

## **The Effect of Brand Personality and Customer Satisfaction to Customer Loyalty at The Mall: A Study Case**

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### **ABSTRACT**

Visiting a mall nowadays become popular activities that many people do to entertain themselves, family or friends. With so many malls around, each visitor must have one favorite mall he or she preferred to go to. Some customer preferred to go to one mall and other customer preferred other mall. This study aims to analyzed if the customer loyalty to a preferred mall was because the effect of the mall's brand personality and customer satisfaction. The study took place at Botani Square Shopping Mall, Bogor City. Method analysis used on this study is a multiple regression analysis. The Result of this study conclude that the study of the effect of Brand personality and Customer Satisfaction to Customer Loyalty clearly shows that brand personality and customer satisfaction have an influence on customer loyalty to visit Botani Square Shopping Mall, Bogor City.

**Keywords:** Brand Personality, Customer Satisfaction, Customer Loyalty

### **Introduction**

The needs of urban communities to find shopping places with various facilities continue to increase along with the times. Shopping malls comes and present a variety of pleasures. Starting from the availability of various desirable needs (one stop shopping) to the right place to relax with family and colleagues (Helen & Emrus, 2014). The increasing need for one stop shopping also affects the growth rate of shopping centers, which is better known as the mall. The growth of shopping centers or malls is not only modern but also sparkling, because it has become a lifestyle that cannot be separated from society (Hu & Jasper, 2004). Mall not only serves as a place to buy daily necessities, such as fashion, F & B (food and beverages), household utilities, business or business needs, and others, the mall is also a lively place to spend visitors' leisure time. This phenomenon shows that the mall can be one of the satisfying tools of community needs in the form of recreational facilities (Purnomo, 2016).

To be able to survive in the intense competition in hospitality industry, hospitality providers are required to pay more attention to the needs and desires of consumers, especially in strategies to maintain customer loyalty. Loyal consumers will 'cause companies to be able to get better profits for several reasons, such as: increased purchases, reduced operating costs, and increased profit margins (Zakaria, et al., 2014). The creation of satisfaction can provide several benefits including the relationship between companies and consumers to be harmonious, becoming the basis for repurchasing, creating consumer loyalty and recommendations from word-of-mouth that benefit the company (Nuryudayatun, 2013).

Brand can be interpreted as a reflection of the spirit and soul of an organization. Brands do not only display a physical product with written names or logos or symbols from the company. Brand shows the loyalty of product users. After using one brand for some time, the customer will feel that the brand is a part of him (Afzal, Khan, Rehman, Ali, & Wajahat, 2010).

Brand personality is the character chosen as the best way to communicate the brand to the target user. A brand theme can be expressed through various types of brand personality, and to be displayed differently to consumers, this is important because a product must improve its concept so the product has symbolic value. Brand personality is one of the symbolic values that are considered by consumers in choosing a product (Jennifer, Aaker, & Azoulay, 2003).

### Theoretical Framework

#### Brand Personality

Brand personality is a framework for describing personality by using human traits in its description (Jennifer, Aaker, & Azoulay, 2003). Brand personality is divided into five dimensions, they are;

- First, Sincerity. This dimension shows sincere human nature. If applied to the brand, this dimension of sincerity reflects how the brand truly shows consistency in meeting the needs, desires, and expectations of customers.
- Second, Excitement. This dimension shows how a brand is able to give pleasure to its users.
- Third, Competence. This dimension shows that a brand has the ability to show its presence in the market.
- Fourth, Sophistication. This dimension refers more to how a brand gives value to its customers
- Fifth, Ruggedness. This dimension shows how a brand can survive in the competition of other brands.

#### Customer Satisfaction

Customer satisfaction is defined as a situation where customer expectations of a product in accordance with the reality received. If the product is far below customer expectations, then he will be disappointed. Conversely, if the product meets customer expectations, then he will be happy. Satisfied customers will usually remain loyal for a longer time, make repeat purchases, talk about good things about this product and the company, and not too sensitive to prices (Kotler & Keller, 2009).

#### Customer Loyalty

Customer loyalty is the attachment of customers to a brand, shop, factory, service provider or other type of product and shows a good response when dealing with these products. For example, by repurchasing the product (Baran, Strunk, & Galka, 2008). Customer loyalty is very important, especially to retain customers. This is because loyalty from customers can provide several benefits for the company. Faithful customers are not price sensitive, reduce marketing costs to attract new customer attention and improve company profits (Rowley, 2005). In addition, loyal customers also want to recommend the company's products by distributing positive news in word of mouth way, and are easily serviced because they already understand the company's products and do not need more information about products (Bowen & Chen, 2001).

#### Conceptual Framework

The independent variables in this study are Brand Personality and Customer Satisfaction. The dependent variable of this study is the outcome of this study, that is Customer Loyalty.

