

The Analysis of Online Brand Community, Online Perceived Brand Reputation, Brand Trust, Brand Loyalty at Cafe Businesses Based in Surabaya

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Abstract

The internet has become a human lifestyle. Many business people took advantage of this opportunity to market their business by using social media marketing strategy on Facebook or Instagram. Activities in the online brand community on social media platforms could build consumer perceptions of a brand inside the online world and would form a belief in the brand that ultimate to loyalty. Therefore, social media marketing must be known for its effectiveness. This study aims to determine the influence of the online brand community on online perceived brand reputation, brand trust, and brand loyalty at cafes in Surabaya. The method used in this study is quantitative by spreading the questionnaires to 240 respondents of college students both online and offline. The research using purposive sampling technique and the sample used in this research is the consumers of De Mandailing Cafe & Eatery, Panties Pizza, and Warunk Upnormal in Surabaya where the three cafes are considered to represent the whole cafes with the same quality, consumers, service system, and price range. From the results of this study, it can be concluded that online brand community has a significant impact on brand loyalty through online process perceived brand reputation and brand trust.

Keywords: Online brand community; online perceived brand reputation; brand trust; brand loyalty; social media marketing.

1. Introduction

The use of the Internet will continue to overgrow with the development of technology and times (Coffman, K. G., & Odlyzko, 2001). The Internet has become a lifestyle for humans. Therefore, the internet is considered as a good platform for business people to be able to market their products through digital marketing. This phenomenon has shown a shift in marketing strategy, from offline marketing that is burdensome because businesspeople have to make direct interaction with buyers into digital marketing because businesspeople can easily market their products to a wider scope, that is to the whole world at a low cost and building relationships with buyers through an online community. According to Association of Indonesian Internet Service Providers (2016), internet users in Indonesia continue to increase at any time where conducted by the younger generation. The table about the specification of internet user data in Indonesia can be seen in Appendix A.

The high frequency of social media usage has made social media dominate as a marketing container that has a big role in building trust and generating consumer loyalty. Because a lot of consumers are afraid of many frauds, which is caused by the many inadequate information and identity in cyberspace that

raises doubts on consumers to believe in a brand inside the internet world. The brand community in the online world will greatly assist the brand in the process of gaining trust as consumers read about the experiences of brand community members about the brand's products through the review. The online brand community can also build good relationships between consumers, brands, companies, and other consumers to create brand trusts that will lead to loyalty (Laroche, Habibi, & Richard, 2013).

The object of this research is cafe business based in Surabaya, one of the big city in Indonesia. Researchers chose the city of Surabaya because it has the development of food and beverage industry that continues to overgrow every year (Association of Cafe and Restaurant Entrepreneurs Indonesia, 2011). Cafes that are used as the sample in this research is De Mandailing Cafe & Eatery, Panties Pizza, and Warunk Upnormal in Surabaya because those three cafes have the same quality, service system, product price range and consumer target, that is: college students and have implemented social media marketing strategy. Therefore, the responses of respondents on questionnaires distributed in these three cafes can be generalized to similar cafes in Surabaya. The similarity of three cafes that are used as research objects can be seen in Appendix B.

Owners of cafe businesses that are especially targeting young consumers are deemed necessary to know the effectiveness of social media marketing strategies through Online Brand Community (strong or weak), Online Perceived Brand Reputation (positive or negative), Brand Trust (high or low) to Brand Loyalty. The results of this study indicate that the high level of participation and liveliness of members in an Online Brand Community owned by the cafe on Facebook or Instagram social media can cause Brand Loyalty and it has been proven that Online Perceived Brand Reputation and Brand Trust improve the relationship between Online Brand Community to Brand Loyalty.

2. Literature review

2.1 Online Brand Community

de Valck, van Bruggen, and Wierenga (2009) proposed that online brand community is the activity of a special brand community, not limited geographically but bound by the social relations structure among certain brand lovers who have interaction. Interaction becomes more intense when there are an information exchange and knowledge as a virtual expression of passion for brands. Bagozzi and Dholakia (2002) proposed the common traits of the online brand community: communities belonging to a particular product or topic, community members must have strong relationships with members as opposed to non-members, distinct norms and common rituals produce content either through active participation in sharing or discussion, and the latter are members who have freedom of expression because the online community relies on textual communication.

Brogi (2014) composed four main dimensions from the characteristic of online brand community that is: level of participation and interaction within the community (the degree of social involvement of the online members of the brand community itself) ; level of relationship quality in the community (the degree of satisfaction of the online members of the brand community in sharing things that are considered useful to be known by other members in the community) ; level of identification (represents the degree of online brand community members in identifying themselves as part of the community by feeling that they are similar to other members) ; and level of communication quality (the quality of communication can be seen in the four dimensions of information exchange time, namely: timeliness, relevance, frequency, and duration).

