The Influence of Brand Image & Experiential Marketing to Consumer Satisfaction & Loyalty Café in Surabaya

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Abstrak — Currently the cafe business competition is very tight, to be able to maintain customer loyalty, café entrepreneurs must be able to create customer satisfaction. One strategy to create customer satisfaction is to emphasize more on Brand Image and Experiential marketing variables as the basis for the marketing strategy. This research designed for survey method of the 150 respondents, with non-probability samplings technique. Respondents were taken from Surabaya Indonesian. Meanwhile, SEM was used to analyze the model. The result of this research indicated that there is a positive influence between Brand Images, Experiential Marketing, and Customer Satisfaction to Customer Loyalty.


II. LITERATURE REVIEW

1. Brand Image

   Sutopo (2017) brand image is a person's perception of a brand which is reflected in the brand association in consumer memory. Mohajerani and Miremadi (2012) explain that a brand will give an overall impression that is made in the public's mind about something. If someone has an unforgettable impression, then this will make someone always remember the brand in the memory of consumers.

   Meanwhile, the research indicators measuring the variable brand image cafe according to Jin et al., (2012) are:
   a. This cafe brand has a fashionable and trendy image
   b. This cafe brand has a reputation for quality
   c. This cafe brand is well known.

2. Experiential Marketing

   Indrawati and Fatharani (2016) state that Experiential marketing intends to create unique experiences for customers and increase their purchase intention through senses, taste, thought, action, and connecting. Meanwhile, according to Maghnati et al., (2012) said that Experiential Marketing not only increases customer emotion and taste stimulation but does not neglect the quality and function of its products and services.

   Experiential marketing also provides experiences that provide sensory, emotional, cognitive, behavioral, and relational values that for combining elements between experience (experience) and entertainment (entertainment) into a product or service. Experiential Marketing aims to provide a unique experience for customers through sense, feel, think, act, and relate. Meanwhile, brand image is a part of a brand that is easily recognizable such as symbols, colors, letter shapes, and consumer perceptions (Ferrinadewi, 2008; in Putri, et al., 2016). Therefore, researchers want to find out more about how brand image, experiential marketing and customer satisfaction can affect customer loyalty at a cafe.
replace functional values (Schmitt, 1999: 22; in Khasanah, 2015). The following are indicators used in measuring experiential marketing variables according to Nigam (2012): Sense, Feel, Think, Act, and Relate.

   According to Howard and Sheth (in Tjiptono, 2014: 353), it explains that customer satisfaction is an emotional response to experiences related to certain products or services purchased or even behavior patterns (such as shopping behavior and buyer behavior). The word satisfaction comes from the Latin word "satis" which means (good enough, adequate) and "facio" which means (doing or making), so it can be concluded that satisfaction can be interpreted as "an effort to fulfill something" (Tjiptono and Chandra, 2016). If the product or service exceeds the desired expectations, consumers will feel happy and are said to be satisfied with the goods or services used (Kotler and Keller, 2012: 13). Meanwhile, if the services provided are of low quality, do not reach customer expectations, this will cause consumer dissatisfaction (Bagram and Khan, 2012).

   The following are the indicators used in measuring the universal customer satisfaction variables according to Dutka (2008, in Logiawan and Subagio, 2014):
   a. Attributes related to product
   b. Attributes related to service
   c. Attributes related to purchase

4. Customer Loyalty
   According to Jones and Sasser (1995, in Marlien, 2017) Customer loyalty is an endogenous variable caused by a combination of satisfaction, so customer loyalty is a function of satisfaction. Loyalty in service marketing is defined as a response that is closely related to an agreement to uphold the commitment that underlies the continuity of the relationship (Tjiptono, 2014: 392).

