
ANALYSIS OF THE EFFECT OF BRAND LOYALTY ON PERCEIVED QUALITY WITH THE MEDIATOR VARIABLE OF CUSTOMER AUTHENTIC PERCEPTION



Robby Kurniawan¹
Universitas International Batam, Batam, Indonesia
robbyrkn.uib@gmail.com

Vanessa Stanley²
Universitas International Batam, Batam, Indonesia
2046011.vanessa@uib.edu

Abstract

Telecommunication technology is developing rapidly, triggering fierce competition in the hospitality industry. A deep understanding of customer needs and appropriate product development are essential to win this competition. This study investigates the relationship between brand loyalty, brand image, brand awareness, and brand trust in the context of the smartphone industry. Brand loyalty is shaped by how consumers perceive a brand's image, their level of knowledge about the brand, and their trust in the brand. This study aims to provide significant insights for companies in formulating successful marketing strategies to improve their brand position in the competitive market. This study investigates the relationship between brand loyalty, brand image, brand awareness, and brand trust in the smartphone industry. By summarizing the findings of previous studies, this study proposes a model that clarifies the influence of these variables on brand loyalty. The findings of this study are expected to provide valuable insights for companies in designing more effective marketing strategies to strengthen their brand position in the competitive market.

Keywords: Brand Loyalty, Perceived Quality, Customer Authentic Perception

INTRODUCTION

Telecommunication technology has made great progress in recent years. Due to the homogeneity of products in the market, the smartphone industry has become very competitive (Yudhistira & Saggaf, 2023). This has resulted in increasingly fierce competition among manufacturers in terms of hospitality. Therefore, companies must pay attention to customer feedback to design items that appeal to many people (Zeindra & Feirdinand, 2021).

Based on the findings of the study interpreted by Sitompul (2018) on "The Influence of Brand Experience, Brand Trust, and Brand Value on Brand Loyalty in the Marketplace category" brand loyalty also called brand loyalty is very capable of being impacted by these factors. However, there are contrasting findings between the studies interpreted by Qurbani and Pasaribu (2019) who interpret that the brand loyalty variable cannot be impacted by brand image and brand trust (Pangeistika & Khasanah, 2021).

Building a strong brand can provide many benefits for a company, including competitive marketing actions, greater distance, intermediary cooperation, and opportunities to expand the brand or brand bigger (Wijayanti & Ernawati, 2023; Isbahi et al, 2022). A brand is a name/term/sign/symbol or design that is intended to identify the goods or services of the seller and to differentiate them from competitors. Consumers believe in it, that the brand can reduce trust when unexpected problems regarding the consumption of the brand or brand arise. Brand trust or brand trust functions as a mental mechanism where consumers can reduce the uncertain risks associated with the choice of the product (Margana et al., 2019)

Companies must increase more efforts in developing appropriate marketing strategies such as advertising, promotions, and interactive marketing to increase customer awareness to create competitive advantages. Brand trust will lead to customer awareness of a brand to increase the number of purchases and increase the Company's revenue. This opinion is reinforced by Kevin Lane Keller's statement that brand trust has a potential impact on revenue and costs outside the marketing environment (Ramadhan & Andjarwati, 2020).

Brand loyalty has an important role in deciding purchases. This defines brand loyalty as a measure of customer attachment to a brand. Kotler and Keller (2015) define brand image as the perception and belief held by consumers, such as consumers because based on research

conducted by Foster (2016) and Wulandari (2015), which states that brand image influences purchasing decisions (Ariadi, Akbar, Yusniar, Meina Wulansari, Rifani, 2019).

Brand loyalty has an important role in deciding purchases. This defines brand loyalty as a measure of customer attachment to a brand. Kotler and Keller (2015) define brand image as the perception and beliefs held by consumers, as reflected in associations embedded in customer memories, which are always remembered first when hearing a slogan and embedded in the minds of consumers. Brand Image influences consumer purchasing decisions based on research conducted by Foster (2016) and Wulandari (2015), states that brand image influences purchasing decisions (Ariadi, Akbar, Yusniar, Meina Wulansari, Rifani, 2019).

