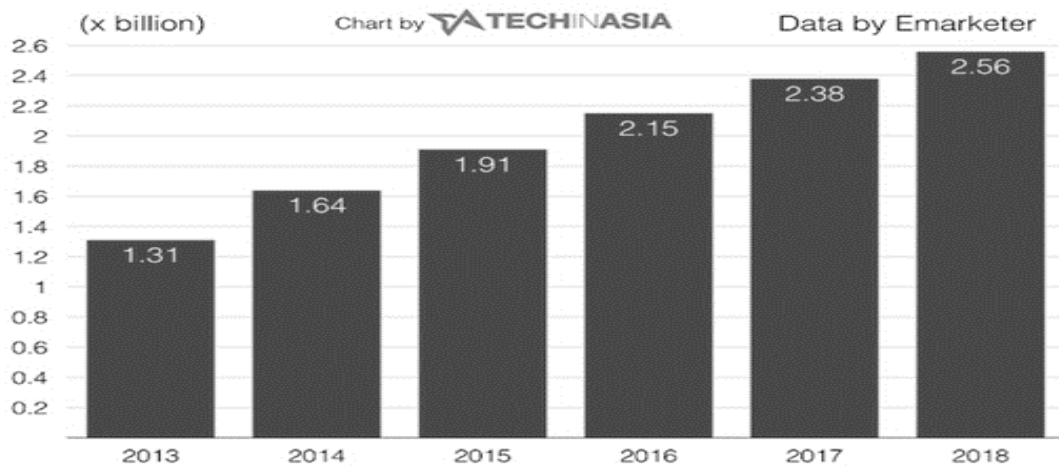
Picture 1. Monthly active smartphone users worldwide

This condition makes Indonesia widely introduced with many brands smartphone brands such as Samsung, blackberry, Nokia, and bring many new smartphone brands with specifications and prices are no less competitiveness with previous brands such as Oppo, Asus, Cross, Vivo, and others.

The number of new brands that obtain to smartphone products are not less competitive with pre-existing brands marks that competition in the smartphone industry is very tight. Increasing competition makes companies more difficult to increase the number of consumers. A large number of players in the market with all sorts of product advantages on offer makes it even more difficult for a competitor to market. Competition is so tight between the company's HP (Mobile Phone) request that is why the company must be able to survive and can continue to grow.

Consequently, Samsung's smartphone companies always think about how to continue retaining existing customers, continue to satisfy customers with new products that the company has and continue to work on new potential customers to avoid leaving customers to become customers of other companies. Samsung has a brand image that is inherent in the community, bringing quality products, always make new innovations on product development, product design is very good and can be featured, technology created in accordance with the times and prices vary and the average affordable so that it can make this company in the future can master the world market share for the category of electronics more specifically on smartphones. According to Isamani (2008), without a strong and positive brand image, it is very difficult for companies to attract new customers and retain existing ones. According to Kotler (1997), satisfied customers will have an emotional bond with products or services consumed and tend to be loyal to the company's products.

Some factors that can affect consumer satisfaction are service quality, brand image, and atmosphere, Peter & Olson, (2003); Zeithaml & Bitner, (2003). According to Tjahyadi (2006), the term customer loyalty refers to customer loyalty to a particular object, such as a brand, product, service, or store. In general, the brand is often used as an object of customer loyalty. Brand loyalty reflects customer loyalty to a particular brand. Brand loyalty is a condition where consumers have a positive attitude towards the brand, have a commitment to the brand, and have a tendency to continue purchasing in the future.

Nasution (2009), conducted a study on "The Influence of Price, Service Quality and Promotion on Satisfaction of Telkom Flexi Medan Customer Registered at PT.TelkomKandatel Medan" to know whether price, service quality and promotion influence customer satisfaction Telkom Flexi terrain registered at PT. Telkom Kandatel Medan. The variables used are price, service quality, promotion, and customer satisfaction. The conclusion of the study found that the price, service quality, and promotion simultaneously and partially have a positive influence on Telkom Flexi customer satisfaction in using the product from Telkom Flexi.

