

THE INFLUENCE OF BRAND TRUST TOWARDS BRAND LOYALTY ON SOFTDRINK CONSUMER

(A Study On Teenager's Consumer Of TehBotolSosro In Malang, Indonesia)

FirlanaRahmania

RadityoPutroHandrito, SE., MM.

FakultasEkonomidanBisnisUniversitasBrawijaya

Abstract. This study aims to explain the variables brand characteristics, company characteristics, and consumer – brand characteristics of brand trust that influence brand loyalty on teenagers consumer of TehBotolSosro in Malang either partially, simultaneously, and which variable that influence dominantly. The number of respondents are 400 people that taken in 5 sub-districts in Kota Malang. Research instrument used was questionnaire with purposive sampling technique and proportionate stratified random sampling. The analytical method used is multiple linear regression. Based on the results of the analysis, the variables brand characteristics, company characteristics, and consumer – brand characteristics of brand trust simultaneous effect on brand loyalty. Meanwhile, the partial effect, only the variable company characteristics does not have a significant effect on brand trust. The variable consumer brand characteristics effect brand loyalty dominantly. This study showed that brand trust effect on brand loyalty.

Keywords : brand characteristics, company characteristics, and consumer – brand characteristics, brand trust, brand loyalty.

Introduction

Food and beverage industry in Indonesia are part of FMCG(*Fast Moved Consumable Goods*) have had a significant growth from 2007- 2011. According to 2011 data from GAPMMI(Gabungan Pengusaha Makanan dan Minuman Seluruh Indonesia), 2007 sales has reached 383 billion rupiah and keep increasing in 2008 by reaching 505 bilion rupiah and keep going up at 605 billion in 2010. While in 2011 food industry increased by 5,85% and beverage industry by 4,98%, 2012 had coming a downfall by decreasing its sale into 2.25%.

According to Industrial minister in indonesia from 2007 – 2011, from its investation value, Food and beverage industry are still the most popular sector for investor. While in 2014 GAPMMI(Gabungan Pengusaha Makanan dan Minuman Seluruh Indonesia)predict a growth in food and beverage industry by 10 –15 %.

One of many industry that include in food and Beverage industry is softdrink industry. The softdrink industry shockingly has a huge demand. In 2005 about 13088 milion liters had been consumed and the number keep increasing to 17.410 milion liter in 2008. The rising consumption of softdrink made an impact with many kind and brand of softdrink emerge and fiercely compete with each other. Softdrink industry attract many industrialist developer that increase the similar company to enter the market and cause the competition between local producere and multimilionare company to increase (Sunengcih,2009).

A research by Media Nielsen show PT Sinar Sosro has taken over 70% of national beverage market. Product varian of PT Sinar Sosro also keep growing. Brand Teh botol Sosro has become top of mind and gaining title as top brand each year.

Top brand Index is formulated based on mind share, market share and commitment share. Top Brand Index (TBI) percentage from 2012 to 2014 show teh botol sosro has been unstable which are increased by 9,9% in 2012 to 2013 and then decreased by 8,5%. That indicate a trust issue among consument and scramble for consument.

Teh botol sosro is a trusted product and has good reputation among consument, but in the middle of sachet tea industry fierce competition , teh botol sosro has to maintain and increase its consument loyalty to maintain its position. Moreover PT Sinar Sosro had to know what aspect from brand trust need to be elevated for that purpose.

Theoretical Framework

Brand

According to Kotler and Armstrong (2012:231), brand are name, sign, symbol, design and combination of everything to identify good or service from an individual or group of seller and to diferentiate from competitor.

Brand trust

According to Lau &Lee (1999) brand trust is a consument desire to lean on a brand and taking risk due to the expectation that lead into positive results.

There are 3 factors that affect trust towards brand which are brand characteristic,company characteristic and brand characteristic.

