

THE INFLUENCE OF BRAND IMAGE, BRAND TRUST AND CUSTOMER SATISFACTION ON BRAND LOYALTY (CASE OF SAMSUNG SMARTPHONE)

*PENGARUH CITRA MEREK, KEPERCAYAAN MEREK DAN KEPUASAN PELANGGAN TERHADAP LOYALITAS BRAND
(KASUS PADA SAMSUNG SMARTPHONE)*

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ABSTRACT

The marketing environment has turn out to be a very multifaceted and competitive one and day by day marketing environment is shifting and developing gradually. Thus, it has become essential for business to look for ways of gaining and maintaining brand loyalty by building consumer believes, brand image and customer satisfaction. The study aims to identify the influence of brand image, brand trust and customer satisfaction on brand loyalty. 50 Samsung smartphone users in Manado were surveyed as respondents. The finding shows that brand image, brand trust and customer satisfaction have significant influence on brand loyalty simultaneously. While partially, only customer satisfaction has significant influence on brand loyalty, whereas brand image and brand trust does not have any significant influence on brand loyalty. Samsung should create consumer trust toward brand because brand trust is an important factor to make the consumer loyal with that brand.

Keywords: Brand Image, Brand Trust, Customer Satisfaction, Brand Loyalty.

ABSTRAK

Lingkungan pemasaran sudah sangat beragam dan kompetitif dan hari ke hari lingkungan pemasaran berkembang secara bertahap. Dengan demikian, hal tersebut menjadi penting bagi perusahaan atau bisnis untuk mencari cara untuk mendapatkan dan mempertahankan loyalitas merek dengan membangun kepercayaan konsumen, citra merek dan kepuasan pelanggan. Tujuan dari penelitian ini adalah untuk mengetahui pengaruh citra merek, kepercayaan merek dan kepuasan pelanggan terhadap loyalitas merek. Populasi penelitian, adalah pengguna Samsung smartphone di Manado dengan teknik sampel convenient dengan jumlah sampel sebanyak 50 responden. Hasil penelitian menunjukkan bahwa citra merek, kepercayaan merek dan kepuasan pelanggan secara bersama berpengaruh signifikan terhadap loyalitas merek. Namun secara parsial hanya kepuasan pelanggan yang berpengaruh signifikan terhadap loyalitas merek, sedangkan citra merek dan kepercayaan merek tidak memiliki pengaruh signifikan terhadap loyalitas merek. Samsung sebaiknya menciptakan kepercayaan konsumen terhadap merek karena kepercayaan merek adalah faktor penting untuk membuat konsumen tersebut loyal terhadap produk ataupun merek.

Kata Kunci: Citra Merek, Kepercayaan Merek, Kepuasan Pelanggan, Loyalitas Merek.

1. INTRODUCTION

Research Background

The marketing environment has turned out to be a very multifaceted and competitive one and day by day marketing environment is shifting and developing gradually. Thus, it has become essential for business to look for ways of gaining and maintaining brand loyalty by building consumer beliefs and to give an individual identity to brand loyalty. Organizations have realized with the intention of, when customers are loyal to their brand, it provides the organization to develop increasingly without any disturbance and create a form of revenue in return of increases in profits.

Brands are the asset of organizations. They interlink consumer and the company that build customers trust and loyalty to the brand. So that this loyalty brings greater market share when the product is purchased by the customers loyal to the brand (Assael 1998). Brands are considered as the more important assets of the company that make customers loyal and have value for the end consumer. Through the brand, consumers can identify and differentiate the products and services from those than the other.

Samsung was founded on March 1, 1938, by Lee Byung-Chull. Samsung, from its inception as a small export business in Taegu, Korea, Samsung has grown to become one of the world leading electronics companies, specializing in digital appliances and media, semiconductors, memory, and system integration. Today Samsung's innovative and top quality products and processes are world recognized. This timeline captures the major milestones in Samsung's history, showing how the company expanded its product lines and reach, grew its revenue and market share, and has followed its mission of making life better for consumers around the world.

Today's competition gets tougher than before, so many brands of smartphone that anyone can find. It makes the customers face many alternatives of smartphone that can change the customers mind to change to the other brand. Realizing the competition in smartphone industry, Samsung does not want their customer to change or move into other product or brand. Thus, Samsung has to create strategies to retain the existing customers and attract new customers.

