### THE IMPORTANCE OF BOTH BRAND SATISFACTION AND BRAND ATTITUDE TOWARD BRAND LOYALTY: A COMPARATIVE STUDY WITHIN THE **INDONESIAN AVIATION SECTOR**

Nicholas Wilson Department of Management, Universitas Bunda Mulia wp8989@yahoo.com

Marcellino Jason Ferdinand Sugiyanto Department of Management, Universitas Bunda Mulia

Masuk : 09-01-2021, revisi : 25-01-2021 diterima untuk diterbitkan : 29-01-2021

Abstract: This study was conducted in order to determine the effect that both brand satisfaction and brand attitude had toward brand loyalty in the Indonesian aviation sector. This study implements a comparative study method, in which data which were gathered from two cities which are located within the same countries were assessed separately and compared to each other. This study implements survey method with all of the data from the respondents will be gathered and collected using the questionnaires. A total of 300 respondents participated in this study, which are comprising of 150 respondents from Jakarta and 150 respondents from Surabaya. All of the data gathered from each city will be analyzed individually, in which later on the results of both cities will be compared to each other in order to gain a better understanding regarding the relationships between variables in each city. All of the data which had been collected from the respondents will be assessed using PLS-SEM method. After analyzing all of the data, authors conclude that both brand satisfaction and brand attitude positively affecting brand loyalty within the Indonesian aviation sector in both cities, which are Jakarta and Surabaya. The results obtained in this study highlight the importance of airlines companies conducting their business in the Indonesian aviation sector to keep enhancing consumers' satisfaction and positive attitude toward the brand, in which when consumers' satisfaction and positive attitude toward the brand will eventually evolve into loyalty which could increase the airline's competitiveness level compared to the other competitors.

Keywords: Brand Satisfaction, Brand Attitude, Brand Loyalty, Indonesian Aviation Sector

Abstrak: Penelitian ini dilakukan guna mengetahui bagaimana peranan brand satisfaction serta *brand attitude* di dalam mempengaruhi *brand loyalty* konsumen pada sektor penerbangan di Indonesia. Penelitian ini mengimplementasikan metode studi komparasi, dimana data pada penelitian ini akan dikumpulkan dari responden yang berasal dari dua kota yang berbeda di dalam negara yang sama, yang dimana nantinya masing-masing data dari setiap kota akan dianalisis dan dibandingkan 1 dengan yang lainnya guna mengetahui secara menyeluruh bagaimana hubungan antar variabel yang diteliti pada studi ini. Penelitian ini berbentuk survei, yang dimana kuesioner digunakan sebagai alat untuk mengumpulkan seluruh data yang dibutuhkan dari responden. Sebanyak 300 responden berpartisipasi pada studi ini, yang dimana masing-masing sebanyak 150 responden berdomisili di Jakarta, serta sebanyak 150 responden lainnya berdomisili di Surabaya. Seluruh data yang telah dikumpulkan kemudian dianalisis dengan menggunakan metode PLS-SEM. Berdasarkan hasil analisis data, peneliti dapat menyimpulkan bahwa brand satisfaction serta brand attitude berpengaruh positif terhadap brand loyalty.

Kata kunci: Brand Satisfaction, Brand Attitude, Brand Loyalty, Sektor Penerbangan di Indonesia

#### **RESEARCH INTRODUCTION**

Brand Loyalty had been thoroughly and repeatedly studied and assessed as one of a few factors which could define a brand's success in the industry. Brand loyalty itself could be defined as consumers' strong intention to keep engaging, communicating, using and buying the same brand for a long period of time, while not being attracted to the other brands offering consumers similar products or services. The importance of brand loyalty for a company or brand could be seen or assessed from the fact that companies or brands which had successfully create a pool of loyal consumers were most likely to achieve a higher success rate, higher profitability and higher market share as compared to those which put less emphasis on inducing loyalty toward consumers' minds. It is mainly because as consumers had become loyal toward certain brands, there's a high chance that consumers will keep using or buying the same brands throughout their lives, regardless of what the other similar brands are offering to the consumers. In this case, it is important to be noted that loyal consumers won't only keep buying or using the same brand in the future, but they could also help the brand to fend off the competitors which are competing against the brand in the same industry. Therefore, it is important for each and every brand or company to keep implementing various strategies which were designed to increase or strengthen consumers' loyalty toward the company or the brand itself.