REVIEW OF LITERATURE

Brand Loyalty

A study by Ling et al., (2014) stated that Loyalty means that the cost of switching to another brand may be borne by loyal consumers who are willing to accept the price offered by the brand. Post-purchase behavior or consumer commitment to consistently make repurchases from the same company in the future by ignoring all transfer offers from competing brands (Ali, 2019).

Brand loyalty or loyalty to the brand is a deeper relationship between consumers and the company's brand than just repeated purchases or usage. (Kurniawan, 2017). Consumer brand loyalty is usually a voluntary commitment to a brand that can be influenced by external factors, not coercion from the company or individual.

Brand loyalty or in Indonesian means brand loyalty. According to Algharabat (2020), brand loyalty is the extent to which consumers identify a company's brand at an emotional, cognitive, and behavioral level (Civilization et al., 2021).

Brand Image

According to Kotler and Keller (2016), brand image is the views and opinions of customers, as indicated by the relationships that arise in their memories. One of the main benefits of having a strong brand image for a business is that it provides a competitive advantage (Pangestika & Khasanah, 2021).

Brand loyalty can be impacted by brand image because when customers buy or consume the brand more often, the traces that stick in their memory continue to grow. Brand recognition increases customer loyalty because people are more likely to buy something they are familiar with. Well-known brands are more trustworthy, accessible, easy to find, and high quality than lesser-known brands, based on customer behavior (Civilization et al., 2021).

Brand Awareness

The extent to which a product or brand is considered by consumers when making a decision is a key factor in brand awareness. The more aware customers are of a brand, the more factors they will consider. Brand awareness is increased among consumers through effective marketing materials including media, headphone ads, and internet ads. Because it can claim the superiority and reliability of the product, which will reduce the risk of the product when evaluating it and making a purchase decision (Shabbir et al., 2017).

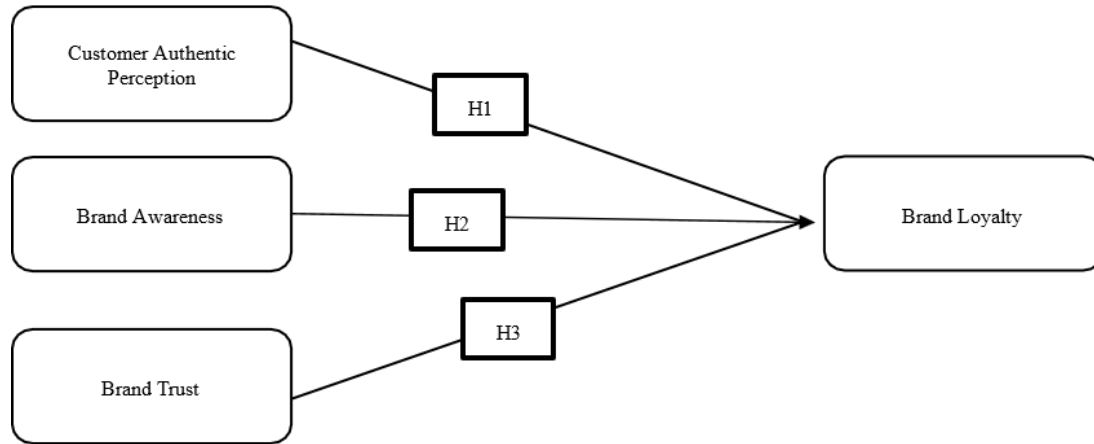
Brand Trust

According to Kotler and Keller (2016), trust is a person's willingness to rely on something that can be influenced by various elements, including skills, morality, honesty, and kindness. Product brand loyalty can be influenced by brand trust, namely the reliability of brand products and services and their capacity to fulfill promises (Margana et al., 2019).

Research by Faradsa (2018) on research interprets that brand loyalty can be impacted by brand trust in e-commerce, as evidenced by the impact of internet media on brand communication, brand perception, and brand trust. Brand trust is a brand dependence referring to the ability of a brand to be trusted by customers, based on their perception that the product will provide the promised value and is seen as having good intentions. Brand trust is rooted in customer perceptions that a brand highly values consumer interests (Pangestika & Khasanah, 2021).