Research Objectives

The objectives of this research are to identify the significant effect of:

1. Brand Image, Brand Trust and Customer Satisfaction on Brand Loyalty simultaneously.
2. Brand Image on Brand Loyalty partially.
3. Brand Trust on Brand Loyalty partially.
4. Customer Satisfaction on Brand Loyalty partially.

2. THEORETICAL FRAMEWORK

Marketing

American Marketing Association (2011:3), marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging product and services of value with others (Kotler and Keller, 2011:216).

Brand

A brand is a name, term, sign, symbol, or design (or a combination) intended to identify a seller's goods or services, and to differentiate them from competitors (Lau and Lee, 1999). The brand can be used as a powerful device by a company, because it's one of few cases that competitors are not able to own or copy it (Bigdeloo, 2002).

Brand Image

A brand's image is an essential factor of brand equity, (Aaker, 1991). Keller, (1993) defined brand image as a summation of brand associations in the memory of the consumer which leads him towards brand perception and brand association including brand attributes, brand benefits and brand attitude.

Brand Trust

Jahangir *et al.* (2009), trust is a key variable in the development of an enduring desire to maintain a relationship in the long term. Trust shows consumer commitment and satisfaction with particular brand. Brand trust is defined as 'the willingness of the average consumer to rely on the ability of the brand to perform its stated function (Chaudhuri, and Holbrook, 2001).

Customer Satisfaction

Boselie *et al.* (2002) stated that customer satisfaction is defined as the determinant that how much the firm's goods, maintained, services and improvements are capable of meeting the expectations of the customers. Customer's satisfaction is an enjoyable completion which the customers get in the utilization, which means that consumers feel that the utilization has completed his/her some wants, wishes, requirements, aim etc and this complete ion is enjoyable (Oliver, 1999).

Brand Loyalty

Gomans *et al.*, (2011) brand loyalty is, a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational Influences and Marketing Efforts having the potential to cause switching behavior. Brand loyalty is the extent to which the customer recommends and keeps on purchasing the same product/service.

Previous Research

Anwar, *et al.* (2011), Impact of Brand Image, Trust and Affect on Consumer Brand Extension Attitude: The Mediating Role of Brand Loyalty. Result found that Brand Trust, Brand Affect have a positive impact on brand loyalty. Consumer brand loyalty mediates the relationship of brand affect, brand trust and brand image to customers brand extension attitude. Ramiz, *et al.* (2014), investigated The Comparative Analysis of the Factors Affecting Brand Loyalty towards Samsung Products. Result shows that there is significant relationship of brand image, brand trust, customer satisfaction, perceived quality, purchase criteria and advertising spending on brand loyalty. Ghafoor, *et al.* (2012) describes about Customer Satisfaction and Brand Image on Brand Loyalty. Result shows customer satisfaction and brand image both have a significant positive impact on brand loyalty.

Conceptual Framework

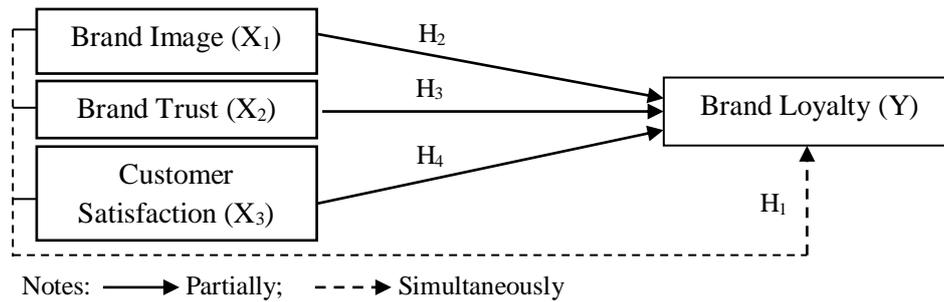


Figure 1. Conceptual Framework
 Source: Data Processed, 2015

Research Hypothesis

1. H₁ : Brand image, brand trust and customer satisfaction have simultaneous influence on brand loyalty.
2. H₂ : Brand image has partial influence on brand loyalty.
3. H₃ : Brand trust has partial influence on brand loyalty.
4. H₄ : Customer satisfaction has partial influence on brand loyalty.

3. RESEARCH METHOD

Type of Research

This research is a causal type of research where it will investigate the influence of brand image, brand trust and customer satisfaction on brand loyalty of Samsung smartphone in Manado. Causal research is a research study conducted to establish cause and effects of relationship among variables, (Sekaran and Bougie, 2010).