2.2 Online Perceived Brand Reputation

Online Perceived Brand Reputation is described as a stakeholder perception of a brand's reputation, including its identity and image relating to the quality of service provided by the brand in the online world (Davies, Chun, Vinhas da Silva, & Roper, 2003). Online perceived brand reputation will be the key to convince customers if customers do not have experience with the brand because it can reduce the perception of risk and consumer uncertainty toward the brand in the online world (Wang & Hu, 2009). Ha (2004) proposed that online perceived brand reputation can be divided into two dimensions, such as: good site reputation (brands have a good reputation in social media that means they have a good account quality, have a positive content that weighs and provides detail product information) and good service (brand provides a satisfactory and responsive service system in response to consumer interaction).

2.3 Brand Trust

Delgado-Ballester and Munuera-Alemán (2005) proposed that brand trust is a brand reliability capability, based on consumer trust that the product is capable of meeting the promised value and good brand (brand intention) based on consumer trust that the brand can prioritize the interests of consumers. Delgado-Ballester (2003) suggested two dimensions of brand trust, such as reliability and intention. Reliability refers to consumer's belief in the brand because it involves the perception that the brand can meet the needs of consumers or provide satisfaction. This dimension is essential to create brand trust. Intention refers to consumer's belief that the brand prioritizes the consumer's interest when problems in product consumption arise unexpectedly. This dimension reflects the emotional security of consumers in which consumers are confident that the brand will be responsible and care about changes in the situation and conditions of product consumption in the future.

2.4 Brand Loyalty

According to Schiffman and Kanuk (2009), brand loyalty is a consistent consumer preference for making repeat purchases on a particular brand or service category in the future. Zeithaml (2000) proposed that there are four dimensions of brand loyalty that describe positive attitudes and repurchase beha-

avior, as follows: (1) repurchase intention: consumer's interest to buy back the same product or other product at the same company; (2) word of mouth: consumers who tell the goodness and superiority of the company or product to others where consumers provide recommendations to others to buy the product; (3) price sensitivity: consumers that unaffected by a competitor's lower price offer or rejects a competitor's product offer, (4) complaining behavior: consumers doing some complaints to the company in a polite way.

2.5 Research Hypotheses

According to Hayoz (2016), inside Online Brand Community, there is not only communication between B2C (Business to Consumer) but also communication between C2C (Consumer to Consumer). C2C has an important role in building other consumer perceptions about a brand that makes the active participation of an online community member indispensable to the company in improving the value of their brand. Online Brand Community allows customers to communicate with each other without time, place and content restrictions, revolutionizing one-way communication into interactive two-way communication (Brogi *et al.*, 2013). Online Brand Community is believed to have dramatic impacts that could affect consumer perceptions about the brand reputation in the online world (Kim & Ko, 2010). Therefore, this research proposed that:

H1: Online Brand Community is associated with Online Perceived Brand Reputation

Online Brand Community provides an opportunity for interaction between a brand with customers in a website platform (Andersen, 2005). Increasing the interaction of relationships and togetherness within an online community brand can be characterized by a process of sharing information among members and dissemination processes between the various elements of the brand that reduce information imbalances, reduce uncertainty and increase brand predictability that results in increased trust in a brand (Ba & Pavlou, 2002). Therefore, this research proposed that:

H2: Online Brand Community is associated with Brand Trust

Online Brand Community also has several benefits, namely facilitating to share information, history, and culture of the brand, providing assistance to consumers, and positively influencing brand loyalty

(Muniz, Jr. & O'Guinn, 2001). Hollebeek (2011) who has found a link between brand community online engagement with consumer behavior that will lead to brand loyalty. It also can be explained that by involving the community, will bring value that leads to customer satisfaction and loyalty by way of recommending the brand of choice to others. Therefore, this research proposed that:

H3: Online Brand Community is associated with Brand Loyalty

Social media is a part of internet world that has become a comprehensive and unlimited marketing strategy tool. Therefore, business owners will always strive to build consumer perceptions of their reputation in the online world for the sake of gaining brand trust that will create a sense of security while using the brand product (Delgado-Ballester, 2003).

H4: Online Perceived Brand Reputation is associated with Brand Trust

Brand image is regarded as an emotional component and a psychological dimension of brand reputation perception in the eyes of consumers that can create brand loyalty. Therefore, it is vital for companies to provide the best quality products and services to consumers both in the online and offline worlds to create a good reputation perception of a brand in the minds of consumers that can create brand loyalty (Idrees *et al.*, 2015). The strong attachment between the product and the consumer will lead to brand loyalty that depends on the way consumers and other public audiences think about how brand reputation is in their minds through the quality of products and services delivered through the online world (Kaufmann, Loureiro, & Manarioti, 2016). Therefore, this research proposed that:

H5: Online Perceived Brand Reputation is associated with Brand Loyalty

Trust is reportedly involved as part of the brand's credibility in brand equity acceptance as well as being fundamental to loyalty development and perhaps as the most powerful marketing relations tool available to companies (Reicheld, Markey, & Hopton, 2000)). Trust is also regarded as a variable that can generate customer commitment, and one of the important consequences of trust is a lasting relationship that will lead to loyalty (Delgado-Ballester & Luis Munuera-Alemán, 2001). Therefore, this research proposed that:

H6: Brand Trust is associated with Brand Loyalty

2.6. Conceptual Model

Based on the six hypotheses above, the research model developed can be seen in Figure 1.

