

BRAND IMAGE AND ITS INFLUENCE ON CUSTOMER LOYALTY AT SRC APONG COMMUNITY RETAIL STORE

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ABSTRACT

This study aims to examine the extent to which brand image influences customer loyalty in micro-scale retail businesses, by taking the locus at the SRC Apong Store, one of the grocery stores that are members of the Sampoerna Retail Community network in Ciamis Regency. The approach used is quantitative with a descriptive-verification design. Data were collected through a Likert-sized questionnaire distributed to 31 respondents selected by purposive sampling technique, then analyzed using validity tests, reliability tests, normality tests, linearity tests, and simple linear regression. The results of the instrument testing indicate that all statement items are valid and reliable. Consumer perceptions of brand image and the level of customer loyalty are in the good category. However, the regression results show that brand image only provides 17.4 percent of the variation in customer loyalty ($R^2 = 0.174$) and its effect is not statistically significant ($t = 0.886$; $\text{sig.} = 0.383 > 0.05$). These findings indicate that customer loyalty in community retail stores is more determined by factors other than brand image, such as price, service quality, and transactional satisfaction.

Keywords: brand image; customer loyalty; community retail; simple linear regression; SRC Apong

INTRODUCTION

Indonesia's modern retail sector continues to grow despite the challenges of changing consumer preferences, technological advancements, and increasing competition. The presence of modern retail has shifted consumer shopping orientation from simply meeting basic needs to seeking convenience, a complete range of products, and a pleasant shopping experience. In this increasingly competitive environment, businesses' ability to build and maintain customer loyalty is crucial for their long-term sustainability and profitability.

Brand image is understood as the overall perception and beliefs attached to a brand in consumers' minds, which are formed not only from visual elements such as logos and store layouts, but also from the quality of service, product availability, and cleanliness of the shopping environment. When these elements create a consistently positive impression, consumers tend to view the store as a trustworthy choice, so that transactional relationships develop into long-term loyalty.

This phenomenon is relevant to observe at the SRC Apong Store, a grocery store within the Sampoerna Retail Community (SRC) network in Jayagiri Village, Panumbangan District, Ciamis Regency. Since joining the SRC network, the store has undergone a governance transformation, ranging from layout restructuring, implementing a visual community identity, to improving service standards. Internal store data shows a steadily increasing revenue trend over the past three years, from IDR 360,000,000 in 2023 to IDR 900,000,000 in 2025, indicating increased customer trust and

repeat purchasing patterns. However, amidst the proliferation of similar stores and the expansion of modern minimarkets, maintaining customer loyalty remains a challenge for micro-scale retailers.

Based on this background, this study aims to analyze consumer perceptions of the SRC Apong Store brand image, measure the level of customer loyalty, and empirically test the influence of brand image on customer loyalty. This study uses a quantitative approach with a survey method through the distribution of questionnaires, which are then analyzed using simple linear regression. The results of the study are expected to provide practical contributions for MSME-scale retail store managers in formulating marketing strategies, as well as serve as an academic reference regarding consumer loyalty behavior in partnership-based retail communities.

LITERATURE REVIEW

Brand Image

Brand image is a collection of perceptions attached to a brand in the minds of consumers, which are formed through product quality, marketing communications, consumer experience, and company reputation (Kotler & Keller, 2016). The more positive the image formed, the higher the level of consumer trust and loyalty towards the brand. In the retail context, brand image is generally proxied through three main dimensions: a functional image related to the quality and tangible benefits of the product or service; a symbolic image representing the identity, lifestyle, and emotional values attached to the brand; and an experiential image formed from direct consumer interactions with the store, ranging from comfort, cleanliness, to minimal service (Kotler & Keller, 2016). Research by Alexandro et al. (2022) supports this view by emphasizing that brand image plays a crucial role in shaping how consumers view a product or service, so that consumers with relatively positive brand perceptions do not easily switch to competitors even though there are price differences.

Customer Loyalty

Customer loyalty is defined as a customer's commitment to consistently make repeat purchases and recommend a product or service to others (Griffin, 2005). This loyalty is generally reflected through four indicators: repeat purchases, customer retention amidst competitive offerings, willingness to provide recommendations (referrals), and emotional commitment to the brand. Customer loyalty is not formed instantly, but rather develops from the accumulation of positive experiences, levels of satisfaction, and trust that are built over time. For micro-scale retail businesses, customer loyalty is a crucial indicator of the success of a marketing strategy because it directly contributes to revenue stability amidst competition from similar businesses and modern minimarkets.

