

THE IMPACT OF BRAND EVALUATION, SATISFACTION, BRAND RELATIONSHIP AND TRUST TO BRAND LOYALTY: A CASE STUDY OF THE INDONESIAN SMARTPHONE INDUSTRY

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ABSTRACT

This research was conducted in order to uncover the impact of brand evaluation, satisfaction, and trust on brand loyalty in the Indonesian smartphone industry. This research implemented survey method, in which questionnaires were used as the instruments to collect all of the data from the respondents. A total of 300 respondents participated in this research, in which, after further assessments, all data could be deemed as valid and reliable. All data that have been collected and assessed then were analysed using Partial Least Squares-Structural Equation Modelling (PLS-SEM) method, using Smart PLS 3.2.7 software. Based on the results of the data analysis, it could be concluded that brand evaluation, satisfaction, brand evaluation, and trust had a positive impact on brand loyalty.

Keywords : brand evaluation , satisfaction , trust , brand relationships , brand loyalty

ABSTRAK

Penelitian ini dilakukan untuk mengungkap dampak evaluasi merek, kepuasan, dan kepercayaan terhadap loyalitas merek di industri smartphone Indonesia. Penelitian ini menerapkan metode survei, di mana kuesioner digunakan sebagai instrumen untuk mengumpulkan semua data dari responden. Sebanyak 300 responden berpartisipasi dalam penelitian ini, di mana, setelah penilaian lebih lanjut, semua data dapat dianggap valid dan dapat diandalkan. Semua data yang telah dikumpulkan dan dinilai kemudian dianalisis menggunakan metode Partial Least Squares-Structural Equation Modeling (PLS-SEM), menggunakan perangkat lunak Smart PLS 3.2.7. Berdasarkan hasil analisis data, dapat disimpulkan bahwa evaluasi merek, kepuasan, evaluasi merek, dan kepercayaan memiliki dampak positif pada loyalitas merek.

Kata kunci: evaluasi merek, kepuasan, kepercayaan, hubungan merek, loyalitas merek

1. RESEARCH BACKGROUND

Loyalty had been long understood as one of the most important trait and factor which could determine to which direction companies will going to (Wilson & Keni, 2018; Wilson, 2018). It is because without loyalty, it is almost impossible for companies to retain their customers, and considering the large number of competitors conducting their business in the same or similar industry with us, it will be easy to assume that it wouldn't take much time for the customers to shift their interests and

preferences to what our competitors are about to offer (Wilson, 2018). Such a problem would be more damaging for companies which conducted their business in the industries which had a very large number of competitors which make it impossible to determine how many companies are conducting their business in those industries in a country. And, one of those industry is the Food and Beverages (F&B) industry. Characterized by its relatively low barrier to entry, low to moderate costs of investment, growing market potential and large number of potential customers, a lot of people had been investing their money in such a lucrative and booming industry which saw the number of entrepreneur conducting business in this industry to escalate annually. On the other hand, Smartphone industry was also long understood and considered to be one of the fastest growing industry in the world, despite its high-barrier to entry and relatively high investment costs. Despite there's only been several companies establishing their presence in this industry (such as Apple, Samsung, Oppo, Vivo, Xiaomi, Realme, etc), however, the development of this industry (particularly in the Asian region) is growing rapidly thanks to the large amount of customers (or potential customers) whose appetite of owning a new phone (or a newer-generation of smartphone) seems to have no end.

Furthermore, such a trend could be seen more clearly in Southeast Asia countries, especially in Indonesia, in which smartphone industry had been consistently topped the ranking as one of the fastest growing industry in the country, along with F&B industry and hospitality industry. Moreover, as one of the largest and most-populous country in the world, many companies had seen Indonesia as an incredibly large countries full of market potential which will allow the smartphone industry to sustain itself and flourish, particularly in the low-to-middle market sectors, where affordable-yet-technologically advanced smartphone seems to successfully penetrate the market full of customers (and buyer) from sectors. Several Chinese smartphone companies, such as OPPO, VIVO, Realme, and Xiaomi are even be able to successfully challenge the Apple and Samsung duopoly in the Indonesian smartphone industry by releasing and producing a more affordable (less costly) smartphone which could be accessed and bought by those who were categorized or grouped as the lower to middle income customers. In the other hand, both Apple and Samsung seems to experience such a difficulty in penetrating the same markets since both companies had been long understood and known to be producing and releasing smartphones aiming at the middle to high income customers. Even a lot of customers from middle-to-high income segments had been shifting their preferences to purchase a new and more affordable smartphone produced by these Chinese-owned enterprises, since the smartphone that they offer had a similar performance, specifications, and quality with the one produced by both Apple and Samsung which had been known as the companies which produce high-end and state-of-the-art smartphones. Therefore, considering all of the facts and trend stated above, it would be safe and not exaggerated to state that intense competition within companies in the Indonesian smartphone industry are inevitable.

