Brand Experience towards Brand Loyalty with Brand Trust as Mediation variable

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ABSTRACT

This paper aims to determine the effect of the Samsung Smartphone brand experience on brand loyalty by using brand trust as a mediating variable in Banyumas Regency. Manufacturers are required to have a plan to create consumer-brand relationships because it becomes the focus of branding theory in recent years. The research data will be analyzed by SEM AMOS using random sampling. The results of this study are expected to give practical and theoretical implications for the field of management, particularly those three variables that examined in the study.

Keywords: Brand Experience, Brand Trust, Brand Loyalty

1. Introduction

The development of communication is progressing along with increasing time and needs. With these conditions, communication becomes important in life, not only in everyday life but also plays an important role in business activities. This happens because communication can provide important information relating to the business activities carried out. Communication becomes more important when users feel the need for communication and information must be met immediately to facilitate activities carried out. This phenomenon has been responded by various manufacturers of communication facilities by offering more innovative and varied products and programs to stimulate users to always remember these products. Hence the development of consumer-brand relationships has become the focus of branding theory in recent years. A brand acts as a mechanism for engaging buyers and sellers in long-term brand-consumer relationships (Davis, Oliver and Brodie, 2000). The main input of this relationship is the brand experience and the main output of this relationship is brand loyalty. Brand plays a very important role, one of which is connecting consumer expectations when the company promises something to consumers (Durianto dkk, 2001:1). Therefore, the experience (experience) of consumers in interacting with a brand is very important in adding value to the brand itself. According to Brakus et al. (2009), brand experience is defined as the sensation, feeling, cognition and consumer responses generated by the brand, related to the stimuli generated by the brand design, brand identity, marketing communications, people and the environment the brand is marketed to. To be able to further define brand experience, brand experience can lead to brand loyalty, active

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delivery of the brand, and increase the benefits of the brand (Morrison and Crane, 2007). Brand experience is able to encourage loyalty by creating an emotional connection through a binding, compelling, and consistent context. The context referred to here is the environment where services are provided, namely the physical conditions and characteristics of the situation when consumers consume services or brands and their interactions in that situation. In short, brand experience is able to present a situation that makes consumers decide whether they will be loyal to the brand or services provided by the company. Brand loyalty refers to a strong internal attitude towards a sign that adds mental connection to the buyer towards the brand and the organization. The type of behavioral loyalty is a consumer response expressed over time with multiple decision-making processes involved (Huang Ran, Stacy H, Lee Hae Jung Kim, Leslie Evans, 2015). Most researchers agree that brand loyalty can make a company profit, for example, reduced advertising costs (Chaudhuri and Holbrook, 2001) and when the company has a good brand name with loyal customers helps to gain a competitive advantage in the market. Consumers' perceptions of a particular brand will lead to trust or distrust where this will affect their evaluation of whether they will continue the relationship with the brand or not (Lau and Lee, 1999). Positive consumer behavior towards the brand will lead them to loyalty. Conversely, if the company is unable to make consumers show positive behavior towards the brand, the company will be further away from the expectation of gaining consumer trust and loyalty.

2. Literature Review

2.1 Brand Loyalty

According to Schiffman and Kanuk (2009), brand loyalty is a consistent consumer preference to make purchases on the same brand for a specific product or service category. Brand loyalty is a strong commitment in subscribing or buying a brand consistently in the future. According to Aaker (2009), defining brand loyalty is a measure of customer relationship with a brand. This measure is able to provide an overview of the likelihood of a customer switching to another product, especially in a brand where there is a change, both regarding price or other attributes.

2.2 Brand Trust

Brand trust represents the recognition that brand value can be created and developed by regulating several aspects that exceed consumer satisfaction with the functional performance of the product and its attributes (Aaker, 1999). The idea of Heilbrunn (1995) is that research on trust can provide a suitable scheme for conceptualizing and measuring a more qualitative dimension of brand value.

2.3. Brand Experience

According to Brakus et al. (2009) Brand experience is defined as the sensation, feeling, cognition and consumer responses generated by the brand, related to the stimuli generated by the brand design, brand identity, marketing communications, people and the environment the brand is marketed to. To be able to further define the brand experience, Brakus et al. (2009) look at the consumer's point of view by examining the experiences of the consumers themselves and how

those experiences generate opinions, attitudes, and other aspects of consumer behavior. Brand experience begins when consumers search for products, buy, receive services and consume products. Brand experiences can be felt directly or indirectly when consumers see advertisements or when marketers communicate products through the website.