The Relationship between Brand Image and Customer Loyalty and Previous Research

Theoretically, a strong brand image is believed to foster customer loyalty because it influences consumers' perceived value and trust in a business. However, empirical findings regarding this relationship are not always consistent. A study by Pramudita et al. (2022) on Tokopedia marketplace users, for example, found that brand image had no significant effect on brand loyalty, while other variables such as brand trust and brand satisfaction did have a significant effect. These mixed findings demonstrate a commonality in research regarding the power of brand image on customer loyalty, particularly in the context of community-based micro-retailers like SRC, which are relatively understudied compared to larger retail or franchise contexts. Based on this review, this study hypothesizes that brand image influences customer loyalty at the SRC Apong Store.

METHOD

Research Design and Sample

This study uses a quantitative approach with a descriptive-verification method, which aims to describe consumer perceptions while testing causal relationships between variables (Sugiyono, 2019). The study population is all consumers of the SRC Apong Store, whose number is not known for certain because the store does not have recorded customer data. Therefore, sampling was carried out using a non-probability sampling technique through a purposive sampling method, with the criteria for respondents being consumers who are registered to shop in the October–November 2025 period, have made at least two purchases, are at least 17 years old, and are willing to fill out the questionnaire voluntarily. Based on these criteria, 31 respondents were obtained as research samples.

Variables and Measurement

This study involved two variables, namely brand image as the independent variable (X) measured through indicators of functional image, symbolic image, and experiential image, and customer loyalty as the dependent variable (Y) measured through indicators of repeat purchase, retention, recommendation, and commitment. All indicators were measured using a five-point Likert scale, ranging from strongly disagree to strongly agree.

Data collection technique

Primary data was collected through field observations, interviews with store managers, and the distribution of questionnaires both offline and online via Google Forms. Secondary data was obtained through documentary studies, including business profiles and store revenue data, as supporting data.

Data Analysis Techniques

Data analysis began with a validity test using the Pearson Product Moment correlation coefficient, which compares the calculated r value with the table r at a significance level of 5 percent, and a reliability test using the Cronbach's Alpha coefficient with a threshold of 0.60 (Arikunto, 2016). Next, a normality test was performed using the Kolmogorov-Smirnov method and a linearity test using a scatter plot approach as prerequisites for regression analysis. Hypothesis testing was carried out through a simple linear regression analysis with the equation $Y = a + bX$, supplemented by a coefficient of determination (R^2) test to measure the contribution of brand image to customer loyalty (Sugiyono, 2022), and a t-test to assess the significance of the partial effect (Ghozali, 2020). All data processing was assisted by statistical software.

RESULTS

Instrument Validity and Reliability Test

The test results show that all statement items in the brand image variable (6 items) and customer loyalty (8 items) have a calculated r value greater than the r table (0.355), so that all items are declared valid. The reliability test produces a Cronbach's Alpha value of 0.7752 for the brand image variable and 0.7753 for the customer loyalty variable, both of which are above the threshold of 0.60 so that the instrument is declared reliable and consistent in measuring the research variables.

Table 1. Summary of Validity and Reliability Tests

Variables	The amount of goods	Range of r count	Cronbach's alpha	Information
Brand Image (X)	6	0.579 – 0.830	0.7752	Valid & Trusted

Variables	The amount of goods	Range of r count	Cronbach's alpha	Information
Customer Loyalty (Y)	8	0.490 – 0.871	0.7753	Valid & Trusted

Source: processed primary data, 2026.

Description of Brand Image Perception and Customer Loyalty

The recapitulation of respondents' responses to the brand image variable resulted in a total score of 729 out of a maximum score of 930, which is in the good category. The highest score was obtained for the statement regarding the ease of consumers remembering SRC Apong Store as a shopping place (score 134), while the lowest scores were for statements regarding reliable product quality and shopping convenience (scores 115 and 119). In the customer loyalty variable, the total score obtained was 784 out of a maximum score of 1,240, also in the good category, with the highest scores on the indicators of intention to continue being a customer (score 138) and willingness to give the store to others (score 125).

Table 2. Summary of Research Variable Scores

Variables	Expected Score	Score Achieved	Percentage	Category
Brand Image (X)	930	729	78.4%	Good
Customer Loyalty (Y)	1,240	784	63.2%	Good

Source: processed primary data, 2026.

Prerequisite Analysis Test

The normality test using the Kolmogorov-Smirnov method, supported by a bell-shaped histogram distribution pattern (bell-shaped curve), indicates that the residual data is normally distributed and therefore meets the requirements for further analysis using linear regression. The linearity test using a scatter diagram also shows a distribution pattern of points that tends to follow a straight line from the bottom left to the top right, indicating that the relationship between brand image and customer loyalty is linear.