There are eight purposes in this research that are (1) To describe Brand Image, Price, customer satisfaction and Brand Loyalty of Samsung smartphones, (2) To know and analyze the effect of Brand Image to Brand Loyalty on Samsung smartphones, (c) To know and analyze the effect of Price to Brand Loyalty on Samsung smartphones, (d) To know and analyze the effect of Brand Image to customer satisfaction on Samsung smartphones, (e) To know and analyze the effect of Price to customer satisfaction on Samsung smartphones, (f) To know and analyze the effect of Brand Image to customer satisfaction through Brand Loyalty on Samsung smartphones, (g) To know and analyze the effect of Price to customer satisfaction through Brand Loyalty on Samsung smartphones and (h) To know and analyze the effect of Brand Loyalty to customer satisfaction on Samsung smartphones.

Customer satisfaction is a level where consumers feel happy or disappointed with a product. The consumer will say satisfied with a good if he has a good perception of a product. The meaning of satisfaction will occur if consumers perceive that the product has three indicators of a good brand image, consisting of the image-maker, product image, user image. Kotler and Armstrong (2001), argue consumers are satisfied with the product purchased in accordance with what is desired and expectations from consumers. If the brand has given satisfaction, then consumers usually do word of mouth which is positive to the person associated with the brand that is in the product he has purchased. Many companies are deliberately giving satisfaction to the brand, in order to increase profit or profit for the company. Therefore, the formation of the brand on the product is very necessary, because it is a decision attitude or behavior to consumers. So a positive brand image will lead to customer satisfaction.

Addtionally, Kertajaya (2002), reveals that the price assessment indicator can be viewed from the suitability of sacrifice from the consumer to the value it receives after the purchase, and from that the consumer will perceive the product or service. Positive perception is the result of complacency will be a purchase that is done, while the negative perception is a form of consumer dissatisfaction on the product or service purchased. If the price set by a company does not match the benefits of the product then it can lower the level of customer satisfaction and vice versa if the price set by a company in accordance with the benefits received will increase customer satisfaction. If the perceived value of customers is higher, it will create maximum customer satisfaction. The key to winning the competition is to provide satisfaction to customers through the delivery of quality products at competitive prices, Tjiptono, (2008). Empirically many studies with different sample backgrounds have proved that price has a positive influence on customer satisfaction as expressed by Suwarni and Mayasari (2011), and Kurniasih (2012), which states that there is partially or simultaneously influence between price variable to a satisfied customer.

Keller (1993), defines the brand image as a brand perception as the brand itself reflects in memory when a consumer sees the brand. Brand image is built from several sources including brand and product category experience, product attributes, pricing information, positioning on communications promotion, user imagination, and usage circumstances. The conceptual model of brand image by Keller (1993), includes brand attributes, brand advantages, and brand attitudes. Consumers assume that the image of a company will affect the brand image of a product it produces.

Brand image is built with attention to indicators such as product quality, price, promotion, and lifestyle. Good brand image is often associated with brand loyalty itself. A good brand image must, of course, be accompanied by the quality of goods and services. A good image of a previously emerging brand of good goods and services will certainly generate loyalty to the brand itself. Therefore, based on previous research, it will be formulated the hypothesis as follows (a) Brand Image gives effect to the Brand Loyalty, (b) Price gives effect to Brand Loyalty, (c) Brand Image gives effect to Customer Satisfaction, (d) Price gives effect to Customer Satisfaction, (e) Brand Image gives effect to customer Satisfaction through Brand Loyalty, (f) Price gives effect to customer Satisfaction through Brand Loyalty and (g) Brand Loyalty gives effect to Customer Satisfaction.

METHOD

This research is an explanatory research approach with quantitative methods. Data collection used is a survey technique, a study that takes samples from one population by using a questionnaire as a primary data collection tool. The unit of analysis is all residents in Malang City that used Smartphone Samsung. So, it was used 60 respondents as the sample. From the nature of its relationship with other variables, it consists of the dependent variable (customer satisfaction), the independent variable (brand Image and price) and intervening variables (brand loyalty). Besides identification that particular variables, in this part also will explain the definition for each variable that is dependent variable (customer satisfaction), Intervening Variable (Brand Loyalty) and Independent Variables (Brand Image and Price). Indicators of each variable are as follows:

Table 1. Indicators of Research Variable

No.	Research Variables	Indicators
1.	Customer Satisfaction (Y2)	1. Performance, 2. Features, 3. Reliability, 4. Compliance with Specification, 5.Durability, 6. Service Ability, 7. Aesthetics, 8. Quality
2.	Brand Loyalty (Y1)	1. Behavior Measure, 2. Measuring Switch Cost, 3. Measuring Satisfaction, 4. Measuring Linking Brand, 5. Measuring Commitment
3.	Brand Image (X1)	1. Favorability of Brand Association 2. Strength of Brand Association 3. The uniqueness of Brand Association
4.	Price (X2)	1. Price Conformity 2. List Price 3. Allowance 4. Perceived Price

The population of this study is the users of Smartphone Samsung in Malang City with a simple random sampling technique. The study used primary data which was collected by the questioner. Previously, the questioner was, of course, tested the reliability and validity. Further, it was distributed to the respondents directly. A week after, the researcher collected the questions, then edited and tabulated. Primary data will be analyzed by desk analysis and Structural Equation Model (SEM). Ferdinand (2013), states that there are 2 (two) SEM analysis techniques, namely (a) Factor Analysis in SEM which is used to confirm the most dominant factors in one variable group and (b) Regression Weight on SEM used for confirmatory how much Intangible success factors which include brand value, goodwill, value of property immaterial and non-financial characteristics consisting of competencies, customer satisfaction, customer retention, innovation, motivation and personnel satisfaction towards sustainability. Furthermore, SEM modeling, making path diagrams, selecting

input and model estimation matrices, evaluating goodness-of-fit criteria and interpreting the model and modifying/finalizing the model. The following is the suitability index and cut-off value used in testing the model whether it is accepted/rejected. In data analysis, the method used is statistics which are expected to help for getting or making decisions (receive or reject) hypothesis. In a process for the calculation do with a program computer application Partial Least Squares (PLS) Structural Equation Modeling (SEM) (PLS-SEM) (SmartPLS 3.for Windows).

RESULT AND DISCUSSION

To verify if the questionnaire is valid and reliable, it is necessary to test the questionnaire with the Reliability and Validity Test and the result will be shown in table 2 below. Based on table 2 it shows that each variable, Brand Image (X1) has 0.820, Price (X2) has 0.827, Brand Loyalty (Y1)has 0.918 and Customer Satisfaction (Y2)has 0.949.

Table 2. Results of reliability and validity test

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance
Brand Image (X1)	0.820	0.828	0.867	0.484
Brand Loyalty (Y1)	0.918	0.930	0.931	0.576
Customer Satisfaction (Y2)	0.949	0.954	0.954	0.468
Price (X2)	0.8277	0.830	0.866	0.395

It is proved that each questionnaire item is reliable because of the score for every variable is more than 0.6 (Nurgiyantoro,2000). Furthermore, based on table 4.4 above,it shows that the variables are valid and not valid shown on AVE (Average Variance) version PLS 3.0 which are Brand Image (X1) has 0.484, Price (X2) 0.395, and Customer Satisfaction (Y2)has 0.468. Brand Loyalty (Y1) has 0.576 which means valid. But according to (Ghozali,2015) the outer loading value can still be tolerated to 0.50 (to be included in a model that is still under development) and below the value of 0.50 can be dropped from the analysis. Based on figure 2 below, shows that all of the value of outer loading from analysis more than 0.5. It means that all of the indicators are valid because the value is more than 0.5 except for 4 indicators which are X1.3.8, X2.1.4, Y1.2.4, and Y2.6.15 where the value is lower than the 0.5, so that indicators is dropped from the analysis.

