

EFFECT OF BRAND IMAGE, PROMOTION AND PHYSICAL DISTRIBUTION ON BRAND LOYALTY WITH CUSTOMER SATISFACTION AS THE INTERVENING VARIABLE

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Abstract. This research is motivated by changes in the cement market in Indonesia along with the addition of several new cement brands that are competitors for the incumbent cement brands that have existed for a long time. Per capita cement consumption in Indonesia is still low compared to three ASEAN countries such as Malaysia, Vietnam and Thailand. Besides, there is a decrease in Top Brand Image between 2018-2019 for the Semen Tiga Roda brand. In the arena of increasingly fierce competition between brands, it is necessary to increase brand loyalty, where brand loyalty is influenced by the level of customer satisfaction. This customer satisfaction is an intervening variable to further increase brand loyalty. When customers are satisfied, they will be more loyal to the brand so that customers do not easily move to other brands. Many factors affect the increase in brand loyalty, including promotion, brand image and physical distribution. So the purpose of this study was to determine the effect of brand image, promotion and physical distribution on brand loyalty with satisfaction as an intervening variable. The location of the study was carried out in Greater Jakarta with the unit of analysis was members of the Greater Jakarta REI as many as 250 respondents. This research uses path analysis method with structural equation modeling (SEM) technique. These results find empirical facts that brand image, promotion and physical distribution together have a significant effect on customer satisfaction, and customer satisfaction has a significant effect on brand loyalty. Thus, the higher the customer satisfaction, the higher the brand loyalty will be.

Keywords: brand image; promotion; physical distribution; satisfaction; brand loyalty; rei members.

INTRODUCTION

The cement industry is one of the most strategic and vital industries because it is needed to support development, especially now that the government is boosting infrastructure development where the need is increasing from time to time. Cement as one of the main raw materials for the construction of housing, buildings, roads, dams and other infrastructure is an important factor to support national economic growth (Jin & Cho, 2015); (Li et al., 2019). Guaranteed supply from producers to the market is absolutely

necessary for the continuity of national development to run smoothly.

The cement market in Indonesia has undergone significant changes, after a long oligopoly market, along with the arrival of foreign investors and local investors who were given permission to establish new factories in Indonesia, so the market shifted to monopsony (Wilson et al., 2020); (Sokolova & Sorensen, 2021). The presence of these new competitors spurred the incumbent brand to further increase customer satisfaction so as to increase brand loyalty.



Figure 1. Map of Cement Factory Locations in Indonesia

Source: <https://asi.or.id/#>

It can be seen in Figure 1 that until 2018 the distribution of the cement industry in Indonesia which was recorded as a member of ASI (Indonesian Cement Association) as a senior and incumbent member are Semen Tiga Roda, Semen Indonesia Group (Semen Gresik, Semen Padang, Semen Batu Raja), Semen Kupang, Semen Bosowa, Semen

Tonasa and Holcim (after being acquired by Semen Indonesia Holcim changed its brand to Dynamix). Meanwhile, the newcomers are Semen Bima, Semen Garuda, Semen Conch, Semen Merah Putih, Semen Jawa (Siam Cement Group) and Semen Jakarta.

Table 1. Installed Capacity VS Domestic Cement

Year	Installed Capacity	Domestic Demand
2015	88,200,000	61,995,000

Year	Installed Capacity	Domestic Demand
2016	89,700,000	61,639,000
2017	107,400,000	66,350,000

Source at: www.cbnindonesia.com

Table 1. shows that the installed capacity is still higher than domestic cement demand. Currently, the cement

market in Indonesia is still experiencing growth, where the national sales trend is increasing from year to year.