Moreover, regarding the basic concept of brand loyalty, the important of loyalty as one of a few factors which could significantly affect a brand's success and profitability within a certain industry could further be felt within the Indonesian aviation sector. Known as one of the riskiest and the most volatile sector or industry in Indonesia, the important role of brand loyalty could further be felt within this industry as compared to the other industry, since there are only a few number of commercial airlines operating in the rapidly-growing Indonesian aviation market which are offering similar services to the consumers, thus causing each airlines to intensively competing against each other as these companies are basically targeting similar target markets within the same industry. Interestingly, even though that there have been two main classification of airlines in the Indonesian aviation sector, which are low-cost airlines and the full-service airlines, however, in recent years such distinction appear to have faded away, since airlines tend to offer similar services with a similar ticket price as compared to the others, thus making the price of the ticket set by one airline for a specific route to be similar with the price of the ticket offered by the other airlines for the same route. Therefore, the competition and rivalry between these airlines seems to intensify in recent years, causing more and more airlines to enhance and modify their marketing strategies which not only aim to increase consumers and people's interest toward the brand of the airline, but also in order to attract more and more consumers to use the services offered by the airline at the same time. In this case, in the long term, when these strategies were successfully and effectively implemented by the airlines, such strategies could induce and enhance loyalty toward consumers' minds, thus increasing the competitive advantage that the airline had toward the other airlines. When consumers had become loyal toward the airline, then consumers will obviously keep using the airline's service whenever these group of loyal consumers want to go. Therefore, it is important that every airlines companies or brands in Indonesia should thoroughly and fully understand the concept and the importance of brand loyalty, as the airlines' success were strongly determined by the airlines' ability to create and increase consumers' level of loyalty toward the airlines.

Furthermore, in regard with the importance of brand loyalty in determining the success of a brand within an Industry, previous studies had found out the importance of both brand satisfaction and brand attitude in affecting brand loyalty in a significant manner. Brand satisfaction itself could be understood as consumers or people's judgement regarding whether or not a brand had successfully offered or provided a product or service which was designed to fulfill consumers' expectation toward the brand. In this case, consumers will be satisfied if what the brand was offering had exceeded consumers' expectation, while the brand's failure to provide a product or service which could match or fulfill consumers' expectation could lead to the occurrence of dissatisfaction among the consumers. In the other hand, brand attitude could be defined as consumers' cognitive, affective or conative feelings toward the brand, in which such attitude could affect consumers' response and action toward the brand. In relation with the basic concept of brand loyalty, both variables, which are brand satisfaction and brand attitude play an integral role in determining the formation of loyalty within consumers' minds, since company's ability to induce and enhance consumers' satisfactory level toward the brand, together with the company's ability to create or enhance consumers' positive attitude toward the brand could determine whether or not loyalty will be formed within the consumers' minds. Therefore, it is important for companies, especially airlines companies in this case, to be able to keep consumer satisfied with the brands, while developing or conducting any kinds of actions which could create positive attitude on consumers' minds toward the brand, in which when the brands could successfully achieve these achievements, then there's a high chance that consumers' loyalty toward the brand or company will be formed.

Previous studies concerning the Indonesian aviation sector had been conducted by Wilson (2018). However, this study only assessing the importance of service quality and brand image toward loyalty, without determining the importance of both brand satisfaction and brand attitude toward loyalty. Therefore, in the current study, authors were interested in determining the effect of both brand satisfaction and brand attitude toward loyalty in the Indonesian aviation sector.

#### LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT Brand Satisfaction

Brand Satisfaction could be defined as consumers' personal feelings or assessments regarding a brand's ability to fulfill all of the expectations that consumers had toward the brand. Furthermore, brand satisfaction could also be understood as a brand's ability to offer products or services which were specifically designed to satisfy, fulfill and exceed consumers' expectation toward the brand (Song *et al.*, 2019)

### **Brand Attitude**

Brand Attitude could be understood as consumers' personal feelings toward certain brands which customers are interacting with. Furthermore, brand attitude could also be understood as consumers' cognitive, affective and conative feelings toward a brand (Wang *et al.*, 2019).