Brand loyalty

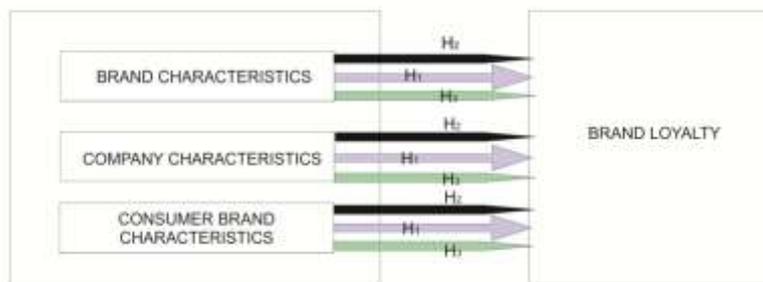
According to Gomans *et al* (2011) in Angreiny and Peggy (2014), brand loyalty is a comitment held by consument to make repeat purchase consistenly in the future for repeat purchase with same brand or same set products.

A few potential that could brought by brand loyalty to the company according to Durianto et al (2001) are reduce marketing cost, in relation of marketing cost, its cheaper to maintain customer than the effort to get new customer. So, marketing cost would shrink if brand loyalty increase.

Reicheld and Sasser (1997) in Amir Hamzah (2007) reveal three indicators that affect brand loyalty:

1. Retention
2. Related sales (repeat purchase intention)
3. Referrals

Hypotheses



Annotation :

H1 : simultaneously influence.

H2 : partially influence

H3 : dominantly influence

H1: Allegedly there is simultaneously significant influence from variables brand characteristic (X1), company characteristic (X2), and consumer – brand characteristic (X3) towards brand loyalty (Y) Teh botol sosro

H2 : Allegedly there is partially significant influence from variables brand characteristic (X1), company characteristic (X2), and consumer – brand characteristic (X3) towards brand loyalty (Y) Teh Botol Sosro.

H3 : Allegedly there is predominantly variable towards brand loyalty (Y) Teh Botol Sosro

Research Method

Research used is an explanatory research or descriptive research. According to Sugiyono (2012:21), explanatory research are intended to explain position of variable examined and connection of each variable. This research is taken in Malang because Malang as educational city has many teenager population. Malang has 126 public and private highschool (dinas pendidikan kota malang), in addition of that, malang also has 62 private, public, sekolah tinggi, and colleges

This research population are teh botol sosro teen consumer within 15 to 24 years old. The determination of the age based on the age consumer has been able to do a purchasing decision so it can decide whether in future it would still make a purchase of a similar product or not and can also differentiate the characteristics and advantages of each product.

From teen age resident malang of 177.075 (Malang in numbers, 2014) obtained the samples is calculated by Slovin formula of 400 people scattered in five sub-districts with proportions determined by proportionate stratified random sampling techniques.

Name of Sub-Districts	The Ammount of Population on age 15 - 24 Th	Proportion	The Ammount Of Samples/ Sub-District
Kedung Kandang	30.631 people	17.30%	69 people
Sukun	34.175 people	19.30%	77 people
Klojen	23.953 people	13.53%	54 people
Blimbing	29.171 people	16.47%	66 people
Lowokwaru	59.145 people	33.40%	134 people
Jumlah	177.075 people	100.00%	400 people

Source : Malang Dalam Angka 2014

This research also use purposive sampling technique. The considertaion used in this research are consument that has been consumed Teh Botol Sosro more than once.

Variable used in this research are

1. Independent Variables (X) consist of :

- Brand Characteristics(X_1), consist of :
 - Brand Reputation
 - Brand Predictability
 - Brand Competence
- Company Chacaracteristics(X_2), consist of :
 - Trust in Company
 - Company Reputation
 - Company Perceived Motives
 - Company Integrity
- Consumer Brand Characteristics(X_3), consist of :
 - similarity between consumer self concept & brand personality
 - brand liking
 - brand satisfaction
 - brand experience
 - peer support

2. Dependent Variables (Y) consist of :

- Retention
- Related Sales
- Referrals

Validity And Realibility Results

Validity

Variables	Item	Corrected Item Total Correlation	Annotation
X1	X1.1	0.537	Valid
	X1.2	0.578	Valid
	X1.3	0.466	Valid
	X1.4	0.636	Valid
	X1.5	0.627	Valid
	X1.6	0.643	Valid
	X1.7	0.573	Valid
	X1.8	0.628	Valid
	X1.9	0.626	Valid
X2	X2.1	0.585	Valid
	X2.2	0.509	Valid
	X2.3	0.682	Valid
	X2.4	0.566	Valid
	X2.5	0.697	Valid
	X2.6	0.548	Valid
	X2.7	0.655	Valid
	X2.8	0.513	Valid
	X2.9	0.616	Valid
	X2.10	0.678	Valid
	X2.11	0.722	Valid
	X2.12	0.74	Valid
X3	X3.1	0.627	Valid
	X3.2	0.588	Valid
	X3.3	0.707	Valid
	X3.4	0.624	Valid
	X3.5	0.761	Valid
	X3.6	0.74	Valid
	X3.7	0.401	Valid
	X3.8	0.543	Valid
	X3.9	0.628	Valid
	X3.10	0.703	Valid

