

## **BUILDING BRAND-COMMITMENT**

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### **ABSTRACT**

Consumer difficulties in making transactions are the opportunity for manufacturers to provide conveniences to consumers. It is expected that consumers can use their products and ultimately create Brand-Commitment. This study aims to analyze the effect of Customer Transaction Difficulties on Brand-Commitment. Using Structural Equation Modeling and data of 540 respondents obtained the analysis results; The Impact of Customer Transaction Difficulties on Brand-Commitment is Positive and Significant. The results of the study prove that the ideas of business opportunities, sometimes derived from difficulties experienced by consumers. Research results can also be used as a reference for entrepreneurs to build brand commitment to their products.

**Keyword:** Customer Transaction Difficulties, Brand-Commitment.

### **1. INTRODUCTION**

The development of digital technology has an impact on economic changes in Indonesia. As a businessman, these changes must be used to support economic growth. (Kasali, 2018) Almost all lines of human activity have undergone a shift from conventional activities to digital systems—no exception to economic activities, characterized by the emergence of business actors who utilize digital technology. Modern technology created by humans is indeed double-faced. However, despite the various advantages obtained, the application of modern science and technology increases the desire to master, first nature, then the man himself. Despite various suspicions of the impact of such technology, we have been absorbed in the ease with which today's technology provides. (Kasali, 2017).

The era of digital technology has encouraged innovation in various fields, not to forget the field of business transportation and transportation sector. To date, many technologies have been created to support everyday human life. Since 2014, technology-based applications to get Transportation has been booming in Indonesia. At first, there were many pros and cons, much accepting such technology, but not a few opposed it, leading to demonstrations by traditional transportation services. Heidegger's thinking ("David Gunkel/Paul A. Taylor: Heidegger and the Media. Cambridge: Polity 2014.," 2020), technology hurts some people. In this context, some parties feel aggrieved by the existence of online-based Transportation. Gojek Online is a Transportation that is now an option widely used by people to travel around the city with a very high congestion intensity.

Some online motorcycle taxi service providers in Indonesia, such as Go-Jek, Grab, and Uber, have been familiar for the last six years. So many other transportation capitals, but Gojek online has become one of the most popular Transportation today. The existence of this online motorcycle taxi can undoubtedly facilitate the activities of everyday people, significantly accelerating travel in the middle of the city. By opening an online motorcycle taxi application, this one Transportation is always there when we need it.

## **2.LITERATURE REVIEW**

Keller's Brand Equity Model, also known as the Customer-Based Brand Equity (CBBE) Model, was first developed by marketing professor, Kevin Lane Keller, in his widely used textbook "Strategic Brand Management." (Keller & Swaminathan, 2020). The concept of a Brand Equity Model, quite simply, is to build a strong brand, it should shape how customers think and feel about the product. When they have substantial brand equity, customers will buy more than expected, they will recommend to others, they are more loyal. Keller's brand equity model focuses mainly on emotions, while Professor David Aaker says "Brand vision should seek to go beyond functional benefits to consider organizational values; Higher purpose; brand personality; and emotional, social, and self-expressive benefits. Keller's brand equity model focuses largely on emotions, while Professor David Aaker says "Brand vision should seek to go beyond functional benefits to consider organizational values; Higher purpose; brand personality; and emotional, social, and self-expressive benefits" (D.Aaker, 1991). Brand equity is all about recognition. The most successful brands are those that drive recognition, this is because, emotionally, the brain makes split-second decisions about what to buy. Aaker sees brand equity as a mixture of brand awareness, brand association and brand loyalty. All of this adds value to the goods or services of the brand. The Aaker model helps create a brand strategy consisting of various components that separate the brand from its competitors and advance it. Research results (Hidayanti et al., 2018), Brand experience support to brand commitment. Brand trust is positive on brand commitment, and Brand commitment supports brand loyalty. Other research conducted by (Tong et al., 2018) is the fundamental values consumers are looking for to win customer brand commitment and loyalty. The same research results were submitted by (Cuong 2020), that brand identification positively affects brand trust, brand commitment, and brand loyalty, as well as brand loyalty. Brand trust has a considerable positive influence on brand commitment. Brand identity and role clarity positively impact brand commitment (Siqueira et al., 2021). (Eisingerich & Rubera, 2010), Cultural influence on the four key brand management elements (i.e., brand innovation, brand customer orientation, relevance, and social responsibility). Empirically demonstrates that brand innovation and relevance significantly affect brand commitment in an individualist, short-term-oriented, low-powered culture. Brand engagement and experience directly affect brand trust and commitment and indirect effects on brand commitment (through a brand trust) and service brand loyalty (through brand commitment). Marketers should formulate engagement strategies and online brand experiences that strengthen customer brand trust and commitment, which is expected to increase brand loyalty significantly. Brand engagement and experience are validated as critical drivers of brand trust and commitment, further strengthening their role as an essential strategic metric. (Khan et al., 2020).