Table 2. Distribution of Domestic Cement Consumption

In The Regions	2017	2018	Increase	Percentage	National Percentage
Java	26,960,000	27,970,000	1,010,000	3.75%	56.23%
Sumatra	9,990,000	10,730,000	740,000	7.41%	21.57%
Sulawesi	3,840,000	4,030,000	190,000	4.95%	8.10%
Kalimantan	3,160,000	2,900,000	260,000	8.97	%
2.780,000	90000000	2.780,000		3.35%	5.59%
Eastern Indonesia	20,000	1,050,000	1.90	%	2.15%
Total	47,432,017	49,742,018	2,310,000	4.87%	100.00%

Sourced from: www.cbnindonesia.com

Table 2. above is data on domestic cement sales, both in bulk and in packaged form 40 kg and 50 kg per bag, the absorption of packaged cement includes the property sector, small-scale development projects and end users, namely people who need cement to renovate or build private houses, while bulk cement is mostly used by large-scale development projects such as toll road projects, airports, dams, and ready mix concrete industry ([Hammad et al., 2021](#)); .

According to the chairman of the Indonesian Cement Association, Widodo, the biggest demand for cement is for

housing, reaching 70 percent and the rest for projects and infrastructure. This can be seen from the demand for bag cement which is much higher than bulk, in the form of 73% cement bag and 27% bulk cement. However, when compared to other ASEAN countries, the consumption of cement per capita in Indonesia is very low, in comparison with several countries such as Malaysia, Vietnam and Thailand, it turns out that Indonesia is in the lowest position of per capita consumption as shown in the graph below.

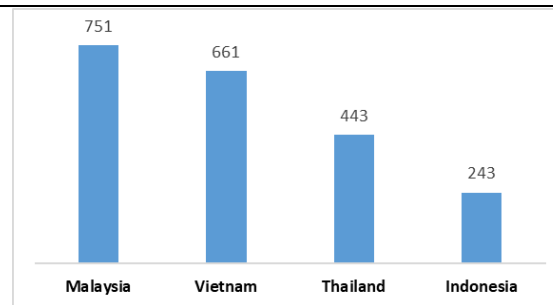


Figure 2. Consumption of Cement Kilograms per capita

Source: Berita Satu, Friday 8 February 2019

Malaysia is in first place with 751 kg per capita, then Vietnam 661 kg, followed by Thailand 443 kg, while Indonesia only 243 kg. Taking into account the low level of cement consumption in Indonesia, this is an opportunity for cement producers to market their products more aggressively ([Camoiras-Rodríguez & Varela-Neira, 2020](#)); ([Zadeh et al., 2019](#)). Besides that, the creation of demand is absolutely necessary to absorb the production results which currently manufacturers are experiencing over capacity.

This research was conducted in the Greater Jakarta area, because the location of the Tiga Roda cement factory is in Citeureup Bogor, so the Jabodetabek area is a *home market share* that needs to be maintained because it is a very strategic market where the company's image represented by the brand image is at stake because it involves the credibility of the Tiga Roda brand. which must continue to exist in its own territory.

Other factors, the rate of population growth, the growth of the middle class ([Komlos, 2018](#)), the trend of urbanization and the increase in commuters who work in Jakarta from the surrounding satellite cities, so as to encourage the need for decent and comfortable houses to live in and it is

suspected that it will increase cement

consumption, because cement is a raw material for cement production. the main raw material for the manufacture of houses or buildings for which until now there is no substitute material for cement.

In addition to being optimistic about the increase in cement demand based on the factors above, in reality something unexpected happened, namely the COVID-19 pandemic that was evenly distributed throughout the world ([Qutob & Awartani, 2021](#)), Indonesia was no exception exposed to the spread of this epidemic and this was enough to hit the economy at a macro level. the level of consumption of secondary goods decreases, people prioritize primary needs. As a result, the demand for cement fell due to a domino effect. With the declining demand for cement in the first half of 2020, several cement producers stopped their production lines for efficiency, but on the other hand, increased competition between cement brands on the market today. The limited market share will be invaded by many brands, each of which wants to survive in the midst of a pandemic that doesn't know when it will end. Steps taken by producers are launching various marketing programs to attract more

consumers to buy their products.

In addition to many new cement brands emerging, the most real threat arises from the Dynamix brand cement, where the owner of this brand is Semen Indonesia, which is the market leader (Giachetti & Torrisi, 2018); (Garrido Martinez et al., 2019). Semen Indonesia succeeded in acquiring a cement factory with the Holcim brand, after the acquisition process was completed, it changed its name to Dynamix. The location of the factory, which is very close to the Tiga Roda cement factory, is a major competitor in the Jabodetabek area.

