

The Role of Brand Trust in Mediation of Brand Experience and Brand Image on Brand Loyalty (Case Study on XL Card Users in Malang City)

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Abstract

This study aims to analyze the role of brand trust in mediating brand experience and brand image on brand loyalty. The population of this research is XL card users in Malang City. In this study, the sampling technique used non-probability sampling so that 130 respondents were determined. The data analysis method is descriptive quantitative. Quantitative analysis was performed using SmartPLS. In this study, the results showed that brand experience and brand image had a significant effect on brand trust, brand trust had an effect on brand loyalty, brand experience had an effect on brand loyalty, while brand image had no effect on brand loyalty. Brand trust is able to mediate the effect of brand experience and brand image on brand loyalty

Keywords

brand trusts; brand experience; brand image; brand loyalty



I. Introduction

The development of the business world has an impact so quickly in recent years in the development of the global world. This incident resulted in every company being required to keep trying hard in order to outperform the competition in attracting the attention of new consumers so that they are interested in the products or services offered. Company competition has been associated with brands which are no longer limited to the functional attributes of the product but because they are able to provide value to the product.

The company is trying to seize the market and compete among prepaid card companies. Well-known prepaid cards such as XL Axiata, Telkomsel, Smartfren, Indosat, and other brands also rely on brands to compete as a force in the market. Brands can be seen in terms of products and services with aspects that can distinguish them from other products and services with the aim of meeting the same needs. A big influential brand can build a brand long-term loyalty so that customers can see the brand as a good product and service (Kotler and Keller, 2012: 241).

Brand Loyalty must be stabilized and improved because it will be easier and more cost-effective to retain existing customers. Effective brand loyalty can be built with a strategy that can attract the interest of many prepaid card manufacturers and academics who are the most experienced users. A strong relationship between the product and the consumer will trigger an emotional bond and can be created through experiences related to smell, touch, and taste. The importance of utilizing experience or consumer experience in using products from the XL card brand in accordance with the concept of brand experience.

The success of the product is not only seen from the brand experience. However, there are many other variables that can affect the success of a product. One of the variables that can influence product success, namely brand image, brand image is the perception of a brand which is reflected in the brand associations that exist in the minds of consumers. A

positive brand image is an asset for the company. Thus, brand image tends to direct customers towards brand trust (Keller, 2013).

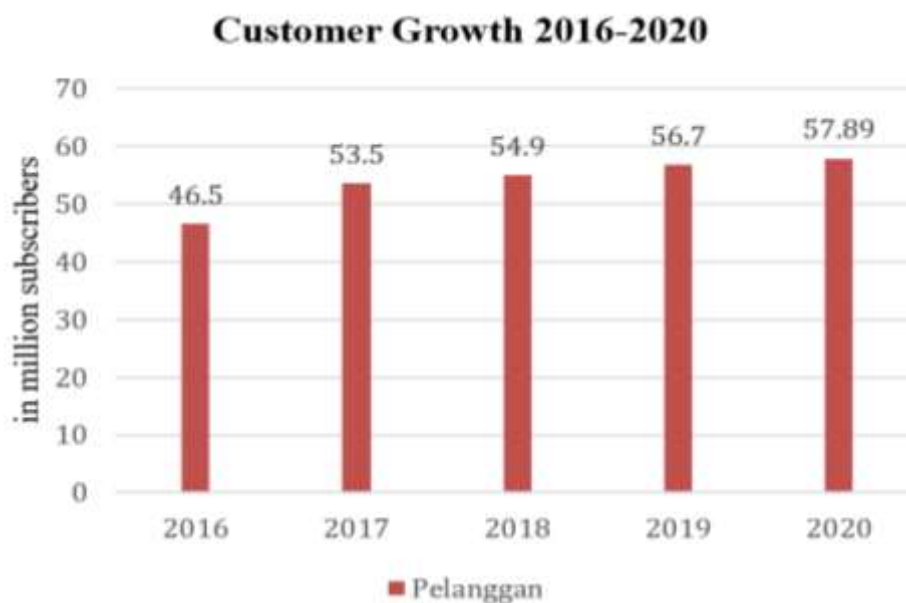
According to Calvin et al. (2014:3) brand trust is an assessment of the ability from the customer's point of view or leads to the stages of transactions or interactions which are characterized by the fulfillment of product performance expectations and the achievement of satisfaction. The higher consumer trust will increase consumer interest in buying the brand (Apriliani & Murwatiningsih, 2013:190).