Simple Linear Regression Analysis and Hypothesis Testing

The results of the simple linear regression analysis produce the equation $Y = 12.0099 + 0.1140X$. The constant value of 12.0099 indicates that without the influence of brand image, customer loyalty remains at that base value, while the regression coefficient of 0.1140 indicates a positive direction of influence, namely that each unit increase in brand image is associated with an increase in customer loyalty of 0.1140 units.

The coefficient of determination test produces an R Square value of 0.174, which means that brand image is only able to explain 17.4 percent of the variation in customer loyalty, while 82.6 percent of the suitability is explained by other factors outside this research model. Furthermore, the t test produces a t count value of 0.886 with a significance value of 0.383, which is greater than the significance level of 0.05. Thus, the null hypothesis (H_0) is accepted and the alternative hypothesis (H_1) is rejected, so it can be concluded that statistically brand image does not have a significant effect on customer loyalty at the SRC Apong Store, although overall it remains positive.

Table 3. Summary of Simple Linear Regression Results

Parameter	Mark
Constant (a)	12.0099
Regression Coefficient (b)	0.1140

Parameter	Mark
R Squared (R^2)	0.174
t count	0.886
Significance (Sig.)	0.383
Information	Not significant (Sig. > 0.05)

Source: processed primary data, 2026.

DISCUSSION

The descriptive findings of this study indicate that consumers have a good perception of the brand image of SRC Apong Store, especially in the aspect of ease of recognizing the store as a shopping place, in line with the visual arrangement and standardization implemented after the store joined the SRC network. The level of customer loyalty is also in the good category, especially in the dimensions of intention to continue shopping and willingness to recommend the store, which indicates a fairly loyal customer base behaviorally.

However, the results of the hypothesis testing revealed that the influence of brand image on customer loyalty was not statistically significant, with a relatively low contribution ($R^2 = 0.174$). This finding is consistent with the results of research by Pramudita et al. (2022) in the context of daring retail, which also found that brand image had no significant effect on brand loyalty, while variables such as trust and customer satisfaction were more dominant in shaping loyalty. The similarity of this pattern across two different retail contexts, namely daring and offline, indicates that brand image alone is not sufficient as a primary determinant of customer loyalty without the support of other transactional factors such as competitive prices, service quality, shopping satisfaction, and product availability.

In the context of a community-based micro-retailer like SRC Apong, this is understandable, given that customer loyalty to a grocery store is often more influenced by geographic proximity, convenience, and personal relationships with the store owner than by formal brand perceptions. Consequently, store managers need to view brand image enhancement as one of several strategies, not a sole strategy, and it needs to be balanced with improvements in service quality, price stability, and a consistent shopping experience to build stronger and more sustainable customer loyalty.

CONCLUSION

This study aims to analyze consumer perceptions of brand image, customer loyalty levels, and the influence of brand image on customer loyalty at the SRC Apong Store. The research instrument used was proven valid and reliable, with all item statements in both variables meeting the established statistical requirements. Consumer perceptions of brand image and customer loyalty levels at the SRC Apong Store were in the good category.

The results of the simple linear regression analysis produced the equation $Y = 12.0099 + 0.1140X$ which showed a positive direction of influence, but the hypothesis test proved that the influence was not statistically significant ($t = 0.886$; $\text{sig.} = 0.383 > 0.05$), with the contribution of brand image to customer loyalty only amounting to 17.4 percent. Thus, it can be concluded that brand image has not become the main determinant of customer loyalty at the SRC Apong Store, and other factors outside this research model are suspected to have a greater role.

Based on these findings, SRC Among Store management is advised to focus not only on strengthening brand image, but also on improving service quality, price competitiveness, product assortment, and the overall shopping experience to strengthen customer loyalty. Further research is recommended to add other variables such as customer satisfaction, service quality, and price, as well as expanding the number of respondents to make the research results more comprehensive and more generalizable.

LIMITATIONS

This study has several limitations that require attention when interpreting its results. First, the sample size was relatively small, 31 respondents, obtained through a non-probability purposive sampling technique, so the results cannot be broadly generalized to the entire population of retail consumers in the SRC community. Second, this study only tested one predictor variable, brand image, so the low coefficient of determination (17.4 percent) is also influenced by many other factors not included in the model, such as price, service quality, and customer satisfaction. Third, the data were collected over a single period (cross-sectional), so it cannot capture the dynamics of consumer loyalty perceptions and behavior over time. These limitations open up space for further, more comprehensive research, both in terms of the number and diversity of variables studied.

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