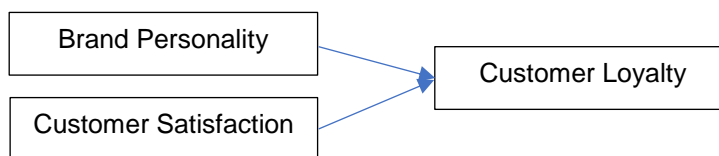


Figure 1. Conceptual Framework

## Hyphoteses

Based on literature studies on research variables, the hypothesis proposed is as follows;

H1: Brand Personality has a significant influence on Customer Loyalty

H2: Customer Satisfaction has a significant effect on Customer Loyalty

## Methodology

This research is located at Botani Square Shopping Mall, Bogor City. In this study, researchers used descriptive methods with quantitative research. Quantitative research is based on an assumption that a symptom can be classified, and there is a causal relationship (causation) by conducting research by focusing on several variables. The pattern of the relationship between the variables to be examined is then referred to as the research paradigm (Sugiyono., 2008). Descriptive method is to describe or analyze a research result but not used to make broader conclusions. The purpose of descriptive research is to make a description, systematically, factually and accurately of the facts, the characteristics and relationships between the phenomena investigated. Sampling for data collection was done using purposive sampling method based on convenience sampling to get information that was fast, cheap and easy. The procedure of convenience sampling is to meet the respondent directly to distribute the questionnaire. To determine the sample size using the Slovin formula as follows;

$$n = \frac{N}{1 + (N+e^2)}$$
Where: n = Sample Size, N = Population, e = Percentage of inaccuracy percentage of 1%. So, with a population of 18,023 visitors in November 2018, the minimum number of samples obtained was 180 visitors. With an error rate of 1%, n = 120 is 120 samples.

In order to know the effect of service quality on service user satisfaction, the authors used multiple linear regression in data analysis. Multiple linear regression is performed to test the simultaneous influence of several independent variables on an internal variable dependent variable (Sugiyono., 2008). Multiple linear regression analysis is performed when the number of independent variables is at least 2. The equation for multiple linear regression analysis for this study is:  $Y = \alpha + B_1X_1 + B_2X_2$ , where Y = Customer Loyalty,  $\alpha$  = Constants, B1 & 2 = regression coefficient, X1 = Brand Personality, X2 = Customer Satisfaction

The coefficient of determination (R2) is intended to find out how well the independent variable (X) explains the dependent variable (Y). In regression analysis where things are indicated by the magnitude of the coefficient of determination (R2) between zero and one. The zero-determination coefficient shows that the independent variable has no effect on the dependent variable at all. If the coefficient of determination gets closer to one, it can be said that the independent variable influences the dependent variable, besides that the coefficient of determination is used to determine the percentage change in the dependent variable (Y) caused by the independent variable (X) (Sugiyono., 2008).

## Findings

### Demographics Profile of Respondents

From the demographic results of the respondents it was known that from the gender characteristics there were 60.8% of respondents were women. From the age characteristics it is known that 41.7% of respondents aged 30 - 39 years. From the job characteristics it is known that 23.3% of respondents are private employees. From the income characteristics it is known that 34.2% of respondents have an income of > Rp.2,500,000 per month. Whereas, from the frequency of respondent visits it was found that 45.8% visited twice a month.

Scale	Cronbach $\alpha$	N of Items
Brand Personality	0.844	7
Customer Satisfaction	0,752	5
Customer Loyalty	0,727	5

Table 1: Cronbach's Alpha Scores for the Brand Personality, Customer Satisfaction and Customer Loyalty. (n = 120)

Table 1 describes the reability test of the data according to the criteria that have been set. For Brand personality, get a score of 0.844, Customer Satisfaction gets a score of 0.752 and Customer Loyalty gets a Score of 0.727. According to Sugiyono (2008) The reliability of a construct variable is said to be good if it has close to a value of 1. Reliability value is less than 0.40 less, Value 0.60 is sufficient, and > 0.60 is high value.

Variabel	N	Minimum	Maximum	Mean	Std Deviation
Brand Personality	120	1,43	4,71	3,4060	,60183
Customer Satisfaction	120	1,60	5,00	3,5533	,59337
Customer Loyalty	120	1,80	5,00	3,5600	,58760
Valid N (listwise)	120				

Tabel 2: Statistic Descriptive

In table 2, it is explained as follows: Brand personality in this mall is still lacking, although it does not mean bad. The mean value achieved at 3.4060 shows that this brand personality mall has a low contribution. With a standard deviation of 0.60183, the answers given by respondents vary and many choose on the highest scale. This shows that the mall is still known by the respondents only that the main choice of respondents to go to a mall is no longer heading to this mall.

Customer satisfaction shows a mean value of 3.5533 which means that the average respondent who comes to the mall is quite satisfied with the facilities and services contained in this mall. The standard deviation value of 0.59337 also shows that the respondent provides the highest scale answer for customer satisfaction.

In the customer loyalty variable, it gets a mean value of 3,5600 indicates that this mall has enough loyal customers. With a standard deviation value 0.58760 indicates that the respondent gives a varied answer and chooses the highest scale. Based on that, the management can immediately make an interesting program and be able to make loyal customers remain loyal to visit this mall.