Place and Time of Research

This research was conducted in Manado between June - July 2015.

Population and Sample

The population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate. The populations of this research are the user of Samsung smartphone in Manado. The sampling design is convenience sampling that is considered as the best way of getting some basic information quickly and efficient.

Data Collection Method

Data information collected to support this research is taken from primary and secondary data. The primary data of this research are taken from questionnaire. Questionnaires are distributed to the Samsung smartphone user. The secondary data is data collected by studying the relevant literature in order to obtain a theoretical overview from books, journals, and relevant literature from library and internet.

Definition of Research Variables

1. Brand Image (X_1) is the current view of the customers about Samsung product.
2. Brand Trust (X_2) when a consumer buys a product of Samsung Smartphone because they trust the quality of the products.
3. Customer Satisfaction (X_3) customer's emotional response to his/ her evaluation of the perceived discrepancy between prior experience with and expectations of a company product and the actual experienced performance as perceived after consume their product.
4. Brand Loyalty (Y) is the tendency to consistently choose Samsung among several brands in the same product group and continuously purchase that brand.

Data Analysis Method

Validity and Reliability Test

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. "Reliability test is established by testing for both consistency and stability of the answer of questions. Alpha Cronbach is reliable coefficients that can indicate how good items in asset have positive correlation one another" (Sekaran, 2006: 177).

Multiple Regression Analysis Model

Multiple regression analysis is the process of constructing a mathematical model or functions that can be use predict or determine one variable by another variable or other variables. The equation is:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$$

Whereas:

Y	: Brand loyalty
a	: Intercept
b_1, b_2, b_3, b_4	: The regression coefficient of each variable
X_1	: Brand image
X_2	: Brand trust
X_3	: Customer Satisfaction
e	: error

4. RESULT AND DISCUSSION

Result

Validity and Reliability

All the indicators of each variable that used in this research are greater than 0.3. It is means all the indicators used in this research are valid. For X_1 , the Alpha Cronbach is 0.771, X_2 the Alpha Cronbach is 0.812, X_3 the Alpha Cronbach is 0.912. For Y, the Alpha Cronbach is 0.917. In this research it shows that the value of Cronbach's Alpha for all of the variables is greater than 0.7, which means the overall variables in this research has a good internal consistency or consider.

Multiple Regression Test

Table 1. Multiple Regression Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.071	.788		1.358	.181
Brand Image	.191	.124	.147	1.533	.132
Brand Trust	-.139	.117	-.114	-1.191	.240
Customer Satisfaction	.643	.081	.736	7.909	.000

a. Dependent variable: Brand Loyalty

Source: Data Processed, 2015

The equation is as follow:

$$Y = 1.071 + 0.191 X_1 + (-0.139) X_2 + 0.643 X_3 + e$$

The Explanation of the equation:

1. Constant (α) 1.071 shows the relationship between Brand Image (X_1), Brand Trust (X_2) and Customer Satisfaction (X_3), factors to Brand Loyalty factor. This means that if all independent variables are equal to zero, Brand Loyalty factor is predicted to be 1.071.
2. If the others are constant, an increase of one point in Brand Image factor (X_1) will result in an average increase of at least 0.191 in Brand Loyalty (Y).
3. If the others are constant, an increase of one point in Brand Trust factor (X_2) will result in an average increase of at least -0.139 in Brand Loyalty (Y).
4. If the others are constant, an increase of one point in Customer Satisfaction factor (X_3) will result in an average increase of at least 0.643 in Brand Loyalty (Y).

Table 2. R and R²

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.777 ^a	.604	.578	.28652

a. Predictors: (Constant) X_1 , X_2 , X_3

b. Dependent Variable: Y

Source: Data Processed, 2015

The R number 0,777 explains that the relationship between variables is strong. R Square explains that 60,4%, variable Y influenced by X_1, X_2, X_3 . The rest 49,6% influenced by the other factors.

Classical Assumption Test

Table 3. Multicollinearity

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Brand Image	.937	1.067
Brand Trust	.942	1.062
Customer Satisfaction	.994	1.006

Source: Data Processed, 2015

The tolerance value of brand image is 0.937, brand trust is 0.942, customer satisfaction is 0.994, which are more than 0.10 while the VIF value of brand image is 1,067, brand trust is 1,062 and customer satisfaction is 1.006, all of the value are less than 10, means that all of the variables is free from multicollinearity. The pattern of the dots is spreading and do not create a clear pattern, so the dots is spreading around above and below 0 (zero) in the Y axis. This is proved the model is free from heteroscedasticity.