Brand evaluation, satisfaction, brand relationship, and trust had been long studied and proven as several variables or factors which had an impact on brand loyalty, either negatively or positively. Such a result then prove that the relationship between brand evaluation, satisfaction, brand relationship, trust and loyalty are a one-way

relationships, which means that an increase in customers' satisfaction with the brand will most likely cause customers' loyalty toward the brand to increase, and vice versa. These findings indicate that it would be crucially important for marketers, practitioners, academicians, or even general people to understand the important impact of brand evaluation, satisfaction, brand relationship, and trust on customers' loyalty toward a certain brand in the Indonesian smartphone industry. Brand evaluation itself could be defined or understood as customers' self-evaluation toward a brand that he or she had just been exposed to, in which this evaluation could be both negative or positive (Velotsou, 2015). Meanwhile, satisfaction could be defined as customers' perception in regards with the quality of the product or service that was offered by a company, whether or not the quality of that service exceeded the customers expectation (Wilson & Keni, 2018; Wilson, 2018). Furthermore, brand relationship could be defined as the emotional bond that was formed between customer and the brand itself, in which strong brand relationship between customers and the brand will most likely cause the possibility of the customers shifting their preferences to the other brand (within the same product or service category) to be minimum (Wilson, Theodorus & Tan, 2018). Meanwhile, trust could be defined as customers' state of belief that the brand in which the customers had just been exposed to is the one that they believe won't disappoint them (Wilson & Keni, 2018). Meanwhile, brand loyalty could be defined as customers' attitude toward the brand, in which customers won't use or buy any products or services from the other brands, other than the one that they're currently using (Wilson, 2018).

Therefore, based on the introduction and background stated above, authors would like to determine the impact of brand evaluation, satisfaction, brand relationship, and trust toward brand loyalty in the Indonesian smartphone industry.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

2.1. Brand

In consumer marketing, brands can provide the primary points of differentiation between competitive offerings and such as they can be critical success of companies (Wood, 2000). The American Marketing Association define brand as a name, term, sign, symbol, design or combination of them intended to identify the goods or service of one seller or group of sellers and to differentiate them from those of competitors (Wood, 2000). Ambler (1997) define brand as the promise of the bundles of attributes that someone buys and provide satisfaction. Brands serve valuable functions. At the most basic level, brands serve as markers for the offerings of a firm (Keller & Lehmann, 2006), Keller & Lehmann (2006) also state that brands for customer can be to simplify choice, promise particular quality level, reduce risk.

2.2 Brand Loyalty

Some of the customers are believed that their personal choice of brand is better than the others (Mao, 2010). According to Oliver (2015) loyalty can be described as a deeply held commitment to rebuy a preferred product or service consistently in the

future, thereby causing repetitive the same brand despite situational influences and marketing efforts causing switching behavior. Brand loyalty was often measured simply only through purchase repeat in terms of behavior in the past while customer loyalty can be considered more widely rather than expressed by simple purchase behaviors (Ghorbani & Mousavi 2014). Brand loyalty can be conceptualized as the final dimension of consumer brand resonance symbolizing the consumer's relationship and level of identification with a brand (Erdoğan & Çiçek 2012). Giovanis & Athanasopoulou (2017) says that brand loyalty is considered to have two dimensions: attitudinal and behavioral loyalty. Both researchers and practitioners agreed that brand loyalty as a critical factor for firm's survival and prosperity since it contributes to increased repurchase volume and better acquisition (Giovanis, 2016).

2.3 Brand Evaluation

Consumers rate the brands in their minds often. Some customer evaluate the brands by using any indications. And some customer also relate the brand as a person (Gilbert & Hewlett 2003). According to Veloutsou (2015), self-generated belief that brand are developed in the minds of each consumer through controlled signaling and other uncontrollable information that the consumer received about the brand and shapes the evaluation of the brand. To evaluate a brand, we can use a brand image and brand reputation as a basis of brand evaluation. (Fombrun & Rindova, 2000).

