ABSTRACT

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THE EFFECT OF BRAND IMAGE TOWARDS CUSTOMER LOYALTY AT PO HOTEL, SEMARANG.

Nowadays in the hotel industry, brand is one of the most important assets for a company. A good or a strong brand image has a great impact towards customer loyalty. PO Hotel was previously known as Crowne Plaza Hotel. Based on observation and interview with several customers, there are different brand images in the eyes of their customers.

Customer loyalty is customer commitment to repurchase products or services from the company even though the influence of marketing has the potential to cause changes in behaviour; while brand image is a set of beliefs, ideas, and impressions of a person about a product, because of that, the attitude and action of a customer towards a product is determined by the brand image. Therefore a good brand image will create customer loyalty.

The purpose of this research is to the effect of the hotel's brand image towards customer loyalty at PO Hotel, Semarang. This research is using quantitative method as its research approach. As the data collection method, writer collects the data by distributing questionnaire to 45 customers from Po Hotel using simple random sampling technique.

The questionnaire items were processed by using SPSS (Statistical Packages for Social Science). From the correlation test resulted brand images and customer loyalty have correlation of 0.480; as for the determination test resulted, 0.230. The simple regression test shows that each of 1% brand images will affect customer loyalty by 0.200.

Z-test calculation resulted Zcount 3.20 which is greater than the value of Ztable (1.65). The study concludes that there is an effect of brand images towards customer loyalty at Po Hotel, Semarang, where brand images variable affects customer loyalty by 23%, while the rest is influenced by other 77% factors outside this study.