Hypothesis Testing

Table 4. F-test Result

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5.755	3	1.918	23.369	.000 ^b
	Residual	3.776	46	.082		
	Total	9.531	49			

a. Dependent Variable: brand loyalty

b. Predictors: (Constant), customer satisfaction, brand trust, brand image

Source: Data Processed, 2015

As shown, F value is 23,369 with the level of sig. 0,000. The degree of freedom 1 (numerator) is 3, and degree of freedom 2 (denominator) is 46, then Ftable is 2.80. H1/Ha can be accepted if the number of Fcount > Ftable = 23,369 > 2.80, or the sig. $p < 0,05$. Therefore, in this case H1 is accepted, means that independent variables simultaneously influence the dependent variable.

Table 5. T-test Result

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.071	.788		1.358	.181
Brand Image	.191	.124	.147	1.533	.132
Brand Trust	-.139	.117	-.114	-1.191	.240
Customer Satisfaction	.643	.081	.736	7.909	.000

Source: Data Processed, 2015

1. Brand Image (X₁) and Brand Loyalty (Y) The table above shows Tcount < Ttable = 1.533 < 2.012. Because the amount of Tcount is smaller than Ttable, then H0 is accepted, and H1 is rejected.
2. Brand Trust (X₂) and Brand Loyalty (Y) The table above shows Tcount < Ttable = -1.191 < 2.012. Because the amount of Tcount is smaller than Ttable, then H0 is accepted, and H1 is rejected.
3. Customer Satisfaction (X₃) and Brand Loyalty (Y) The table above shows Tcount > Ttable = 7.909 > 2.012. Because the amount of Tcount is larger than Ttable, then H0 is rejected, and H1 is accepted.

Discussion

Based on the research result proves that brand image, brand trust and customer satisfaction does influence brand loyalty simultaneously. Brand image is found does not have significant influence on brand loyalty of Samsung smartphone. It is because the customers of Samsung smartphone in Manado mostly do not consider about the image of brand. The consumers do not

really concern with the popularity of brand, the company's reputation and product design, they just concerned with the quality of product and how the product can satisfy their needs. Brand trust also found does not have significant influence on brand loyalty of Samsung smartphone. It is because, the lack of consumer confidence toward the product or brand. When consumer does not have trust in the particular product or brand, they will not be loyal customers. So the company must create strategies in order to building a consumer trust toward the brand. For an enterprise or company, consumer confidence toward the brand is an important target to be achieved and have a positive effect on the profits of company. Customer satisfaction is found have a significant influence on brand loyalty of Samsung smartphone. It shows that when the company would like to increase brand loyalty then it should satisfied the consumer needs and wants. When consumers were satisfied in the product of a particular brand will be a loyal customer. Loyal customers will automatically have a positive effect on the profits of a company. People prefer on how the product fulfill the needs and wants without bother to knowing how the product is produce. This research is similar to the previous research by Ghafoor, Iqbal, Tariq and Murtaza (2012), they found that customer satisfaction have a significant positive impact to brand loyalty. The impact of customer satisfaction was greater as it comes from better quality and providing superior values.

5. CONCLUSION AND RECOMMENDATION

Conclusions

There are four constructive findings in this research, which are listed as follow:

1. Brand image, brand trust and customer satisfaction does influence brand loyalty simultaneously.
2. Brand image (X_1) does not influence brand loyalty partially.
3. Brand trust (X_2) does not influence brand loyalty partially.
4. Customer Satisfaction (X_3) does influence brand loyalty partially.

Recommendation

Therefore, the several recommendations given are:

1. Samsung has a great market and should be pay attention to Brand Loyalty because when the customers are loyal to the brand or product, they are likely to repurchase the product.
2. Customer Satisfaction is the most significant element that influences Brand Loyalty of Samsung Smartphone's consumers in Manado. Therefore company should maintain their ability in fulfill the customer needs in order to retain the existing customer and attract new customer.
3. Brand Image and Brand Trust less likely influence on Brand Loyalty. Therefore the company should pay more concern on this issue. The company should create a better image of brand and make the consumers trust with the brand. Because, brand trust is a key factor in making the consumer loyal with the brand.

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