

THE ROLE OF STRONG BRAND AS INTERVENING VARIABLE OF INFLUENCE OF CONSUMER DECISION MAKING TOWARD BRAND LOYALTY OF SNACK PRODUCT

Case of Young Students Consumer at Grobogan Regency, Central Java, Indonesia

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INTRODUCTION

- Grobogan regency is located at the west side of Central Java province of Republic of Indonesia .
- Java Island is where Jakarta and Bandung are located.
- Grobogan regency is well known as farming producers.
- Corn, cassava, rice etc.

- Many brands of snack products.
- Data from Top Brand Index (TBI) for Corn Snack nationally:

Cheetos (TBI 48,7% TOP),

Happytos (TBI 15,1 TOP),

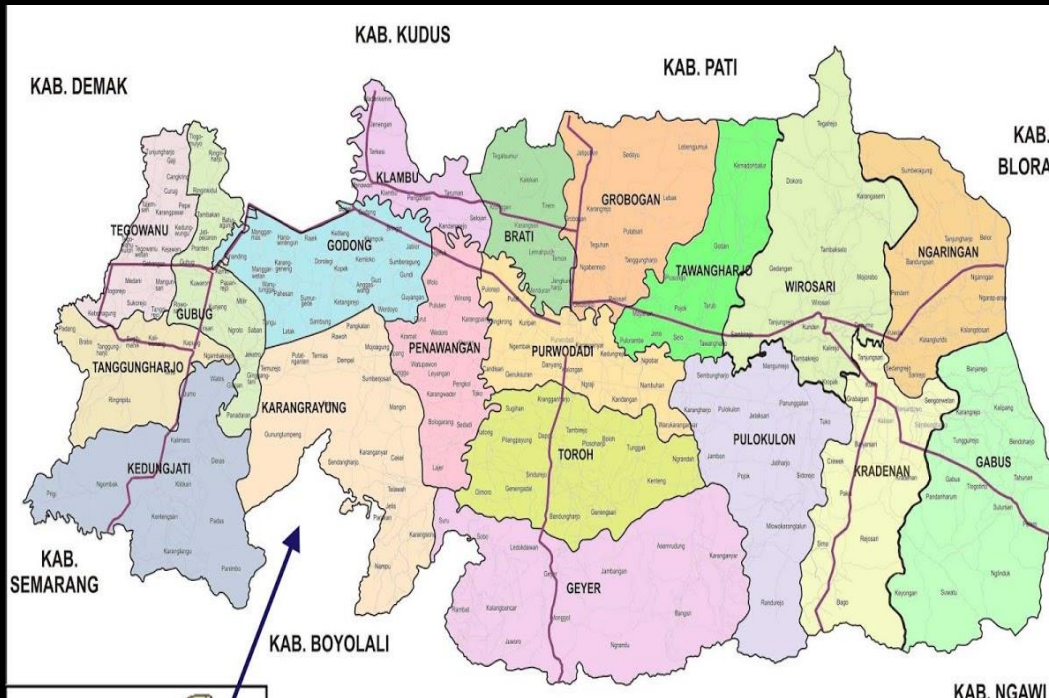
Twistko (TBI 8,1%) , and

Turbo (TBI 5,4%).etc.

- The next future market will be this young consumers.



RESEARCH AT GROBOGAN REGENCY LOCATION



All variables are valid
and realible.

Questionnaires were used to
collect data for 180
respondents.

Selected by purposive
sampling.

