

## ABSTRACT

### **The Effect of Sales Representative's Power toward Distributor's Price Strategy and Retailer's Commitment as well Brand Loyalty at Semen Gresik in East Java**

PT. Semen Gresik (Persero) Tbk. produce famous of portland cement and portland pozzolan cement under brand Semen Gresik that always be improved in many ways, one of them is an improvement at the distribution channel, because distribution channel are to represent a marketing chain connecting from producer to consumers especially in relation to brand loyalty.

The purpose of this research is to analyse the role of retailers of Semen Gresik related to the effect of sales representative's power toward distributor's price strategy and retailer's commitment as well brand loyalty at Semen Gresik in east java

The Respondents of this research are 120 retailers in East Java and the Analysis technique used in this research is Structural Equation Modeling or SEM by software of AMOS 4.01 and SPSS version 11.0, and the result of the research are as follows : (1) Sales Representative's power has an insignificant effect to price strategy; (2) Sales Representative's power has also an insignificant effect to commitment; (3) Sales Representative's power has a significant effect to brand loyalty; (4) Price strategy has an insignificant effect to commitment; (5) Price strategy has a significant effect to brand loyalty; (6) Commitment has a significant effect to brand loyalty.

As a whole, the result of this research indicates that sales representative's power, price strategy, and commitment have significant effect to brand loyalty. This result indicates that the whole retailers of Semen Gresik at East Java remain to be loyal as long term retailers Semen Gresik.

Key words : Marketing chain, distribution channel, brand loyalty, price strategy