

# ANALYSIS RE-BRANDING, PRICE, SERVICE QUALITY TOWARDS CONSUMERS' LOYALTY DURING COVID 19: EMPIRICAL STUDY FOR CULLINARY RESTURANTS IN PADANG

Husnil Khatimah, Universitas Negeri Padang

## ABSTRACT

*This study aims to determine how important it is to improve service quality, rebranding, and prices during the Covid-19 pandemic in culinary restaurants in the city of Padang. This research uses quantitative methods. Respondents in this study were all customers of culinary restaurants in the city of Padang, the selection of this sample used simple random sampling, and the number of slovin techniques was determined with a sample of 175 people. In this study, researchers processed data by testing hypotheses which could be in the form of question indicators that had been made, and tested using the T-test and F-test, with the results showing that there is an effect of service quality and price on customer loyalty at culinary restaurants in Indonesia. the city of Padang during the pandemic even though the results were not large, namely 24%.*

**Keywords:** Re-branding, Price, Service Quality, Consumers' loyalty.

## INTRODUCTION

During a pandemic like today, starting a business is not right. or those who are running and maintaining a business is not easy, many large businesses are doing massive layoffs at this time, all business sectors are very, very affected, one of the businesses that I have been running since 2015, namely business in the culinary field, due to the declining sales volume as a result of customers who are reluctant to buy food outside for reasons of the hygiene of a food to be consumed, even the fear of the food that will be consumed is exposed to this dangerous virus. The impact of the pandemic has been felt for large business actors and MSMEs from any sector, including the restaurant business that has been run. To be able to maintain the business that has been run, the efforts that have been made in this regard are to improve the quality of extra services so that customers believe that the products we provide are not exposed to this Covid-19 Virus, and also provide the best prices, because at times like this this, everyone has reduced the costs incurred in order to survive this pandemic which is still ongoing Khakim et al., (2015).

The development of increasingly sophisticated technology as it is today promises new business opportunities and challenges for companies operating in Indonesia. This situation has led to increasingly fierce competition between domestic and foreign companies Kurniawan et al., (2018). One of the assets to achieve this state is the brand. In the current era of globalization, competition in the business and business world is very tight, both in the service and product industries along with the development of technological advances. Facing this competition, every company has a strategy that the company does to stay ahead and develop by changing the company's brand. Every company strives to produce products that have features in accordance with the wishes and needs of consumers. Price is an exchange rate that can be equated with money or other goods for the benefits obtained from an item or

service for a person or group at a certain time and place Lubis & Hidayat (2017). Price according to Kotler and Armstrong (2001) is the amount of money exchanged for a product or service Nalendra, (2018). Furthermore, price is the sum of all the values that consumers exchange for the number of benefits by owning or using a product or service. Another definition of price is everything that customers give to get the advantages offered by the company's marketing mix (Cannon et al, 2018) Nasution, (2016).

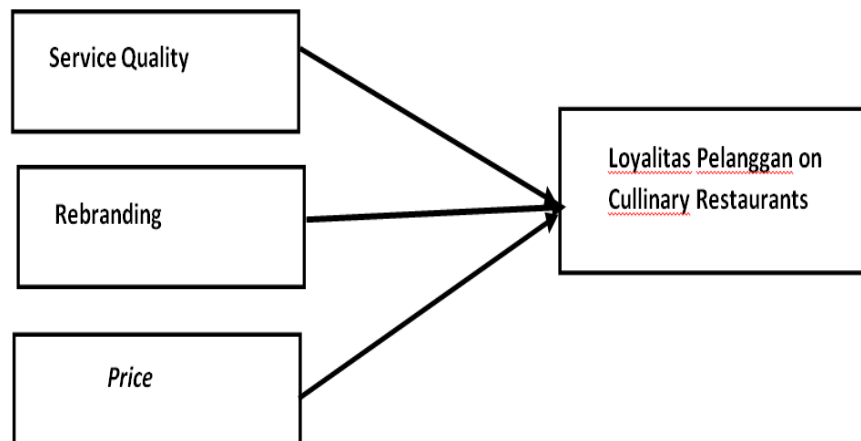
## REVIEW OF LITERATURE

The services required must be carried out as well as possible, in this effort in the form of employee discipline in serving each dish that is given so that it is always stable and always standard on the taste of the culinary business, besides that, things that can make customers can continue to choose to eat culinary businesses that are we run, we must also provide friendly service to every customer who comes quickly and is responsive to customer desires, must be very concerned, and provide prices that are in accordance with what is given (Putra & Ekawati, 2017) Service quality can also affect customer loyalty directly and affect customer loyalty indirectly through satisfaction Ong, (2013). Service quality encourages customers to commit to a company's products and services so that it has an impact on increasing the market share of a product. In order to create customer satisfaction, the products offered by the organization must be of high quality (Pongoh, 2013). The term quality itself contains various interpretations, because quality has a number of levels that are universally the same everywhere), cultural depending on the cultural value system), social (formed by socioeconomic class, ethnic group, family, companions), and personal (depending on the preferences or tastes of each person). individual) Priyono et al., (2016). In simple terms, quality can be concluded that service quality and price suitability are the basis for every marketing in the business, because quality is the core of the product on the market Rosyada, (2018).