3 STUDENT LEVELS

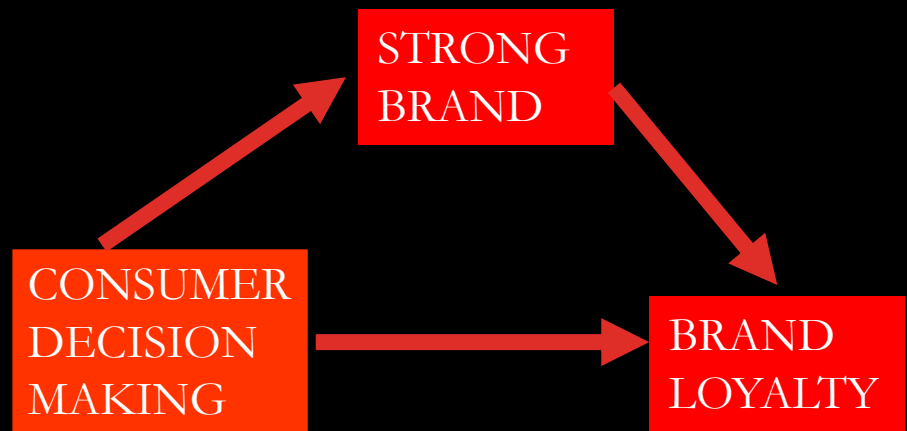
1. 60 elementary school
2. 60 junior high school
3. 60 senior high school

3 KECAMATAN AREAS

1. KEC. GUBUG
2. KEC. GODONG
3. KEC. PURWODADI

RESEARCH PROBLEM

- Is there any influence of consumer decision making (CDM) toward brand loyalty?
- Is there the role of strong brand as intervening variable toward brand loyalty?

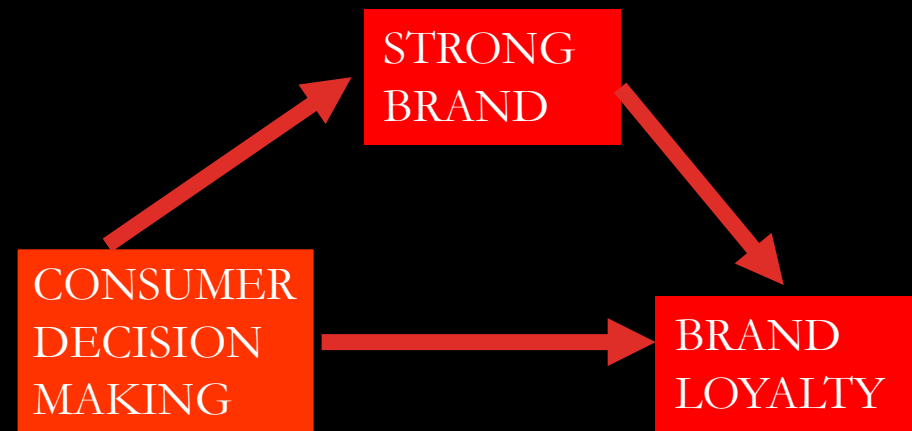


THEORITICAL FRAMEWORK

- Brand is a name, sign, symbol, design, or combination all of them to differentiate it from other products (Keller, 2013).
- The role of brand in human life can make us better to make decision, to reduce the risk in wrong choosing the product, and amplifying consumer satisfaction (Keller, 2010).
- Generally, there are 6 criteria in choosing brand elements, namely memorability, meaningfulness, likeability, transferability, adaptability, and protectability (Keller, 2013)
- Brand equity is consumer based preference, includes brand salience, brand imagery, brand performance, brand judgments, brand feelings and brand resonance (Keller, 2013)
- Consumer decision making is the process consumer decide to buy, according to compensatory model based on the utility theory (Kotler and Keller, 2012).
- Brand loyalty is consumer's preference to buy a particular brand in a product category (Kotler and Keller, 2012).

HYPOTHESES

- There is positive and significant influence of CDM toward Brand loyalty.
- There is positive and significant influence of strong brand toward brand loyalty.
- There is a role of strong brand as intervening variable in influence of CDM toward brand loyalty.



ANALYSIS

CDM positively and significantly influence the Brand loyalty.