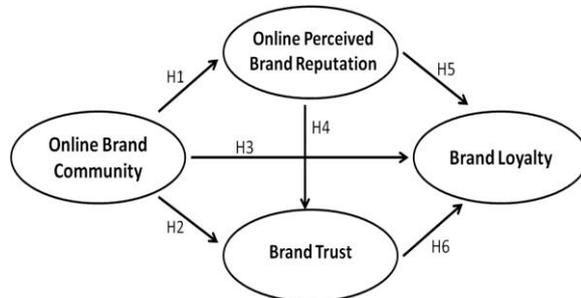


Figure 1. Conceptual Model with Hypotheses

Brand loyalty of cafe consumers in Surabaya can be influenced by the participation of consumers an online brand community owned by the cafe on the social media sites (Facebook and Instagram). The online brand community's influence on brand loyalty can be through two processes: online perceived brand reputation and brand trust. Consumer perceptions of the cafe's reputation in Facebook and Instagram social media can also lead to trust in cafes that will end in loyalty. That will make the consumers are willing to pay a visit to the cafe in the future, making repeat purchases, recommend the cafe to their relation, and also willing to provide feedback or suggestions for the improvement of the cafe in the future.

3. Methods

3.1 Sampling

This type of this research was a quantitative causal research. The samples that are used in this study were consumers from De Mandailing Cafe & Eatery, Panties Pizza, and Warunk Upnormal Based in Surabaya. Those the three cafes had the same target customers (college students), service system and the same price range (as shown in Appendix B). Therefore, the results of respondents' responses can be generalized to cafes that have the same consumer targets, marketing strategies, and similar services to De Mandailing Cafe & Eatery, Panties Pizza and Warunk Upnormal in Surabaya. The sampling technique used in this research is non-probability sampling, that is the purposive sampling of 240 respondents. The sample criteria to be respondents in this research are set by researchers, such as (1) respondent are college students; (2) respondent follow the development activities in the social media account

Facebook or Instagram (open the application regularly within the last three months); (3) respondent joined as a member of online brand community (as a follower on Facebook or Instagram) that owned by one of the following cafes: De Mandailing Cafe & Eatery or Panties Pizza or Warunk Upnormal; (4) respondent have visited De Mandailing Cafe & Eatery or Panties Pizza or Warunk Upnormal at least three times in the last two months at the time of data collection.

3.2 Data collection methods and processes

The data of this research were collected by distributing questionnaires online on social media (Facebook and Instagram) and offline by distributing questionnaires to customers according to respondents' criteria at the cafes that are used as research objects that are De Mandailing Cafe & Eatery, Panties Pizza, and Warunk Upnormal in Surabaya. The determination of samples quantity was determined by the requirements specified by Hair and others (2006) which states that the number of samples is calculated between five to ten times the number of parameters used in a study. This research used 24 indicators in the form of question items in the questionnaire so that the researchers set the respondents as much as 240.

3.3 Measures

There were four variables in this study, Online Brand Community (OBC), Online Perceived Brand Reputation (OPBR), Brand Trust (BTRU), and Brand Loyalty (BLOY). The items contained in this study were measured using the Likert scale, (1 - strongly disagree to 5- strongly agree). The definition of Online Brand Community in this research is activities of the brand community admirers of cafe based in Surabaya inside the social media world (Facebook or Instagram). This variable contains seven indicators that were adapted from Brogi (2014), whereas the definition of Online Perceived Brand Reputation in this research is customer's concept about cafe's brand reputation in the social media world (Facebook or Instagram). This variable contains five indicators that were adapted from Ha (2004). The definition of Brand Trust in this research is consumer confidence that cafe based in Surabaya have the best quality of taste, price, and promotion. This variable contains five indicators that were adapted from Delgado-Ballester (2003). The definition of variable Brand Loyalty in this research is the commitment or willingness of cafe consumers based in Surabaya to consume again cafe

products in the future. This variable contains seven indicators that were adapted from Zeithaml (2000). All of the indicators that are used as the variable's measurement in this research can be shown in Appendix C.

3.4 Data Analysis

The data in this research were analyzed through by using SPSS and Smart PLS. The technique used to know the effect of the free variable on the dependent variable between data is Structural Equation model (SEM) using SmartPLS3.2.7. SEM is one of the multivariate techniques that will show how to represent a series or series of causal relationships in a path diagram.

The data in this research were obtained from a survey that was distributed online (social media) and offline (De Mandailing Cafe & Eatery consumers, Panties Pizza, and Warunk Upnormal in Surabaya), which amounted to 240 college students. In the following sections, Table 1 describes the profile of research respondents.