Research Model and Hypothesis Formulation

The following is a research hypothesis model developed using the previously mentioned research model:



H1: Customer Authentic Perception is the Authentic Perception of Customers.

Perception is a psychological factor that influences how people react to certain conditions and symptoms in their environment. Machfoedz defines perception as the act of selecting, collecting, and analyzing data to obtain meaning.

Meanwhile, according to Hurriyati, perception is something that people go through when selecting, organizing, and interpreting data to create a meaningful worldview.

Brand loyalty can be impacted by Customer Authentic Perception.

H2: Brand loyalty can be impacted by Brand Awareness.

H3: Brand loyalty can be impacted by Brand Trust.

RESEARCH METHOD

This study uses a quantitative method, namely by distributing Google forms to visitors or tourists and using SPSS to process and test the data. It is proven that out of 308 respondents, 152 people are women (49.4%) and 156 people are men (50.6%). 139 people, or 45.1% of the total respondents, are between 18 and 25 years old, which is the majority of respondents to this study.

Research Data

The type of data used in this finding is primary data, namely information collected directly from research subjects through online surveys also called Google Forms which are given to guests or tourists staying at the hotel. This online survey is intended to collect relevant data and has a high level of validity.

The following are the test results from the data that has been obtained:

Validity Test Results

Customer Authentic Perception

Table 1.
Customer Authentic Perception Validity Test Results

No	R. Count	R. Table	Information
1	0.821	O.1131	Valid
2	0.816	O.1131	Valid
3	0.802	O.1131	Valid
4	0.792	O.1131	Valid
5	0.795	O.1131	Valid

Perceived Quality / Brand Awareness

Table 2.
Brand Awareness Validity Test

No	R. Count	R. Table	Information
1	0.818	O.1131	Valid
2	0.790	O.1131	Valid
3	0.772	O.1131	Valid
4	0.838	O.1131	Valid
5	0.808	O.1131	Valid

Brand Loyalty / Brand Trust

Table 3.
Brand Trust Validity Test

No	R. Count	R. Table	Information
1	0.816	O.1131	VALID
2	0.751	O.1131	VALID
3	0.578	O.1131	VALID
4	0.797	O.1131	VALID
5	0.772	O.1131	VALID

Reliable Test Results

Table 4.
Reliable Test Results

Variables	Cronbach Alpha	R. Table	Information
Authentic Perception Customer (POP)	100	0.60	Reliable
Perceived Quality (KD)	0.864	0.60	Reliable
Brand Loyalty (BLO)	0.794	0.60	Reliable

RESULTS AND DISCUSSION

Research Analysis

Data analysis used in this study uses SPSS or the Statistical Package for the Social Sciences to process and test the data.

By using SPSS, it can be proven by data filtering including the validity and invalidity of the data, no deviant values and no missing values are taken into account in the data set. Data filtering is clear and therefore formal testing of the hypothesis is interpreted according to the research objectives.

Further analysis includes analysis of the validity test results, and Customer Authentic Perception (Table 1 for all items of the five variables). Then Table 2 is made to test the perceived Quality of the five variables. To determine the effect of the interaction of the correlation coefficient value ("R" in the table), Table 3 is tested with two groups of high and low. Finally, to find the interaction in Brand Loyalty, and from the results of the reliable test with reliable variable values from POP, KD, and LM.

The results of validity and reliability interpret that each variable meets the requirements set, namely: Customer Authentic Perception ≥ 0.1131 ; Perceived Quality ≥ 0.1131 ; and Brand Loyalty ≥ 0.1131 , all with a significance level of 5%. The results of data processing show the regression weights that indicate whether the data supports or does not support the proposed hypothesis, considering the p-value is less than 0.05. The data does not

support two hypotheses where the p-value is greater than or equal to 0.05. namely, Brand Loyalty can be impacted by Customer Authentic Perception, an estimated value of 0.821 with a p-value of 100 is obtained from the findings of data testing. With a probability value higher than 0.05, this estimated value shows positive and statistically significant results. Furthermore, Brand Loyalty can be impacted by Brand Awareness, data testing produces an estimated value of 0.818 with a p-value of 0.1131. With a probability value higher than 0.05, this estimated value shows a positive and statistically significant result. Finally, Brand Loyalty can be impacted by Brand Trust, The data test results show a p-value of 0.794 and an estimated value of 0.816. With a probability value higher than 0.05, this estimated value shows a positive and statistically significant result.