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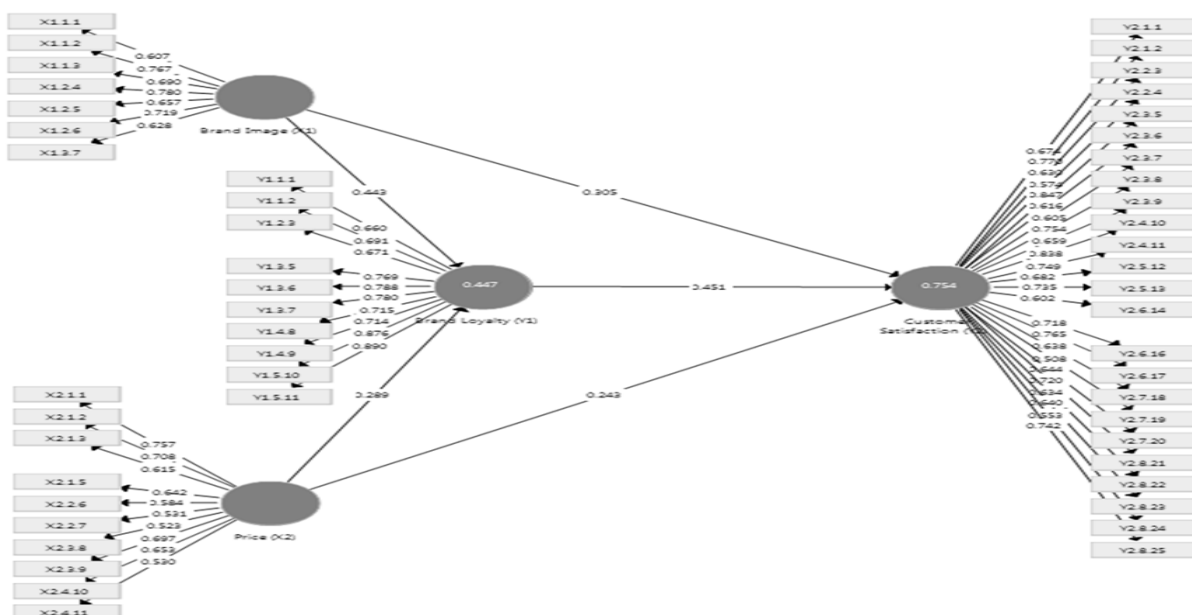
Picture 2. Outer loadings test *result of inner model*

Table 3. Path coefficient test

Variables	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
Brand Image(X1) -- Brand Loyalty (Y1)	0.443	0.431	0.164	2.693	0.007
Brand Image(X1) -- Customer Satisfaction (Y2)	0.305	0.290	0.110	2.765	0.006
Brand Loyalty (Y1) -- Customer Satisfaction (Y2)	0.451	0.458	0.087	5.207	0.000
Price(X2) -- Brand Loyalty (Y1)	0.289	0.327	0.154	1.878	0.061
Price(X2) -- Customer Satisfaction (Y2)	0.243	0.251	0.097	2.500	0.013

Path coefficient

Based on figure 4.2. above, it shows that Brand Image (X1) that has 0.443 (original sample) has a positive effect on Brand Loyalty (Y1). It can be interpreted if Brand Image is better then Brand Loyalty will increase.Value t - Statistics of 2.693 is significant (t table significance 5% = 1.96) since the statistical t value is greater than t-table 1.96 (2.693 >1.96). Brand Image (X1) that has a 0.305 (original sample) positive effect on Customer Satisfaction (Y2). It can be interpreted that if Brand Image is better then Customer Satisfaction will increase.Value t - Statistics of 2.765 is significant (t table significance 5% = 1.96) since the statistical t value is greater than t-table 1.96 (2.765 >1.96). Brand Loyalty (Y1) that has 0.451 (original sample) has a positive effect on Customer Satisfaction (Y2). It can be interpreted that if Brand Loyalty is better then Customer Satisfaction will increase. Value t-Statistics of 5.207 is significant (t table significance 5% = 1.96)since the statistical t value is greater than t-table 1.96 (5.207 >1.96). Price (X2) that has 0.289 (original sample) has a positive effect on Brand Loyalty (Y1). It can be interpreted that if Price is better then Brand Loyalty will increase.Value t-Statistics of 1.878 is not significant (t table significance 5% = 1.96) since the statistical t value is greater than t-table 1.96 (1.878 <1.96). And Price (X2) that has 0.243 (original sample) has a positive effect on Customer Satisfaction (Y2). It can be interpreted that if Price is better then Customer Satisfaction will increase.Value t-statistics of 2.500 is significant (t table significance 5% = 1.96) since the statistical t value is greater than t-table 1.96 (2.500 >1.96).