Table 1. Profile of Respondents Research

Profile		Frequency	Percentage (%)
Gender:	Male	91	37.90
	Female	149	62.10
Average Income per Month:	< IDR 3.000.000,00	81	33.75
	IDR 3.000.001,00 - IDR 4.000.000	50	20.83
	IDR 4.000.001,00 - IDR 5.000.000	58	24.17
	IDR 5.000.001,00 - IDR 6.000.000	22	9.17
	> IDR 6.000.001,00	29	12.08
Expense in Café Per Individual:	< IDR 50.000,00	38	15.83
	IDR 50.001,00 - IDR 100.000,00	155	64.58
	IDR 100.001,00 - IDR 150.000,00	35	14.58
	IDR 150.001,00 - IDR 200.000,00	9	3.75
	> IDR 200.001,00	3	1.25
The frequency of Opening Facebook or Instagram:	1-2 times per week	0	0.00
	3-4 times per week	4	1.67
	5-6 times per week	35	14.58
	7-8 times per week	33	13.75
	>8 times per week	168	70.00

The majority of respondent are female students (62.1%) who have a high frequency in the use of social media and have high participants on the Online Brand Community that are owned by the cafe in the social media Facebook or Instagram, such as doing and responding to posting or sharing. This is in line with the study of Madrigal (2012) which states that women are 17% more intense in using the internet than men. The results also show that 70% of the respondents had a high frequency of the usage of social media Facebook or Instagram which is more than eight times a week.

4. Results

4.1 Evaluation of Measurement Model

Before the hypotheses testing, we need to test the validity and reliability. Validation measures using convergent validity and discriminant validity, on the other hand, reliability measurement using composite reliability. Researcher processed the collected data by using SmartPLS software 3.2.7 and the data can be seen in Table 2.

Table 2. Results Summary for Reflective Measurement Models

Latent Variable	Indicators	Loadings	Indicator Reliability	Composite Reliability	AVE	Discriminant Reliability
Online Brand Community (OBC)	OBC_1	0.631	0.398	0.875	0.503	YES
	OBC_2	0.765	0.585			
	OBC_3	0.754	0.569			
	OBC_4	0.595	0.354			
	OBC_5	0.767	0.588			
	OBC_6	0.738	0.545			
	OBC_7	0.691	0.477			
Online Perceived Brand Reputation (OPBR)	OPBR_1	0.750	0.563	0.838	0.510	YES
	OPBR_2	0.750	0.563			
	OPBR_3	0.751	0.564			
	OPBR_4	0.609	0.371			
	OPBR_5	0.700	0.490			
Brand Trust (BTRU)	BTRU_1	0.772	0.596	0.843	0.519	YES
	BTRU_2	0.755	0.570			
	BTRU_3	0.717	0.514			
	BTRU_4	0.717	0.514			
	BTRU_5	0.633	0.401			
Brand Loyalty (BLOY)	BLOY_1	0.730	0.533	0.882	0.516	YES
	BLOY_2	0.761	0.579			
	BLOY_3	0.665	0.442			
	BLOY_4	0.762	0.581			
	BLOY_5	0.707	0.500			
	BLOY_6	0.717	0.514			
	BLOY_7	0.680	0.462			

Based on Table 2, it can be seen that the value of outer loading of each indicator in all four research variables exceeded the 0.5 cut off-value. The higher loading factor value indicates that the more important role indicator reflects the variable. Table 2 also shows that the resulting AVE value is greater than 0.5 so it can be explained that the indicators in this research developed model can be proven to measure the latent variables that are targeted and not measure other latent variables and indicates that the variance explained by more than 50% (Hair et al., 2010).

The data on Table 2 also shows that the instruments in this research had already achieved acceptable convergent validity in the questionnaire. Composite reliability tests the reliability value of indicators on a construct. A construct or variable is

said to meet composite reliability if it has a composite reliability value more than 0.7 (J. F. Hair et al., 2010). Table 2 shows that the composite reliability value is around 0.838 - 0.882, which means it has reached an acceptable internal consistency.

From Table 2, we also can concluded that high sense of togetherness between fellow cafe admirers is an indicator that had the most important role that reflected Online Brand Community variable, whereas the attractiveness of caption, while cafe's doing posting in social media accounts, is an indicator that had the most important role that reflected Online Perceived Brand Reputation variable. Consumer's belief that the food consumed at cafe is worth with the price paid is an indicator that had the most important role that reflected Brand Trust variable, on the other hand, consumer's willingness to keep buying food or beverage at the same cafe despite a price increase in the future is an indicator that had the most important role that reflected Brand Loyalty variable.

4.2 Discriminant Validity

The measurement of discriminant validity in this research used two criteria that were cross loadings criteria that can be seen in Table 3 and Fornell - Larcker criterion that can be seen in Table 4.