3.CONCEPTUAL FRAMEWORK AND RESEARCH HYPOTHESIS

The Conceptual Framework of the Research Model can be seen in Figure 1.

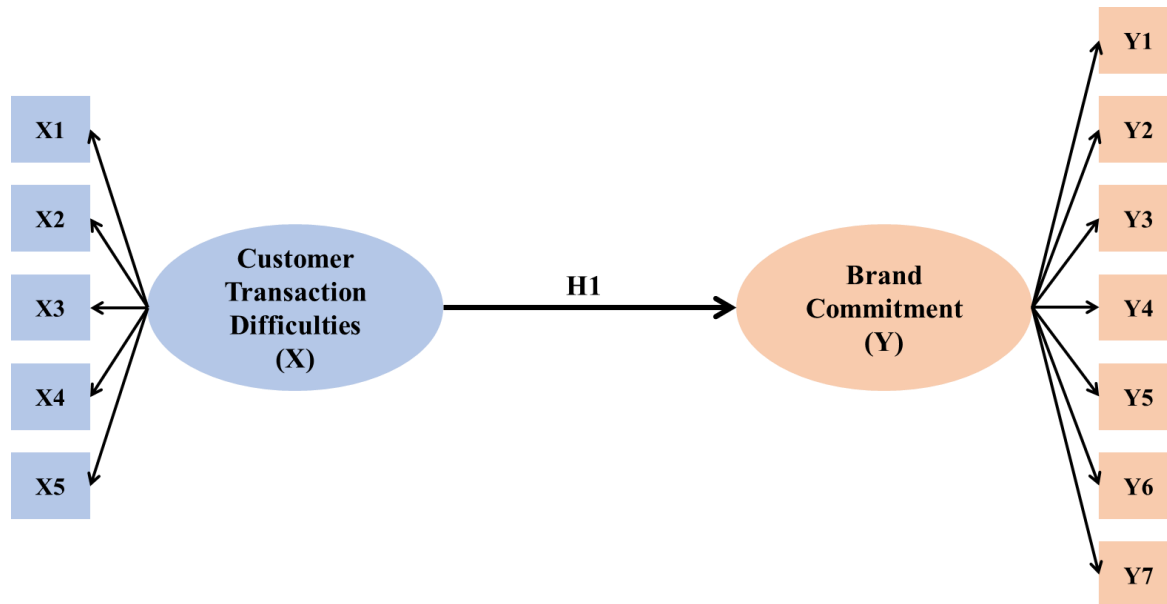


Figure 1. Conceptual Framework and Research Hypothesis

Description of Notation:

Customer Transaction Difficulties (X)

X1: Gojek service is most appropriate in traffic jams on the road. X2: Gojek provides an extensive menu option on Gofood service. X3: Quick response; that is why using Gojek.

X4: Gojek has an entirely transparent and professional feature. X5: Gojek is the most efficient app.

