

# The Influence of Country of Origin, Brand Image, and Brand Trust on Brand Loyalty in Oppo Smartphone Users

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#### Abstract

This study aims to determine the influence of the country of origin, brand image, and brand trust on brand loyalty partially. This study uses primary data collected by questionnaires. The data sample used is 120 respondents of Oppo smartphone users from the Faculty of Economics and Business, University of Muhammadiyah Malang. The sample collection technique is non-probability sampling with a purposive sampling method that provides certain criteria to the respondents. Respondents selected are active students of the Management, Accounting, and Development Economics study program class of 2017 who use smartphone Oppo released in 2017 to 2020. The data analysis technique used is multiple linear regression. The results of this study are 1) the variable country of origin has a significant effect on the variable brand loyalty, 2) the variable brand image has a significant effect on the variable brand loyalty, and 3) the variable brand trust has a significant effect on the variable brand loyalty.

**Keywords**: country of origin, brand image, brand trust, brand loyalty

## **Abstrak**

Penelitian ini bertujuan untuk mengetahui pengaruh negara asal, citra merek, dan kepercayaan merek terhadap loyalitas merek secara parsial. Penelitian ini menggunakan data primer yang diku mpulkan dengan kuesioner. Sampel data yang digunakan adalah 120 responden pengguna smartphone Oppo dari Fakultas Ekonomi dan Bisnis Universitas Muhammadiyah Malang. Teknik pengambilan sampel adalah non-probability sampling dengan metode purposive sampling yang memberikan kriteria tertentu kepada responden. Responden yang dipilih adalah mahasiswa aktif program studi Manajemen, Akuntansi, dan Ekonomi Pembangunan angkatan 2017 yang menggunakan smartphone Oppo keluaran tahun 2017 hingga 2020. Teknik analisis data yang digunakan adalah regresi linier berganda. Hasil penelitian ini adalah 1) variabel negara asal berpengaruh signifikan terhadap variabel loyalitas merek, 2) variabel citra merek berpengaruh signifikan terhadap variabel loyalitas merek, dan 3) variabel kepercayaan merek berpengaruh signifikan. pada variabel loyalitas merek.

Kata Kunci: Negara asal, citra merek, kepercayaan merek, loyalitas merek

#### INTRODUCTION

Brand loyalty or brand loyalty is very important for companies because it can influence consumer purchasing decisions (Bambang, 2017). Brand loyalty of a product or service is about how customers commit and trust the brand. In this business competition, brand loyalty is needed because it can encourage repeat purchases by consumers. Durianto said that importance of brand loyalty can provide value for companies such as reducing marketing costs, increasing sales, attracting new customers, and giving time to respond to competitive threats (Marliawati & Cahyaningdyah, 2020). From the theory and research above, it can be concluded that brand loyalty is very important for the business world because it can strengthen the position of products in the market and benefit business people.

There are many benefits of brand loyalty so that companies must maintain and maintain a better quality of service in the future (Tanissah et al, 2020). Brand loyalty is a very important concept in the marketing literature (Safitri, 2017). This is very relevant because one indicator of successful marketing can be seen from how loyal their customers are. If someone is loyal to a brand, then he will tend to make purchases of products launched by that brand. According to Aeker, brand loyalty is the heart of every brand value and the concept is to strengthen the size and intensity of each loyalty (Utomo, 2017). Like humans, without a heart, products cannot survive. Therefore, the company must be able to maintain the heart of its products properly so that the business remains healthy. However, to care for the heart of the brand, companies need to first understand why consumers are loyal to the brand. One way to know and understand it is to do scientific research. Research on brand loyalty by consumers can later be used by companies as a reference or guideline for policy making concerning strategies for creating or maintaining brand loyalty.

As explained above, brand loyalty can be influenced by many factors. However, from some of the research variables, there were inconsistent results or research gaps when compared to various other studies. Various other studies state that brand image has a positive but insignificant effect (Marliawati & Cahyaningdyah, 2020); Novita, 2018), brand image has no effect on brand loyalty (Variano, 2017), brand trust has no effect on brand loyalty (Yahya Ary Kumiawan, 2013), and country of origin has no significant effect on brand loyalty (Yoga, 2018). The findings of this research gap encourage researchers to reexamine the variables that cause research results to be inconsistent. Therefore, One of the most well-known brands in Indonesia is Oppo. Quoting IDI data (2020), Oppo is now in the 2nd position in market domination and is one of the biggest selling brands in Indonesia for many years. Oppo's success in maintaining this top five position proves that Oppo has won the trust and brand loyalty of consumers. In the brand image, Oppo is better known as a smartphone that has the best camera sensor. It is evident from the results of the Global Oppo survey that consumers choose Oppo because of its high camera quality. Oppo CEO, Ivan Lau last February stated that he would change "Oppo Smartphone" to "Oppo Camera Phone". This means that if this strategy is successful, the brand image of Oppo will change in the future. Other than that, Oppo's image itself is also known for its brand originating from China which is known as a producer of affordable products. This also supports Oppo to more effectively build a brand image in global markets such as Indonesia.