2.4 Satisfaction

Brand satisfaction has a significantly positive influence on brand loyalty (Sahin et al., 2011). A dissatisfied customer is more likely to search for information on alternatives and more likely to yield to competitor overtures than is a satisfied customer. Also, a dissatisfied customer is more likely to resist attempts by his or her current retailer to develop a closer relationship and more likely to take steps to reduce dependence on that retailer (Anderson & Srinivasan 2003).

Measurement of customer service are very important. But there is no universally accepted method or measurement scale that exists (Gilbert & Veloutsou, 2006). The measurement of consumer behavior is more exploratory than exact science (Gilbert & Veloutsou, 2006). Ballester et al., (2005) define brand satisfaction as an overall evaluation of the entire brand.

2.5 Brand Trust

Brand trust is defined as feeling of security held by consumer in their interaction with the brand, that it is based on the perceptions that the brand is reliable and responsible (Taskin et al., 2016). Trust is important in many high-involvement; premium product markets because consumers are exposed to costs associated with adverse selection and moral hazard, both agency costs. Sahin et al. (2011) said that in their study brand trust have significantly positive effect on brand loyalty.

Chaudhuri & Holbrook (2001) says that brand trust is involving a process that is well thought out and carefully considered, while the development of brand affect is more spontaneous, more immediate, and less deliberately reasoned in nature. Meanwhile Xingyuan et al. (2010) says brand trust can be defined as consumer's disposition toward a brand characterized by positive expectation of and willingness to rely on the brand. Trust has received a great deal of attention from scholars in several disciplines such as psychology, sociology and more applied area such as marketing (Delgado et al., 2006). The brand will have a high probability to be in a positive result for the customer if the consumer trust the brand (Delgado et al., 2006). To build trust, both supplier and the buyer have to keep their promises (Veloutsou, 2015).

2.6 Brand Relationship

When customer experience some interactions with the brand, there is an emotional relationship between them and customer aware that they create and develop the relation. Consumer brand relationship exist in various contexts, especially in well-defined groups of consumers and sub-cultures (Veloutsou, 2015). By connecting to the brand, consumers seek emotional, psychological benefits aside from material values from the brand (Aurier & Lanauze, 2012). So the consumer treats the brand as an inactive partner and eventually developing relationship with the brand during interactions over time with the brand (Peng et al., 2014).

A long-term brand relationship likely develops when consumers believe the brand reflects their personalities and enhances their self-esteem and social status (Zhou et al., 2011). Brand attachments or relationship with the brand is the longterm bond between the consumer and the brand, and it can be distinguished from other concepts, such as brand attitudes, satisfaction, and involvement (Thompson et al., 2005 on Veloutsou, 2015). Furthermore, Veloutsou (2015) says the strength of brand relationship can be measured with the strength of emotional connection with the brand and the strength of intended communication with the brand.

2.7 Previous Studies

2.7.1 Cleopatra Veloutsou (2015) did a research regarding how brand evaluation, trust and satisfaction serve as a predictor for brand loyalty. The data were collected from 189 women who are using lipstick in Glasgow, Scotland. The hypothesis for this research was as followed.

- a. Positive brand evaluation has a positive effect on brand loyalty
- b. Satisfaction has a positive effect on brand loyalty
- c. Trust has a positive effect on brand loyalty

Concluding the research, Veloutsou state that all corresponding variables in her research shows positive result. All the correlation values were positive, indicating loyalty did have very strong correlations with all variables (brand evaluation, satisfaction, and trust). Veloutsou also add brand relationship as one factor that affect

brand loyalty. Through two dimensions from brand relationship

2.7.2 Chaudhuri and Holbrook (2001) conduct a research regarding the effects of brand trust and brand affect to brand loyalty and indirect effects of brand trust and brand affect to the market share and market price. The hypothesis for the research conducted by Chaudhuri and Holbrook was as followed.

- a. Brand trust is positively related to purchase loyalty and attitudinal loyalty
- b. Brand affect is positively related to purchase loyalty and attitudinal loyalty
- c. Market share increase as brand loyalty increase
- d. Relative price increase as brand loyalty increase (Chaudhuri & Holbrook, 2001)

The method conducted in this research consist of three phases ensures that connections between any two variables are not bias due to asking the same respondents to provide answers in a single questionnaire. The use of different samples in every phases help to prevent consistency bias and provide more valid result.