Brand Commitment (Y)

Y1: Still wait if Gojek service is not available.

Y2: If Gojek is unavailable, most likely use other online services. Y3: Gojek remains the top choice in making ends meet.

Y4: Gojek makes it challenging to move to another brand. Y5: Gojek is the best recommendation of the rest.

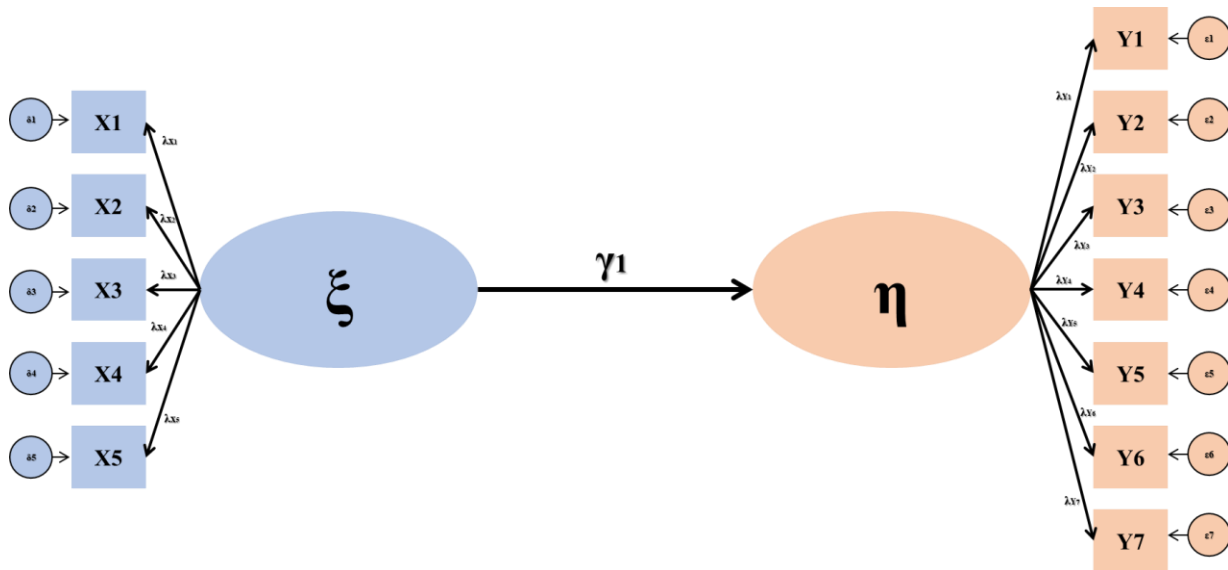
Y6: Gojek makes confidence in using it.

Y7: Gojek became the first choice in the future.

Hypothesis 1 (H1): Customer Transaction Difficulties have a Positive and Significant Impact on Brand Commitment.

4.STRUCTURAL EQUATION MODELING (SEM)

Structural Equation Modeling (SEM) can be seen in Figure 2.



**Figure 2.** Structural Equation Modeling (SEM)

Notations used in Structural Equation Modeling (SEM):

$\xi$ : Exogenous Latent Variables (Customer Transaction Difficulties).  $\eta$ : Endogenous Latent Variables (Brand Commitment).

$\delta$ : Measurement error on the manifest variable for Exogenous latent variable.  $\varepsilon$ : Measurement error on the manifest variable for latent variable Endogene.  $\gamma$ : Coefficient of influence of exogenous variables on endogenous variables.  $\beta$ : Coefficient of influence of endogenous variables on endogenous variables.