   Consumers are not measured by how much they make purchases, but how often they make repeated purchases, including recommending others to buy (Kotler, 2012). In forming loyalty, there are several indicators of strong loyalty according to Chen and Liu (2017), namely:
   a. Recent purchase activities
   b. Repurchase Intention
   c. Recommendation intention

5. Hypothesis Development

5.1 Effect of Brand Image on Customer Satisfaction
   According to (Pramudy, 2012; in Herliza and Saputri, 2016) brands have a role in marketing an organization, this is because they have the potential to influence consumer perceptions and expectations regarding the goods or services offered which in turn can affect customer satisfaction. Meanwhile, according to Lodhi (2013), brand image and customer satisfaction have a relationship between brand image and customer satisfaction by seeing people's reactions to different salespeople.

   A high level of satisfaction is formed when brands meet customer needs far more than competing brands (Hafeez et al., 2010). Research conducted by Neupane (2015) shows that brand image has a positive and significant relationship with customer satisfaction.

   H1: Brand Image has a positive effect on Customer Satisfaction at Cafe visitors in Surabaya.

5.2 Effect of Experiential Marketing on Customer Satisfaction
   According to research Utarsih (2016) states that consumers always want a product whose presence can provide an experience. This is in accordance with the opinion of Scmitt (1999, in Wu and Tseng, 2015) which states that the dimensions of experiential marketing, namely sense, feel, think, act, and relate are often used by marketers to increase customer satisfaction. According to Wu and Tseng (2015), experiential marketing is positively related to customer satisfaction.

   H2: Experiential Marketing has a positive effect on Customer Satisfaction at Cafe visitors in Surabaya.

5.3 The Influence of Customer Satisfaction on Customer Loyalty
   A high level of pleasure or satisfaction will create an emotional bond with a certain brand, and this creates high customer loyalty (Kotler et al., 2000; in Lopumeten and Tomasoa, 2018). This is in accordance with the opinion according to Kotler et al., (2012) that satisfied customers will feel loyal, customers will make repeated purchases and are willing to recommend to others. In research according to (Hafeez, 2012) explains that consumer satisfaction can increase customer loyalty. This is supported by research according to Manurung (2009; in Hijjah, 2015) which states that there is a significant relationship between customer satisfaction and customer loyalty.
H3: Customer Satisfaction has a positive effect on Customer Loyalty among visitors to Cafe in Surabaya.

5.4. The Influence of Brand Image on Customer Loyalty
One of the factors that can affect brand loyalty is brand image (Annisa and Utama, 2016). According to (Chandra, 2005; in Sutopo, 2017) says that a strong brand image can provide a number of advantages, one of which is customer loyalty and greater repurchase. Loyalty can be translated into the willingness of customers to pay higher prices, often 20% to 25% higher than competing brands (Kotler and Keller, 2012; in Sutopo, 2017).

Based on the results of previous research conducted by Chao (2015), it shows that brand image has a positive and significant effect on customer loyalty. Researchers conclude that it is important to pay attention to brand image to give a positive impression to consumers.

H4: Brand Image has a positive effect on Customer Loyalty to Cafe visitors in Surabaya.

5.5. The Influence of Experiential Marketing on Customer Loyalty
Experiential marketing can increase customer loyalty, for example by making repeated purchases. Improving one's experience during the buying process can help to maintain consumer loyalty (Alkilani et al., 2013; in Chao, 2015), which can then affect customer loyalty (Lee and Chang, 2012; in Chao, 2015).

Based on Wu and Tseng's (2015) research, it shows that experiential marketing has a significant effect on customer loyalty.

H5: Experiential Marketing has a positive effect on Customer Loyalty among visitors to Cafe in Surabaya.

5.6. The Influence of Brand Image on Customer Loyalty through Customer Satisfaction
Image is a valuable intangible asset of a company (Hidajahningtas, et al., 2013). A good image will increase customer satisfaction, service quality, loyalty, and repurchase intention (Bloemer et al., 1998; Da Silva et al., 2008 and Lai et al., 2009). It can be concluded that the brand image in a cafe will make consumers feel satisfied so that satisfied consumers will lead to a loyal attitude towards the cafe.

H6: Brand Image has a positive effect on Customer Loyalty through Customer Satisfaction with Cafe visitors in Surabaya.