$R = 0.619$

$R \text{ square} = 0.383$

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.619 ^a	.383	.380	1.43706
a. Predictors: (Constant), keputusan pembelian				

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	228.382	1	228.382	110.588	.000 ^b
Residual	367.596	178	2.065		
Total	595.978	179			

a. Dependent Variable: loyalitas merek
b. Predictors: (Constant), keputusan pembelian

Regression equation

$$BL = -0.119 + 0.619 \text{ CDM}$$

It means the more consumer decide to buy will increase the brand loyalty.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.119	.666		-.179	.858
	keputusan pembelian	.307	.029	.619	10.516	.000

a. Dependent Variable: loyalitas merek

ANALYSIS

After strong brand include in the model, Regression equation becomes different.

$$BL = -0.383 + 0.449 \text{ CDM} + 0.357 \text{ SB.}$$

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694 ^a	.482	.476	1.32077

a. Predictors: (Constant), strong brand, keputusan pembelian

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	287.211	2	143.606	82.322	.000 ^b
	Residual	308.766	177	1.744		
	Total	595.978	179			

a. Dependent Variable: loyalitas merek

b. Predictors: (Constant), strong brand, keputusan pembelian

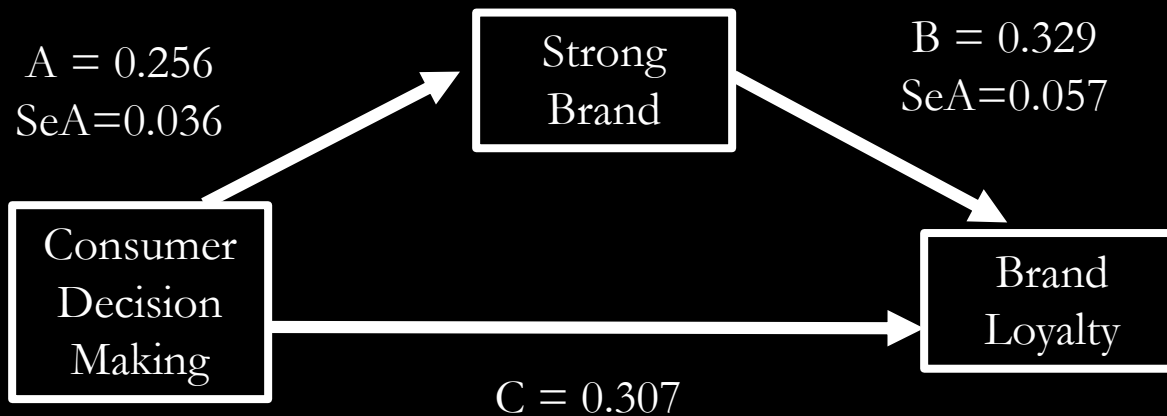
There is positive and significant influence of Strong Brand and CDM towards Brand Loyalty. It means the strong brand and CDM will increase the brand loyalty.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.383	.613		-.624	.533
	keputusan pembelian	.223	.031	.449	7.312	.000
	strong brand	.329	.057	.357	5.807	.000

a. Dependent Variable: loyalitas merek

- Based on Sobel test, t counted = 4.48147869 is bigger than t table = 1.96 in $\alpha = 0.05$. (counted by countpsy.org software)
- It means there is significant role of strong brand in mediating influence of CDM toward Brand Loyalty.



ANALYSIS

- The role of strong brand was proven by sobel test, using Online Sobel Calculator (<http://quantpsy.org/sobel/sobel.htm>).
- It was found that result of sobel test = 4.48147869 is bigger than 1.96.
- The role of strong brand make influence toward brand loyalty.
- The strong brand will make consumer loyal to the product, and make them buy frequently and buy more.



CONCLUSION

- **There is positive and significant influence of consumer decision making toward brand loyalty.**
- **There is significant role of strong brand in the influence of consumer decision making toward brand loyalty.**

RECOMMENDATION

- **Producer of snack products should enforce their brand, make more awareness of their brand.**
- **The brand name could be one corporate or family brand.**
- **To increase awareness could be made by making more presentation of the brand like advertising in many media by printed media or online media, make product association of consumers' using the product, follow regional exhibition.**
- **Channel of distribution should be developed following the awareness of the brand name. More sellers and stores sell the product could increase awareness and brand image, and easily reached by consumers.**

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