2.4 Brand Experience with Brand Loyalty

Consumers must first identify and understand the brand or brands, and by understanding the brand that will foster consumer confidence in the brand. Brand experiences encourage loyalty by creating emotional connections through engaging and consistent contexts. The context is the environment in which service encounters occur; it includes the physical and relational characteristics setting in which consumers consume services as well as all customer interactions in that setting. The definition of context shows the two main components of context, physical and relational. Physical context consists of "clues" produced by sights, sounds, textures and smells from the environment; Relational context consists of those "clues" that come from the people and behaviors in which they are involved (Sahin, Zehir and Kitapci, 2011). According to Biedenbach and Marell (2010), high and lasting positive brand loyalty is developed through the experience of the brand over time. Therefore the first hypothesis of this study is:
H1: There is an influence between Brand Experience and Brand Loyalty

2.5 Brand Experience with Brand Trust

Keng, et al.,(2013) explained that a greater Brand Experience is not only associated with familiarity, but also critically influences understanding, the process of enjoying, enhancing, and developing a brand. In the process of consuming a brand, a consumer feels a pleasant experience, then this can help build consumer confidence to continue using the brand in the future. This description is in line with the statement by Rehman et al.,(2014) that trust is the willingness to depend on other parties in the form of risk and willingness based on past experience. Previous research has stated that Brand Experience is proven to have a significant effect on Brand Trust (Chinomona, 2013; Kusuma, 2014; and Widjaja, 2015). Therefore the second hypothesis of this study is:
H2: There is an influence between Brand Experience and Brand Trust

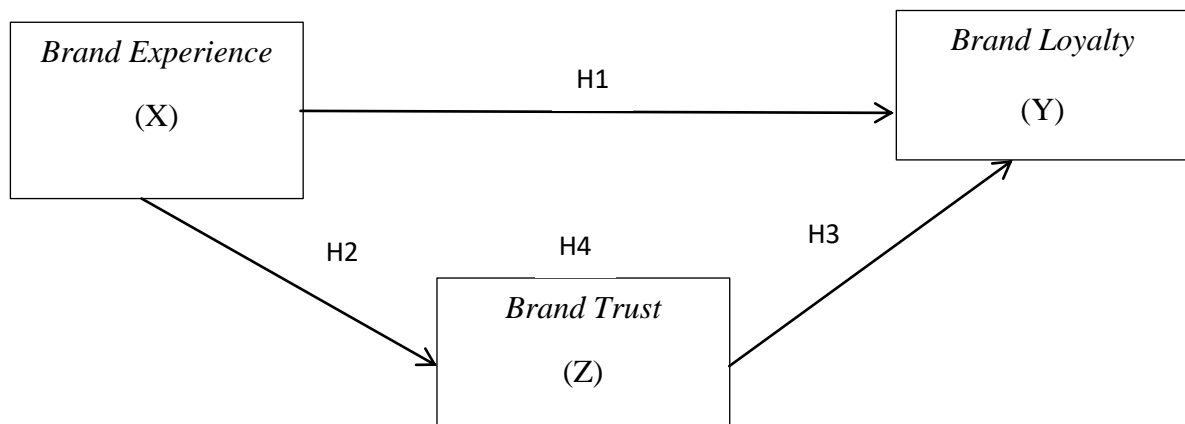## 2.6 Brand Trust with Brand Loyalty

In the research of Kabadayi (2012), Geçti and Zengin (2013), Ahmed et al. (2014) and Putra (2014) state that brand trust has a positive and significant effect on brand loyalty. Brand trust is the perception of reliability from a consumer's point of view based on experience, or more on sequences of transactions or interactions characterized by meeting expectations for product performance and satisfaction (Costabile Research in Handayani, 2015). Trust in a brand (brand trust) describes an important component of internal positioning or attitudes associated with brand loyalty. When customer loyalty to a brand increases, the vulnerability of that customer group to threats and brand attacks of competitors' products can be reduced. Therefore the second hypothesis of this study is:
H3: There is an influence between Brand Trust and Brand Loyalty