Outer Model Equation:

$$\text{Customer Transaction Difficulties (X) or } (\xi): X1 = \lambda_{X1}\xi + \delta_1$$

$$X2 = \lambda_{X2}\xi + \delta_2 \quad X3 = \lambda_{X3}\xi + \delta_3 \quad X4 = \lambda_{X4}\xi + \delta_4 \quad X5 = \lambda_{X5}\xi + \delta_5$$

$$\text{Brand Commitment (Y) or } (\eta): Y1 = \lambda_{Y1}\eta + \varepsilon_1$$

$$Y2 = \lambda_{Y2}\eta + \varepsilon_2 \quad Y3 = \lambda_{Y3}\eta + \varepsilon_3 \quad Y4 = \lambda_{Y4}\eta + \varepsilon_4 \quad Y5 = \lambda_{Y5}\eta + \varepsilon_5$$

$$Y6 = \lambda_{Y6}\eta + \varepsilon_6 \quad Y7 = \lambda_{Y7}\eta + \varepsilon_7$$

Inner Model Equation:

$$\text{Brand Commitment (Y) or } (\eta) = \gamma_1\xi + \beta_1\eta + \xi_1$$

## 5.METHODS

Multivariate analysis is used in analyzing research, involving variables in amounts greater than or equal to three variables. WarpPLS with multivariate-based and can analyze structural equations (SEM)(Hair et al., 2014).

Respondents in the study were residents of Samarinda City who use the Gojek application on communication tools in smartphones that can upload Gojek applications.

The respondents used the Gojek Application to make transactions on the Gojek application menu.

This research data was obtained from the results of the questionnaire spread to Gojek Application users in the city of Samarinda. The number of respondents taken data is as many as 540 respondents. There is a ten model fit and quality index (Kock, 2015), as follows (refer to Table 1):

**Table 1. Model fit and quality index**

No	Model fit & Quality index	Criteria Fit
1	Average Path Coefficient (APC)	$p < 0.001$
2	Average R-squared (ARS)	$p < 0.001$
3	Average Adjusted R-squared (AARS)	$p < 0.001$
4	Average block Variance Inflation Factor (AVIF)	Acceptable if $\leq 5$ Ideally $\leq 3.3$
5	Average Full Collinearity VIF (AFVIF)	Acceptable if $\leq 5$ Ideally $\leq 3.3$
6	Tenenhaus GoF (GoF)	Small $\geq 0.1$ Medium $\geq 0.25$ Large $\geq 0.36$
7	Simpson's paradox ratio (SPR)	Acceptable if $\geq 0.7$ Ideally = 1
8	R-squared contribution ratio (RSCR)	Acceptable if $\geq 0.9$ Ideally = 1
9	Statistical suppression ratio (SSR)	Acceptable if $\geq 0.7$
10	Nonlinear- bivariate causality- direction ratio (NLBCDR)	Acceptable if $\geq 0.7$

## 6.RESULTS AND DISCUSSION

**Table 2. Composite reliability coefficients, Cronbach's alpha coefficients, Average variances extracted (AVE)**

Latent Variables	Composite reliability coefficients	Cronbach's alpha coefficients	Average variances extracted (AVE)
Customer Transaction Difficulties (X) or ( $\xi$ )	0.963	0.950	0.838
Brand Commitment (Y) or ( $\eta$ ):	0.942	0.927	0.701

