

## Contributing Factors to Customers Loyalty in Gadgets A Study on Apple Brand

Rosmelisa Binti Yusof<sup>1</sup>, Lok Yee Huei<sup>2</sup>, Nur Aisya Binti Adnan<sup>3</sup>, Nur Aliah Ilyana Binti Jefry<sup>4</sup>, Nur Aliana Sofea Binti Syuhaimi<sup>5</sup>, Nur Alieza Natasha Binti Marzuki<sup>6</sup>, Nilna Iffa Afifatia Fasya<sup>7</sup>, Naura Nuhaa Tsabita<sup>7</sup>

Universiti Sains Malaysia<sup>1,2,3,4,5,6</sup>

Universitas Brawijaya<sup>7,8</sup>

Correspondence Email: [aliahilyana02@student.usm.my](mailto:aliahilyana02@student.usm.my)

### ARTICLE INFORMATION

#### Publication information

#### Research article

#### HOW TO CITE

Yusof, B. R., Huei, L. Y., Adnan, N. A. B., Jefry, N. A. I. B., Syuhaimi, N. A. S. B., Marzuki, N. A. N. B., Fasya, N. I. A., & Tsabita, N. N. (2023) Contributing factors to customers loyalty in gadgets: A case study of Apple. *International Journal of Tourism & Hospitality in Asia Pasific*, 6(2), 116-125.

#### DOI:

<https://doi.org/10.32535/ijthap.v6i2.2344>

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Received: 27 April 2023

Accepted: 16 May 2023

Published: 20 June 2023

#### ABSTRACT

Apple is a well-known technology corporation globally and one of the most valuable brands in 2020. Apple Inc. is a company that designs, develops, and distributes mobile communication and media players, PCs, and portable digital music players. Apple's products include iPhones, iPads, Macs, and iPods. In Malaysia, most university students choose to utilize Apple devices for their studies. This research examines why most students prefer Apple products in their daily lives. This research will also examine customer satisfaction, attitude to the brand, product quality, and service quality that impact customers' loyalty to Apple products. The data was acquired through monitoring and surveying students at University Sains Malaysia. This paper's used SPSS to analyzed the survey data. The finding revealed a significant relationship between product quality, attitude to the brand, service quality, customer satisfaction, and customer loyalty.

**Keywords:** Apple, Customer Loyalty, Customer Satisfaction, Gadgets, Quality

### INTRODUCTION

The technological product evolves over time and becomes even more critical. One of the largest technology corporations is Apple Inc. This company designs, develops, and distributes mobile communication and media players, PCs, and portable digital music players. Most of Apple's products are known globally. Some of the products produced by Apple Inc include iPhones, iPads, Macs, and iPods.

Nowadays, the technology producer aims to provide the best technology to their client. This is one of the ways for the company to attract new consumers and retain their loyal customers. Technology was deemed a great and useful tool in helping consumers. Moreover, technology could become game-changer and restore human dignity by changing how people anticipate, predict, and better target response efforts (Sehgal et al., 2020).

The core dimension of Apple products is focusing on their consumer. Customers are an essential component of every organization; the primary goal of all firms is to meet customer wants while also generating profit. Consumers are a profitable venture; Thus, in order to meet consumers' expectations, it is vital to understand how they prioritize product or service pricing, delivery time, variety, and quality. Long-term income may be earned by organizations that develop client loyalty. Moreover, if the value of products offered is higher than their rivals, the consumer will likely engage with the product (Sugarda, Suardhika, & Sapta, 2023).

Loyalty is more than simply continuing to purchase things derived from a firm. Customers may repeat purchases as a result of other than loyalty, such as if the organization offers the best price in the market, if the company has a business relationship with the customer if changing suppliers' costs too much work or money, alternatively, if shopping has become a habit. According to Tumbelaka, Kaligis, and Mengga (2022), repetitive buying from the customer will create high interconnectedness and engagement between the customer and the product, which is deemed customer loyalty.