2.7.3 Yoon and Uysal (2005) conduct a research regarding how push and pull motivation could create motivation for traveler to go to a certain destination and how the satisfaction from traveler's decision can affect the destination loyalty. The result of this research state that push and pull motivation is considerable to increase the satisfaction of the customer and positive satisfaction affect the destination loyalty. Although this research mainly used for travel purpose, it is similar with brand product. Motivation will lead to purchase decision from the customer. When the customer have purchase the product, they will gain a certain amount of satisfaction. The higher the satisfaction, the higher the loyalty from the customer (Yoon & Uysal, 2005). Research conducted by Mao (2010) find that customer brand loyalty plays more important role in the modern global marketing. In order to maximize the profit, companies try different marketing strategies, among which loyalty is recognized by large amount of businessmen. To find the elements and effect of loyalty, businessmen or companies may understand the customer faith toward their products or services.

2.7.4 Previous research conducted by Erdogmus & Cicek (2012) find that advantageous campaign of social media are the most significant drivers to brand loyalty and then followed by relevancy by content, popularity of the content among friends, and appearing on different social media platforms. Customer brand loyalty also affected positively by the different platforms and applications that are offered by the brand of the social media. they also find that relevancy is the second most important factor affecting brand loyalty, therefore companies must keep themselves updated.

2.8 Research Hypotheses

2.9.1 Brand Evaluation has a positive effect on Brand Loyalty

Customers tend to be loyal to brands that they evaluate higher and have a good attitude towards, and brand reputation is one of the antecedents of brand loyalty (Gilbert & Hawlett, 2003). Velotsou (2015) state relationship or link between brand evaluation and brand loyalty exist and is positive. Esch et al. (2006) says that the more brand is evaluated and perceived, it can be more important predictors of current purchases and eventually lead customer to brand loyalty, so there is connection or link between brand evaluation and brand loyalty. Keller & Lehmann (2006) state that understanding the image of the corporate and reputation impact on customer purchase is one of the key question of brand research. Based on the theories above, authors would like to posit the following hypothesis:

H1 : Brand Evaluation has a positive effect on Brand Loyalty

2.9.2 Trust has a positive effect on Brand Loyalty

Hess & Story (2005) state that trust is important as the connector between satisfaction and personal connection and can transforming a positive transactional orientation toward a brand into enduring and close personal and committed relationship with the brand. Trust and satisfaction can combine to provide the conditions to enduring relationship between customer and brand (Hess & Story, 2005). Velotsou (2015) state that brand trust has a direct and positive effect on brand loyalty. Han et al. (2008) also state that trust is one of many elements to influence on customer loyalty towards brands especially after time of crisis, so trust can enhance brand loyalty. Based on the theories above, authors would like to posit the following hypothesis:

H2: Trust has a positive effect on Brand Loyalty

2.9.3 Satisfaction has a positive effect on Brand Loyalty

Velotsou (2015) state that the amount level of satisfaction derived from customer from experience using the product or services can be influence the bond developed between customer and the brand. Therefore satisfaction has a positive effect on brand loyalty (Velotsou, 2015). Satisfaction can be one of the element to lead customer to repurchase, likely moderated by satisfaction, relational, and marketplace characteristics (Voss et al., 2010). According to Harris & Goode (2004), satisfaction in various context can be translates into loyalty when customer feel of satisfaction is really high.

Based on the theories above, authors would like to posit the following hypothesis:

H3: Satisfaction has a positive effect on Brand Loyalty

2.9.4 Brand Relationship has a positive effect on Brand Loyalty

According to Giovanis (2016), brand relationship commitment has a direct and positive effect on brand loyalty. Veloutsou (2015) state that the relationship could lead to a degree of loyalty so strength of consumer loyalty has a positive effect on brand loyalty. Too et al. (2001) says that the perception of company relationship appears to be crucial to enhance customer to become more loyal to the brand. Meanwhile Algesheimer et al. (2005) on Veloutsou (2015) state that brand relationship has a positive impact to brand loyalty. Brand loyalty can offers a useful way to examine interplay between brand relationship and brand community (Algesheimer et al., 2005). Based on the theories above, authors would like to posit the following hypothesis:

H4: Brand Relationship has a positive effect on Brand Loyalty

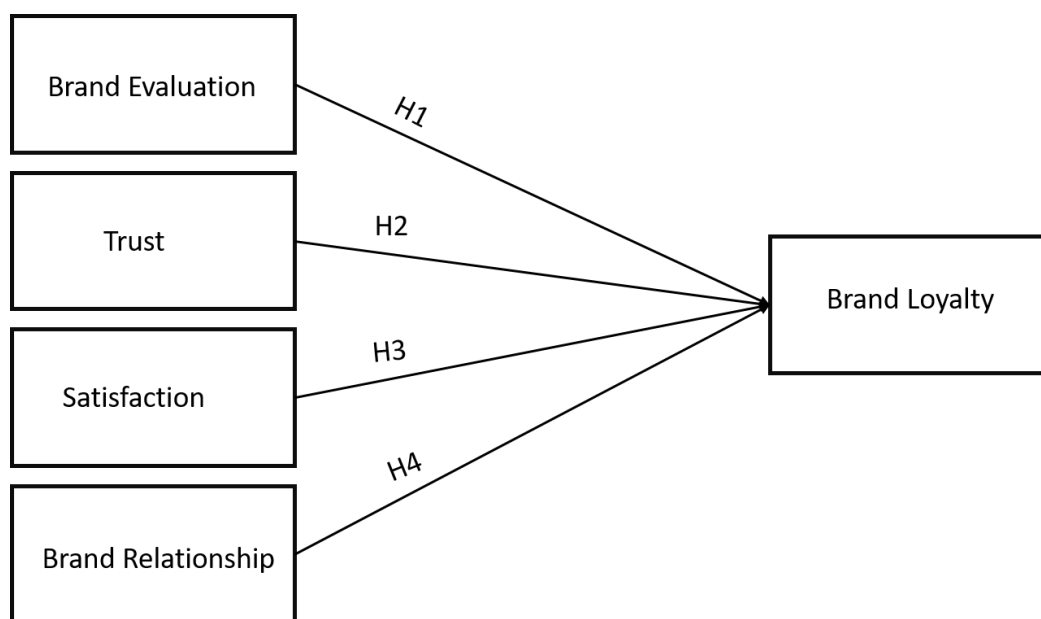


Figure 3. Research Model

3. RESEARCH METHODOLOGY

3.1 Method

This research utilized survey method, in which questionnaires were used as instruments to collect the data from the respondents. A total of 300 respondents participated in this research, in which, data gathered from the respondents will further be analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM)

method, in which all of the data will be processed using Smart PLS 3.2.7 statistical software. Furthermore, this research utilized purposive sampling method as the sampling technique, since only those who've ever bought and used smartphone products for the last one year were selected and chosen as the respondents.

Regarding the questionnaire used in this research, a five-points Likert scale was used to measure respondent's level of agreement regarding the statements provided in the questionnaire. Respondent's response could range from "1" to "5", in which "1" stand for "strongly disagree", "2" which stand for "disagree", "3" which stand for "neutral", "4" which stand for "agree", and "5" which stand for "strongly agree." Furthermore, a total of thirty five items measuring five variables were included in the questionnaire, in which 8 items measuring variable brand loyalty were adapted from Veloutsou (2015), 5 items measuring variable brand evaluation were adapted from Veloutsou (2015), 7 items measuring variable trust were adapted from Veloutsou (2015), 4 items measuring variable satisfaction were adapted from Veloutsou (2015), and 11 items measuring variable brand relationship were also adapted from Veloutsou (2015).

3.2 Pretest

Before the questionnaire was used in this research, a pretest on 50 respondents was conducted in order to ensure the validity, reliability, and the clarity of the items included on the questionnaire. After the pretest was conducted, the data were gathered and analyzed to ensure it's validity and reliability. After analyzing the data, it was confirmed all items and variable had fulfilled the validity and reliability criteria. Therefore, all of the items in the questionnaire were used in the research.

4. RESULTS AND DISCUSSIONS

4.1 Outer Model Analysis

Before the data were analyzed in order to test the hypotheses, the outer model analysis was conducted in order to test that the model had fulfilled the validity and reliability criteria. The validity and reliability criteria were as follows: the factor loadings value of each items should be greater than 0.7, the AVE value of each variable should be greater than 0.5, the composite reliability and cronbach's alpha value of each variable should be greater than 0.7. After assessing the model, it was revealed that the model had fulfilled all the criteria set in the outer model measurement, with the results was shown as follows.