Discussion

When aiming to build Brand Loyalty, organizations must carefully assess customer preferences and evaluate how consumers perceive the brand image or personality. This is important to generate sustainable revenue in the long run. Consistent with this, the findings of this study interpret that self-congruity can be positively impacted by Brand Personality, Customer Brand Identification can be positively impacted by self-congruity, Brand Loyalty can be positively impacted by Customer Brand Identification, and the last is Brand Loyalty can be positively impacted by self-congruity (Zendra & Ferdinand, 2021).

Based on the results of the Brand Awareness validity test, the authentic perception of customers is declared valid. Based on the research findings, it is determined that Brand Loyalty can be affected by Brand Awareness, because the T statistic value is equivalent to significance, then there is a positive correlation between Brand Awareness and Brand Loyalty. In other words, the more consumers know a brand, the more likely they are to be loyal to the brand. Therefore, the hypothesis stating that "Brand Awareness has a significant influence on Brand Loyalty" has been validated and is considered acceptable (Soesilopranoto, 2019).

Based on the results of the Brand Trust validity test, the authentic perception of customers is declared valid. Undoubtedly, brand trust in a brand is a very influential instrument in establishing a strong bond between consumers and organizations, making it the most prominent marketing strategy. Consumers show a strong level of trust in a brand,

resulting in a significant level of loyalty to the brand. Behavioral loyalty is associated with the frequency of repeat purchases. Customer loyalty and satisfaction with a brand's performance often lead to increased loyalty.(Andriani & Dwbunga, 2018). Therefore, hotel owners must pay attention to the quality of service and complete facilities to provide a sense of comfort to tourists which will then create a sense of satisfaction. Brand Trust has been proven to be a mediating variable in the formation of the influence of perceived quality on Brand Loyalty. Brand Loyalty, a good business identity, is built with Brand Trust and competitive advantage. Brand trust comes from the trust and confidence that customers have in feeling satisfaction consistently, which ultimately leads to repeat visits to a hotel. Consumer loyalty is achieved by fulfilling consumer desires and expectations through the provision of high-quality products and services (Kurniawan, 2017).

CONCLUSION

After the survey I conducted, it was concluded that this study examines the influence of Analysis of the Influence of Brand Loyalty on Perceived Quality with Mediator Variable Customer Authentic Perception in every 5-star hotel. Demographic data shows that male tourists are slightly more than female tourists and the majority are aged between 18 - 25 years, and most are workers and students. Tourists also prefer to go to hotels that are already their favorites. The results of this study show that Customer Authentic Perception, Brand Awareness, and Brand Trust have a significant effect on Brand Loyalty simultaneously.

The findings of this study were interpreted during the COVID-19 pandemic, requiring the distribution of questionnaires exclusively through online platforms such as Instagram, Facebook, Telegram, Line, and Whatsapp. As a result, the direct distribution of questionnaires to respondents was impossible to interpret. To improve future research, it is recommended to increase the sample size to achieve a more diverse population representation and cover all consumer segments. Since this study is quantitative, it is believed that this study cannot capture consumer perceptions comprehensively and comprehensively from a qualitative perspective. Therefore, the researcher suggests conducting further research with a qualitative perspective. In addition, it is recommended that future research investigate the formation of loyalty from a social perspective.