5.7 Effect of Experiential Marketing on Customer Loyalty through Customer Satisfaction
Experiential marketing is very useful for a company that wants to increase its existing brand at the decline stage, as a product differentiator from competing products, create an image and identity of a company, and increase innovation and get customers to want to try and buy the product (Maghnati et al., 2012). In this modern era, companies are no longer just offering products or services, but they also need to create a consumer experience which is the ultimate goal of creating an interesting experience for consumers (Chao, 2015).

According to previous research, it also explains that experiential marketing is able to promote increased customer satisfaction (Tsaur, 2007; Lee, Hsiao and Yang, 2011; Alkilani, Ling and Abzakh, 2013), which further affects customer loyalty (Lee and Chang, 2012).

H7: Experiential marketing has a positive effect on Customer Loyalty through Customer Satisfaction with visitors to Cafe in Surabaya.

III. METHODOLOGY
This causal study the effect of Brand Images, Experiential Marketing and Customer Satisfaction on Consumer Loyalty, which is conducted in the form of a survey. Explanatory research is applied to explain the relationship between variables, both direct relationships and mediation relationships. Model Structure Analysis and Research Hypotheses are proven by SEM, on LISREL. The research population is Surabaya - Indonesian citizens who have been to a certain cafe in Surabaya at least 3 times in a row within the last 1 month. The Non-Probability Sampling technique was chosen, in order to obtain respondents in accordance with the research construct. Purposive Sampling, applied to get the best respondents. This data was obtained through a questionnaire that was distributed and filled out by 150 respondents.

IV. RESULT & ANALYSIS
The multivariate normality test resulted in a p-value = 0.000, below a significant alpha of 5% or 0.05, so it can be said that the data used in this study were not normally distributed. Based on the Validation Test, all indicators are declared valid.
because the loading factor value obtained by each indicator is greater than 1.96.

For Structural Model fit test :
CS = 0.54*BI + 0.43*EM, Errorvar. = 0.096, R² = 0.90
(0.21) (0.18) (0.037)
2.63 2.32 2.57

CL = 0.51*CS + 0.27*BI + 0.23*EM, Errorvar. = 0.029, R² = 0.97
(0.15) (0.14) (0.100) (0.014)
3.38 2.01 2.30 2.12

Results of the Hypothesis Test:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relation</th>
<th>Estimate</th>
<th>$T$ Value</th>
<th>Cut Off</th>
<th>Ref</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>BI $\rightarrow$ CS</td>
<td>0.54</td>
<td>2.63</td>
<td>$&gt;1.96$</td>
<td>significant</td>
</tr>
<tr>
<td>H2</td>
<td>EM $\rightarrow$ CS</td>
<td>0.43</td>
<td>2.32</td>
<td>$&gt;1.96$</td>
<td>Significant</td>
</tr>
<tr>
<td>H3</td>
<td>CS $\rightarrow$ CL</td>
<td>0.51</td>
<td>3.38</td>
<td>$&gt;1.96$</td>
<td>Significant</td>
</tr>
<tr>
<td>H4</td>
<td>BI $\rightarrow$ CL</td>
<td>0.27</td>
<td>2.01</td>
<td>$&gt;1.96$</td>
<td>Significant</td>
</tr>
<tr>
<td>H5</td>
<td>EM $\rightarrow$ CL</td>
<td>0.23</td>
<td>2.30</td>
<td>$&gt;1.96$</td>
<td>significant</td>
</tr>
<tr>
<td>H6</td>
<td>BI $\rightarrow$ CS $\rightarrow$ CL</td>
<td>0.27</td>
<td>1.81</td>
<td>$&gt;1.96$</td>
<td>Not Significant</td>
</tr>
<tr>
<td>H7</td>
<td>EM $\rightarrow$ CS $\rightarrow$ CL</td>
<td>0.23</td>
<td>2.38</td>
<td>$&gt;1.96$</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source : Processed SEM

The statistical analysis of the hypothesis of the effect of brand image on customer satisfaction shows that the $t$-value has a value of 2.63, which is greater than $t$ table = 1.96 with an estimated value of 0.54 which indicates that the higher the brand image, the more likely it is to increase customer satisfaction. So that the test results prove that "brand image has a positive and significant effect on customer satisfaction at cafes in Surabaya". The results of this study are supported by research conducted by Scmitt (1999, in Wu and Tseng, 2015).