X3	X3.11	0.76	Valid
	X3.12	0.762	Valid
	X3.13	0.417	Valid
	X3.14	0.646	Valid
	X3.15	0.563	Valid
Y	Y1.1	0.694	Valid
	Y1.2	0.709	Valid
	Y1.3	0.654	Valid
	Y1.4	0.837	Valid
	Y1.5	0.835	Valid
	Y1.6	0.832	Valid
	Y1.7	0.592	Valid

Based on table above known that validity results show corrected item total correlation value more than 0,3 thus every instrument item are valid.

Reability

Variable	Alpha Cronbach Coefficient	Annotation
X ₁	0.855	Reliable
X ₂	0.898	Reliable
X ₃	0.916	Reliable
Y	0.913	Reliable

Based on table above known that alpha cronbach coefficient value more than 0,6 thus questionable instrument is reliable or can be trusted.

Multiple Linear Regression Results

Variable	Beta	t _{hitung}	Sig.	Annotation
	Standardized Coefficient			
X ₁	0.217	4.209	0.000	Significant
X ₂	0.010	0.221	0.826	Not Significant
X ₃	0.626	13.914	0.000	Significant
R = 0.808 Determination Coefficient (Adj.R ²) = 0.650 F-Value = 248.143 F-Table= 3.82 Sig.F = 0.000 t-Value = - 5.412 t- table = 1.649				

Based on table above known that X₁ which is brand characteristic and X₃ which is

consumer brand characteristic has significant value towards brand loyalty. Meanwhile, X₂ which is company characteristic has no significant value towards brand loyalty. Coefficient of determination is 0.650. this coefficient price mean that the contribution of independent variable which are brandcharacteristic (X₁), company characteristic (X₂), and consumer brand characteristic (X₃) may influence dependent variable brand loyalty (Y) by 65% and the rest 35 % are described on another factor that are not discussed in this research/study.

The regression equation obtained is :

$$Y = 0.217X_1 + 0.010 X_2 + 0.626 X_3$$

Test Of Hypothesis

F Test

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7,519.33	3	2,506.44	248.143	.000 (a)
Residual	3,999.91	396	10.101		
Total	11,519.24	399			

a. Predictors: (Constant), X1, X2, X3

b. Dependent Variable: Y

Based on table above known that $df_1 = 3$ and $df_2 = 396$ obtained the value of F_{table} is 3.82. F_{value} is bigger than F_{table} ($248.143 > 3.82$) and the significance is 0.000 that smaller than alpha (α) = 0.01. So we can conclude that Ho is rejected dan Ha is accepted, which mean simultaneous influence between brand characteristics (X₁), company characteristics (X₂), and consumer – brand characteristics (X₃) towards brand loyalty (Y) Teh Botol Sosro.

t Test

Hypotheses	Values	Conclusion
H0 : $\beta_1 = 0$ (X1 has not significantly influence towards variable Y)	$t_{\text{value}} = 4.209$	H0 rejected, Ha accepted
Ha : $\beta_1 \neq 0$ ((X1 has significantly influence towards variable Y)		
$\alpha = 0,01$	sig = 0,000	
H0 : $\beta_1 = 0$ (X2has not significantly influence towards variable Y)	$t_{\text{value}} = 0.221$	H0 accepted, Ha rejected
Ha : $\beta_1 \neq 0$ (X2has significantly influence towards variable Y)		
$\alpha = 0,01$	sig = 0,826	
H0 : $\beta_1 = 0$ (X3has not significantly influence towards variable Y)	$t_{\text{value}} = 13,914$	H0 accepted, Ha rejected
Ha : $\beta_1 \neq 0$ (X3has significantly influence towards variable Y)		
$\alpha = 0,01$	sig = 0,000	

Based on table above the 1,649 for t table, shown brand characteristics (X_1) and consumer – brand characteristics (X_3) has significantly positive influence towards brand loyalty (y). While company characteristics (X_2) had no significant influence againsttt brand loyalty.