# **Brand Loyalty**

Brand Loyalty could be understood as consumers' strong commitment and intention to keep using or buying the same brands for a long period of time (Wilson, 2018). Similarly, brand loyalty could also be understood as consumers' motivation to keep involve with any kinds of communications and transactional activities with certain brands in the future, while neglecting the other brands offering similar kinds of products or services at the same time (Lee *et al.*, 2015).

# The Effect of Brand Satisfaction and Brand Attitude toward Brand Loyalty

Previous studies by Lee *et al.*, (2015) and Song *et al.*, (2019) had concluded the significant relationship between brand satisfaction and brand loyalty, in which in both studies, brand satisfaction positively affecting consumers' loyalty toward the brand. Furthermore, another studies conducted by Gallarza *et al.*, (2019) had also found out the significant effect of brand satisfaction toward brand loyalty. In the other hands, previous studies by Yoon and Rhee (2007) in the south Korean fashion industry had found out the significant effect of brand attitude toward brand loyalty. Based on the results of these previous research, authors would like to posit the following hypotheses:

H1a: Brand Satisfaction had a significant effect on Brand Loyalty among Jakarta Respondents

H1b: Brand Attitude had a significant effect on Brand Loyalty among Jakarta Respondents

H2a: Brand Satisfaction had a significant effect on Brand Loyalty among Surabaya Respondents

H2b: Brand Attitude had a significant effect on Brand Loyalty among Surabaya Respondents



## **RESEARCH METHODOLOGY**

This study implements survey method with questionnaires were chosen as the tools which will be used to gather all of the data from the respondents. A total of 300 respondents participated in this study, in which 150 respondents were those who are living in Jakarta, while another 150 respondents were those who are living in Surabaya. Respondents were those who've boarded any Indonesian commercial airlines within the past 2 years, in which respondents should at least boarded 2 return flights within those time frame. Meanwhile, the 7-points likert scales were implemented in this study, in which respondents were asked to convey their feelings and opinion regarding the statements provided within the questionnaires, in which the responses given by the respondents were ranging from "1" which imply that respondents were strongly disagree with the statement, to "7" which imply that respondents were strongly agree with the statement provided on the questionnaires.

Furthermore, regarding the indicators implemented and used in this study, a total of 10 indicators representing all three variables were adapted from Wang et al., (2019) and Ji and Prentice (2020), in which brand satisfaction and brand attitude were each represented by 3 indicators, while brand loyalty was represented by 4 indicators. All of the data which had been collected from the respondents then were analyzed using PLS-SEM using SmartPLS 3.3.2 software.

In regard with the general profile of the respondents participated in this study, most of the respondents who are residing in Jakarta were Male (68%), while the majority of the respondents who are residing in Surabaya were Female (52%).

# **RESULTS & ANALYSIS**

### **Outer Model and Inner Model Measurement**

Using PLS-SEM as the method to analyze all of the data required for the completion of this study, both the outer model and the inner model measurement should be conducted in order to both ensuring the validity and the reliability of the data, while determining the relationships between variables and test the hypotheses proposed in this study at the same time. The results of both the outer model and inner model assessments were presented on table 1 and 2 respectively.

	Variables	Jakarta Respondents			Surabaya Respondents		
Indicators		Factor Loadings	AVE	C.R.	Factor Loadings	AVE	C.R.
BS1	Brand Satisfaction	0.897	0.540	0.774	0.799	0.506	0.747
BS2		0.623			0.541		
BS3		0.654			0.786		
BA1	Brand Attitude	0.801	0.512	0.758	0.665	0.505	0.710
BA2		0.659			0.600		
BA3		0.680			0.754		
BL1	Brand Loyalty	0.633	0.504	0.801	0.685	0.520	0.764
BL2		0.744			0.658		
BL3		0.656			0.859		
BL4		0.794			0.700		

Table 1Outer Model Measurement

Source: Data Analysis (2021)

### Table 2

### Inner Model Measurement (Path Coefficient) & Hypotheses Testing Results

Hypotheses	Sig.Value	Conclusions
H1a: Brand Satisfaction had a significant effect on Brand Loyalty among Jakarta Respondents	0.007	H1a Supported
H1b: Brand Attitude had a significant effect on Brand Loyalty among Jakarta Respondents	0.047	H1b Supported
H2a: Brand Satisfaction had a significant effect on Brand Loyalty among Surabaya Respondents	0.000	H2a Supported
H2a: Brand Attitude had a significant effect on Brand Loyalty among Surabaya Respondents	0.036	H2b Supported