PT Semen Indonesia Tbk (SMGR) has managed to maintain its position as *market leader* in the domestic cement industry. Citing data from the Indonesian Cement Association (ASI), SMGR Group and PT Solusi Bangun Indonesia Tbk (SMCB) control 53.1% of the market *share domestic* cement (<https://investasi.kontan.co.id>).

In second position, there is PT Indocement Tunggul Prakarsa Tbk (INTP) which has a market share of 25.5% as of April 2020. This realization is down from the end of 2019 which reached 25.6%. Indocement Corporate Secretary Antonius Marcos said, (INTP) sold 5 million tons of cement during the January-April 2020 period. This realization decreased by 8% compared to (INTP) sales in the same period the previous year. (<https://investasi.kontan.co.id>)

Cement sales of PT Indocement

Tunggul Prakarsa Tbk in the first semester of 2020 decreased compared to the same period the previous year. In the first semester of 2020, the corporation managed to sell 7.3 million tons of cement. "This amount decreased by 11.9 percent or around 994 thousand tons, from the previous semester," said Indocement Director, Antonius Marcos in Citeureup, Bogor Regency, West Java, Sunday (9/8/2020). According to him, the decline in sales is part of the impact of domestic cement demand which fell quite significantly, which was 7.7 percent. (<https://www.katakini.com/article/36759/p-enjualan-semen-indocement-down-ini-pengebabnya/>).

There are several means to get customers to have high brand loyalty, such as through brand image, promotional programs and physical distribution that always arrive on time to customers. Brand image is closely related to the image of the company that produces its products, a relatively good brand image and has been recognized by many people also needs to be supported by promotional programs that trigger an increase in purchases, if there is an increase in purchases, distribution facilities are needed to *deliver* to customers who have ordered. the.

Recognition of the Tiga Roda cement brand was released by *top brand awards*, during 2018 and 2019 as follows:

Table 3. Cement Brand Top Brand Image 2018-2019

No	Brand	TBI 2018	TBI 2019
1	Tiga Roda	56.40%	43.90%
2	Semen	20.70 %	18.40%

No	Brand	TBI 2018	TBI 2019
Indonesia			
3	Holcim	9.30%	12.60%
4	Tonasa	5.10%	9.20%
5	Padang	4.70%	3.60%

Prosesse
d

source: www.topbrand-award.com

For two consecutive years, the Tiga Roda brand is in first place with a TBI value of 56.40% in 2018, then in 2019 a TBI value of 43.90%. There was a decrease in 2019 of 12.5%, a significant decrease. This decline is a signal to be more vigilant and is a homework for the Tiga Roda brand to increase the value of TBI in the years to come.

Competition between brands that occurs in the field is very dynamic, especially with new brands, they do a lot of promotions with price discounts, point programs which are associated with the amount of purchase volume. Brand image. Appropriate promotional programs and distribution that is always on time will further increase customer loyalty to the brand.

Brands are very important and need to be socialized to the public so that they are more familiar with the brand of a product, including the incumbent cement brand that has long existed in the country amidst the rush of new brands.

Based on the phenomena that have been described, the central themes that can be formulated in this research are: Massive infrastructure development, increasing middle class and per capita cement consumption which is still very low in

Indonesia when compared to several neighboring countries in ASEAN, and demand for packaged cement is far from

over. higher than bulk, the estimated consumption growth for the domestic market is around 4%-5%, on the other hand there is *overcapacity* of domestic cement manufacturers. There was a 12.5% decrease in the TBI value of Tiga Roda cement in 2019.

Indocement (INTP) which produces Tiga Roda Cement with *Mastertech Formula* 'Forever Sturdy Trusted' for building experts to produce buildings that satisfy their owners, did not materialize optimally. The company's efforts to reach shops and builders by holding a *Care Shop* have not fully increased customer loyalty. Semen Indonesia admits that foreign 'cheap' cement products are starting to affect brand loyalty. Customers are tempted by the lower prices that are widely offered *online* through social networks and *e-commerce*. However, this influence is not significant because it is located in an area that is not the company's main market (CNN Indonesia, 2019).