Customer loyalty is critical since the firm wants to ensure that its consumers continue to purchase with them across their whole product line and goals. The firm cannot exist or run its business unless they have pleased clients who continue to buy from them. Loyal consumers benefit the firm by allowing it to develop and maintain its substantial profit margins. Furthermore, the corporation may make the optimal investment for their organization in order to improve consumer loyalty.

Apart from it, customer experiences and satisfaction will have an influence on customer loyalty. According to Iglesias and Guillen (2004), customer satisfaction is the overall evaluation of customer purchases and consumption experience. This is reflected by a comparison between perceived reward and customer sacrifice experience. Moreover, customers will receive a greater level of satisfaction when they receive a lot of benefits from the purchase and consumption of the product (Kim, 2007).

Meanwhile, product quality, attitude to brand, and service quality are seen as factors that could contribute to increased customer satisfaction and loyalty. One of the ways to ascertain a loyal customer is by producing a product or providing a service with good quality that exceeds customer satisfaction (Miller, Craighead, & Karwan, 2000; Kim, 2007). Due to the importance of customer loyalty towards the Apple brand, this paper aims to study the relationship between product quality, attitude to the brand, service quality, customer satisfaction, and customer loyalty.

## LITERATURE REVIEW

### Customer Satisfaction

Customer satisfaction is defined as the overall attitude towards service providers or the emotional reaction of customers towards a product (Hansemark & Albinson, 2004). Consumers choose products based on their needs, desires, and expectations. When choosing a product, consumers consider the components contained in the product. Satisfaction of these needs, desires, and expectations is referred to as consumer satisfaction. People who enjoy a product return to buy more once they realize they get value from it. If customers can get satisfaction and fulfill their needs through the product, they will likely purchase it again.

When evaluating a product's quality, consumers need to feel satisfied with the results. This can be achieved by showing that their products are of high quality. If the consumer feels their expectations were not met and/or if they feel the same or more than expected, then they won't be satisfied. Product quality is determined by how well a product meets the needs of its intended consumers— whether those needs are explicitly stated or implied— which helps them meet those expectations in the future.

H7: Customer Satisfaction is positively connected to customer loyalty

### Product Quality

In order to increase the likelihood of consumers purchasing their products again, companies should provide high-quality goods. There are eight different dimensions to a product's quality, which include Performance, Feature, Reliability, Conformance to Specifications, Durability, Serviceability, and Aesthetics. Adding more aesthetic appeal also increases a product's chances of purchase. Consumers can also perceive quality as product reliability, conformance to specifications, and performance.

As long as consumers like their purchased products, they will stay loyal to the product and continue to make repeat purchases. Providing good service to clients is expected to make them return for more transactions. This helps increase a business' loyalty among patrons. The brand's image is formed through information and experience shared among its members. A strong image leads to increased market share and popularity with clients; a weak or negative image prevents new customers from gaining and existing customers from staying. People's understanding and perception of a brand affects their confidence in the product. This leads them to make purchases due to the strong impression of a brand's learning outcomes. People choose a brand based on their image, which helps create a competitive advantage.

H1: Product quality is positively connected to customer loyalty.

H4: Product quality is positively connected to customer satisfaction.

### Attitude to Brand

How people perceive a brand is dependent on its brand image. According to Yao, Hu, and Du (2023), consumer attitude towards certain brands is influenced by the product's quality. Thus, people's actions and opinions toward a brand are largely formed by its image. Different buyers have different feelings about the company's or brand's image. Image is the public's perception of the company or its products as reflected by its brand. People's understanding of a certain brand is key to determining their choices when it comes to purchasing new products. Understanding the nature of a brand's image, as well as its attitude and benefits, are essential to this process. Positive views of a brand can increase the likelihood of customers purchasing its products. Various indicators of a popular brand can be seen through its image.