Table 3. Discriminant Validity Assessment (Cross Loadings)

	OBC	OPBR	BTRU	BLOY
OBC_1	0.631	0.360	0.481	0.464
OBC_2	0.765	0.394	0.543	0.535
OBC_3	0.754	0.425	0.533	0.554
OBC_4	0.595	0.292	0.328	0.358
OBC_5	0.767	0.428	0.479	0.522
OBC_6	0.738	0.432	0.511	0.571
OBC_7	0.691	0.336	0.461	0.474
OPBR_1	0.447	0.750	0.513	0.601
OPBR_2	0.388	0.750	0.421	0.545
OPBR_3	0.334	0.751	0.413	0.502
OPBR_4	0.372	0.609	0.355	0.407
OPBR_5	0.387	0.700	0.460	0.514
BTRU_1	0.521	0.439	0.772	0.570
BTRU_2	0.471	0.499	0.755	0.537
BTRU_3	0.544	0.493	0.717	0.604
BTRU_4	0.437	0.450	0.717	0.555
BTRU_5	0.470	0.296	0.633	0.441
BLOY_1	0.541	0.584	0.566	0.730
BLOY_2	0.529	0.557	0.625	0.761
BLOY_3	0.463	0.502	0.539	0.665
BLOY_4	0.589	0.520	0.597	0.762
BLOY_5	0.503	0.511	0.479	0.707
BLOY_6	0.518	0.481	0.517	0.717
BLOY_7	0.401	0.490	0.461	0.680

Based on Table 3, it can be seen that each indicator that composes each variable in this study has fulfilled discriminant validity because it has a correlation of the latent variable with indicator bigger than another variable size, so latent variable can predict indicator better than another variable.

Table 4. Discriminant Validity Assessment (Fornell-Larcker Criterion)

	BLOY	BTRU	OBC	OPBR
BLOY	0.737			
BTRU	0.686	0.749		
OBC	0.701	0.634	0.709	
OPBR	0.713	0.567	0.543	0.714

Note. Diagonal elements (boldface) are the square root of the variance shared between the constructs and their measurement (average variance extracted). Off-diagonal elements are the correlations among constructs. Fornell-Larcker criterion for assessing discriminant validity requires diagonal values larger than off-diagonal ones

Based on the analysis from Table 4, it is also known that each indicator that composes each variable in this study has fulfilled discriminant validity using Fornell-Larcker criterion. The square root of each construct's AVE in this research had a greater value than the correlations with other latent constructs so it can be concluded that the latent construct in this research could explain better the variance of its indicator rather than the variance of other latent constructs (Hair et al., 2010).

Before drawing any conclusion, the structural model should be properly evaluated. Collinearity is a potential issue in the structural model and that variance inflation factor (VIF) value of 5 or above typically indicates such problem (Hair et al., 2013).

Table 5. Collinearity Assessment

	BLOY	BTRU	OBC	OPBR
BLOY				
BTRU	2.200			
OBC	1.952	1.417		1.000
OPBR	1.677	1.417		

Note. Values of variance inflation factor should not exceed the value of 5.

From Table 5, it can be shown that the value of VIF in this research are below 5 (between 1.000 - 2.200) so there were not any potential issues in the structural model that are proposed in this research.

4.3 Evaluation of Structural model

After measuring each variable to determine the validity and reliability, further appraisal and testing of

structural models hypotheses were conducted. Data were analyzed using SmartPLS 3.2.7 with bootstrapping method to test hypotheses. The results can be seen in Figures 2.

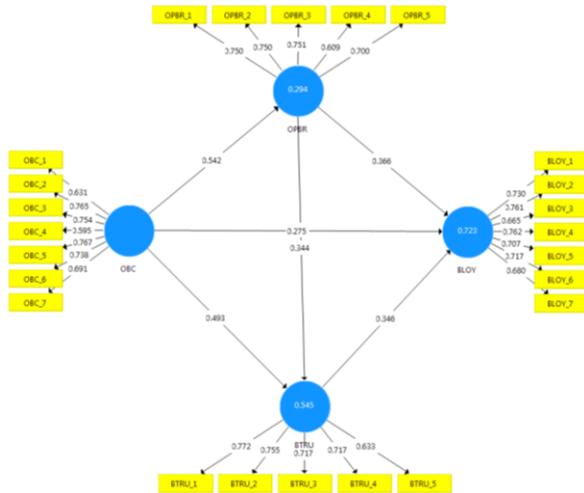


Figure 2. PLS Path Model

In the structural model, predictive relevance can be assessed from Geisser and Stone’s Q-square criteria (Geisser, 1974; Stone, 1974). When the Q-square value exceeds 0, indicates that the structural model predicts the explained topic accurately whereas R-square is a measure of the goodness of fit of the regression equation; by entering or comparing variations in variables. The value of R-square lies between 0 and 1, and a better model match if R-square value gets closer to 1. The values of Q-square and R-square from the processed data using SmartPLS 3.2.7 can be seen in Table 6.