## Correlation Analysis

MODEL R	R Square	Adjusted R Square	Std. Error of the estimate	Durbin- Watson
1 ,729 <sup>a</sup>	,532	,524	2,028	1,730

a. Predictors: (Constant), brand personality, customer satisfaction

b. Dependent Variable: customer loyalty

Tabel 3; Model Summary Influence of variable

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	546,056	2	273,028	66.392	.000 <sup>a</sup>
Residual	481,144	117	4,112		
Total	1027,200	119			

a. Dependent Variabel: Customer Loyalty

b. Predictor (Constant), Brand Personality, Customer Satisfaction

Tabel 4: Model Summary Significancy of Variabel

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistic	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	6,054	1.158		5,230	,000		
Brand personality	-,206	,075	-,296	-	,007	,346	2,888
Customer Satisfaction	,938	,106	,947	2,752	,000	,346	2,888
				8.810			

Tabel 5: Coefficients of Variabel

The results of data processing show that there is a positive and significant effect between brand personality and customer loyalty ( $p < .01$ ). This is similar to the research conducted by Brakus, Schmitt & Zarantonello (2009) which examined the influence of brand personality on customer loyalty towards product brands such as Starbucks, The Body Shop, Disney, W Hotels, and others ( $p < .01$ ) where respondents show a possessive attitude towards these brands when using the products produced (Brakus, Schmitt, & Zarantonello, 2009). Customer satisfaction is also indicated to have a positive and significant influence on customer loyalty. This discovery also produces the same thing as the research conducted by Mulyadi & Saktiawati (2003). Respondents who used Sunsilk shampoo products stated that their satisfaction in using this product caused them to become loyal customers (Mulyadi & Saktiawati, 2008).

## Discussion

H1: Brand Personality has a significant influence on Customer Loyalty

Hypothesis One, brand personality has a significant effect on Customer loyalty. Based on the results of testing the data for the first hypothesis, the value  $p$  value  $0.0035 < 0.05$  indicates that H1 is accepted. Which means brand personality has a positive influence on consumer loyalty. While for the results of the  $\beta$  coefficient value has a negative value of  $-,296$  which indicates brand personality has a negative relationship to customer loyalty.

Visitors who come to Botany Square mall are aware of the brand personality of this mall and remain loyal customers. This is because this loyal visitor can fulfill his needs in this mall. The dimensions of the brand personality with the highest score are sincerity compared to other dimensions, like excitement, competence, sophistication, and ruggedness. This sincerity statement from Botani Square shopping mall shows the sincerity of this mall in fulfilling consumer desires. So, customers believe this mall and the business will meet their needs.

### H2: Customer Satisfaction has a significant effect on Customer Loyalty

The second hypothesis examines whether customer satisfaction has an influence on customer loyalty. Based on the results of testing the data for the second hypothesis, the value  $p$  value  $0,000 < 0,05$  indicates that H2 is accepted. Which means customer satisfaction has a positive influence on customer loyalty. While the results of the  $\beta$  coefficient value have a value of 0.947 indicating that customer satisfaction has a positive relationship with customer loyalty. Customer satisfaction at this mall is good in the sense of visitors feel quite satisfied with the existence of this mall. So that visitors feel happy and satisfied also willing to come back and visit this mall.

### Conclusions

1. The overall test results state that brand personality has an influence on customer loyalty. The calculation results state that the sincerity dimension has a greater influence on customer loyalty. Brand personality has a role in forming Customer loyalty.
2. The overall test results state that customer satisfaction has an influence on customer loyalty. Customer satisfaction is indicated by the desire of customers to come back to this mall. By that, customer satisfaction has a role in forming customer loyalty.
3. Customer loyalty at Botani Square Shopping Mall in general is good. The indicator of loyalty that has the highest score is the willingness of visitors to give this mall recommendations to others. This is because visitors feel satisfied with all the facilities and services at this mall and willing to make mall recommendations to other people. This means that it is a good thing for the management and challenges for management to maintain customer loyalty and even increase it.

### Implications

Based on the empirical test of the hypothesis regarding customer loyalty in the shopping industry, it can be suggested that mall managers could focus more on creating strategies and innovations to increase consumers' desire to come to this mall. By paying attention to the visitor demographics, which are more women, for example, management can plan bazaar events with discount promos, healthy gymnastics for women, or competitions for children. For men, management may be able to make a special hair salon for men and increase the tenants that sell male customer needs such as clothing, accessories and others. By that, it is expected that the level of customers who visits this mall will increase and get many new loyal customers.

### Limitations

This research was only conducted at one of the largest malls in the city of Bogor, West Java, Indonesia. So that for further research on brand can be developed by conducting research on brand experience for other types of hospitality industries. The focus of the research can also be extended to study at the cake shops, hair and beauty salons, department stores, hotels or restaurants.

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