THE INFLUENCE OF SATISFACTION AND BRAND IMAGE ON CONSUMER LOYALTY: STUDY ON CINEMA INDUSTRY IN JAKARTA PROVINCE, INDONESIA

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ABSTRACT

The purpose of this study was to examine the direct effect of satisfaction and brand image on consumer loyalty in the cinema industry in Jakarta. Several previous studies that support customer satisfaction and brand image directly influence the loyalty has been demonstrated. Therefore, the research design is causality. The population of this research is the consumer who has ever watched in cinemas by name Gading XXI or Blitz Megaplex in Jakarta and was waiting to watch it again. The sample was 100 consumers. Data used in this study of primary data through questionnaires. The sampling technique is non-probability sampling, namely convenience sampling. Analytical tools used are statistical multiple linear regression. The results of econometric test consists of test for normality, autocorrelation, heteroskedasticity and multicollinearity stated that all tests are met, so that the linear regression analysis are met, so that the multiple linear regression analysis can proceed. The results of the analysis stated that impact of consumer satisfaction and brand image on consumer loyalty is significant, the effect is 0.456 and 0.335. Research results comes with a discussion of the strategic solution from the results of descriptive statistical analysis.
In the early 2000s, the industry of cinema in Jakarta conducted by various trademarks, such as the big name of the Cinema 21 and XXI. Recently the brand Blitz Megaplex came up with an idea and a different concept of cinema in general. Blitz offers the concept of “one stop entertainment”, that people come not only to watch the movie, but is equipped with karaoke, games-room, dinning cinema, velvet class, and also offer sale of a wide range of credit cards.

Based on the preliminary findings, the formulation of research problems defined, namely: Effect of Brand Image and Customer Satisfaction to Customer Loyalty Cinema XXI and Cinema Blitz Megaplex in Jakarta. The research questions is: Are customer satisfaction and brand image effect on customer loyalty?

1.1 Literature Review

1.1.1 Customer Satisfaction

Based on a product perspective, the definition of consumer satisfaction by Best et al. (2007), Kotler and Keller (2012), and Parasuraman (1997) is a response to the evaluation result of the perceived difference between the multiple comparisons expectations and perceived performance of a product. The definition of customer satisfaction based on the seller's perspective as revealed by Andreason and Lindestad (1999), Best et al. (2007), Oliver (1997), as well as Bateson and Hoffman (2008) is the result of the evaluation after taking over a certain purchase event. The definition is based on the consumer's perspective, it can be seen from the definition Grönroos (1990) and Fornell et al. (1997) is a comprehensive evaluation based on the total purchase and consumption experience with a product from time to time.

Definition of customer satisfaction personally by Kotler and Keller (2012) is a form of pleasant feelings of a person or disappointed after comparing the performance of the product (or result) and consumer expectations. Swan and Bowers (1993) describes as the satisfaction post-purchase behavior. Customer satisfaction involves cognitive and affective aspects in phase pre-purchase, purchase and post-purchase. Evaluation of the satisfaction is very heterogeneous. This evaluation is different from one customer to another, one contact to another, and one company to another company, thus reinforcing the need for a new understanding of customer satisfaction with the company in a variety of industries. Chun and Davis (2006) defined customer satisfaction as a pleasant surprise that our customers derive value and satisfaction for the unexpected.

Referring to some of the opinions that have been mentioned above, it is concluded that customer satisfaction is the level of feelings or a person's emotional response to the overall experience of the consumption of a particular product or service by comparing the performance (or results) are perceived and importances.

Theories of customer satisfaction have evolved, as quoted by Kotler and Keller (2012) are:

1) Leon Festinger (1957) found the Theory of Cognitive Dissonance. This theory focuses on the harmony between the two cognitive elements. If one of the elements do not match / aligned with the other elements, the two elements are in a situation dissonance.
2) Helsen (1964) suggested Adaptation-level theory. According to this theory, people will only perceive stimuli based standards diadaptasinya. The standard is dependent on perceptions about the stimulus, context, as well as the psychological and physiological characteristics of the organism.

3) Anderson, Fornell, and Rust (1997) proposed the theory of Assimilation-contrast. This theory states that consumers may be willing to accept deviations from expectations within certain limits.