Several previous studies have succeeded in showing a significant relationship regarding the effect of brand experience and brand image on brand loyalty through brand trust, such as research conducted by Aprilha & Engkur (2020) which shows that brand experience and brand image have a significant effect on brand trust. Brand trust has a significant effect on brand loyalty. Brand experience and brand image have a significant effect on brand loyalty. Brand trust is able to mediate brand experience and brand image on brand loyalty. Meanwhile, in a study conducted by Ningsih and Segoro (2014) which showed negative results from the relationship between brand trust and brand loyalty. Then in Pranadata's research, et al (2017) explained that direct brand experience had no significant effect on brand loyalty in the OSCS industry in Malang City. In research conducted by Caroline, et al (2018), it is explained that brand image has no effect on brand loyalty to the IMAparts brand. As well as in the research of Aulia, et al (2019) showing the results that brand image does not have an indirect effect on brand loyalty through brand trust.

The theory and empirical results that have been found show that brand loyalty and brand trust can be effectively created through the application of brand experience and brand image. Several other research results show that not all brand experience and brand image are able to work well in growing brand loyalty and brand trust. As a big player in the prepaid card industry, XL brand producers need to pay attention to who the brand's main consumers are in order to be able to implement a good and targeted brand experience and brand image so as to be able to grow consumer brand loyalty and brand trust and survive in the market.

Understanding who the main consumers of their products are can be the first step to implementing an effective strategy. XL brand card manufacturers realize that students, students, workers and the general public are the main consumers of XL brand card products. Students, students, workers and the general public are also more consumptive and emotional in spending their money, especially products from the XL brand card. At this time, everyone needs a prepaid card that is able to provide a good service to fill their time.

According to Bisnis.com, the achievement of XL's customer performance in 2016 reached 46.5 million subscribers. In 2017 XL subscribers increased to 53.5 million subscribers. In 2018, XL experienced an increase in subscribers of 54.9 million subscribers. Furthermore, in 2019, XL subscribers increased to 56.7 million subscribers. And in 2020 XL subscribers experienced an increase of 57.89 million subscribers. The histogram of XL customer growth in 2016-2020 can be seen in Figure 1 below



Source: Bisnis.com

Figure 1. XL Customer Growth 2016-2020

The phenomenon that occurs in the field regarding the intense competition to retain consumers and the awareness of producers to use experience as a way to retain consumers is supported by several studies that have been carried out. Many researchers or academics have previously examined the influence between brand experience, brand image, brand loyalty and brand trust , but there are still few studies that use prepaid cards as objects of research. Different objects will of course give different results as well. This is different from previous research by Aprilha & Engkur (2020) which examined the influence of brand experience and brand image with the object of research on J&T courier service users in Rawamangun, East Jakarta. This research will use brand experience and brand image with the object of research on XL card users in Malang City. This study will also find out about how brand trust is able to become an intermediary variable for brand experience and brand image on brand loyalty .