R-Square

Table 4. R-Square test

Variables	R Square	R Square Adjusted
Brand Loyalty (Y1)	0.447	0.428
Customer Satisfaction (Y2)	0.754	0.741

According to Chain 1998, the value of R-Square is 0.67 (Strength), 0.33 (Moderate), and 0.19 (Weak). The value of R-Square of 0.447 (moderate), from Brand Loyalty, can be explained that the effect of Brand Image variable (X1) and Price (X2) on Brand Loyalty (Y1) gives a value of 0.447. This can be interpreted that the Brand Loyalty construct variable can be explained by variable construct Brand Image and Price by 44.7%. While the remaining 55.3% is explained by other variables outside of the studied. In addition, the value of R-Square of 0.754 (strength), from Customer Satisfaction can be explained that the influence of Brand Image Variable (X1), Price (X2) and Brand Loyalty (Y1) to Customer Satisfaction (Y2) gives a value of 0.754. this can be interpreted that the construct variable Customer Satisfaction can be explained by the construction of Brand Image Price and Brand Loyalty by 75.4%. While the remaining 24.6% is explained by other variables outside of the studied.

Result of hypothesis test
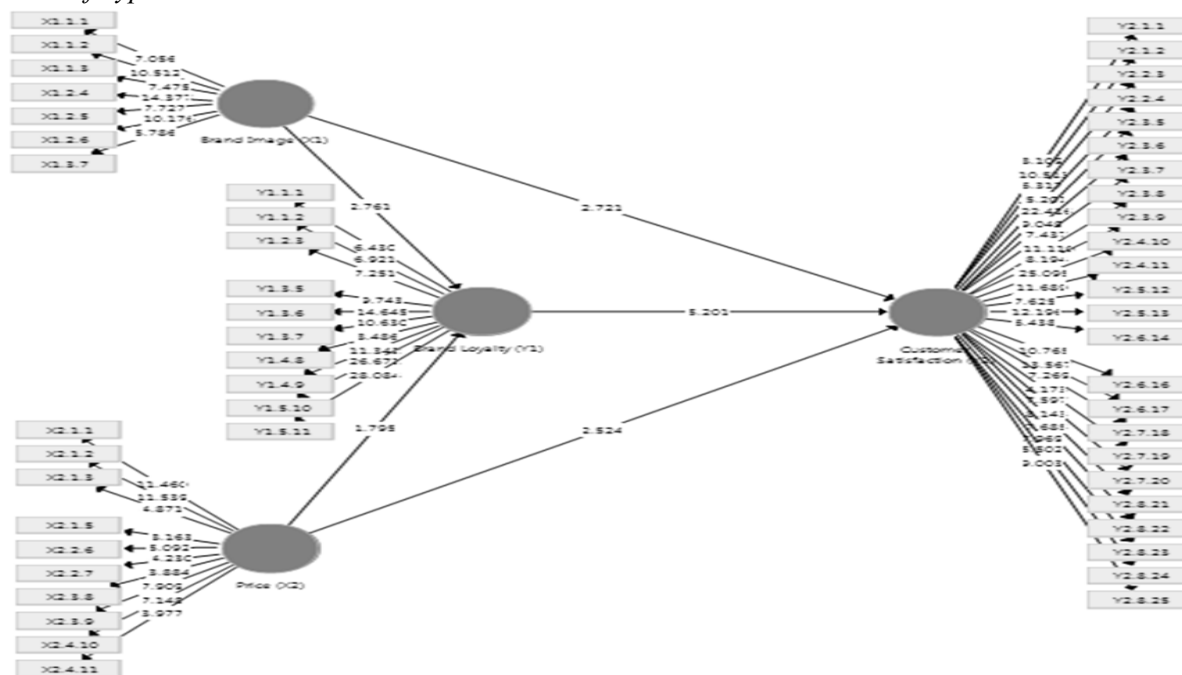
Picture 3. Result bootstrapping test

Based on the result of the bootstrapping test above (Picture 3), the writer will elaborate and relate it with the research hypothesis from the previous chapter.