Table 1.
 Outer Model Analysis (Validity)

Indicators	Variables	Loading Factor	AVE
BE1	Brand Evaluation	0.738	0.672
BE2		0.716	
BE3		0.730	
BE4		0.798	
BE5		0.752	
SAT1	Satisfaction	0.758	0.564
SAT2		0.824	
SAT3		0.792	
SAT4		0.711	
TR1	Trust	0.786	0.549
TR2		0.714	
TR3		0.727	
TR4		0.744	
TR5		0.745	
TR6		0.868	
TR7		0.775	
TR8		0.716	
BR1	Brand Relationship	0.802	0.673
BR2		0.730	
BR3		0.735	
BR4		0.749	
BR5		0.795	
BR6		0.707	
BR7		0.778	
BR8		0.851	
BR9		0.710	
BR10		0.850	
BR11		0.843	
BL1	Brand Loyalty	0.891	0.337

BL2	0.763
BL3	0.764
BL4	0.745
BL5	0.749
BL6	0.783
BL7	0.833
BL8	0.807
BL9	0.719

Table 2.
Discriminant Validity

	Brand Evaluation	Brand Loyalty	Brand Relationship	Satisfaction	Trust
Brand Evaluation	0.810				
Brand Loyalty	0.530	0.781			
Brand Relationship	0.340	0.444	0.861		
Satisfaction	0.241	0.403	0.648	0.751	
Trust	0.513	0.375	0.460	0.376	0.740

Table 3.
Composite Reliability and Cronbach's Alpha Assessment

Variables	Cronbach's Alpha	Composite Reliability
Brand Evaluation	0.805	0.842
Brand Loyalty	0.782	0.791
Brand Relationship	0.779	0.829
Satisfaction	0.739	0.836
Trust	0.755	0.819

Based on the results of the outer model assessment presented on Table 1, Table 2, and Table 3, it could be confirmed that all criteria in the outer model analysis had been fulfilled, since the value of factor loadings of each items, the value of AVE of each variables had exceeded the cut-off value of 0.50, and the value of cronbach's alpha and composite reliability of each variables had exceeded the cut-off value of 0.70.

Furthermore, the value of AVE of each latent construct had been higher than the construct's highest squared correlation with any other latent construct in the discriminant validity analysis. Therefore, it could be concluded that all indicators and variables included on the model are valid and reliable, and the inner model analysis could be conducted afterwards.

4.2. Inner Model Analysis and Hypotheses Testing

Inner model analysis was conducted in order to analyze and determine the relationship between variables, analyze the mediating effect of mediating variable in this research, and to test the hypotheses proposed in this research. This research used t-value to test the hypotheses with a cut-off value of 1.96 and 5% significance level, which means that the hypotheses will be rejected if the t-value of that hypothesis was below the cut-off value of 1.96, and supported if the t-value exceeded 1.96.

Table 4.
Path Coefficient Assessment

Relationships	T Statistics (O/STDEV)	Sig. Value	Result
Brand Evaluation -> Brand Loyalty	2.174	0.014	Significant
Brand Relationship -> Brand Loyalty	3.677	0.001	Significant
Satisfaction -> Brand Loyalty	2.965	0.010	Significant
Trust -> Brand Loyalty	7.492	0.000	Significant

Table 5.
Hypotheses Testing Results

Relationships	T Statistics (O/STDEV)	Sig. Value	Result
Brand Evaluation has a positive impact on Brand Loyalty	2.174	0.014	Hypothesis Supported
Brand Relationship has a positive impact on Brand Loyalty	3.677	0.001	Hypothesis Supported
Satisfaction had a positive impact on Brand Loyalty	2.965	0.010	Hypothesis Supported
Trust had a positive impact on Brand Loyalty	7.492	0.000	Hypothesis Supported

Based on the results shown on table 4 and 5, all hypotheses were supported. The first hypothesis propose that Brand Evaluation has a positive impact on Brand Loyalty. With a t-value of 2.174 which was well above the cut-off value of 1.96 ($2.174 > 1.96$), it could be concluded that the first hypothesis was supported in this research. The second hypothesis propose that trust has a positive impact on Brand Loyalty. With a t-value of 7.492 which was well above the cut-off value of 1.96 ($7.492 > 1.96$), it could be concluded that the second hypothesis was also supported in this research. The third hypothesis propose that Satisfaction had a positive impact on Brand Loyalty. With a t-value of 2.965, which was well above the cut-off value of 1.96 ($2.965 > 1.96$), it could be concluded that the third hypothesis was also supported in this research. Lastly, the fourth hypothesis propose that Brand Relationship has a positive impact on Brand Loyalty. With a t-value of 3.677, which was well above the cut-off value of 1.96 ($3.677 > 1.96$), it could be concluded that the fourth hypothesis was also supported in this research