REFERENCES

- Amirio, D. (2017, January 18). Regulations becoming key obstacle for regional e-commerce. The *Jaikairtai Post*, p. 7.
- Andriani, M., & Dwbunga, F. (2018). Faktor pembentuk brand loyalty : peran self concept connection, brand love, brand trust dan brand image (telaah paidai merek h&m di kota dki jakairtai). *Benefit: Jurnal Manajemen Dan Bisnis*, 2(2), 157. <https://doi.org/10.23917/benefit.v2i2.4285>
- Ariadi, Akbar, Yusniar, Meina Wulansari, Rifani, Al. (2019). Pengaruh Brand Awareness , Brand Loyalty , Perceived Quality , Brand Image Terhadap Keputusan Pembelian Konsumen
- Atrill, P., McLaney, E., & Harvey, D. (2015). *Accounting: an introduction. Accounting: an introduction* (Sixth Edit). Melbourne: Pearson. <https://doi.org/10.1002/9781118267745.ch6>
- Baidan Pusat Statistik. (2018). *Indeks UniAli*, Y. (2019). Antecedents of brand loyalty in the fashion industry of Pakistan: Moderating effect of Individual-level collectivist values. *Journal of Organisational Studies and Innovation*, 6(1).
- Cachon, G. P., & Terwiesch, C. (2013). *Matching Supply with Demand: An Introduction to Operations Management. Book* (Third Edit). New York: McGraw-Hill/Irwin. <https://doi.org/10.2307/1271510>
- Civilization, I., TEMA| 19, & Domenico, E. (2021). *No 主観的健康感を中心とした在宅高齢者における健康関連指標に関する共分散構造分析Title. 6.*
- Coppola, D. P. (2011). *Introduction to International Disaster Management. Introduction to International Disaster Management* (Third Edit). Oxford: Butterworth-Heinemann. <https://doi.org/10.1016/C2009-0-64027-7>
- Green, P. E. J. (2016). Introduction to Risk Management Principles. In *Enterprise Risk Management* (pp. 1–13). <https://doi.org/10.1016/B978-0-12-800633-7.00001-8>
- Kementerian Keuangan Republik Indonesia. (2018). Keterangan Pers Hasil Penjualan Sukuk Negara Ritel seri SR-010. Retrieved March 27, 2018, from <https://www.kemenkeu.go.id/publikasi/siaran-pers/keterangan-pers-hasil-penjualan-sukuk-negara-ritel-seri-sr-010/>
- Ikatan Akuntan Indonesia. (2010). *Exposure Draft Pernyataan Standar Akuntansi Keuangan A|set Tidak Berwujud. PSAIK no 48.*
- Isbahi, M. B., Zuana, M. M. M. ., & Mariana, E. R. . (2022). The Technology Strategy in Website Communication Media in Improving Business Activities. *Majapahit Journal of Islamic Finance and Management*, 1(2), 126–138. <https://doi.org/10.31538/mjifm.v1i2.17>
- Kelly, Al. (2010). Philosophical Magazine: Preface. *Philosophical Magazine*, 90(31– 32), 4081–4083. <https://doi.org/10.1080/14786435.2010.508613>
- Konsumen Sepeda Motor Matic Honda Scoopy Paidai Dealer Honda Di Kota Banjarmasin).

Jurnal Waiwaisan Manajemen, 7(3), 252–268.