Based on the description of the results from previous studies supported by the phenomenon of the XL Axiata brand above, the authors are interested in conducting research with the title " the role of brand trust in mediating brand experience and brand image on brand loyalty (a case study on xl card users in the city of Malang).) "

II. Review of Literature

According to Armstrong and Kotler (2012) a brand is a differentiator between one company and another that identifies products or services to consumers. Brand loyalty is a great loyalty in subscribing or buying a brand consistently in the future (Kusuma, 2014). Brand experience is the entire interaction of a person with products, services, organizations, all of which are the raw materials of a brand (Sahin et al, 2011). Brand image is a different image that a brand has in the minds of consumers (Schiffman and Wisenblit, 2015). Brand trust is an assessment of the ability from the customer's point of view or leads to the stages of transactions or interactions which are characterized by the fulfillment of product performance expectations and the achievement of satisfaction (Calvin et al ., 2014)

III. Research Methods

The observed variables consist of 4 variables, namely brand trust, brand experience, brand image, and brand loyalty. Twenty-five items involved measuring exogenous variables such as 4 statements of brand trust, 8 statements of brand experience, 5 statements of brand image, and 8 statements of brand loyalty. The measurement scale applied in this study is a 5-point Likert scale. The demographic variables asked were gender, age, last education, and occupation. The sample used in this study is XL card users who are in the city of Malang. This research uses non-probability sampling, namely consumers who use XL card products more than twice as many as 130 respondents. In this study, inferential statistics will be used to examine the role of brand trust in mediating brand experience and brand image on brand loyalty. SmartPLS is used for inferential statistics. The second generation analysis uses a multivariate technique which is carried out to measure the relationship between latent mediators, mediator effects, independent, dependent variables and test models (Latan & Ramli, 2013).

IV. Results and Discussion

4.1 Evaluation of the Measurement Model (*Outer Model*)

Tabel 1.1
Hasil Uji Validitas Konvergen, Validitas Diskriminan dan Reliabilitas

	<i>Loading Factor</i>	AVE	<i>Cronbach Alpha</i>
(BE) 1.1	0.763	0.519	0.908
(BE) 1.2	0.721		
(BE) 2.1	0.817		
(BE) 2.2	0.831		
(BE) 3.1	0.731		
(BE) 3.2	0.822		
(BE) 4.1	0.729		
(BE) 4.2	0.824		
(BI) 1.1	0.805	0.578	0.842
(BI) 1.2	0.792		
(BI) 2.1	0.735		
(BI) 3.1	0.824		
(BI) 3.2	0.755		
(BL) 1.1	0.753	0.511	0.894
(BL) 1.2	0.783		
(BL) 2.1	0.762		
(BL) 2.2	0.681		
(BL) 3.1	0.653		
(BL) 3.2	0.773		
(BL) 4.1	0.850		
(BL) 4.2	0.807		
(BT) 1.1	0.819	0.593	0.831
(BT) 1.2	0.784		
(BT) 2.1	0.832		
(BT) 2.2	0.821		

SmartPLS is carried out to test the measurement model (*outer model*), evaluate the structural model (*inner model*) and test hypotheses. The results of the convergent validity test use a *loading factor* and can be said to be valid if it has a *loading factor value* above 0.6. The results of *the loading factor* in Table 1.1 show results above 0.6 which means all data are valid. The discriminant validity test was tested using the AVE value with the AVE

test value above 0.5. The AVE value in Table 1.1 shows results above 0.5 which means all data are valid. As well as the reliability test using *Cronbach alpha* with a value of more than 0.6. The *Cronbach alpha* value in Table 1.1 shows results above 0.6, which means that all data are *reliable*.