Studies reveal that brand loyalty is very important for the purpose of sustainable competitive advantage for cement companies ([Husain et al., 2020](#)); ([Lv & Wu,](#)

2021). The ability to identify customers in profitable cement companies and be able to create long-term brand loyalty by strengthening customer relationship management (CRM) can be formed through various factors ([Yoseph & Heikkila, 2018](#)). The assessment of factors that influence customers in making purchasing decisions for cement brands including four c's customer service also encourages cement industry products to share knowledge fairly with Suseno customers (2019) as well as the hope of obtaining brand loyalty ([Chalotra, 2019](#)); ([Mishra & Sharestha, 2019](#)).

One of the efforts was made through seven components, namely demographic characteristics, website and technology, sales promotion, product level offered, e-security and e-trust, e-satisfaction and e-loyalty. Of the seven components, four of which are customer demographic characteristics and *e-security* and *e-trust* are effective factors for brand loyalty ([Afsar et al., 2013](#)).

Customer satisfaction as a mediator between the causes of the emergence of trust and communication that results in brand loyalty has become relevant in the cement industry since the dismantling of the cartel system in 1994. The entry of new competitors into the market and global influence has proven to cause brand loyalty to decline ([Mbango, 2015](#)). Furthermore, by studying customer satisfaction with cement, the loyalty effect can also help improve the company's reputation.

This is also evident during the global pandemic outbreak. Although it does not have a direct impact on the cement industry, PT. Indocement Tunggal Prakarsa

Tbk claims that the level of sales has decreased significantly. The number of declines until February 2019 was recorded at around 4 percent to 5 percent on an annual basis.

Another study revealed that *brand image* and *brand trust* greatly affect brand loyalty in cement companies. The researcher stated that low satisfaction due to brand image has an impact on customer loyalty of Holcim cement at PT. Kinco Prima Batam City in Indonesia. In this regard, a close relationship between cement producers and their customers in the business-to-business becomes a competitive necessity today. Marketing, and continuous improvement are very important to earn revenue and increase customer loyalty. This means that if there is a low level of joint work arrangements between buyers and sellers, the lower the customer loyalty, and vice versa. Collective work arrangements will help strengthen buyer loyalty to suppliers.

Based on a study conducted in the cement manufacturing industry in Africa, it was stated that the three constructions of relational marketing namely trust, commitment, and satisfaction, therefore loyalty cannot be held. Without supplier competence and good communication is also the cause of low customer satisfaction.

Brand equity, relationship quality, relationship value are closely related to customer loyalty. Without these three, it is difficult to bring products closer to customers, especially to build customer loyalty in the midst of rapid competition and also foreign products in the domestic market. The mediating role of customer satisfaction, especially because of the

marketing strategy positively affects customer loyalty. In addition, based on the results of research conducted, it is explained that the high competitiveness of cement brands in Malaysia shows an influence that can result in increased lifetime profits for customers.

Critical analysis reveals that low customer satisfaction as a result of low brand loyalty influenced by social media, promotions that are not as promised, and distribution that has not brought products closer to customers affect the cement industry in Pakistan.

In the midst of the emergence of new cement brands that erode the market share of the incumbent who has existed for a long time, then what are the opportunities for the incumbent to maintain his hegemony so that it still exists and is in demand in the market and has consumers who are loyal to the brand, the authors are interested in researching: how much influence brand image, promotion and physical distribution have on brand loyalty with customer satisfaction as the intervening variable. Assuming, if a cement brand has a good brand image that has been recognized by a credible institution, then carry out effective promotions to build a positive image and is supported by excellent and measurable physical distribution services by utilizing up to date. customers who buy the cement brand are satisfied, so that brand loyalty is increasing which is indicated by continuously buying the brand. Based on this background, the author sets the title study, *"The effect of brand image, promotion and physical distribution on brand loyalty with customer satisfaction as an intervening variable, empirical study of*

Tiga Roda cement brand on members of REI Jabodetabek."