From Table 6, it can be concluded that the results show that all the Q-square values exceed zero. It means that the structural model developed in the study accurately predicts the data points of indicators (reflective measurement model) by 91.1%. The R-square that obtained using SmartPLS as shown in Table 6 shows that the R-square value in Online Perceived Brand Reputation variable is 0.294, that means the percentage of Online Perceived Brand Reputation diversity data which can be concluded by Online Brand Community is 29.4%. In other words, it can be concluded that Brand Online Community can affect 29.4% Online Perceived Brand Reputation from consumer cafe in Surabaya. The R-square value of the Brand Trust variable is 0.545, meaning that the percentage of the diversity of Brand Trust data that can be explained by the Online Brand Community and the Online Perceived Brand Reputation is 54.5%. In other words, it can be concluded that Online Brand

Community and Online Perceived Brand Reputation can affect 54.5% Brand Trust from cafe consumers in Surabaya. The value of R-Square in Brand Loyalty variable is 0.723; it means that the percentage of the diversity of Brand Loyalty data that can be explained by Online Brand Community, Online Perceived Brand Reputation and Brand Trust is 72.3%. In other words, it can be concluded that Online Brand Community, Online Perceived Brand Reputation, and Brand Trust can affect 72.3% Brand Loyalty from consumer cafe in Surabaya.

Table 6. Significance Testing Results of the Structural Model *T* values

Latent Variable	Structural Model Prediction Assessment	
	Accuracy R ²	Relevance Q ²
OPBR	0.294	0.132
BTRU	0.545	0.262
BLOY	0.723	0.344

Path	Structural Model <i>T</i> values Significance Test		
	Path Coefficient	<i>t</i> values	<i>p</i> values
OBC → OPBR	0.542***	7.063	0.000
OBC → BTRU	0.493***	8.564	0.000
OBC → BLOY	0.275***	5.450	0.000
OPBR → BTRU	0.344***	5.581	0.000
OPBR → BLOY	0.366***	7.183	0.000
BTRU → BLOY	0.346***	5.841	0.000

Note. The cross-validated redundancy measure Q² is obtained from the blindfolding procedure with an omission distance of seven; the t-values and p-values are obtained from the bootstrapping procedure (240 cases, 5,000 subsamples, no sign changes, and 95% confidence interval two-tailed test).

*p < .10, **p < .05, ***p < .01 (two-sided test).

4.4 Results of Hypotheses Testing

The research hypothesis is accepted if *t* value exceeds *t* table at the error rate of (α) 5%, which is 1.96. Evaluation of structural model shows that Online Brand Community has a significant impact on Online Perceived Brand Reputation (path coefficient = 0.542; *t* value = 7.063), Brand Trust (path coefficient = 0.493; *t* value = 8.564), Brand Loyalty (path coefficient = 0.275; *t* value = 5.450). In addition, Online Perceived Brand Reputation has a significant effect on Brand Trust (path coefficient = 0.344; *t* value = 5.581) and Brand Loyalty (path coefficient = 0.366; *t* value = 7.183). Brand Trust is also shown to have a positive and significant influence on Brand Loyalty (path coefficient = 0.346; *t* value = 5.841). From the data that shown in Table 6, it also can be concluded that the six hypotheses proposed in this

study have a significant effect because it has a *t value* of more than 1.96 and *p value* less than 0.05.

5. Discussion

5.1 Summary of Findings

This study empirically tested the influence of Online Brand Community on Brand Loyalty through Online Perceived Brand Reputation and Brand Trust. The sample of this study is 240 respondents who are college students and have a high frequency in the usage of social media Facebook and Instagram. From this research, it is also known that woman was more active and had high participation in cafe's online brand community inside social media world, such as doing and responding to posting or sharing.

The six hypotheses that are proposed in this study have proven to be significantly positive. This is certainly in line with the theories that have been proposed by the previous researchers that will be discussed one by one. The effect of Online Brand Community to Online Perceived Brand Reputation (Hypothesis 1) - Online Brand Community had a significant effect on Online Perceived Brand Reputation. This is evidenced by the value of *t value* exceeds 1.96 that is 7.063 and *p value* less than 0.05, that is 0.000. The results of this study support the previous theory of Kim and Ko (2010) that proposed Online Brand Community is believed to have a dramatic impact that can affect consumers' perceptions of the brand's reputation in the online world.

The effect of Online Brand Community to Brand Trust (Hypothesis 2) - Online Brand Community had a significant effect on Brand Trust. This is evidenced by the value of *t value* exceeds 1.96 that is 8.564 and *p value* less than 0.005, that is 0.000. The results of this study support the previous theory of Ba and Pavlou (2002) that proposed increased of interaction in relationships and togetherness within an online brand community can be characterized by process of information sharing among members and dissemination processes between various brand elements that reduce information imbalances, reduce uncertainty and increase brand predictability that results in increased trust against a brand.

The effect of Online Brand Community to Brand Loyalty (Hypothesis 3) - Online Brand Community had a significant effect on Brand Loyalty. This is evidenced by the value of *t value* exceeds 1.96 that is 5.450 and *p value* less than 0.05, that is 0.000. The results of this study support the previous theory of Hollebeek (2011) that proposed a relationship between brand community online engagement with consumer behavior that will lead to brand loyalty.