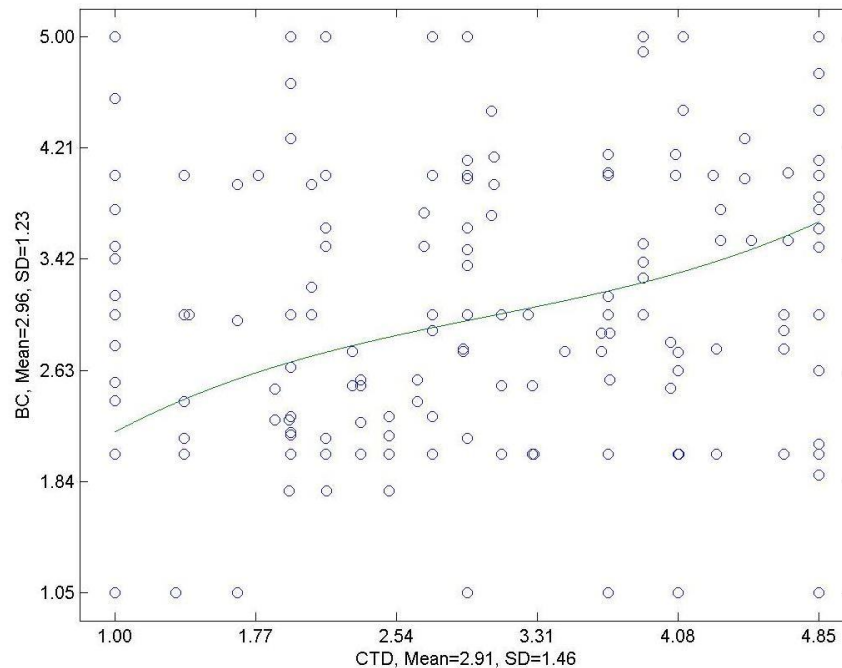
**Table 3. Analysis Results Model fit and quality index**

No	Model fit & Quality index	Criteria Fit	Analysis results	Remarks
1	Average Path Coefficient (APC)	$p < 0.001$	0.437 $p < 0.001$	Good Significant
2	Average R-squared (ARS)	$p < 0.001$	0.191 $p < 0.001$	Good Significant
3	Average Adjusted R-squared (AARS)	$p < 0.001$	0.190 $p < 0.001$	Good Significant
4	Average block Variance Inflation Factor (AVIF)	Acceptable if $\leq 5$		
		Ideally $\leq 3.3$		Ideal
5	Average Full Collinearity VIF (AFVIF)	Acceptable if $\leq 5$		
		Ideally $\leq 3.3$	1.232	Ideal
6	Tenenhaus GoF (GoF)	Small $\geq 0.1$		
		Medium $\geq 0.25$		
		Large $\geq 0.36$	0.384	Large
7	Simpson's paradox ratio (SPR)	Acceptable if $\geq 0.7$		
		Ideally = 1	1	Ideal
8	R-squared contribution ratio (RSCR)	Acceptable if $\geq 0.9$		
		Ideally = 1	1	Ideal
9	Statistical suppression ratio (SSR)	Acceptable if $\geq 0.7$	1	Accepted
10	Nonlinear- bivariate causality- direction ratio (NLBCDR)	Acceptable if $\geq 0.7$	1	Accepted

**Table 4. R-squared coefficients, Adjusted R-squared coefficients, Q-squared coefficients**

Latent Variables	R-squared coefficients	Adjusted R-squared coefficients	Q-squared coefficients
Brand Commitment (Y) or ( $\eta$ ):	0.191	0.190	0.193

Results of 1st Hypothesis Analysis (H1)



**Figure 3.** The best-fitting curve for a multivariate relationship between Customer Transaction Difficulties (X) with Brand Commitment (Y)

The relationship between Customer Transaction Difficulties (CTD) or (X) to Brand Commitment (BC) or (Y) is Positive ( $\beta = 0.437$ ) and Significant ( $p < 0.001$ ). The results show that the more consumers have difficulty transacting (Customer Transaction Difficulties), the higher brand commitment.

### 7.CONCLUSION

Difficulties in conducting consumer transactions (Customer Transaction Difficulties) in today's digital era can be used as an opportunity for entrepreneurs to find a way out of these difficulties and make their product brand commitment better and maintained.

The theoretical implication of this study is that Keller's Brand Equity Model, also known as the Customer-Based Brand Equity (CBBE) Model, is proven, build a solid brand for shape how customers think and feel products. Build the right kind of experience around the brand, so customers have specific and positive thoughts, feelings, beliefs, opinions, and perceptions.

The practical implications of the results of this research can be ideas for entrepreneurs to look for breakthroughs so that their business succeeds and develops well by looking for opportunities that exist.

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