Product strengths include the overall look and functionality of the product. The uniqueness of the brand arises from product attributes which become a unique impression or differentiation between one product and another, which gives reasons for

consumers that they have to buy the product. While some features make products distinct, consumers use these traits to justify why they need to buy a specific product. The ease at which a company's name is pronounced is considered when creating a product's preferences. Additionally, consumers' ability to easily use a product and its compatibility with other products are considered. Additional factors include the ease at which consumers can remember the brand and the impression of the brand in their memory.

H3: Attitude to the brand is positively connected to customer loyalty

H6: Attitude to the brand is positively connected to customer satisfaction

### **Service Quality**

According to Roberts, Caspi, and Moffitt (2003), much remains to be learned about the nature of the causal linkages between these categories in consumer services. Their study backs up the chain of influence by finding that the impact of service quality on customer loyalty is entirely mediated by relationship quality. That is, the quality of service has no independent influence on consumer loyalty and is solely influenced by relationship quality. The outcome of the service delivery system is typically viewed as service quality, specifically in basic service systems. Moreover, consumer satisfaction is linked to service quality. The customer's view of the quality of service. Customers, forming views regarding the quality of service, on the other side, is dependent on a variety of criteria, not just one.

H2: Service quality is positively connected to customer loyalty

H5: Service quality is positively connected to customer satisfaction

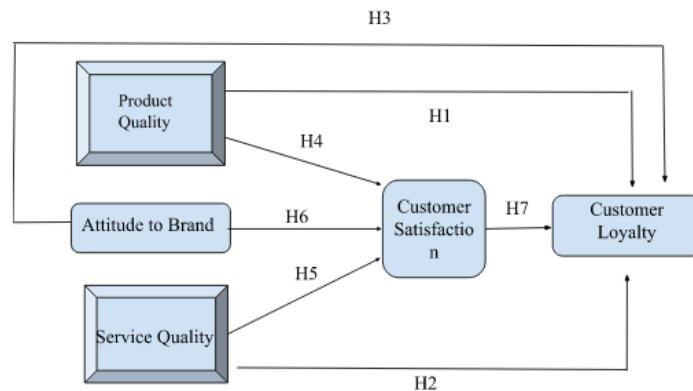
### **Customer Loyalty**

According to Aqila et al. (2022), customer loyalty is best described as an attachment between customers and the product or services provided by a company. Thus, the elements that influence loyalty and its importance range from one firm to the next. Customer loyalty influencing elements are classified as follows: Employee competence variables include personality traits, behavioral characteristics, and the look of persons who deliver services (Aqilah, Maisarah, Oh, & Hayati, 2022). The elements encompass all characteristics of personnel that may influence customer satisfaction and loyalty, including the method of attire, formal or casual relations of staff and customers, interest to react to customers, and such.

## **RESEARCH METHOD**

A quantitative technique will be applied in this investigation. The research is often conducted using an explanatory design, with the goal of testing predicted correlations between variables (Mulyadi, 2013).

**Figure 1.** Research Framework



- H1: Product quality is positively connected to customer loyalty  
 H2: Service quality is positively connected to customer loyalty  
 H3: Attitude to the brand is positively connected to customer loyalty  
 H4: Product quality is positively connected to customer satisfaction  
 H5: Service quality is positively connected to customer satisfaction  
 H6: Attitude to the brand is positively connected to customer satisfaction  
 H7: Customer Satisfaction is positively connected to customer loyalty

### Measures

The data used uses primary data obtained from respondents through a questionnaire (*google form*). Respondents for the research are students University Sains Malaysia, with the items of respondents 150. The survey items were scored on a 5-point Likert-type scale, with 1 being strongly disagree and 5 being strongly agree. Brand identity questions were developed from Apple's mission statement to further understand respondents' impressions of the Apple brand. These questions were assessed using the dependent variable Customer Loyalty and the independent variables Product Quality, Service Quality, and Brand Attitude.

The data analysis techniques that researchers use are Descriptive statistics and Multiple Regression Analysis. Descriptive statistics are a type of statistics that can be used in data analysis or to provide an overview of existing data. The purpose of descriptive statistics is to be able to provide a description and description of the variable data determined from the mean, minimum, maximum, and standard deviation. To make the data have results that are more accurate and easier to understand about research which is the relationship between existing variables.