4) Homans in Oliver and Swan (1989) suggested Equity theory. This model seeks operationalize key principles an exchange. According to Homans obtained rewards someone from exchanges with others should be proportional to their investment.

5) Theory of Consumer Surplus. This theory is based on the economic theory of Samuelson (2002), the rational consumer will allocate scarce resources in a way that the ratio between the marginal utility and the product price will be the same. The total utility obtainment of all the products will be maximum. If there is a price change, resources must be reallocated in order to reach a new equilibrium.

6) Opponent-process theory. This theory is the opinion of Fletcher (1942): why the consumer experience at first very satisfactory unsatisfactory tends to be evaluated at the next opportunity. The rationale is the view that the organism will adapt to stimuli in their environment, so that stimulation reduced in frequency over time.

7) Communication-Effect theory. This theory is based on the theory of communication by Lauren Russel Newman Guggenheim (2002). This theory asserts that customer satisfaction is the result of consumers' responses to changes in communication, but not the results of the evaluation of cognitive or affective for goods or services.

The dimensions of customer satisfaction according to Crandall and Eshelman (2007) are: 1) quality of service, 2) the speed of service, (3) price, 4) complaints or issues, 5) a close relationship with the consumer, and 6) the position of the organization in mind or the consumer's mind. According to Hokanson (1995), the dimensions of which cause customers satisfied or dissatisfied are: 1) the employees were friendly, 2) the desire of employees to help customers, 3) a broad knowledge of the employees on products sold, 4) the truth and accuracy of billing charges, 5) the price is competitive, 6) the quality of the goods, 7) the value of goods and 8) the service is fast.

Measuring customer satisfaction can be use by various methods. Among these methods are: regular surveys of active customers to find out their level of satisfaction, the number of customers lost to find out why they are disappointed, ghost shopping as a disguise by pretending to be a buyer, and so on.

1.1.2 Brand Image

Brand is one valuable asset for the company, because the brand is very important for the success of a product purchased by consumers. Hawkins (2012) states that the brand is a name and symbol that is distinguishing the goods or services from a seller or a particular group of sellers and goods or services produced by competitors. Kotler and Keller (2012)
states that the brand is a complex symbol which can deliver up to six levels of understanding, namely: a) Attribute: brand remind certain attributes; b) Benefits: attributes must be functional and emotional benefits; c) Value: brand also says something about the value of the manufacturer; d) Culture: brand also may explain the specific culture; e) Personality: brand can reflect certain personality; f) User: brand signifies the types of consumers who buy or use the product.

The company's strategy proposed by Lovelock (2001) in improving the brand image is: a) Repositioning the brand, along with the passage of time and changes in the market environment, it is necessary to reposition the brand, so the brand image that already exists does not lead to saturation, unattractive and unpleasant for the consumer. b) Changing the brand elements, changes to the product or some aspect of marketing programs, impact on elements of the brand, such as brand name, logo, packaging, and character.

According to Kotler and Keller (2012), the image is a set of beliefs, ideas, and impressions of a person to an object. Mowen end Minor (2011) defines image as all impression of the company's image in the public mind. When it is implemented then there are three types of images that can be identified, namely: 1) The image of the company (corporate image), which is a society's view of the whole enterprise; 2) The image of the product (product image), which is a society's view of a product or a product category; 3) The image of the brand (brand image), is a public perceptions of the brand of a product. According to LeBlanc and Nguyen (1996), the image has two main components: functional components, relating to the characteristics of the visible (tangible) are easily measured; 2) The emotional component, associated with psychological dimensions manifested in feelings and attitudes toward a company.

Company image becomes a handle for many people to take a wide range of important decisions. A person's perception of a thing or object is not the same with others, therefore LeBlanc and Nguyen (1996) stated that the corporate image is not a unity, because it depends on the perception of each group of people and the types of experiences and contacts- their contact with the company. Experience and different information perceived and accepted by everyone will make a difference in the perception of an object, so the company's image will be perceived differently by each person.

