THE EFFECT OF PRICE, BRAND IMAGE AND PRODUCT QUALITY ON CUSTOMER SATISFACTION AND WORD OF MOUTH OF EPSON BRANDS IN SOUTHWEST ACEH DISTRICT

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ABSTRACT
This research aims to testthe effect of price, brand image and product quality on customer satisfaction and word of mouth of epson brands in southwest aceh district. the population in this research is the consumers in Southwest Aceh district. The sample is collected by using non probability sampling and purposive sampling technique which all members of the population have the same opportunity to be selected as samples. The amount of sample is determined as much as 150 respondents, to fulfil the requirement of Structural Equation Model (SEM) as a statistic method for testing. This SEM uses Amos software. The results prove that : 1) price influences word of mouth significantly; 2) brand image influences word of mouth significantly; 3) quality of product influences word of mouth significantly; 4) consumer satisfaction influences word of mouth significantly; 5) Price influences consumer satisfaction significantly; 6) brand image influences consumer satisfaction significantly; 7) quality of product influences consumer satisfaction significantly, in Epson brand printer. This verification tests contribute in updating the causality theories from the previous ones. The originality rests in the number of the previous causality theories that integrates in one model. The limitation lies in the amount of variables with one object. This model also contribute to practical managers especially the managers of EPSON brand printer to set the solution to penetrate the market with the products.
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Keyword: Price, Brand Image, Quality of Product, Consumer Satisfaction, Word of Mouth.

1. INTRODUCTION

Epson printer is a product which is not as common as other product among consumers especially for individual use in the city center of Southwest Aceh. Therefore, to support office and business activities there is a need for electronic devices that can support these activities, such as projectors for presentations and for holding long-distance conferences. The existence of printer document printing tools is fast, efficient, economical and easy to use. But, in this study the author will limit this research to printer products which are widely used by consumers in Southwest Aceh compared to other Epson's products. However, along with the Japanese famous products and brands, it has middle to upper market share and for the commercial market or community needs.

For dot matrix printer from Epson brand is a printer with a market share more than 95

percent, this is because of the other brands that produce dot matrix printers that are very necessary for most companies and small and medium businesses such as electricity payment counters is rarely found. In addition, the POS (point of sales) printers as used by cashiers, parking lots, or bank passbooks also matters. Meanwhile, Epson printers with inkjet systems are still not widely circulated compared to other popular brands such a Canon, HP, and Brother brands which adopted many models of ink tank system or infusion systems.

Nowadays, every company is required to create products along with customer satisfaction, and is also expected to find and build a network or marketing management system that is able to retain its customers, so that the ultimate goal of a company is to gain the customers (or consumers, that is considered to have the same meaning in this article) who are loyal to the brand of products offered by the company.

A consumer who is loyal will be a very valuable asset for the company. Loyal consumers will reduce the effort to find new customers. The changing environment makes a company demanded to create loyal customers, but this is not something that is easy. Where there are many things that affect the problem of customer loyalty to a brand, such as changes in economic conditions and technology along with the trend will affect consumers and behavior.

The pattern of consumer behavior in the future makes the task of the company in terms of marketing to be very complicated and complex to manage customer loyalty, where customers will pay more attention to the quality, value of a product or item, and try to find a cheaper product. So much influence of the pattern above that will cause the tendency of customers to move to other brands higher, because customers continue to try to find better alternative products at relatively more affordable prices. Companies must also be prepared to face changes in customer loyalty in the form of certain brands, products, or service outlets.

Customer satisfaction with Epson brand printer products is closely related to the quality of the product itself.Epson's printer customer satisfaction in Southwest Aceh Regency is one of the factors that can affect the level of word of mouth in using and utilizing the product for daily needs. The fact that consumer's satisfaction is still low can be seen from the level of service received which still cannot satisfy consumers, such as after-sales services that are still centered in Banda Aceh City.