METHODS

Research This research is quantitative research with a correlational approach. The correlational approach tries to relate one variable to another. This research can also be categorized as a descriptive study. Descriptive research because the research data is described so that it can be known the mean, median, mode, standard deviation, variance, kurtosis, skewness, maximum, minimum, range, and others. Verifikatif because it will try to verify the hypothesis with field data whether the hypothesis is accepted or not. This research data includes primary data (taken from respondents who fill out the instrument) and secondary data sourced from documentation, books, journals, year-end reports, and various data that have been published by the Tiga Roga brand cement company on the internet.

1) Data Collection Methods

a) Testing the Validity of Measuring Instruments/Research Instruments

Data was collected through questionnaires, before the questionnaires were distributed to respondents, they must first go through a validity test. Validity test is used to determine whether or not the instrument items are valid. Reliability test is used to determine the consistency of the measuring instrument when used in other places at different times and with different respondents.

The instrument is said to be

valid when the correlation index is 0.3 and the Pearson Product Moment correlation coefficient is > r table, but it can also be seen from the significance that it must be less than 0.05 (with a 95% significance level). Pearson Product Moment is as follows :

$$r = \frac{(n\sum XY) - (\sum X\sum Y)}{\sqrt{\{n(\sum X^2) - (\sum X)^2\} \{n(\sum Y^2) - (\sum Y)^2\}}}$$

Where :

r : Correlation Coefficient

n : Number of Respondents

:

total score of answers

X² : sum of squares of item scores

Y² : sum of squares of total score of answers

XY : sum of multiplication scores answer an item with a total score

After the correlation number is known, then the t value of r is

calculated with the formula:

$$t = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

The condition is, when $t_{count} > t_{table}$, the data can be said to be significant or valid, and feasible to be used in research including hypothesis testing. However, when $t_{count} < t_{table}$, it can be said to be insignificant or invalid, so it cannot be used to test the hypothesis. All valid statements are tested for reliability.

RESULTS AND DISCUSSION

Based on the data obtained results about the location of companies that fill out the instrument as follows.

Table 4. Number of Respondents by Region

Total	%	DKI
Jakarta	69	27.6
Depok	43	17.2
Bekasi	47	18.8
Tangerang	48	19.2
Bogor	43	17.2
Total	250	100

Source: Results of data analysis 2021

Table 4 provides information that the number of the largest sample was from DKI Jakarta with 69 respondents (27.6%), followed by Tangerang 48 respondents (19.2%), Bekasi 47 respondents (18.8%),

Depok and Bogor each 43 respondents (17.2 %).

The age of the respondents based on the analysis results are all over 30 years old. The education of the respondents can be seen in the following table.

Table 5. Respondents Based on Education

Education of Education	Details				Number
	S1	S2	S3	Others	
	19	50	0	15	2
	5				5
					0
	78	20	0.	2%	1
	%	%	%		0
					0
					%

Source: Primary data processed, 2021

The data above shows that there are 195 respondents with an undergraduate background (78%), there are 50 masters (20%), no one has doctoral education

(0.0%), and there are 5 diploma/high school students (2%). Thus, in the diagram above, the majority of research respondents have an undergraduate education.

Table 6. Respondents Based on Working Period

Details	Number			
	1-2 years	3-4 years	5-6 years	>6 years
	29	155	49	17
	11.6		19.	
	%	62%	6%	6.8%
				100
				%

Source: Primary Data processed, 2021

From the data above it can be concluded that, respondents with a working period of 1-2 years there are 29 people (11.6%), between 3-4 years there are 155 people (62%), between 5-6 years

there are 49 people (19.6%), and > 6 years there are 17 people (6.8%). Thus, the majority of research respondents have worked for 3-4 years.

Table 7. Respondents by Gender

Description	Gender		Total
	Male	Female	
of	199	51	250
	79.6	20.4%	100%
	%		

Source: Primary data processed, 2021

Respondents who became the research sample were female as many as 51 people (20.4%) meanwhile male sex as many as 199 people (79.6%). Thus it can be understood that the number of men is more than women.

submitted for the statement are 6 items. Through the results of descriptive analysis obtained objective information as follows.