According to Wijaya (2013), dimensions of brand image are: 1) Brand identity. Brand identity refers to physical or tangible identities related to the brand or product that makes consumers easily identify and differentiate with other brands or products, such as logo, colors, sounds, smells, packaging, location, corporate identities, slogan, and others; 2) Brand personality is the distinctive character of a brand that makes up certain personalities as human being, so that consumer audiences can easily distinguish with other brands in the same category; 3) Brand association is specific things that deserve or always associated with a brand, can arise from a unique offering of a product, recurring and consistent activities; 4) Brand behavior and attitude are the behavior and attitude of a brand when communicating and interacting with consumers in order to offer benefits-benefits and values that it has. In other words, brand attitude and behavior are attitudes, manners and behaviors that brand and all its attributes indicates when communicating and interacting with consumers which in turn influences consumers' perceptions and judgments toward the brand; 5) Brand competence and benefit are the values, advantages and distinctive competencies offered by
a brand in solving consumer problems, which enable consumers to get benefit because their needs, desires, dreams and obsessions manifested by what it has to offer.

According Selame and Selame (2014), brand image that is embedded in the minds of consumers formed by three kinds of interrelated dimensions, namely: a) competence, ie the ability of a product or service to meet a need or satisfy a desire; b) Standards, ie the way or standardization companies in conveying competence on the customer; c) The style, the way brands communicate and interact with customers.

1.1.3 Customer Loyalty

Peter and Olson (2002) states that loyalty is the most important factor in determining the success of a business and the sustainability of a business. Without loyalty in business and competitive advantage not shared, then the company will not be successful. Loyal customers is an important asset for the company. Griffin (2002) states that loyal customers are customers that have characteristics include: making a purchase is repeated in the same company, tell others about the satisfactions derived from the company, and demonstrated immunity against bids of the company's competitors, and are willing to pay higher prices. Essentially consumer loyalty is a level that is displayed in the customer's repeat purchase behavior, positive attitudes towards enterprise and the tendency to only use the services of the same company.

According Bloemer and de Ruyter (1999), customer loyalty is essentially a bottleneck for customers to continue sedentary habits in buying similar products. In order to retain customers, companies need to focus more attention to customers, learn about customers' needs and tailor services to the needs and desires of customers. Foster and Cadogan (2000) studied the behavior of the loyalty of the customers, where customer loyalty is built by the customers' confidence in the company and the quality of customer relations with employees of the company (employees). It is known that the trust has a direct influence on the behavior and the greatest customer loyalty.

Consumer loyalty will occur in phases, starting at the cognitive level up to the action. It was as stated by Oliver (1997) which states that there are four phases of loyalty, namely:

1) Cognitive Loyalty. In this phase, the brand attribute information has been available to consumers. At this stage of loyalty based only on brand confidence. Cognition can be based on previous knowledge and information based on current experience. Loyalty at this stage directed towards the brand.

2) Loyalty affective. In the second phase of the development of loyalty, a passion or attitude toward the brand was based on the opportunity to use the cumulative satisfaction. Commitments in this phase refers to the affective loyalty and translated in the minds of consumers as cognition and influence.

3) Loyalty conative. The next phase is the phase loyalty conative or behavioral intention, which is influenced by repeated episodes of positive influence on feelings towards the brand. Conative loyalty demonstrated a loyalty conditions, asking whether the first occurrence demonstrated a profound commitment to buy. However, this commitment is a person's intention to buy back the brand and more similar to the motivation.
4) Loyalty action. The mechanism in which intentions are converted into action is referred to as the control action. In the control sequences of actions, intentions which motivated the loyalty conditions previously transformed into a readiness to act. Paradigm control measures proposed that this readiness is accompanied by the will to overcome the additional obstacles that may prevent action. The action is seen as an important result on the attachment of both conditions. If the attachment is repeated, the action develops inertia, and thus facilitate the purchase again.

The dimensions of customer loyalty according to Griffin (2002) are: 1) Make a purchase on a regular basis, 2) Buying outside line of products/services, 3) Recommend other products, and 4) shows the immunity of appeal similar products from competitors. Mowen and Minor (2011) mentions the four dimensions used as reference, are: a) Behavior measures; direct way to determine loyalty, especially habitual behavior, knowing the patterns of regular purchases made by consumers; b) Measuring the cost or sacrifice to switch brands; c) Measurement of satisfaction or dissatisfaction of consumers to the brand. d) Liked the brand; involves feelings of love toward a brand or company.