The flow of descriptive statistics starts from collecting quantitative data, then managing, simplifying, and structuring qualitative data. After that, we use sample data to estimate parameters or test assumptions about population parameters and finally draw conclusions about the characteristics of the population (parameters) being studied (Nasution, 2017).

Multiple Regression Analysis is One type of regression that uses more than one independent variable is multiple linear regression. This analysis is to find out how much the dependent variable and the independent variable are related to each other. The multivariable analysis method can be said to be better than the single variable method because, in the multivariable method, various variables/characters will be jointly reviewed for their influence on the results obtained. In addition, through this method can also be known variables that have the greatest/strongest influence on the results obtained. In the general flow in multiple regression analysis, the coefficient of determination comes first, followed by the F test and the t-test (Trisunaryanti, Triyono, Mudasir, & Syoufian, 2010).

## RESULTS

There are 150 valid answers that can be utilized for statistical analysis. Table 1 summarizes the demographic features of the respondents.

The respondents' demographic characteristics have been summarized in Table 1. Every 150 respondents shared their thoughts on the reasons why consumers prefer Apple products. According to Table 1, the majority of responders are 21 years old (29.3%), 20 years old (18.7%), and 22 years old (14%). Then, for those aged 19 and 23, the figure is 12.7%. Female respondents account for 65.3%, while male respondents account for 34.7%. There are 106 Malay respondents, 27 Chinese respondents, and 17 Indian respondents among the 150 total. In terms of the study year, 53.3% of respondents are students in year 2, 20.7% are students in year 3, and 19.3% are students in year 1. According to the study, the majority of respondents (112) own an iPhone, while 38 do not. The majority of respondents (57.3%) intend to buy or use Apple products in the future, whereas 8.7% maybe to buy or use Apple products in the future. However, 1.3% do not intend to purchase or utilize Apple products.

**Table 1.** Respondent Profile's Summary (N=150)

Response	Frequency	Percentage (%)
Age		
18	3	2.0
19	19	12.7
20	28	18.7
21	44	29.3
22	21	14.0
23	19	12.7
24	11	7.3
25	3	2.0
30	1	0.7
33	1	0.7
Gender		
Female	98	65.3
Male	52	34.7
Ethnicity		
Chinese	27	18.0
Indian	17	11.3
Malay	106	70.7
Year of Study		
1	29	19.3
2	80	53.3
3	31	20.7
4	8	5.3
Are You an iPhone User?		
No	38	25.3
Yes	112	74.7
If Not, Do You Plan to Purchase or Use an iPhone Gadget in the Future?		
Maybe	13	8.7
No	2	1.3
Yes	86	57.3

**Table 2.** Descriptive Statistics, Cronbach's Alpha Coefficients, and Zero-Order Correlation Coefficients

Variables	1	2	3	4	5
1. Customer Loyalty	<b>.818</b>				
2. Product Quality	.574**	<b>.866</b>			
3. Customer Satisfaction	.640**	.794**	<b>.915</b>		
4. Service Quality	.587**	.647**	.735**	<b>.920</b>	
5. Attitude to Brand	.605**	.614**	.703**	.537**	<b>.930</b>
Number of Items	2	3	3	3	2
Mean	4.547	4.542	4.560	4.507	4.577
Standard Deviation	.633	.589	.631	.744	.596

Note:  $N = 150$ ; \* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ . The diagonal entries represent Cronbach's coefficients alpha.

The descriptive statistics and correlation coefficients alpha and zero-order correlation of all research variables are shown in Table 2. Table 2 displays the descriptive statistics and relationships between research variables. Cronbach's alpha for all four variables indicated acceptable reliability, with coefficient alpha ranging from 0.818 to 0.930.