Description of Variables Descriptive

Analysis is more directed at the description of the data, among others, minimum, maximum, mean, median, mode, standard deviation, variance and others.

a) Description of Brand Image Variables
Brand

Image is a collection of several cognitive, emotional, and behavioral dimensions that can be observed through six indicators, namely: cognitive (2 items), emotional (2 items) and behavioral (2 items). The total items

Table 8. Respondents' Answers about Brand Image

Dimension	Variable	Minimum	Maximum	Mean	Std. Deviation
Cognitive	CM1	4,000	5,000	4,544	0.499
Cognitive	CM2	4,000	5,000	4,543	0.498
	Average			4,544	0.4985
Emotional	CM3	1,000	5,000	3.429	0.998
Emotional	CM4	1,000	5,000	–	0.995
	Average			0.996	1.0116
				5	
Behavioral	CM5	1,000	5,000	3.213	1.143
Behavioral	–	–	–	CM4	3.363
				1,143	Avera
				ge	3.296
	Average			3.748	0.870
	CM				

Source: primary data, processed (2021)

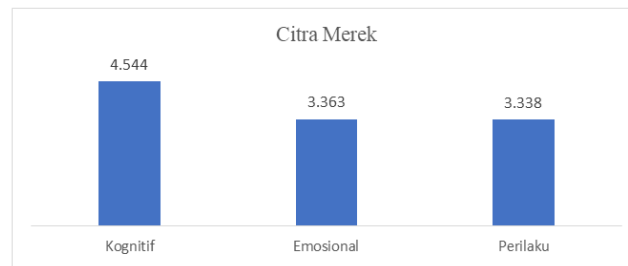


Figure 3. Citra Merek

From 6 items of brand image instruments, the mean score is 3.748, SD is 0.870. CM1 related to *cognitive* /memory of the brand got the highest score of 4,544.

CM5 item about behavior towards the brand gets the smallest score that is 3,213.

When viewed from these dimensions, the highest average is the cognitive dimension of 4,544, followed by the emotional dimension of 3,363, and the lowest is the behavioral dimension with an average of 3,338.

From the 3 dimensions owned by the brand image variable, there is a striking difference between 4,544 to 3,213. The cognitive factor got the highest average score, which is 90.88% (empirical score / maximum score x100%, or $4,544 / 5 \times 100\% = 90.88\%$).

However, what needs attention is that there are two factors, namely emotional and behavioral, the average is below 4, or if the percentage is for emotional factors of $3.363/5 \times 100 = 67.26\%$, and behavioral factors $3.338/5 \times 100 = 66.76\%$. It can be stated that the overall brand image is still below 70%. This is something that still needs to be improved in the future.

This needs to be done considering the location of the Tiga Roda cement factory is in Citeureup Bogor, the Jabodetabek area is

a home market share that needs to be maintained because the market in this area is very strategic where the company's image represented by the brand image is at stake because it involves the credibility of the Tiga Roda brand which must be maintained. still exist in its own territory.

This study corroborates the findings of underlines that the better the brand image in the eyes of the customer, the higher the brand loyalty carried out by the customer. The higher the brand image owned by a product in the eyes of customers, the better their loyalty to the brand. Lollebeek et.al (2014) research is also corroborated by this study that when the brand image in the eyes of customers is good, then they will always be loyal to the brand that has been fused with their soul.

Concludes that brand image can increase customer loyalty. People who have experience with a good brand image will consume the same brand for a long time. In fact, he will promote their brand loyalty to other potential customers to be tempted by the recommended brand.

Studies reveal that brand loyalty is very important for the purpose of sustainable competitive advantage for cement companies. The ability to identify customers in profitable cement companies

and be able to create long-term brand loyalty by strengthening customer relationship management (CRM) can be formed through various factors. The assessment of factors that influence customers in making purchasing decisions for cement brands including *four c's customer service* also encourages cement industry products to share knowledge fairly with Suseno customers (2019) as well as the hope of obtaining brand loyalty.