Low customer satisfaction will have a positive impact on the decline of word of mouth (WOM) in consumers, where consumers who are dissatisfied tend to give a negative assessment of the product, while consumers who feel satisfied will give an assessment of word of mouth to fellow friends, colleagues and colleagues about the advantages of these products.

This also applies to Epson brand printer products, where competition in printer products in order to retain consumers must also be carried out, due to the increasing sales growth of competitors in Southwest Aceh District, such as Brother, Canon and brand printers.

2. LITERATURE REVIEW
Word of Mouth

There are several definitions of WOM. Early scholars defined it as oral communication, people to people between recipients and communicators whose recipients considered it non-commercial, regarding brands, products or services. Westbrook describes WOM as all informal communication directed at other consumers about ownership, use, or characteristics of certain goods and services or sellers.

WOM can be explained in terms of direction, valence and volume. The direction can be input into the decision making process, or the output of the purchasing process. The validity can be positive or negative. The volume is related to the number of people whose messages are conveyed (Stokes, Syed, & Lomax, 2002). WOM has a strong influence on consumer choice, so companies have a good opportunity to increase their market share by developing positive WOM among customers (Ariño, Flavian, & Guinalíu, 2008). The customer satisfaction is an important determinant of positive word of mouth (Liang & Wang, 2007).

Word of mouth is defined as consumer communication to consumers about goods and services. This is a strong persuasive force, especially in the diffusion of information about new products (Dean & Lang, 2008).(Katz & Lazarsfeld, 1955) found positive WOM seven times more effective than newspaper and magazine advertisements, four times more effective than personal sales and twice as effective as radio advertising in influencing consumers to switch brands. In fact, WOM has proven to be stronger than printed information. Especially, because WOM information is considered more credible. Another reason for the strength of WOM's marketing is that WOM is always relevant and timely, driven by customer needs and growing exponentially, for example, someone tells a story to five people, each of whom tells five more people, who tell five more then(Cengiz & Yayla, 2007).

Consumer's Satisfaction

According to (Kotler & Keller, 2009) customer satisfaction is a feeling of being happy or even disappointing from a consumer after comparing the expected expectations with the perceived reality. Consumer's satisfaction is a factor that can determine the success and competitive advantage in the long term of a company (Ojo, 2010). Consumer dissatisfaction with products or services tends to change their attitude to switch from one product to another (Bayraktar, Tatoglu, Turkyilmaz, & Zaim, 2012). Proven customer satisfaction will be a post-purchase evaluation material from the product or service provider.

Customer satisfaction is an evaluation of the overall customer experience with products or services provided by the company (Albarq, 2014). When customer expectations have exceeded, fulfilled or not met, then we can measure the level of customer satisfaction. Satisfaction is the consumer's perception of the purchase of a product both services and non-services (Mbuthia & Thaddaeus, 2015). After making a purchase consumers evaluate the entire product or service whether they are satisfied or not satisfied. In the context of services, (Beerli, Martín, & Quintana, 2004) concluded that customer satisfaction is a key factor that influences customer loyalty.

In a study by (Cronin & Taylor, 1992), experience was said to have a significant value to make intention to repurchase. Research by (Sun & Kim, 2013)also agreed with this idea and found that if customers were satisfied with current services, the company also had a tendency to maintain customer improvement patterns and at the same time be able to attract new customers to use their services.

Price

In his analysis of market response in situations where prices are used as a signal to quality, (Shugan, 1984) presents a logical logical development of the factors that influence price-quality relations. In addition, the conceptualization of market responses is influenced by different

consumer segments, each with different perceptions and preferences for product characteristics, leading to managerially useful ways to determine the optimal level of price and quality for establishing a product.