4.2 Evaluation of the Structural Model (Inner Model)

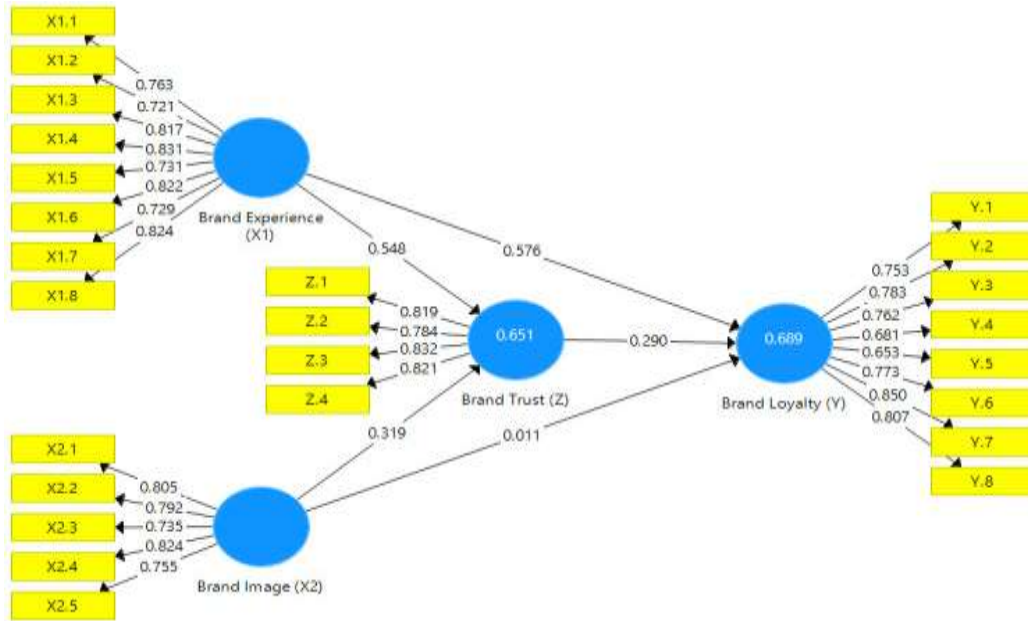


Figure 2 shows that *brand experience* affects *brand trust* by 6,613 or 661.3 %, *brand experience* affects *brand loyalty* by 5,479 or 547.9%, *brand image* affects *brand trust* by 3,816 or 381.6%, *brand image* affects *brand loyalty* by 0.131 or 13.1%, and *brand trust* affects *brand loyalty* by 2,882 or 288.2%. It can be concluded that not all exogenous variables in this study have a positive influence on the endogenous variables.

4.3 Hypothesis test

a. Live Hypothesis Testing

Tabel 1.2
Hasil Pengujian Hipotesis Pengaruh Langsung

<u>Hipotesis</u>	<u>Hubungan</u>	<u>Original Sample</u>	<u>t-statistik</u>	<u>P Value</u>	<u>Keterangan</u>
H1	<i>Brand Experience</i> → <i>Brand Trust</i>	0.548	6.613	0.000	<u>Signifikan</u>
H2	<i>Brand Image</i> → <i>Brand Trust</i>	0.319	3.816	0.000	<u>Signifikan</u>
H3	<i>Brand Trust</i> → <i>Brand Loyalty</i>	0.290	2.882	0.004	<u>Signifikan</u>
H4	<i>Brand Experience</i> → <i>Brand Loyalty</i>	0.576	5.479	0.000	<u>Signifikan</u>
H5	<i>Brand Image</i> → <i>Brand Loyalty</i>	0.011	0.131	0.896	<u>Tidak Signifikan</u>

b. Indirect Hypothesis Testing

Tabel 1.3
Hasil Pengujian Hipotesis Pengaruh Tidak Langsung

<u>Hipotesis</u>	<u>Hubungan</u>	<u>Original Sample</u>	<u>t- statistik</u>	<u>P Value</u>	<u>Keterangan</u>
H6	<i>Brand Experience</i> → <i>Brand Trust</i> → <i>Brand Loyalty</i>	0.159	2.840	0.005	<u>Signifikan</u>
H7	<i>Brand Image</i> → <i>Brand Trust</i> → <i>Brand Loyalty</i>	0.093	2.057	0.040	<u>Signifikan</u>

4.4 Brand Experience Has a Positive and Significant Effect on Brand Trust (H₁)

Table 1.2 shows that *brand experience* has a significant influence on the *brand trust* variable as seen from the t-count value of 6,613. The t-count value is greater than the t-table value (1.96) so it can be concluded that hypothesis 1 (H1) is accepted. The accepted hypothesis indicates that the *brand experience* applied by the XL card can be perceived well by consumers. The better the *brand experience* felt by consumers, the higher their level of *brand trust*.