The advantages enjoyed by brands with strong and consistent customer loyalty include the ability to maintain premium prices, greater bargaining power with distribution channels, reduced costs, strong barriers to potential new entries into products or services in the same category.

Another study revealed that *brand image* and *brand trust* greatly affect brand loyalty in cement companies. Researchers mention that low satisfaction due to brand image has an impact on customer loyalty. In this regard, a close relationship between cement producers and their customers in the business-to-business becomes a competitive necessity today. Marketing, and continuous improvement are very important to earn revenue and increase customer loyalty. This means that if the level of joint work arrangements between buyers and sellers is low, the lower the customer loyalty, and vice versa. Collective work arrangements will help strengthen buyer loyalty to suppliers.

Brand equity, relationship quality, relationship value are closely related to customer loyalty. Without these three, it is difficult to bring products closer to customers, especially to build customer loyalty in the midst of rapid competition

and also foreign products in the domestic market.

Brand image becomes more important in increasing brand loyalty. The brand image becomes centered on the business experience which will increase the behavior of loyal customers (behavioral loyalty) and loyal attitudes (attitudinal loyalty). Brand image is also represented by personality to capture the hearts of consumers and keep them loyal. Brand image also makes loyal customers more efficient because it tends to reduce the length of decision-making time required and perceived purchase risk because a brand promises a constant level of quality. This is where the evidence that brand image greatly affects customer loyalty.

The results of this study strongly support the findings the brand image construct is able to increase brand loyalty because brand image consists of symbols, images, which are stored by customers in their mind and heart which will be promoted unconsciously to others to follow suggestions. they.

In other words, the results of this study fully support Zhang's 2015 finding that their image is an element of driving customer loyalty because brand image is a corporate symbolism that will make consumers buy their products with functional and sustainable effects.

It is true what (Keller, 2013)said that brand image is a customer's beliefs, ideas, and impressions of a brand that will lead them to be loyal to a brand whose quality is believed to be. Consumers choose a brand or product and have more loyalty to the brand because the brand has a very good image.

Three Wheel Cement with Mastertech Formula 'Forever Sturdy Trusted' must be realized maximally. The company's efforts to reach shops and builders by holding a *Care Shop* have not fully increased customer loyalty. Semen Indonesia admits that foreign 'cheap' cement products are starting to affect brand loyalty. Therefore, Tiga Roda brand cement must continue to build a brand image so that customer loyalty can be maintained and improved. Customers should not be tempted by the lower prices that many competing brands offer online through social networks and e-commerce.

Brand image is the basis of consumer cognition to be loyal which is motivated by the affection process and evaluation of product quality carried out by the majority of consumers. Brand image acts as an important signal for consumers to repurchase products that have been consumed, as well as a way to differentiate the brand from its competitors.

The interaction of brand image in brand communities on social media translates into a relationship between brand community dynamics (practices and relationships within the community) and customer loyalty.

So brand image really affects customer loyalty as found by ([Brakus et al.](#), 2009) that brand love needs to be considered because it greatly affects customer loyalty. Another finding states that brand image is gaining momentum because it reflects the dynamics of the brand relationship more comprehensively with customer loyalty.

Between cement consumers, especially between old consumers and new potential customers, in principle, they always

communicate about the best cement brand according to them, and an agreement arises between them so that when the old consumer's opinion is approved, the loyalty of the old consumer will be higher, and new consumers will be added. have the opportunity to become loyal consumers of the brand.

The results of this study support the findings brand image is built by the consumers themselves, meanwhile, argues that consumers will have a good brand image when they get a promotion from their trusted friends. Brand image is the secret of each individual and will be raised when someone else asks him.

The results of this study support the findings which state that the dynamics of life about a product become more crowded when it is discussed about well-known brands.

The implication of this finding is that when a company wants to increase customer loyalty for Tiga Roda cement, the company must be able to improve its brand image to customers. The various advantages of three-wheel cement that have been experienced by customers must be used as an important point in making various promotions. Promotion by customers through word of mouth, or now it can be through social media is much more powerful than other advertising means. Therefore, to become a good name for the Tiga Roda cement brand image, various efforts can be made while maintaining product quality, carrying out various promotions that are able to lift the brand image, making various souvenir items for customers to be internalized and embedded in the customer's brand image.

which in turn will increase customer loyalty.