To apply the Shugan model to a real market situation, people will need data about market response coefficients for prices (eg, "B" in the Shugan equation) and quality ("c"). The sensitivity coefficient for price changes can be determined from data collected in actual field price manipulation, or from experimental simulations, such as (Dickson & Sawyer, 1984) approaches. However, the quality response coefficient will be somewhat more difficult to determine empirically. Manipulation of quality of product will, in many cases, be rather impractical, requiring changes in the production process for small-scale testing. Quality levels can be verbally described for some product attributes, but for others that are difficult to explain explicitly (eg, subjective characteristics such as "style" or "luxury"), it will be difficult to experimentally test quality responses through simulation and conditions of choice. Thus, the practical application of this model may be limited to products that are characterized by features that are relatively simple and easy to describe.

However, the questions about the application such as the Shugan's formulation have considerable theoretical appeal. This symbolizes directly. But an elegant account determines the quality-price relationship in consumer purchases. From this initial formulation, further refinement of the model may be done to adapt it to the typical conditions of the real world. For example, in its present form, the model assumes that consumers may be sensitive to both price and quality, but not to both. However, realistically, many consumers might value low prices and high quality, and therefore have to make a tradeoff in their choices. How can the model be expanded to account for these consumers?

Another type of consumer that is not currently found in the model is the person who simultaneously searches for more than one quality of a product. Such consumers may be typical for a large number of products, and the model may be adapted to deal with the existence of these consumers.

Brand Image

Brand image can represent one's identity because it is important for fashion clothing (Utami, Ma'ruf, & Utami, 2017). Brand is a set of mental associations and this association must be exclusive, desirable and strong. It is important to note that how do consumers understand the brand? Therefore the perceived quality can be further divided into service quality & quality of product. Quality of service is assessed by Empathy, Responsiveness, competence, reliability & Affordability. While quality of product is felt by its seven dimensions. They are features, performance, durability, reliability, compliance with specifications and Ease of Service (Aaker, 1991). Consumers give importance to all factors related to their chosen brand. If a consumer wants something based on urgency and the product or brand is not on the market. Then consumers become anxious and maybe consumers will switch to other brands. The anxiety faced by consumers during shopping is called Post Purchase Dissonance. Therefore it is the responsibility of a marketer to save consumers from anxiety. Today business work is not only at prices but customer satisfaction, interest, relationships and loyalty is very important. Consumer perception about the brand depends on the ad.

Because advertising is the first image of a brand and that is the leading weaponry in all

marketing tools because of the positive or negative impact on consumer purchasing behavior. Through proper brand marketing, consumer awareness increases. Thus all of these things are related to each other.

Quality of Product

According to (Belogolova & Spiller, 2017)products are everything offered to consumers who can solve problems or provide benefits including all "additives", eg guarantee. In many cases, the product will be the most important element in the marketing mix; it lies in successful marketing care. Page states that the future of a product must be as harmonious as possible with the benefits sought by consumers. To get quality of product requires an understanding of what consumers expect. This means that not only that of the quality must do what is claimed for it and stand well compared to rivals, but also comes that consumers consider the color, weight and size of the packaging to be right. Basic quality feature products can be expanded with variations called "ad doze (additional features). In the case of durable goods, this can be an example of aftermarket support. Expanded guarantees improve and maintain services. Products are a focal point by which companies strive to satisfy consumer needs. The term product can mean many things to many people, most people, when they consider marketing a product, tend to think of fast-moving consumer goods (FMCGS) such as powder or chocolate bars.

Research Hypothesis

From the discussion above, the authors formulate the hypothesis as follows.

H1 :price influences word of mouth significantly;

H2 : brand image influences word of mouth significantly;

H3 :quality of productinfluences word of mouth significantly;

H4 : consumer satisfaction influences word of mouth significantly;

H5 :Priceinfluences consumer satisfaction significantly;

H6 brand image influences consumer satisfaction significantly;

H7 : quality of product influences consumer satisfaction significantly

Research Method

The research is conducted in Southwest Aceh District. The variables of this research are the price, brand image, quality of product, consumer satisfaction and word of mouth.The population in this research is the consumers in Southwest Aceh district. The sample is collected by using non-probability sampling and purposive sampling technique which all members of the population have the same opportunity to be selected as samples. The amount of sample is determined as much as 150 respondents, to fulfil the requirement of Structural Equation Model (SEM) as a statistic method for testing. This SEM uses Amos software.