1.2 Conceptual Framework and Hypothesis

1.2.1 Impact Brand Image on Loyalty

For an organization, the image plays a very important for the growth of the organization, including entertainment services. Organizations can maintain and build a positive image to attract customers to remain loyal. The creation of a good image in the minds of customers bring many advantages, such as: the willingness to do promotions, provide information superiority products or services, and finally recommended to participate in the use of products or services. Positive image is also synonymous with the organization or company that has a big name and high reputation.

Some previous research has shown that the image has a positive effect on customer loyalty. The results of these studies have been demonstrated by: Helgesen and Nesset (2007), Wong, Helen and Ho (2011), and Nurul (2012). Thus the hypothesis can be set as follows.

- \( H_1: \) Brand Image Effects on Consumer Loyalty

1.2.2 Impact Consumer Satisfaction on Loyalty

Consumers will feel very satisfied with the product if the product perceived to be above what was expected. When a sense of satisfaction is low, then re-purchase is not significant. When the consumer desires to feel a higher satisfaction, then he will be loyal to re-purchase, even recommending products or services to others who need them. Vice versa, if the disappointment is received, then the consumer is not loyal.

Some previous research has stated that customer satisfaction has positive influence on consumer loyalty in different industries. The research results of which have been carried out by Xinman, et al. (2013), Justin, et al. (2012), Chen and Chin-Tsu (2006), and Songsak and Teera (2012). Thus the hypothesis can be set as follows.

- \( H_2: \) Customer Satisfaction Effects on Consumer Loyalty
Based on this research background, the concepts that will be used, and the results of relevant previous studies, the conceptual framework of this research in the form of research model is as follows:

![Conceptual Framework]

**RESEARCH METHODOLOGY**

Adapted to the purpose of this study, the design of the study is a causal design. Variables used has been broken down into the indicators. Customer Satisfaction consists of 26 indicators, Brand image consists of 6 indicators and Consumer Loyalty consists of 2 indicators. The whole alternative answers using a Likert scale of 1-5.

The population of this research was consumers that already enjoying the movie at consists of two theaters for each brand namely Gading XXI and Blitz Megaplex. The respondents was waiting to watch the movie again. Total sample 100 respondents. Data used in the form of primary data collected with the help of a questionnaire instrument. The sampling technique is non-probability sampling, namely convenience sampling, by giving questionnaires to consumers who are willing to fill out a questionnaire. Analytical tools used are statistical multiple linear regression.

**RESULTS**

3.1 Normality Test

Normality test is useful to know whether the data on the dependent variable, independent or both have a normal distribution, near normal or not normal. Test equipment used is Kolmogorov-Smirnov Test.

<table>
<thead>
<tr>
<th>Table – 1: One-Sample Kolmogorov-Smirnov Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td>Normal Parameters</td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Std. Deviation</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
</tr>
<tr>
<td>Absolute</td>
</tr>
<tr>
<td>Positive</td>
</tr>
<tr>
<td>Negative</td>
</tr>
<tr>
<td>Kolmogorov-Smirnov Z</td>
</tr>
</tbody>
</table>

a. Test distribution is Normal.
b. Calculated from data.
Residual normality test results show the value in column Asymp.Sig / asymptotic two-sided significance probability value of 0.309 or above 0.05 (0.309 > 0.05). It can be concluded that the residual data in this study has normal distribution that has been qualified normality.

3.2 Multicollinearity Test
The purpose of this test is to determine the strong relationship between the independent variable (in this case the Customer Satisfaction and Brand Image). If there is a strong relationship, there have been multicollinearity between two variables, so that the necessary efforts to avoid multicollinearity. Based on the computer's output below known that the strong relationship that occurs between the two variables is 0.582. This measurement is based on statistical methods is not strong. Some studies use the magnitude 0.8 as a starting point that the correlation is strong. Thus, the results of the analysis states that did not happen multicollinear.