2.7 Brand Experience with Brand Loyalty and Brand Trust as Mediating Variables

Brand trust, according to Trifena's research (2018), is able to mediate between brand experience and brand loyalty. Judging from the type of mediation, based on research, it is known that the brand experience variable has a significant influence on the brand loyalty variable, then based on testing controlled by the brand trust variable, it is still significant, this finding supports partial mediation. The brand trust variable is proven to be able to mediate the brand experience variable on brand loyalty. Therefore the third hypothesis of this study is:

H4: There is a relationship between Brand Experience and Brand Loyalty with Brand Trust as a mediating variable

3. Research Methodology

3.1 Measurement

Brand Loyalty is measured using 5 indicators from Rangkuti (2009). Brand Trust variable is measured using 3 indicators from Carrisa (2014), and Brand Experience is measured using 3 indicators from Brakus, et al (2009). All variables were measured using a Likert scale of 5 (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree).

3.2 Procedures

The data collection method was carried out by distributing questionnaires online using random sampling with the criteria for Samsung Smartphone users in the Banyumas Regency area. Data collection was carried out in cross-section or at one time. After the questionnaire is distributed and the data has been collected, the completeness of the questionnaire results will be identified and then processed at the next stage, which will be processed using Structural Equation Modeling analysis with the AMOS application.

4. Results

Goodness of fit criteria test. Model suitability testing is carried out by reviewing the goodness of fit criteria which include goodness of fit: Chi-square, probability, RMSEA, CMIN / DF, GFI,

AGFI, TLI, CFI and DF. The results of the calculation of the model's statistical suitability test can be seen in Table 1.

Table 1. Model feasibility test index structural equation modelling

Goodness of fit index	Cut-of value	Analysis Results	Model Evaluation
c^2-Chi-square	104,662	323,266	Marginal
Significancy probability	³ 0.05	0,001	Marginal
RMSEA	£ 0.08	0,048	Good
GFI	³ 0.90	0,833	Marginal
AGFI	³ 0.90	0,799	Marginal
CMIN/DF	£ 2.00	1,298	Good
TLI	³ 0.95	0,950	Good
CFI	³ 0.95	0,955	Good

Based on table 1 it is known that:

Chi square2

One of the test tools to measure the overall fit is the Chi-Square likelihood ratio. The model being tested will be considered good or satisfactory if the Chi-Square value is low. The smaller the Chi-Square value the better the model and it is accepted based on probability with a cut of value of P> 0.05 (Hulland in Ferdinand, 2000). In this study, the Chi-Square value obtained was 323,266 with a value of p = 0,000. Thus it can be concluded that the model in this study is a marginal model or the resulting structural model has not shown the best model

RMSEA – The Root Mean Square Error Of Approximation

RMSEA is another test tool showing the goodness-of fit that can be expected if the model is estimated in the population (Hair, et al, 1995 in Ferdinand, 2000). The RMSEA value that is smaller or equal to 0.08 is an index for the acceptability of a model that shows a close fit of the model based on the degress of freedoom (Brown & Cudeck in Ferdinand, 2000; 53). Based on this study, the RMSEA value obtained was 0.048. Thus, this model is a very good fit because the RMSEA value is less than 0.08.

GFI- Goodness of Fit Index

GFI is a non-statistical measure that ranges from 0 (poor fit) to 1.0 (perfect fit). High scores in this index indicate a better fit and a model can be said to be very good if the GFI value is more than or equal to 0.90 (Ferdinand, 2000). The GFI value generated in this study was 0.787. This value is smaller than the number 0.833 so it is marginal.

AGFI- Adjusted Goodness of Fit Index

The recommended acceptance rate is when AGFI has a value equal to or greater than 0.90. The AGFI value generated in this study is 0.799. This value is less than 0.90 so it is marginal

CMIN/DF-The Minimum Sample Discrepancy

CMIN / DIF is an indicator to measure the fit level of a model (Ferdinand, 2000). In this case CMIN / DF is nothing but the chi-square statistic, c² is divided by its DF so that it is called relative c². Relative c² values less than 2.0 or less than 3.0 are an indication of acceptable fit between the model and data (Arbuckle, 1997) in Ferdinand, 2000). The CMIN / DF value of this

research model is 1.298. Thus, this model is a very good fit because the CMIN / DF value is less than 2.0

TLI-Tucker Lewis Index
TLI is an alternative incremental fit index that compares a tested model against a baseline model (Baumgartner and Homburg, 1996) in Ferdinand, 2000; 57). Values very close to 1 or more than 0.95 indicate a very good fit (Arbuckle, 1997) in Ferdinand, 2000). The TLI value generated in this study was 0.950. Based on the TLI criteria, this value is a very good fit.