3. RESULT AND DISCUSSIONS

H1 is accepted :The Effect of Price towards Consumer Satisfaction

The effect of price on consumer satisfaction shows a CR value of 6.713 and a probability of 0.000. The CR is greater than 1.96 and the probability is smaller than 0.05, so the hypothesis is acceptable. Thus it explains that price has an effect on increasing consumer satisfaction of Epson brand printer products.

H2 is accepted :The Effect of Brand Image on Consumer Satisfaction

The effect of brand image on consumer satisfaction shows CR value of 4.298 and a probability of 0.000. The CR is greater than 1.96 and the probability is smaller than 0.05, so the hypothesis is acceptable.Thus it describes that brand image has an effect on increasing consumer satisfaction of Epson brand printer products.

H3 is accepted :The Effect of Quality of Product on Customer Satisfaction

The effect of quality of product on consumer satisfaction obtains a CR value of 6.432 and a probability of 0.000. The CR value is above 1.96 and the significance value is less than 0.05, so the hypothesis is acceptable. It figures that quality of product has an effect on increasing consumer satisfaction of Epson brand printer products.

H4 is accepted :The Effect of Consumer Satisfaction on Word of Mouth

The effect of consumer satisfaction on word of mouth shows a CR value of 3.920 and a probability of 0.000. The CR is greater than 1.96 and the probability is less than 0.05, so the hypothesis is acceptable. It indicates that consumer satisfaction has an effect on increasing word of mouth of Epson brand printer products.

H5 is accepted :The Effect of Price on Word of Mouth

The effect of price on word of mouth shows a CR value of 7.752 and a probability of 0.000.The CR is greater than 1.96 and the probability is smaller than 0.05, so the hypothesis is acceptable. It figures that price has an effect on increasing word of mouth of Epson brand printer products.

H6 is accepted :The Effect of Brand Image on Word of Mouth

The effect of brand image on word of mouth shows a CR value of 7.857 and a probability of 0.000.The CR is greater than 1.96 and the probability is smaller than 0.05, so the hypothesis is acceptable. It figures that brand image has an effect on increasing word of mouth of Epson brand printer products.

H7 is accepted :The Effect of Quality of Product on Word of Mouth

The effect of communication on word of mouth shows CR value of 3.589 and probability of 0.000.The CR is greater than 1.96 and the probability is smaller than 0.05, so the hypothesis is acceptable. It describes that quality of product has an effect on increasing word of mouth of Epson brand printer products.

4. CONCLUSION

The results of the study prove that : 1) price influences word of mouth significantly; 2) brand image influences word of mouth significantly; 3) quality of productinfluences word of mouth significantly; 4) consumer satisfaction influences word of mouth significantly; 5)Priceinfluences consumer satisfaction significantly; 6) brand image influences consumer satisfaction significantly; 7)quality of product influences consumer satisfaction significantly, in Epson brand printer.This verification tests contribute in updating the causality theories from the previous

ones. The originality rests in the number of the previous causality theories that integrates in one model. The limitation lies in the amount of variables with one object.

This model also contribute to practical managers especially the managers of EPSON brand printer to set the solution to penetrate the market with the products. To increase consumer satisfaction and word of mouth, the company should be able to adjust the price so that consumers have the ability to buy Epson Brand printers because the prices offered are affordable with financial owned by consumers. In order to increase consumer satisfaction based on brand's image, the Epson Brand Printer products that are marketed must get recognition as a product that has advantages compared to other products. Beside, to improve word of mouth based on quality of product, what needs to be considered is related to aesthetic values relating to consumers' personal considerations and reflection from individual preferences to other consumers to own printer products. And, word of mouth needs to be considered especially with regard to information conveyed to friends and relatives to have a psychological impact on them to try to buy Epson brand printer products immediately.

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