Although Oppo is widely known and has a good brand image, especially on the camera, Oppo still often has some weaknesses. According to Carisinyal.com, Oppo has several weaknesses such as a body that is prone to bending, rarely provides OS upgrades, overheats quickly, and ColorOS which sometimes weakens software performance. This phenomenon is what may make Oppo unable to occupy the top position in the national market and is slightly hampered from gaining stronger loyalty. In

addition, recently, in line with the widespread issue of "Chinese foreign stooges" in society, many Indonesian consumers have become sensitive when it comes to things or products originating from China so this can affect the country of origin factor of Oppo itself. Therefore, from the above phenomena, Oppo brand is the object of this research to examine brand loyalty, brand trust, country of origin, and brand loyalty. The purpose of this study is to find out whether each independent variable can influence the dependent variable or not.

#### LITERATURE REVIEW

Brand loyalty can be characterized by a consumer's repeat buying action. In this process, of course, consumers do not spontaneously or happen to be loyal to a brand but are influenced by other factors. Brand loyalty as the extent to which customers hold a positive attitude towards a brand, are committed to it, and intend to continue to buy it in the future (Putra, 2019). It can be interpreted that brand loyalty is a deep commitment by customers to a brand that can support future transactions. Brand loyalty is directly affected by customer dissatisfaction or satisfaction with the brand. Brand loyalty can be lost at any time if consumers feel bored and do not reach the level of satisfaction with the product or service provided by the producer. However, if producers can continuously maintain and develop the quality of their products or services and provide satisfaction to consumers, brand loyalty will be maintained. In various studies, brand loyalty can be influenced by brand image (Marliawati et al., 2020; Puspita et al., 2017; Mabkhot et al., 2017), brand association (Angga et al., 2017), perceived quality (Angga et al., 2017). al., 2017), brand trust (Surya, 2018; Utomo, 2017), organization al associations (Angga et al., 2017), brand experience (Panjaitan et al., 2016; Marliawati & Cahyaningdyah, 2020) brand awareness (Utomo, 2017), social factors (Puspita et al., 2017; Puspita et al., 2017), and country of origin (Monica et al., 2019; Bakar et al., 2017.

Brand image is a user's perception of a brand as reflected by brand associations in the user's memory (Berlianto, 2019). Brand image refers to understanding, memory, recognition, and the extent to which consumers evaluate the product. Brand is an identity that is useful as a differentiator from other products. In general, a product that has a very good brand image that comes from the perception of many people, then the product has the potential to increase its brand image to new people. This is because of the experience of many people who have consumed it.

Brand trust or brand trust will appear in the minds of consumers if the product can provide benefits in accordance with what is expected by consumers. In other words, the product can gain brand trust from consumers if consumers feel satisfied. Lau and Lee state that brand trust is the willingness to trust the brand with all the risks because of the expectations promised by the brand in providing positive results for consumers (Annisa, 2016). A sign that the brand has won the trust of consumers is the occurrence of repeated transactions made by consumers with producers. Consumers who like a brand will definitely want to consume it again and the stronger the bond that will be created between consumers and the brand itself. From these various studies, it can be seen that brand loyalty is not only bound by one factor but can be influenced by many factors such as perceived quality, brand experience, and others. These factors cause the emergence and maintenance of brand loyalty.

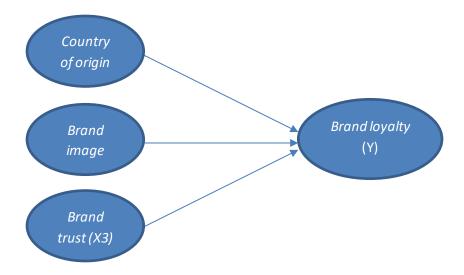


Figure 1. Conceptual Framework

## **RESEARCH METHOD**

This research is a quantitative study that deals with numbers. The location in this study is at the Faculty of Economics and Business, University of Muhammadiyah Malang campus 3. The time of the research was carried out from February 2021 to completion. This research uses primary and secondary data types. Primary data is data obtained directly by researchers. The primary research data were obtained from questionnaires distributed to respondents. Meanwhile, secondary data were obtained from news articles on the internet. The population in this study are students of the Faculty of Economics and Business, the University of Muhammadiyah Malang who are currently using *smartphone* Oppo and have used an Oppo smartphone in the past year. The number of samples used is based on the Hair formula, provided that the number of samples is 5 times more than the number of indicators. In this study, there are 23 indicators, so the minimum number of samples that can be used is 115 respondents. However, this study rounded out 115 to 120 samples with the following criteria: 1) active student status in the Management, Accounting and Development Economics Study Program, and 2) the Oppo smartphone brand used was released in 2017 to 2020. Data collection techniques used techniques *Non-Probability Sampling* with the purposive sampling method.