Variables	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
Brand Image(X1) -- Brand Loyalty (Y1)	0.443	0.431	0.164	2.693	0.007
Brand Image(X1) -- Customer Satisfaction (Y2)	0.305	0.290	0.110	2.765	0.006
Brand Loyalty (Y1) -- Customer Satisfaction (Y2)	0.451	0.458	0.087	5.207	0.000
Price(X2) -- Brand Loyalty (Y1)	0.289	0.327	0.154	1.878	0.061
Price(X2) -- Customer Satisfaction (Y2)	0.243	0.251	0.097	2.500	0.013
Price(X2) -- Brand Loyalty (Y1) -- Customer Satisfaction (Y2)	0.130	0.150	0.076	1.723	0.086
Brand Image(X1) -- Brand Loyalty (Y1)-- Customer Satisfaction (Y2)	0.200	0.199	0.091	2.202	0.028

Test of hypothesis I

Hypothesis 1 stated that H1: Brand Image gives a positive effect on Brand Loyalty. To test hypothesis 1, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Brand Image (X1) which gives a positive effect to the Brand Loyalty (Y1). Based on the result of the path coefficient (inner model test result), it is shown in table 4.11, the score of t-statistic for Brand Image (X1) is 2.693, which is higher than 1.96. Moreover, the significance of the score of p-values for Brand Image (X1) is 0.007, which is lower than the error tolerance with score of 0.05 (5%). Therefore, it is proved that Brand Image partially has positive effects on Brand Loyalty.

Test of hypothesis II

Hypothesis 2 stated that H2: Price gives a positive effect on Brand Loyalty. To test hypothesis 2, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Price (X2) gives a positive effect on Brand Loyalty (Y1). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Price

(X2) is 1.878, which is lower than 1.96. Moreover, the significance of the score of p-values for Price (X2) is 0.061, which is higher than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially does not have positive effects on Brand Loyalty.

Test of hypothesis III

Hypothesis 3 stated that H3: Brand Image gives a positive effect on Customer Satisfaction. To test hypothesis 3, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Brand Image (X1) gives a positive effect on Customer Satisfaction (Y2). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Brand Image (X1) 2.765, which is higher than 1.96. Moreover, the significance of the score of p-values for Brand Image (X1) is 0.006, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that the Brand Image partially has positive effects on Customer Satisfaction.

Test of hypothesis IV

Hypothesis 4 stated that H4: Price gives a positive effect on customer satisfaction. To test hypothesis 4, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Price (X2) gives a positive effect on Customer Satisfaction (Y2). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Price (X2) is 2.500, which is higher than 1.96. Moreover, the significance of the score of p-values for Price (X2) is 0.013, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially has positive effects on Customer Satisfaction.

Test of hypothesis V

Hypothesis 5 stated that H5: Brand Image gives a positive effect on customer satisfaction through Brand Loyalty. To test the hypothesis 5, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Brand Image (X1) gives a positive effect on customer satisfaction (Y2) through Brand Loyalty (Y1). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Brand Image (X1)is 2.202, which is higher than 1.96. Moreover, the significance of the score of p-values for Price (X2) is 0.028, lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that the Brand Image partially has positive effects on Customer Satisfaction through Brand Loyalty.

Test of hypothesis VI

Hypothesis 6 stated that H6: Price gives a positive effect on customer satisfaction through Brand Loyalty. To test hypothesis 6, Boostraping Test (Path Coefficient test) was used to prove it. t-statistic & P-values Test was used to partially test that Price (X2) gives a positive effect on customer satisfaction (Y2) through Brand Loyalty (Y1). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Price (X2)is 1.723, which is lower than 1.96. Moreover, significant the score of p-values for Price (X2) is 0.086, which is higher than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially does not have positive effects on Customer Satisfaction through Brand Loyalty.

Test of hypothesis VII

Hypothesis 7 stated that H7: Brand Loyalty gives a positive effect on Customer Satisfaction. To test hypothesis 7, Boostraping Test (Path Coefficient test) was used to prove it. The t-statistic & P-values Test was used to partially test that Brand Loyalty (Y1) gives a positive effect on Customer Satisfaction (Y2). Based on the result of the path coefficient (inner model test result), it is shown that the score of t-statistic for Brand Loyalty (Y1) 5.207, which is higher than 1.96. Moreover, the significance of the score of p-values for Brand Loyalty(Y1) is 0.000, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Brand Loyalty partially has positive effects on Customer Satisfaction.