Price is an exchange rate that can be equated with money or other goods for the benefits obtained from an item or service for a person or group at a certain time and place. In the journal Nela Kristiana (2012) which explains about the price according to Kotler and Armstrong is the amount of money that is exchanged for a product or service. Furthermore, price is the sum of all the values that consumers exchange for the number of benefits by owning or using a product or service. Another definition of price is everything a customer gives up to gain the advantage offered by the company's marketing mix. Price can also be related to the selling or buying value of a product, goods and services at the same time. Price according to Philip Kotler, is the sum of all the values given by the customer to gain the benefit of having or using a product or service. The selling price is the amount of compensation (money or goods) needed to obtain a number of combinations of goods or services. Companies always set a price for the product or service to be sold. The right price is a price that is in accordance with the quality of the product and that price can provide satisfaction to consumers Setyo, (2016).

Rebranding in the journal Ardhan Izzanul Moeniri (2017), according to Muzellec and Lambkin rebranding is creating a new name, term, symbol, design or a combination of all of them for a single brand that cannot be denied by developing a differentiating (new) position in the minds of consumers. stakeholders and competitors. In other words, rebranding is a marketing strategy where the company creates a new name, tagline, symbol, logo, design created for a previously known brand with the aim of developing, providing an update in the minds of consumers, investors and competitors. Rebranding is also not only limited to changing the logo, but often involves changing names, images, marketing strategies, and

advertising themes. Many study understand that rebranding is just a visual change of the identity and applications of a company. Rebranding is a process carried out to respond to environmental changes by changing identities in order to remain able to survive in business competition. Rebranding can be done with different methods or ways in each company, but has the same goal, namely changing or improving the company's image and widening the profit-oriented market. In simple frame, state of art as Figure 1.



**FIGURE 1**  
**REBRANDING PROCESS**

## METHODOLOGY

In conducting a study, researchers must first determine the method to be used. This research is a causal research (causal relationship) that uses a quantitative approach with statistical analysis that focuses on hypothesis testing. According to Sugiyono (2008), descriptive research is research conducted to determine the value of independent variables, either one or more variables (independent) without making comparisons or connecting with other variables. The research method used in this study is a probability sampling technique, namely a sampling technique that provides equal opportunities for each element (member) of the population to be selected as a member of the sample (Sugiyono, 2010). Sampling because it is done through the way the researcher gives a limit in the form of an element from each population that will be selected as a sample, so the first element in each multiple will be selected as a sample. While the type of probability sampling used is simple random sampling, which is a technique that is said to be simple because the sampling of members of the population is carried out randomly without regard to the existing strata in the population. Data analysis method is a method used to process research results in order to obtain an instrument and conclusions. The data analysis method used in this study is multiple linear regression. Probability sampling is a sampling technique where all elements have a chance to be selected as a sample. The type of probability sampling used by the researcher uses the type of Simple Random Sampling, which is a sample method that is carried out by providing equal opportunities for all elements to be selected as samples.

## FINDINGS

Descriptions of respondents in this study describe by gender, age, and profession. In the study, 195 respondents were obtained where these results are known from the results of

distributing questionnaires. Based on table 4.2, it can be seen that 105 respondents 54.2% were women and 90 respondents, 45.8% were men. are respondents who are already working (employees). Validity test is used to measure whether a questionnaire is valid or not. A measuring instrument is said to be valid if it can answer carefully about the measured variable (Ghozali, 2013). A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. For example, measuring buying interest consists of five (5) questions. So the question must be able to accurately express how big the level of buying interest is. So validity wants to measure whether the questions in the questionnaire can actually measure what we want to measure. The validity used in this study (content validity) describes the suitability of a data meter with what is to be measured (Ghozali, 2013). Validity test is used to measure the validity of the questions in the questionnaire. The validity test is used by comparing the calculated r value with r table for degree of freedom (df) = n-2, in this case n is the number of samples. Large (df) = 195-2 then the number 193, and alpha = 0.05 obtained from the r table 0.140, the analysis uses the SPSS program whose output is named corrected item. Price variable has a significant effect on consumer loyalty. Seen t Count (7.036) > t Table (1.974) , which means the price has a role in influencing consumer loyalty. Variable Rebranding has a significant effect on consumer loyalty. It can be seen that t Count (4.850) > t Table (1.974) , which means that rebranding also has a role in influencing consumer loyalty. Variable Service quality has a significant effect on consumer loyalty. It can be seen that t Count (4.860) > t Table (1.973) , which means that service quality also has a role in influencing consumer loyalty.

## CONCLUSION

Culinary restaurants are one of the MSME businesses that are affected during the current pandemic, in an effort to survive with the declining sales volume, they must continue to provide excellent service in order to increase customer confidence so that customers can continue to buy food needs during this pandemic and also provide the right price so that even though all sectors are affected, and everyone starts saving money for survival until this pandemic is over, customers will still be able to buy at the right price, in order to survive business continuity and business progress going forward.

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**Received:** 02-Mar-2024, Manuscript No. ASMJ-23-12582; **Editor assigned:** 04-Mar-2024, PreQC No. ASMJ-23-12582(PQ); **Reviewed:** 17- Mar-2024, QC No. ASMJ-23-12582; **Revised:** 22-Mar-2024, Manuscript No. ASMJ-23-12582(R); **Published:** 28- Mar-2024