CONCLUSIONS

Based on the results of the research described in the previous chapter, the conclusions drawn from these findings are as follows. 1) Based on the results of the first hypothesis test, it is proven that brand image has a significant effect on customer satisfaction. The level of customer satisfaction is significantly influenced by brand image by 0.53 and brand image explains customer satisfaction by 53%, while the remaining 47% is influenced by other factors. Thus, the better the brand image, the higher the customer satisfaction will be. 2) Based on the results of the second hypothesis test, it is proven that brand image has a significant effect on brand loyalty. The level of brand loyalty is significantly influenced by brand image by 0.27 and brand image is able to explain loyalty by 27%, while the remaining 73% is influenced by other factors. It can be stated that the higher the brand image, the higher the brand loyalty. 3) Based on the results of the third hypothesis test, it is proven that promotion has a significant effect on customer satisfaction. The level of customer satisfaction is significantly influenced by promotion of 0.29 and promotion explains customer satisfaction of 29%, while the remaining 71% is influenced by other factors. Thus, the better the promotion, the higher the customer satisfaction will be. 4) Based on the results of the fourth hypothesis test, it is proven that promotion has a significant effect on brand loyalty. The level of brand loyalty is significantly influenced by promotion by

0.56 and promotion is able to explain loyalty by 56%, while the remaining 44% is influenced by other factors. It can be stated that the higher the promotion, the higher the brand loyalty. 5) Based on the results of the fifth hypothesis test, it is proven that the physical distribution has a significant effect on customer satisfaction. The level of customer satisfaction is significantly influenced by promotion by 0.12 and physical distribution explains customer satisfaction by 12%, while the remaining 88% is influenced by other factors. Thus, the better the physical distribution, the higher the customer satisfaction will be. 6) Based on the results of the sixth hypothesis test, it is proven that physical distribution has a significant effect on brand loyalty. The level of brand loyalty is significantly influenced by the physical distribution of 0.15 and the physical distribution is able to explain the loyalty of 15%, while the remaining 85% is influenced by other factors. It can be stated that the better the physical distribution, the higher the brand loyalty. 7) Based on the results of the seventh hypothesis test, it is proven that brand image and promotion together have a significant effect on customer satisfaction. The level of customer satisfaction is jointly influenced by brand image and promotion with a coefficient of variation of 0.693. Brand image and promotion together explain customer satisfaction by 69.30%, while the remaining 30.70% is influenced by other factors not explained in the model. The contribution or contribution of the two variables can be said to be moderate. The variables that are predicted to have a major contribution to customer satisfaction include product

quality, price, and others. 8) Based on the results of the eighth hypothesis test, it is proven that promotion and physical distribution together have a significant effect on brand loyalty. The level of brand loyalty is jointly influenced by promotion and physical distribution with a coefficient of variation of 0.603. Promotion and physical distribution together explain brand loyalty of 60.3%, while the remaining 39.7% is influenced by other factors not explained in the model. The contribution or contribution of the two variables can be said to be moderate. The variables that are predicted to have a major contribution to brand loyalty include service quality, product quality, price, and others. 9) Based on the results of the ninth hypothesis test, it is proven that brand image, promotion, and physical distribution together have a significant effect on customer satisfaction. The level of customer satisfaction is jointly influenced by brand image, promotion, and physical distribution with a coefficient of determination of 0.71 or 71%. The contribution or contribution of the three variables can be said to be high. The other variables that are predicted to have a contribution include product quality, service quality, customer value, and others. 10) Based on the results of the tenth hypothesis test, it is proven that customer satisfaction has a significant effect on brand loyalty. The level of brand loyalty is significantly influenced by customer satisfaction of 0.36, customer satisfaction is able to explain brand loyalty by 36% and the remaining 64% is influenced by other factors. Thus, the higher the customer satisfaction, the higher the brand loyalty will be.

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