Based on the results of bootstrapping test analysis it is found that Brand Image gives a positive effect on Brand Loyalty. It means that brand image gives an effect to brand loyalty when the customers know about the image of the product. In this research brand image from Smartphone Samsung has already been famous in Malang City and become more trend for the users of the

smartphone. This condition has supported the brand for Samsung and made the users of Smartphone Samsung loyal for that brand. This result is also supported by Keller (1993), which stated consumers assume that the image of a company will affect the brand image of a product is produced. Brand image is built with attention to give indicators such as product quality, price, promotion, and lifestyle. A good brand image is often associated with brand loyalty. A good image of a previously emerging brand of good goods and services will certainly generate loyalty to the brand itself. Besides, on previous research Hasibuan (2015), did research on The Effects of Brand Image and Brand Trust Toward Brand Loyalty (Survey toward Customer of Telkomsel in Grapari Samarinda). The result supported this research because the research is about brand image and brand trust which simultaneously have a significant effect on brand loyalty. Another previous research done by Putri Yana Sari &Ken Sudarti on Brand Loyalty Through improved Brand Image, Brand Love, and Customer Satisfaction that also supported this research (2016), they stated Brand Image positive significant impact on brand loyalty. This means if the brand image has increased, brand loyalty also increases.

The brand image gives a positive effect on customer satisfaction through brand loyalty. This statement result research is supported by previous research conducted by Andik Matulessy and Ni Luh Adiansunyani (2016), about Brand Image, Customer Satisfaction and Brand Loyalty of Blackberry Mobile Phone. The result from that research analysis shows there is a correlation between brand image and customer satisfaction with the brand loyalty of a Blackberry mobile phone. Brand image is significantly and positively correlated with brand loyalty while customer satisfaction is significantly positively correlated with brand loyalty. So, it is proved that when brand image and customer satisfaction are significant, it will impact Brand loyalty because they will make a good correlation to each other. Good Brand Image Smartphone Samsung will make customers satisfy and make them loyal to the brand.

Next, the research result has shown Brand image gives a positive effect on customer satisfaction. This statement is also supported by Putri Yana Sari & Ken Sudarti). The result for that research is Brand Image has a positive and significant impact on customer satisfaction. This means that if the brand image increases, customer satisfaction will also increase.

As for the price, for users of smartphones or customers, the prices of products offered by Samsung are fairly varied and can be tailored to the specifications required or desirable customers. For the suitability of the price of Samsung, smartphone products are spelled out according to the customer wants, the quality, benefits, variations both on specifications and sizes. For the price list, Samsung smartphone has provided enough information related to the price of a variety of products that are tailored to the specifications or product advantages so that it helps customers in the purchase consideration. For the price of the perceived product of Samsung smartphone is quite affordable for the customers. Furthermore, Samsung rarely gives discounts on their products, however, it will give ones on big events such as Eid Al-Fitr or Christmas and New Year.

From the research results, the price has a positive and significant effect on Customer Satisfaction. This research result is also supported by Suwarni and Mayasari (2011), and Kurniasih (2012), who stated that there is partially or simultaneously influence between price variable and customer satisfaction. With a good price, quality, and discounts, it will make customers satisfied. So it means that when the customer is satisfied with the product it will not necessarily affect brand loyalty. If the product price has increased significantly, many customers will switch to other brands. A very competitive smartphone market encourages companies to compete to set prices that are right/affordable for customers.

For Brand Loyalty, in the process, the Samsung smartphone brand is classified as a brand that is very well known in the market and has always been the top brand for the smartphone category every year. It is because the smartphone brand itself has long been known by the public due to its advantages such as specifications, models or designs and others. From the results, it is found that Brand Loyalty has a positive and significant effect on Customer Satisfaction. In the process, the positive impact of the Samsung smartphone brand has been widely known by society. This can be the initial brand that will be considered by the customer in purchasing smartphone products. Related to brand loyalty, this research is also support based on previous research conducted by Mudassar et al.

(2012) on the Impact of Customer Satisfaction and Brand Image on Brand Loyalty, The results have shown that customer satisfaction and brand image have a significant impact on brand loyalty. The impact of customer satisfaction was greater as it comes from better quality and provided superior values. Moreover, customer satisfaction also plays a part in creating a good brand image and the whole they put an influence on brand loyalty which is necessary for profitability and greater market share.