- Kurniawan, H. H. (2017). Pengaruh Perceived Quality Terhadap Brand Loyalty Melalui Mediasi Brand Image Dan Brand Trust. *Jurnal Bisnis Dan Manajemen*, 4(2), 228–239. <https://doi.org/10.26905/jbm.v4i2.1703>
- Lee, J. Y., Kozlenkova, I. V., & Palmatier, R. W. (2014). Structural marketing: using organizational structure to achieve marketing objectives. *Journal of the Academy of Marketing Science*, 43(1), 73–99. <https://doi.org/10.1007/s11747-014-0402-9>
- Margana, Al. Al., Wibowo, L. Al., & Dirgantari, P. D. (2019). Pengaruh Brand Authenticity Terhadap Brand Trust (Survei pada pengunjung Website Business to Consumer JD.ID di Indonesia). *Journal of Business Management Education (JBME)*, 4(3), 9–16. <https://doi.org/10.17509/jbme.v4i3.20160>
- Mertens, E., & Nason, J. M. (2018). Inflation and Professional Forecast Dynamics: An Evaluation of Stickiness, Persistence, and Volatility (BIS Working Paper No. 713). Retrieved from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3156790
- Moorman, C., & Day, G. S. (2016). Organizing for Marketing Excellence. *Journal of Marketing*, 80(6), 6–35. <https://doi.org/10.1509/jm.15.0423>
- Pakereng, Y. M. (2017). Keputusan Hutang Usaha Mikro: Pengujian Theory of Planned Behavior (Studi pada Usaha Kain Tenun di Sumba Timur). Universitas Kristen Saitya Waicaini. Retrieved from <http://repository.uksw.edu/handle/123456789/13275>
- Pangestika, T. K., & Khaisanah, I. (2021). Analisis Pengaruh Brand Image, Brand Experience, Brand Trust dan Brand Satisfaction terhadap Brand Loyalty Financial Technology: E-Wallet (Studi pada Pengguna DANA di Kota Semarang). *Diponegoro Journal of Management*, 10(4), 1–14.
- Pertamina told to be prepared for new job. (2018, April 11). The Jakarta Post.
- Ramadhan, Al. W., & Andjarwati, Al. L. (2020). Pengaruh Citra Merek dan Kualitas Produk Terhadap Keputusan Pembelian Samsung Galaxy S7 (Studi Pada Pengunjung Plaza Marina dan WTC Surabaya). *Jurnal Lmu Manajemen*, 1(4), 325.
- Shabbir, M. Q., Khan, Al. Al., & Khan, S. R. (2017). Brand Loyalty Brand Image and Brand Equity: the Mediating Role of Brand Awareness. *International Journal of Innovation and Applied Studies*, 19(2), 416–423. <http://www.ijias.issr-journals.org/>
- Soesilopranoto, K. S. (2019). Pengaruh Brand Awareness, Perceived Quality Dan Brand Personality Terhadap Brand Loyalty Uniqlo Di Surabaya. *Journal of Chemical Information and Modeling*, Vol 6(2), 10.
- Sun, Q. S. (2012). One improved method of choose knowledge management system. In *Proceeding of 2012 International Conference on Information Management, Innovation Management and Industrial Engineering, ICIII 2012* (Vol. 1, pp. 227–231). <https://doi.org/10.1109/ICIII.2012.6339640>

Undang-undang nomor 36 tahun 2008 tentang Pajak Penghasilan (2008).

Value Ekspor Menurut Kode SITC Bulan Januari 2018. Jakarta. Retrieved from <https://www.bps.go.id/publication.html>

Walker, S. P. (2015). Accounting and Preserving the American Way of Life. Ali, Y. (2019). Antecedents of brand loyalty in the fashion industry of Pakistan: Moderating effect of Individual-level collectivist values. *Journal of Organisational Studies and Innovation*, 6(1).

Wijayanti, T., & Ernawati, R. (2023). Exploring The Role of Employee Brand Ambassadors in Enhancing Brand Awareness and Customer Loyalty in Marketing Firms in Indonesia. *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, 6(3), 3260-3287. <https://doi.org/10.31538/ijse.v6i3.3498>

Yudhistira, D., & Saggaf Shihab, M. (2023). The Influence of Brand Image and Brand Performance on the Brand Loyalty Uniqlo. *Indonesian Interdisciplinary Journal of Sharia Economics (IIJSE)*, 6(2), 930-947. Retrieved from <https://e-journal.uac.ac.id/index.php/ijse/article/view/3383>

Zendra, E. F., & Ferdinand, Al. T. (2021). Pengaruh Brand Personality Terhadap Brand Loyalty Melalui Self Congruity dan Customer Brand Identification Sebagai Variabel Mediasi (Studi pada Pengguna Ponsel Pintar Apple di Kota Semarang). *Diponegoro Journal of Management*, 10(4), 1-9. <http://ejournal-s1.undip.ac.id/index.php/dbr>. *Contemporary Accounting Research*, 32(4), 1676-1713. <https://doi.org/10.1111/1911-3846.12128>.