Dominant Test Results

Ratings	Variable	Beta Coefficient	Annotation
1	X_3	0.626	Significant
2	X_1	0.217	Significant
3	X_2	0.010	Not Significant

Based on table above show that consumer – brand characteristics (X_3) is variable with the biggest regression coefficient. That means brand loyalty (Y) has bigger influence from consumer – brand characteristics (X_3) rather than other variable which are brand characteristics (X_1) and company characteristics (X_2). Positive coefficient which belongs to consumer – brand characteristics (X_3) indicates a direct relationship. This means

the bigger consumer – brand characteristics (X_3) thus the greater also one's brand loyalty (Y) againstTeh Botol Sosro.

Discussion

1. Brand characteristics (X_1) and consumer – brand characteristics (X_3) has significant influence againstt brand loyalty. It shows that both the variables plays a big role in molding brand loyalty so that consumers consider more about Sosro characteristics as well as the suitability of the Sosro brand among consumers with the sosro brand itself while making a purchase.
2. Company characteristics (X_2) has no significant value againstt brand loyalty. It caused by Sosro consumer who do not care about the company reputation behind sosro eventhough they aware that PT sinar sosro is a trusted company, and also caused by superior Sosro's brand image in compare with the producent company, so consumer are still believe that sosro as credible product.
3. Brand characteristic (X_1), company characteristic (X_2), and consumer brand characteristic (X_3) may influence dependent variable brand loyalty (Y) by 65% and the rest 35 % are described on another factor that are not discussed in this research/study. Other factors that may also has effect that does not described in this research / study are price, promotion, customer satisfaction and service quality.

4. SimultaneousInfluence

This study shown a simultaneous influence between brand characteristic (X_1), company characteristic (X_2), and

consumer brand characteristic (X_3) against brand loyalty (Y). It shows how these 3 variables together influence brand loyalty.

5. Partial influence

- *Brand characteristics* (X_1) and *consumer – brand characteristics* (X_3) show that H_0 is accepted and has a positive contribution and significant influence towards brand loyalty (Y)
- company characteristic (X_2) shows that H_0 is rejected and has no significant influence towards brand loyalty (Y)

6. Dominant influence

Consumer – brand characteristics (X_3) has more influence towards brand loyalty (Y) rather than the other two variables, brand characteristic (X_1) and company characteristic (X_2). Coefficient of the consumer – brand characteristics (X_3) is positive and indicates a direct relationship. This means the bigger the consumer – brand characteristics (X_3) thus the greater also one's brand loyalty (Y) against Teh Botol Sosro. It is the dominant value based on a consideration of the consumer in making a purchase of Teh Botol Sosro repeatedly because of the taste itself and also the suitability of consumer tastes with the taste of Teh Botol Sosro.

Conclusion

1. Brand characteristic, company characteristic, and consumer brand characteristic variables are simultaneously significant against brand loyalty of Teh Botol Sosro teen consumer in Malang.

2. Brand characteristic and consumer brand characteristic variables are partially significant against brand loyalty of Teh Botol Sosro teen consumer in Malang. While company characteristic is not significantly influence brand loyalty.
3. The dominant influence variable against brand loyalty of Teh Botol Sosro teen consumer in Malang is consumer brand characteristic.
4. Brand trust products drinks Teh Botol Sosro has influenced 65% of brand loyalty. While the rest 35% are described on another factor that are not discussed in this research/study.

Suggestion

1. PT Sinar Sosro as a manufacturer of Teh Botol Sosro have to always pay attention to reputation and competence of the brand in the eyes of consumers as well as the suitability of the product by the consumer and consumer favorite at Teh Botol Sosro.
2. For the next research other factor need to be added that influence brand loyalty. It aims to improve the understanding of factors that affect the formation of brand loyalty
3. The next research can be done using another object and broader location to generalize factors deemed to affect brand loyalty.
4. Further research about insignificant brand trust variable – brand characteristic need to be done.

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