CFI-Comparative Fit Index
The magnitude of this index is in the range of values 0 (poor fit) to 1.0 (perfect fit). A value greater than or equal to 0.95 indicates the highest level of fit is a very good fit (Arbuckle, 1997 in Ferdinand, 2000). The CFI value generated in this study was 0.955. This value is less than 0.95, so it is a very good fit.

Analysis Results structural equation modelling

			Estimate	S.E.	C.R.	P
Brand_Trust	<---	Brand_Experience	.374	.105	3.570	.000
Brand_Loyalty	<---	Brand_Trust	.337	.112	3.010	.003
Brand_Loyalty	<---	Brand_Experience	.370	.121	3.062	.002
BL_1	<---	Brand_Loyalty	1.000			
BL_2	<---	Brand_Loyalty	1.148	.136	8.433	.000
BL_3	<---	Brand_Loyalty	.893	.103	8.653	.000
BL_4	<---	Brand_Loyalty	.982	.117	8.401	.000
BL_5	<---	Brand_Loyalty	.866	.099	8.773	.000
BL_6	<---	Brand_Loyalty	.974	.117	8.363	.000
BL_7	<---	Brand_Loyalty	.998	.109	9.159	.000
BL_8	<---	Brand_Loyalty	1.051	.117	8.986	.000
BL_9	<---	Brand_Loyalty	1.042	.124	8.397	.000
BL_10	<---	Brand_Loyalty	1.098	.128	8.568	.000
BE_6	<---	Brand_Experience	1.000			
BE_5	<---	Brand_Experience	1.097	.136	8.085	.000
BE_4	<---	Brand_Experience	1.138	.145	7.839	.000
BE_3	<---	Brand_Experience	.918	.116	7.935	.000
BE_2	<---	Brand_Experience	1.155	.151	7.628	.000
BE_1	<---	Brand_Experience	.862	.114	7.579	.000
BT_1	<---	Brand_Trust	1.000			
BT_2	<---	Brand_Trust	1.102	.129	8.546	.000
BT_3	<---	Brand_Trust	1.101	.125	8.802	.000
BT_4	<---	Brand_Trust	1.155	.139	8.295	.000
BT_5	<---	Brand_Trust	1.101	.128	8.578	.000
BT_6	<---	Brand_Trust	1.082	.129	8.405	.000
BT_7	<---	Brand_Trust	1.192	.139	8.595	.000
BT_8	<---	Brand_Trust	1.310	.140	9.327	.000

Based on the results of structural equation modeling, a structural equation can be made for substructure 1 as follows:

Brand Trust   = 0,374 Brand Experience
Brand Loyalty = 370 BE + 337 Brand Trust

The effect of brand experience on brand trust The estimated value of the path coefficient of the brand experiment variable on brand trust is 0.374. This shows that the brand experience variable has a positive influence on brand trust, namely the higher the brand experience, the higher the brand trust. Based on the significance test, the value of p = 0,000 was obtained. This means that there is a positive and significant effect of brand experience on brand trust.

The influence of brand experience on brand loyalty. The estimated value of the path coefficient of the experimental brand variable on brand loyalty is 0.370. This shows that the brand experience variable has a positive influence on brand loyalty, that is, the better the experiential brand values, the better the brand loyalty will be. Based on the significance test, the value of p = 0.002 was obtained. This means that there is a positive and significant effect of brand experience on brand loyalty.

The influence of brand trust on brand loyalty. The estimated value of the path coefficient of the brand trust variable on brand loyalty is 0.337. This shows that the brand trust variable has a positive influence on brand loyalty, that is, the better the brand trust values, the better the brand loyalty will be. Based on the significance test, the value of p = 0.003 was obtained. This means that there is a positive and significant influence of brand trust on brand loyalty

The influence of brand experience on brand loyalty with brand trust as a mediation. Mediation testing in this study uses the Sobel method. Based on the results of the calculation of the value of the sobel test, the value of 2,298 is greater than 1.96 so it can be concluded that brand trust mediates the relationship between brand experience and brand loyalty.

5. Discussion

- Brand experience has an effect on brand trust
- Brand experience affects brand loyalty
- Brand trust affects brand loyalty
- Brand experience affects brand loyalty with brand trust as a mediation.

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