The operational definition of country of origin is the country where the company originates and produces Oppo products. The country of origin of the Oppo smartphone manufacturer, namely China. Meanwhile, brand image is the user's perception of the Oppo brand. All kinds of user perceptions of Oppo are part of the brand image. Brand trust is the user's trust in the Oppo brand. Then brand loyalty is a positive and loyal attitude of Oppo smartphone buyers to the Oppo brand. To analyze the data, this study used multiple linear analysis tools (multiple regression). Multiple linear analysis is used to determine the relationship between the independent variables and the dependent variable. This analysis is to find out whether each independent variable has a positive or negative relationship with the dependent variable. The calculation of this analysis uses SPSS 25. The hypothesis test or t-test uses a significance level of 0.05 and t table of 1.98.

#### **RESULT AND DISCUSSION**

Multiple linear analysis is used to determine the relationship between the independent variables and the dependent variable. This analysis is used to find out whether each independent variable can influence the dependent variable or not. To produce constant and coefficient values, researchers used SPSS 25 so that the multiple regression analysis formulae in this study are as follows.

$$Y = -2.318 + 0.162 (X1) + 0.275 (X2) + 0.773 (X3)$$
 (1)

Table 1 t-test results

				Standardized		
		Unstandardized Coefficients		Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	-2,318	2,231		-1,039	.301
	Country of Origin	.162	.073	.175	2,206	.029
	Brand Image	.275	.107	.248	2,567	.012
	Brand Trust	.773	.148	.439	5,234	.000

From the table above, it can be seen that the variable significance value *country of origin* is 0.029 <0.05 and the t value is 2.567>1.98. This means that H0 is rejected and H1 is accepted. So it can be concluded that the country of origin has a significant effect on brand loyalty. These results are consistent with previous research conducted by Mutmainnah, (2019), Putu et al., (2018), Fariba et al., (2016), Bakar et al., (2017), Kasih et al., (2020); Rashidi et al., (2020) which show that country of origin affects brand loyalty. In addition, the results of this study also prove or are in line with the theory put forward by Kasih et al., (2020). This research has proven that the country of origin can affect the brand loyalty of Oppo smartphones. So the better the reputation or the deeper Oppo smartphone users get to know the country of China, the user loyalty to the Oppo brand will increase and vice versa. It can be said that to achieve brand loyalty, a company can not only rely on the reputation of the company and its products but also depend on other factors, namely the country of origin.

From the table above, it can be seen that the significance value of the brand image variable is 0.012 < 0.05 and the t value is 2.567 > 1.98. This means that H0 is rejected and H1 is accepted. So, it can be concluded that brand image has a significant effect on brand loyalty. These results are consistent with previous studies conducted by Salim, (2017), Surya, (2018) Puspita et al., (2017), Mabkhot et al., (2017), Putu et al., (2018), and Annisa et al., (2020) which shows that brand image affects brand loyalty. In addition, the results of this study also prove and are in line with the theory put forward by Aeker.

From the research results, it is known that brand image can have a significant effect on brand loyalty. According to Keller, brand image or brand image is the user's perception of a brand as reflected by the brand association that is in the user's memory. An important point of brand image is the memory of Oppo smartphone users. If users perceive or have a strong memory of the advantages possessed by the Oppo brand, then this can increase loyalty to the brand. It can be seen that the significance value of the brand trust variable is 0.000 < 0.05 and the t value is 5.234 > 1.98. This means that H0 is rejected and H1 is accepted. So, it can be concluded that brand trust has a significant effect on brand loyalty. These results are consistent with previous studies conducted by Widodo & Tresna, (2018), Surya (2018), Utomo, (2017), Salim, (2017), Putu et al., (2018), Annisa et al., (2020) which shows that brand image affects brand loyalty. From the research results, it is known that brand trust (*brand trust*) can have a significant effect on brand loyalty. Trust in a brand is the willingness to trust a brand at all costs

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because of the expectations promised by the brand in providing positive results for users. This research proves that Oppo smartphones have brand trust.

### **CONCLUSION**

From the research that has been done, it can be concluded that each independent variable can significantly influence the dependent variable. This proves that good or bad brand loyalty depends at least on the variables of the country of origin, brand image, and brand trust. So to maintain and increase brand loyalty, companies can take advantage of these three independent variables by maintaining the reputation of China, the company, and strengthening consumer trust. For further researchers, it is hoped that they can use other independent variables to develop and to better understand the factors of brand loyalty. Further researchers are also expected to be able to use larger subjects and other objects so that the results obtained are more varied and comparative.

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