4.5 Brand Image Has a Positive and Significant Effect on Brand Trust (H₂)

Table 1.2 shows that *brand trust* is able to be influenced by *brand image* seen from the t-count value of 3,816 so it can be concluded that hypothesis 2 (H2) is accepted. The accepted hypothesis indicates that the *brand image* applied by the XL card can be perceived by consumers and has a significant effect on their trust in the *brand*. The better the *brand image* perceived by consumers, the higher the level of their *brand trust*.

4.6 Brand Trust Has a Positive and Significant Effect on Brand Loyalty (H₃)

Table 1.2 shows that *brand trust* has a significant effect on the *brand loyalty* variable as seen from the t-count value of 2.882. The t-count value is greater than the t-table value (1.96) so it can be concluded that hypothesis 3 (H3) is accepted. The accepted hypothesis indicates that the *brand trust* applied by the XL card can be felt by consumers and has a significant effect on their loyalty to the *brand*. The better the *brand trust* felt by consumers, the higher their level of *brand loyalty*.

4.7 Brand Experience Has a Positive and Significant Effect on Brand Loyalty (H₄)

Table 1.2 shows that *brand experience* has a significant influence on the *brand loyalty* variable as seen from the t-count value of 5,479. The t-count value is greater than the t-table value (1.96) so it can be concluded that hypothesis 4 (H4) is accepted. The accepted hypothesis indicates that the *brand experience* applied by the XL card can be felt by consumers and has a significant effect on their loyalty to the *brand*. The better the *brand experience* felt by consumers, the higher their level of *brand loyalty*.

4.8 Brand Image Has a Positive and Significant Influence on Brand Loyalty (H₅)

Table 1.2 shows that *brand image* does not have a significant effect on the *brand loyalty* variable as seen from the t-count value of 0.131. The t-count value is smaller than the t-table value (1.96) so it can be concluded that hypothesis 5 (H5) is rejected. The rejected hypothesis indicates that the *brand experience* applied by the XL card is not perceived by consumers and does not significantly affect their loyalty to the *brand*. The higher the *brand image* perceived by consumers, the lower their level of *brand loyalty*.

4.9 Brand Experience Has Significant Influence on Brand Loyalty through Brand Trust (H6)

Table 1.3 shows that *brand experience* significantly influences *brand loyalty through brand trust* mediation. These results indicate that hypothesis 6 (H6) is accepted. Judging from the t-count value of 2.840 and is above the t-table value of 1.96. *The P-value* of 0.005 or below the standard of significance of 0.05 also proves that the *brand experience variable* has a significant influence on the *brand loyalty variable through brand trust* mediation. Based on these results, it can be concluded that the *brand experience* applied by the XL card can affect consumer *brand loyalty* through the *brand trust* that consumers have previously felt.

4.10 Brand Image Has Significant Effect on Brand Loyalty through Brand Trust (H7)

Table 1.3 shows that *brand image* significantly influences *brand loyalty through brand trust* mediation. These results indicate that hypothesis 7 (H7) is accepted. Judging from the t-count value of 2.057 and is above the t-table value of 1.96. *The P-value* of 0.040 or below the standard of significance of 0.05 also proves that the *brand image variable* has a significant influence on the *brand loyalty variable through brand trust* mediation. Based on these results, it can be concluded that the *brand image* applied by the XL card can affect consumer *brand loyalty* through the *brand trust* that consumers have previously felt.

V. Conclusion

This paper analyzes the role of brand trust in mediating brand experience and brand image on brand loyalty. The results of this study indicate that all hypotheses are accepted except brand image has no effect on brand loyalty. The limitation of this research is that it only uses one case study, it does not cover all cellular operators in Indonesia. This is a recommendation for further research to expand the object of research so as to get more descriptive results by using variables other than brand experience and brand image.

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