The effect of Online Perceived Brand Reputation to Brand Trust (Hypothesis 4) - Online Perceived Brand Reputation had a significant effect on Brand Trust. This is evidenced by the value of *t value* exceeds 1.96 that is 5.581 and *p value* less than 0.05, that is 0.000. The results of this study support the previous theory of Delgado-Ballester (2003) that proposed business owners will always strive to build consumer perceptions of their reputation in the online world for the sake of gaining brand trust that will create a sense of security while using the brand product because social media is the part of internet world that has become a very broad and unlimited marketing strategy tool.

The effect of Online Perceived Brand Reputation to Brand Loyalty (Hypothesis 5) - Online Perceived Brand Reputation had a significant effect on Brand Loyalty. This is evidenced by the value of *t value* exceeds 1.96 that is 7.183 and *p value* less than 0.05, that is 0.000. The results of this study support the previous theory of Kaufmann, Loureiro, and Manarioti (2016) that proposed a strong attachment between the product and the consumer will lead to brand loyalty that depends on the way consumers and other public audiences think about how brand reputation is in their minds through the quality of products and services delivered through the online world.

The effect of Brand Trust to Brand Loyalty (Hypothesis 6) - Brand Trust had a significant effect on Brand Loyalty. This is evidenced by the value of *t value* exceeds 1.96 that is 5.841 and *p value* less than 0.05, that is 0.000. The results of this study support the previous theory of Delgado-Ballester and Munuera-Alemán (2001) that proposed trust is perceived as a variable that can generate customer commitment and one of the most important consequences of trust is a lasting relationship that will lead to loyalty.

5.2 Theoretical Contribution

The study successfully extends the concept of Brand Trust, in particular in the dimension of intention to the contexts of the online community in food and beverage industry (cafe business).

5.3 Managerial Implications

This study shows that the high level of consumer participation in an online brand community inside social media world Facebook or Instagram that belongs to the cafe is an important role in determining brand loyalty. This is because social media marketing

has dominated the marketing strategy that can affect the perception and desire of consumers in using a product, especially the young generation. As a result, the cafe's owner or management should direct more attention in managing their online brand community in order to have and maintain a good relationship with consumers so that the consumers always feel satisfied and want to continue consuming cafe's products that make them keep visiting at the cafe in the future.

Cafe's management must intensely respond and doing a posting or sharing on social media accounts that owned by the cafe in Facebook or Instagram with positive content. The posting must be done with high quality content both visually (good quality of photos and video) and verbal (interesting caption) so that consumers have a perception that the cafe has a good reputation in the online world that will lead to a whole brand trust, both in terms of service quality, products, and others. In addition, cafe's management should also increase the sense of togetherness among online brand community members such as holding a free gathering event regarding building the stronger value between the members and with the cafe. In addition, the cafe's management should maintain better relationships with female consumers because it has been proven that women have a higher frequency in Internet use and more active in doing also responding to cafe's posting in social media Facebook or Instagram. This could be done by providing an interesting photobooth at the cafe so that they feel more excited and intense in doing a posting or sharing in their social media. This also could make them recommend the cafe to their colleagues.

5.3 Limitations and Directions for Future Research

There are some limitations in this study such as the sample of this study is too narrow who are only college students that are located in Surabaya City. We recommend that further research could use broader sample coverage by using the scope of major cities in Indonesia and even in some developing countries with wider sample age range. This is intended for the results of research to be more generalizable so that we can know more about the effectiveness of social media marketing, especially in food and beverage industries as well as consumer behavior toward this marketing strategy.

6. Conclusions

From this research, it can be concluded that high activity in Online Brand Community inside social media world (Facebook or Instagram) can influence

Brand Loyalty either directly or through Online Perceived Brand Reputation and Brand Trust at a cafe in Surabaya. Activeness level in Online Brand Community will cause a sense of togetherness among members, thus creating value that generates trust and brand loyalty. We can also conclude that Online Brand Community on social media has an important role in shaping and maintaining brand loyalty which is the key for a company to maintain its success. However, the sense of togetherness among Online Brand Community members has not been strong so it needs to be maximized by holding a special gathering event for members in the cafe so that the attachment among members in the Online Brand Community could be stronger and certainly increase the impact on brand loyalty. Besides that, businesspeople in other industries can also utilize the use of social media marketing to the maximum to obtain business success through brand loyalty.