Source: Data Analysis (2021)

#### Discussions

Based on the results of the data analyses presented on table 1 and 2, it could be concluded that all of the data had fulfilled all of the criteria which had to be satisfied in order for the data to pass the outer model assessments, in which the AVE and composite reliability value of each variables had exceeded the minimum acceptance value of 0.5 and 0.7 respectively, while the factor loadings of each items had also been greater than 0.5. Furthermore, after fulfilling all criteria provided in the outer model assessment, the path coefficient analysis in the inner model assessment was performed in order to determine the relationships between variables in this study, while the results obtained in this analysis will also be used in order to determine whether or not the hypotheses proposed in this study should be supported. Based on the results of the path coefficient analysis presented on table 2, it could be concluded that all of the hypotheses were supported, in which, both brand satisfaction and brand attitude had a positive and significant effect toward brand loyalty, both in Jakarta and Surabaya within the Indonesian aviation sector. Based on these results, it had been found out that consumers' satisfactory level toward an airline as a brand could positively affecting their intention on whether or not they'll use the same service provided by the same airlines for their future flights. Similarly, consumers' attitude toward the airline was also revealed to have a positive and significant impact toward the formation of loyalty in the consumers' minds, in which, consumers' positive attitude will increase consumers' loyalty toward the airline, while in the other hand, consumers' negative attitude and feelings toward the airline will cause their loyalty to tumble toward the airline. Therefore, it is important for each airline which operating their business in Indonesia to be able to understand the importance of these relationships as consumers' satisfaction and the feelings that they had toward the airline could determine the success or failure of the airline relative to the competitors.

## CONCLUSIONS AND SUGGESTIONS

Based on the results of the data analyses, authors would like to conclude that both brand satisfaction and brand attitude had a positive and significant effect toward brand loyalty in the Indonesian aviation sector, in which such results were generated from the data obtained from both the respondents residing in Jakarta, and respondents residing in Surabaya. Based on these conclusions, authors would like to recommend to all airlines companies in Indonesia to actively seek and develop new strategies, which won't only sustain and increase consumers' satisfaction toward the brand over time, but also will induce positive feelings within the consumers' minds toward the airlines, in which, the airline's ability to enhance and induce satisfaction and positive attitude or feelings toward consumers' minds will resulted in the formation of loyalty toward the brands or the airlines.

## REFERENCES

- Gallarza, M. G., Arteaga, F., & Gil-Saura, I. (2019). Customer value in tourism and hospitality: broadening dimensions and stretching the value-satisfaction-loyalty chain. *Tourism Management Perspectives*, 31, 254–268. https://doi.org/10.1016/j.tmp.2019.05.011
- Ji, C., & Prentice, C. (2021). Linking transaction-specific satisfaction and customer loyalty the case of casino resorts. *Journal of Retailing and Consumer Services*, 58, 102-319, https://doi.org/10.1016/j.jretconser.2020.102319
- Lee, D., Moon, J., Kim, Y. J., & Yi, M. Y. (2015). Antecedents and consequences of mobile phone usability: Linking simplicity and interactivity to satisfaction, trust, and brand loyalty. *Information & Management*, 52(3), 295–304. https://doi.org/10.1016/j.im.2014.12.001
- Song, H., Wang, J., & Han, H. (2019). Effect of image, satisfaction, trust, love, and respect on loyalty formation for name-brand coffee shops. *International Journal of Hospitality Management*, 79, 50–59. https://doi.org/10.1016/j.ijhm.2018.12.011
- Wilson, N. (2018). The impact of service quality and brand image toward customer loyalty in the Indonesian airlines industry. *Jurnal Manajemen Indonesia*, 18(3), 222-234. https://doi.org/10.25124/jmi.v18i3.1734
- Yoon, N.-H., & Rhee, E.-Y. (2007). Relationship between brand attitude and brand loyalty in fashion products. *Journal of the Korean Society of Clothing and Textiles*, *31*(7), 1030–1041. https://doi.org/10.5850/jksct.2007.31.7.1030