For the following two research hypotheses, Price gives effect to Brand Loyalty and Price gives effect to Customer Satisfaction through Brand Loyalty do not give significant impact to each other variable. The result of this research does not support the hypothesis. These conditions happened because According to Indriyani, Siringoringo, and Saptiriani (2008), Price changing will make customers switch the brand. They will switch to another brand when they find the price of the product for the same brand as they buy is changing. This condition is also supported by Monroe's (1984) finding. On the concept of the acceptable price range, it is postulated that buyers, generally, have a range of acceptable prices for considered purchases. Thus, buyers may not purchase a product when the price is perceived to be too high, neither when the price is perceived to be too low.

According to Seren Urun (2011), the research found that promotion price decreases brand loyalty and increase brand switching, Shimp (2008). A study by Papatla and Krishnamurthi (1996) supports the same results. They emphasize the fact that while price sensitivity increases, customer brand loyalty decreases when brands use price promotion. Mela et al. (1997) also found that current price promotions influence future price promotions and enhance customers' higher expectations for the future. They focus on current product prices and wait for lower prices in the future. If their demands are not met, their allegiance for that brand will be reduced.

This condition actually possible happened, for now, loyal customers just like what the writer found in this research. But for loyal Customers, it was possible to have a positive and significant price because it will give effects to brand loyalty. However price promotions have a strong effect pertaining to the encouragement to customers to buy one particular brand instead of another, and even to purchase it in greater quantities, Shimp (2008).

CONCLUSION

This study aims to determine how many are the effects of Brand Image and Price to Customer Satisfaction through Brand Loyalty on Smartphone Samsung, study toward the user of Smartphone Samsung in Malang City. Based on the analysis and discussion that have been described in previous chapters, it can be concluded that Brand Image has a positive and significant effect on the Brand Loyalty toward the user of the Smartphone Samsung in Malang City. This is indicated by the score of t-statistic for Brand Image (X1) is 2.693, which is higher than 1.96. Moreover, it is significant since the score of p-values for Brand Image (X1) is 0.007, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that the Brand Image partially has positive effects on Brand Loyalty. Price does not have a positive and significant effect on Brand Loyalty toward the user of the Smartphone Samsung in Malang City. This is indicated by the score of t-statistic for Price (X2) is 1.878, which is lower than 1.96. Moreover, it is significant since the score of p-values for Price (X2) is 0.061, higher than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially does not have positive effects on Brand Loyalty. Brand Image has a positive and significant effect on Customer Satisfaction toward the user of the Smartphone Samsung in Malang City. This is indicated from the score of t-statistic for Brand Image (X1) 2.765, higher than 1.96. Moreover, it is significant since the score of p-values for Brand Image (X1) is 0.006, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Brand Image partially has positive effects on Customer Satisfaction. Price has a positive and significant effect on Customer Satisfaction toward the user of the Smartphone Samsung in Malang City. This is indicated by the score of t-statistic for Price (X2) is 2.500, higher than 1.96. Moreover, it is significant since the score of p-values for Price (X2) is 0.013, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially has positive effects on Customer Satisfaction. Brand Image has a positive and significant effect to Customer Satisfaction through Brand Loyalty toward the user of Smartphone Samsung in Malang City. This is indicated by the score of t-statistic for Brand Image

(X1) is 2.202, higher than 1.96. Moreover, it is significant since the score of p-values for Price (X2) is 0.028, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that the Brand Image partially has positive effects on Customer Satisfaction through Brand Loyalty. Price does not have a positive and significant effect on Customer Satisfaction through Brand Loyalty toward the user of the Smartphone Samsung in Malang City. This is indicated by the score of t-statistic for Price (X2) is 1.723, lower than 1.96. Moreover, it is significant since the score of p-values for Price (X2) is 0.086, which is higher than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Price partially does not have positive effects on Customer Satisfaction through Brand Loyalty. Brand Loyalty has a positive and significant effect on Customer Satisfaction toward the user of the Smartphone Samsung in Malang City. This is indicated from the score of t-statistic for Brand Loyalty (Y1) 5.207, higher than 1.96. Moreover, it is significant since the score of p-values for Brand Loyalty (Y1) is 0.000, which is lower than the error tolerance with a score of 0.05 (5%). Therefore, it is proved that Brand Loyalty partially has positive effects on Customer Satisfaction.

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