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Appendices

Appendix A. Internet User Data Specification in Indonesia and Activities Conducted

Geographic Area	Age	How Users Access the Internet	Type of Internet Used Content	Social Media Used Content
Java: 65% (86,3 million users)	10-15 years old: 768.000 users	Mobile Internet: 69,9% (92,8 million users)	Social Media: 97,7% (129,2 million users)	Facebook: 71,6 million users (5,4%)
Sumatra: 15,7% (20,75 million users)	15-19 years old: 12,5 million users	Home Internet: 13,3% (17,7 million users)	Entertainment: 96,8% (128,4 million users)	Instagram: 19,9 million users
Sulawesi: 6,3% (8,45 million users)	20-24 years old: 22,3 million users	Office Internet: 11,2% (14,9 million users)	Educational Content: 124 million users	YouTube: 14,5 million users
Kalimantan: 5,8 %	25-29 years old: 24 million users	Cafe Internet: 0,9% (1,2 million users)	Commercial: 123,5 million users	
Bali-Nusa: 4,7 %	30-34 years old: 24 million users			
Maluku-Papua: 2,5%				

Source: Association of Indonesian Internet Service Providers, 2016

Appendix B. Similarity of Third Cafe That Used as Research Object

Similarities	De Mandailing Cafe & Eatery	Panties Pizza	Warunk Upnormal
Target Consumer Demographics:	Young Generation (College Student)	Young Generation (College Student)	Young Generation (College Student)
* Work	Lower-Middle Class	Lower-Middle Class	Lower-Middle Class
* Social Class			
Psychographic:	Consumptive and Socialize	Consumptive and Socialize	Consumptive and Socialize
* Lifestyle			
Range Price:	IDR 16.000,00 - IDR40.000,00	IDR 19.000,00 - IDR30.000,00	IDR 15.000,00 - IDR40.000,00
Food Product	IDR 10.000,00 -	IDR 5.000,00 -	IDR 5.000,00 -
Beverage Product	IDR 28.000,00	IDR 22.000,00	IDR 28.000,00
Cafe Concept:	Relaxed	Relaxed	Relaxed
* Facilities	Free Wifi and Music	Free Wifi and Music	Free Wifi and Music
Service System	e-Service Order on Counter Table	e-Service Order on Counter Table	e-Service Order on Counter Table
* Order	Waiter or Waitress Service to	Table	Waiter or Waitress Service to
* How to Serve Food or Drinks	Table	Waiter or Waitress Service to Table	Table
Marketing Strategy	Social Media Marketing on Facebook and Instagram	Social Media Marketing on Facebook and Instagram	Social Media Marketing on Facebook and Instagram
* Promotion	Per Month Event	Per Month Event	Per Month Event
Operating System	Already implement SOP with supervisor supervision on every branch	Already implement SOP with supervisor supervision on every branch	Already implement SOP with supervisor supervision on every branch
* Production Planning and Quality Control	HR trained and had passed the training	HR trained and had passed the training	HR trained and had passed the training
* Employee			
Certification	ISO 9001:2000 (Quality Management System)	ISO 9001:2000 (Quality Management System)	ISO 9001:2000 (Quality Management System)

Source: Interview

Appendix C. Indicators of the Reflective Measurement Models

Online Brand Community (OBC)		Source of Items
OBC_1	I am actively posting about cafe on my social media account	Brogi (2014)
OBC_2	I actively respond to posting or sharing in cafe's social media account	
OBC_3	I am posting positive content to be used for other online community members	
OBC_4	I defend the cafe against negative posts or comments made by other consumers	
OBC_5	I have a high sense of togetherness with fellow cafe admirers	
OBC_6	I will provide relevant responses if anyone asks questions in the cafe's social media account	
OBC_7	I will quickly respond to comments in cafe's social media account	
Online Perceived Brand Reputation (OPBR)		Source of Items
OPBR_1	In my opinion, cafe has an attractive picture content on social media account Facebook or Instagram	Ha (2004)
OPBR_2	In my opinion, cafe has an attractive video content on social media account Facebook or Instagram	
OPBR_3	In my opinion, the cafe has an attractive caption when doing posting on social media accounts Facebook or Instagram	
OPBR_4	In my opinion, cafe quickly reply to post or comment by subscribers in social media account Facebook or Instagram	
OPBR_5	In my opinion, cafe responses positive content about customer's posting or comments on social media account Facebook or Instagram	
Brand Trust (BT)		Source of Items
BTRU_1	I believe that the food consumed at the cafe is worth the price paid	Delgado-Ballester (2003)
BTRU_2	I believe that the drink consumed at the cafe is worth the price paid	
BTRU_3	I believe that there is a fit between what the cafe promotes and what I get	
BTRU_4	I believe that cafe will satisfy me	
BTRU_5	I believe that this cafe was founded not only for profit alone	
Brand Trust (BT)		Source of Items
BLOY_1	I am willing to pay a visit to the cafe in the future	Zeithaml (2000)
BLOY_2	I am willing to say positive things about cafe to others	
BLOY_3	I am willing to recommend the cafe to others	
BLOY_4	I am willing to keep buying food or beverage products at the cafe despite a price increase in the future	
BLOY_5	I will keep visiting the cafe even though there are more interesting offers elsewhere	
BLOY_6	I am willing to submit complaints about food or beverage products and promotional activities at the cafe	
BLOY_7	I am willing to convey complaints well to food or beverage products and promotional activities at the cafe	