**Table 3.** Regression Analysis

Variables	Customer Satisfaction	Customer Loyalty
1. Product Quality	.422***	.096
2. Customer Satisfaction		.194
3. Service Quality		
4. Attitude to Brand	.314*** .275***	.227* .287**
R <sup>2</sup>	.759	.486
F Value	153.666	34.329
Durbin-Watson Statistic	2.008	2.309

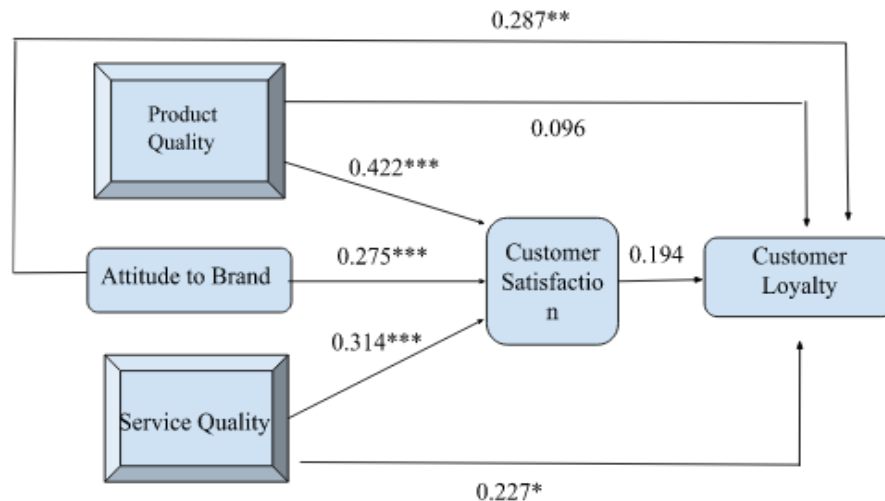
Note:  $N = 150$ ; \* $p < .05$ , \*\* $p < .01$ , \*\*\* $p < .001$ .

Customer loyalty is a dependent variable, as shown in Table 3, whereas product quality, customer satisfaction, service quality, and brand attitude are independent variables. Regression analysis was used to examine the hypotheses that were created. Product quality, customer satisfaction, service quality, and brand attitude are all substantially and positively connected with consumer loyalty, according to the research. The output has an R<sup>2</sup> value of 0.486. It demonstrates that product quality, customer satisfaction, service quality, and attitude to brand influence 48.6% of customer loyalty changes. Attitude to brand has the highest beta value which is 0.287, making it the most influential factor on the dependent variable. In contrast, service quality had a beta value of 0.277, customer satisfaction had a beta value of 0.194, and product quality had the lowest variable of 0.096. Hence, H2 and H3 were supported, while H1 and H7 were supported.

Besides, this research examines how product quality, service quality, and attitude to brand influence customer satisfaction. The relationship among product quality, service quality, and attitude to the brand was positively related to customer satisfaction with beta values of 0.422, 0.314 and 0.275. Thus, H4, H5 and H6 were supported. The value of R<sup>2</sup> is 0.759 and it shows that 75.9% of the independent variables would be affected by customer satisfaction.

Furthermore, customer satisfaction is a measurement of the quality of a company's products, services, and overall customer experience to match or surpass consumer expectations. Our proposed framework is depicted in Figure 2.

**Figure 2.** Proposed Framework



## DISCUSSION

Variable impacting customer loyalty in Apple gadgets in USM were investigated by this study. The research's outputs prove that product quality and service quality significantly impact customers' loyalty to continue using the Apple gadget. Both product quality and service quality were variables that directly affected the loyalty intention. Besides, product quality and service quality impacted loyalty intentions for Apple, where attitude came in and served as an intermediate variable. Furthermore, this study found that product quality and service quality influence customers' loyalty directly to the purchase of an Apple gadget. Additionally, the analysis results demonstrate that the model presented in this study can explain the factoring contribution to customers' loyalty to continue purchasing the Apple gadget. Two out of four suggested variables (service quality and attitude toward brand) were recognized as significant in influencing customers' loyalty to continue purchasing the Apple gadget.