The statistical analysis of the hypothesis of the effect of experiential marketing on customer loyalty shows that the $t$-value has a value of 3.38, which is greater than $t$ table = 1.96 with an estimated value of 0.23 which indicates that the higher the experiential marketing, the more likely it is to increase customer loyalty. So that the test results prove "experiential marketing has a positive and significant effect on customer loyalty at a cafe in Surabaya". The results of this study are supported by Kotler et al., (2012) that satisfied customers will feel loyal, customers will make repeat purchases and will recommend to others.

The statistical analysis of the hypothesis of the effect of brand image on customer loyalty shows that the $t$-value has a value of 2.01, which is greater than $t$ table = 1.96 with an estimated value of 0.27 which indicates that the higher the brand image, the more likely it is to increase customer loyalty. So that the test results prove "brand image has a positive and significant effect on customer loyalty at cafes in Surabaya". Consumers will feel satisfied if the product given exceeds the imagined expectations, this is supported by the opinion of Pramudyo (2012, in Herliza et al., 2016).

The statistical analysis of the hypothesis of the effect of experiential marketing on customer loyalty shows that the $t$-value has a value of 2.30 which is greater than $t$ table = 1.96 with an estimated value of 0.23 which indicates that the higher the experiential marketing, the more likely it is to increase customer loyalty. So that the test results prove "experiential marketing has a positive and significant effect on customer loyalty at a cafe in Surabaya. This is supported by research according to Alkilani et al., (2013; in Chao, 2015) which shows that improving one's experience during the buying process can help to maintain consumer loyalty, which can then affect customer loyalty (Lee and Chang, 2012; in Chao, 2015).

Judging from the results of the hypothesis analysis of the effect of brand image on customer loyalty through customer satisfaction shows that the $t$-value has a value of 1.81, which is smaller than $t$ table = 1.96 with an estimated value of 0.27. Thus, it can be said that a cafe that has a good brand image does not necessarily make a consumer
immediately interested in behaving well towards the cafe. The results of this study are supported by research conducted by Wu, Tai-chi (2015) show that brand image has no significant effect on loyalty.

The statistical analysis of the hypothesis of the effect of brand image on customer loyalty through customer satisfaction shows that the t-value has a value of 2.38 which is greater than t table = 1.96 with an estimated value of 0.22 which indicates that the higher customer satisfaction is caused by high experiential marketing tends to increase customer loyalty. So that the test results prove "experiential marketing has a positive and significant effect on customer loyalty through customer satisfaction at the cafe in Surabaya. The results of this study are supported by past research which confirms that experiential marketing can promote increased customer satisfaction (Tsaur, 2007; Lee, Hsiao and Yang, 2011; Alkilani, Ling and Abzakh, 2013), which in turn affects customer loyalty (Lee and Chang , 2012).

V. RESULT

Based on the research that has been done, several suggestions can be given as follows:
1. Increase brand image, by increasing brand awareness through advertising, social media, providing a name, image and logo that match the theme of the cafe.
2. Improve experiential marketing, by maintaining the consistency of the taste image of the food served, and holding live music to add to the comfort of the atmosphere for customers because the pleasant experience provided is not a guarantee where consumers can move and turn to competitors.
3. Improve customer satisfaction, by adding variants to the food and beverage menu, as well as maintaining consistency in the quality of the raw materials used.
4. Increase customer loyalty, by providing more attractive promotions such as offers for making membership cards by purchasing 5x free 1 food and drinks. In addition, the manager must continue to improve the quality of service, because consumers must first feel satisfied to be loyal.

REFERENSI


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