4.3 Discussions

The first hypothesis propose that Brand Evaluation has a positive effect on Brand Loyalty. In regards with the finding in this research in which this hypothesis was supported, customers tend to be loyal to brands that they evaluate higher and have a good attitude towards, and brand reputation is one of the antecedents of brand loyalty (Gilbert & Hawlett, 2003). Velotsou (2015) state relationship or link between brand evaluation and brand loyalty exist and is positive. Furthermore, Esch et al. (2006) says that the more brand is evaluated and perceived, it can be more important predictors of current purchases and eventually lead customer to brand loyalty, so there is connection or link between brand evaluation and brand loyalty. Keller & Lehmann (2006) state that understanding the image of the corporate and reputation impact on customer purchase is one of the key question of brand research.

The second hypothesis propose that Trust has a positive effect on Brand Loyalty. In regards with the finding in this research in which this hypothesis was supported, Hess & Story (2005) stated that trust is important as the connector between satisfaction and personal connection and can transforming a positive transactional orientation toward a brand into enduring and close personal and committed relationship with the brand. Trust and satisfaction can combine to provide the conditions to enduring relationship between customer and brand (Hess & Story, 2005). Moreover, Velotsou (2015) stated that brand trust has a direct and positive effect on brand loyalty. Han *et al.* (2008) also state that trust is one of many elements to influence on customer loyalty towards brands especially after time of crisis, so trust can enhance brand loyalty.

The third hypothesis propose that Satisfaction has a positive effect on Brand Loyalty. In regards with the finding in this research in which this hypothesis was supported Velotsou (2015) state that the amount level of satisfaction derived from customer from experience using the product or services can be influence the bond developed between customer and the brand. Therefore satisfaction has a positive effect on brand loyalty (Velotsou, 2015). Satisfaction can one of the element to lead customer to repurchase, likely moderated by satisfaction, relational, and marketplace characteristics (Voss et al., 2010). According to Harris & Goode (2004), satisfaction in various context can be translates into loyalty when customer feel of satisfaction is really high.

The fourth hypothesis propose that Brand Relationship has a positive effect on Brand Loyalty. In regards with the finding in this research in which this hypothesis was supported, it could be suggested that as the level of intensity of the relationship between customers and a brand are intensifying, it could also lead to the increase of brand loyalty toward that brand.

5. CONCLUSIONS AND RESEARCH LIMITATIONS

Based on the findings of this research, it could be concluded that Brand Evaluation, trust, satisfaction, and brand relationship has a positive effect on brand loyalty To improve the brand loyalty in this research, the researcher use social event like commemorate an important day, for the example aspecial day , aids day by create a special edition iphone 7 pink. Therefore brand image iphone 7 is getting better in the consumer perspective. So that can optimize brand loyalty. In regards with these findings, authors would like to suggest several strategies for companies specializing in the smartphone industry in Indonesia. First of all, in order to improve brand loyalty, it is suggested for companies to improve the security of it's product, for example, by means of adding more technologies which could improve secutiry and reduce the probability of customer's data being brached, such as the new verification features/technologies such as facial and voice recognition makes the iphone 7 more reliable. Therefore it can optimize brand loyalty. Furthermore, in order to improve the brand loyalty in this research, it is highly suggested that companies are able to the customers' satisfaction by extending the warranty of the product for a longer period of time. Therefore, if the product that was purchased by a consumer suffered from either external or internal damage within the warranty periods, it can replaced by a new one. Therefore, consumers will be more satisfied with the customer service, which could improve customers' loyalty toward the brand.

Despite the rigorous nature of this study, this research was not free of limitations. Several limitations were presented in this research. First of all, respondents

who participated in this research were limited only to people who live in Jakarta. Therefore, it was suggested for further research to expand the geographical areas of the respondents to increase the generalizability of the results. Second, respondents in this research were limited only to people who're using Apple brand smartphone. Therefore, it is suggested that future research could select respondents who're using the other brand of smartphone. Third, this research only target total of 300 respondents, in which, only a total of 257 data from the respondents were usable. Therefore, it was highly suggested for future researchers could increase the sample size of the study to increase the generalizability of the data.

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