After comparing customer satisfaction, product quality was the most significant factor influencing customer satisfaction that drives customers to continue purchasing Apple gadgets. Among the factors contributing to customers' loyalty toward Apple's gadgets, attitude toward the brand was the most influential factor that affected customers' loyalty to continue purchasing Apple gadgets. Previous studies (Atnafu, 2012) state that brand performance is a baseline for comparison with customer satisfaction, which is based on tangible and intangible brand attributes. High customer loyalty in purchases of Apple-branded goods includes product quality, customer satisfaction, service quality, and attitude toward the brand. This can increase positive comments about the business and brand.

The second most important factor influencing customer loyalty to Apple products is customer satisfaction which can attract new customers. This is because not only does customer satisfaction result in a high customer lifetime value (CLV), but loyal customers are also the main ambassadors for your company, bringing in new clients through recommendations. Additionally, in order to recommend a business, you must first be happy with its services. Your company will benefit from any positive comments or reviews made on social media. A Nielsen survey showed that 92% of customers value referrals from friends and family more than any marketing effort. 70% of individuals place their confidence in internet reviews (Szyndlar, 2022). As a result, while product quality is the most critical component, customer happiness is equally vital in building consumer loyalty to continue buying Apple Inc. products.



Finally, the third factor that also plays a role in influencing customer loyalty to continue buying Apple Inc. products is service quality. This shows that service quality has an indirect influence on Apple customers' loyalty. This is because ensuring customer satisfaction and encouraging repeat business helps businesses increase sales. As a result of customer loyalty, high service quality reduces marketing expenses. Customers are also far more inclined to conduct business with a firm that delivers high-quality services. Clients are also more inclined to continue making purchases from firms that provide excellent service. Service quality may also aid in the development of a company's brand. A company's reputation for offering above-average customer service may boost revenue by acquiring new customers or retaining existing ones.

## **CONCLUSION**

Apple has one of the highest levels of customer loyalty, which has catapulted them to their present position of dominance. Knowing how to build loyalty is a key skill for businesses that want their customers to buy from them more than once (which is the majority). All of the independent variables (product quality, customer satisfaction, attitude to brand, and service quality) are linked to previous research and are closely related to the dependent variable (customer loyalty). Raising loyalty through satisfaction is more successful than directly boosting loyalty because satisfaction can mitigate the influence of the customer experience variable on loyalty. Furthermore, if people have difficulty differentiating service in a very homogeneous sector, cultivating customer loyalty and satisfaction is an excellent method to generate long-term competitive advantage.

## **LIMITATION**

The results of the research ought to be interpreted because of substantial limitations. First and foremost, consider the sample size for this study is deemed inadequate and might not fully represent the target students at the University of Science Malaysia (USM). In order to analyze the relationships between elements that affect consumer loyalty toward Apple gadgets, this study also only focuses on the target students of University Sains Malaysia. Overall conclusions may therefore be deficient in information. Future research should therefore increase the sample size utilized in the study and add responders from other university students in Malaysia and abroad to reflect the full target population and produce more meaningful results due to racial and cultural diversity.

Future research should concentrate on the distribution of questionnaires to various age groups. Since Generation Z, who are primarily students, provided the majority of the data for this study paper, it is clear that this group is more susceptible to social media and knowledgeable about it.

## **ACKNOWLEDGMENT**

We are quite pleased since we finished our Nusantara Project completion within the deadline schedule specified by our favorite lecturers, Associate Professor Dr. Daisy Kee Mui Hung and Dr. Romelisa Yusof. The job cannot be done without the work and collaboration of all members of our organization. We also like to thank our Organizational Behavior lecturers, Dr. Daisy and Dr. Rosmelisa, for their help and aid support in finishing this project and also for instructing us on this subject. Finally, we would like to express our gratitude to the respondents and our friends for their cooperation and willingness to spend time with us to complete the survey.

## **DECLARATION OF CONFLICTING INTERESTS**

There is no conflict of interest, according to the authors.

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