Table – 2: Correlations

<table>
<thead>
<tr>
<th></th>
<th>SATISFACTION</th>
<th>BRANDIMAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SATISFACTION</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>100</td>
</tr>
<tr>
<td>BRANDIMAGE</td>
<td>Pearson Correlation</td>
<td>.582**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>100</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

3.3 Heteroskedastisity Test
Heteroskedastisity test is performed to determine whether in a regression model, there was inequality of variance of residuals some observations to other observations. If the residual variance of an observation to another observation is constant then called homoskedastisity, whereas for different variances called heteroscedasticity. A good regression model is a model that has heteroskedastisity.

Table – 3: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>3.809</td>
<td>.733</td>
<td></td>
<td>4.022</td>
<td>.333</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>.098</td>
<td>.022</td>
<td>.177</td>
<td>.861</td>
<td>.512</td>
</tr>
<tr>
<td>Brandimage</td>
<td>-.005</td>
<td>.040</td>
<td>.008</td>
<td>-439</td>
<td>.813</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Loyal
Based on test results using Glejser Test, this table shows that the value of the t-sig. of each independent variable > value α (0.05). Thus, it was concluded that there was no heteroskedastisity in the regression model.

3.4 Autocorrelation Test

Autocorrelation test is useful to determine the relationship between the data of each variable in a linear regression model. If there is a strong relationship, there have been autocorrelation, which means the data is not good.

Table – 4: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.889a</td>
<td>.562</td>
<td>.558</td>
<td>.515</td>
<td>1.919</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), brandimage, Satisfaction
b. Dependent Variable: loyal

Based on SPSS output, it is known that the Durbin-Watson value is 1.919. For a confidence level of 5%, the amount of data (n) 100 and 2 independent variables, then on the table Durbin - Watson value will be dl = 1.634 and du = 1.715.

\[ \begin{align*}
0 & \text{ dl=1,634} \quad \text{du-1,715} \quad 2 \quad 4-\text{du} \quad 4-\text{dl} \quad 4 \\
& \quad \text{1,919}
\end{align*} \]

The analysis showed that the data do not contain autocorrelation because they are in a position du ≤ d ≤ 4-du.

3.5 Test of Influence Customer Satisfaction and Brand Image on Customer Loyalty

Based on two SPSS output below, it is known that a large influence satisfaction and brand image on consumer loyalty are 0.456 and 0.335. The value of these effects is significant. Similarly, the correlation value, it is known that the correlation of customer satisfaction and brand image on consumer loyalty is 0.875 which is very strong.

Table – 5: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.875a</td>
<td>.662</td>
<td>.597</td>
<td>.555</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), brandimage, kepercayaan
b. Dependent Variable: loyalitas

db. Predictor: (Constant), brandimage, Satisfaction
b. Dependent Variable: loyal

Table – 6: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Standardized Coefficients</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-.637</td>
<td>.267</td>
<td>-2.384</td>
</tr>
<tr>
<td></td>
<td>Satisfaction</td>
<td>.596</td>
<td>.101</td>
<td>5.912</td>
</tr>
<tr>
<td></td>
<td>Brandimage</td>
<td>.495</td>
<td>.114</td>
<td>4.347</td>
</tr>
</tbody>
</table>

a. Dependent Variable: loyal
FINDINGS
High consumer satisfaction for all the services offered by the cinema to enjoy its customers, such as the cozy atmosphere inside the theater, audio-visual quality, the quality of films shown, comfort before entering the cinema would be a positive effect on customer loyalty. Vice versa, when customer satisfaction declines, the customer loyalty streak. Therefore, the management of the cinema should be able to provide high service so that customer satisfaction with the cinema is also high. Thus consumer loyalty can be achieved. However, high customer satisfaction does not mean that consumer loyalty is also high. As a phase, customer satisfaction at a certain stage will bring loyalty.

Although it is not more important than customer satisfaction, brand image of the two brands of cinema, which is the object of this study should be able to increase its role in creating a level higher consumer loyalty to the cinema in Jakarta.

CONCLUSION
Based on the results of analysis show that customer satisfaction and brand image significant impact on customer loyalty. The greatest influence on customer loyalty is customer satisfaction. All hypothesis accepted.

REFERENCES