



## The Influence of Brand Image on Brand Loyalty of Holywings Indonesia: The Role of Brand Trust to Building Consumer Engagement to Brands

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### Abstract

Brands offer several benefits for consumers as well as for companies. A service brand not only indicates the quality of the service but also communicates a commitment to provide a certain type of experience. This study aims to explore the effect of brand image on brand loyalty, and how the role of brand trust in mediating these two variables. The research was conducted on visitors and connoisseurs of Holywings Indonesia bars and restaurants in Surabaya. The data were collected using a questionnaire as a research instrument, and the sample of this study was 100 respondents who live in Surabaya. The results of the study indicate that there is a significant positive relationship between brand image and brand trust, on brand loyalty of bars and restaurants Holywings Indonesia. Moreover, brand trust has a role as an intervening variable although the mediation model only shows a little contribution toward the context studied.

## Pengaruh Citra Merek Terhadap Loyalitas Merek Holywings Indonesia: Peran Kepercayaan Merek dalam Membangun Keterikatan Konsumen Terhadap Merek

### Abstrak

Merek menawarkan sejumlah manfaat bagi konsumen juga bagi perusahaan. Merek pada jasa tidak hanya menunjukkan kualitas layanan tetapi juga mengkomunikasikan komitmen untuk memberikan jenis pengalaman tertentu. Tujuan dari dilakukan penelitian ini adalah untuk menggali pengaruh citra merek terhadap loyalitas merek, serta bagaimana peranan kepercayaan merek dalam memediasi dua variabel tersebut. Penelitian dilakukan kepada pengunjung dan penikmat bar dan resto Holywings Indonesia di Surabaya. Pengumpulan data dalam penelitian ini dilakukan dengan menggunakan kuisioner sebagai instrumen penelitian, dan sampel dari penelitian ini adalah sejumlah 100 responden yang berdomisili di Surabaya. Hasil dari penelitian menunjukkan bahwa terdapat hubungan yang positif signifikan antara citra merek dan kepercayaan merek, terhadap loyalitas merek bar dan resto Holywings Indonesia. Selain itu, kepercayaan merek memiliki peran sebagai variabel intervening meskipun model mediasi menunjukkan sedikit kontribusi terhadap konteks yang diteliti.

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The Indonesian culture that likes to socialize brings a high social life community structure. It is not limited to a certain social level. Thus, the culture of hanging out or kongkow at the bar is easily adopted by the community. For Indonesian people, hanging out at the bar is an expensive experience to create a network and socialize instead of only tasting the alcohol. Due to the cultural and value shifts, the bar also has identity changes. For years ago, the community perceived the bar as a place to drink alcohol. However, at present, many bar categories exist. They present various amusing offerings and even they become meeting points to share and exchange many things for various purposes.

In general, people visit an amusement place, such as a bar and resto, to lose the stress, or to settle certain interests, such as meeting a client. The bar also provides live music to attract the visitors' attention. The live music ecology supports the cultural sector and encourages economic growth (Ballico, C., Carter, 2018). The live music show becomes a different attribute feature and competitive power of bar and resto as service industrial provides. Music is a part of the urban community's lifestyle. A weekend concert, nightclub, and bar change life into a joyful ritual series. It also includes live music as an important component to developing the creative economy and the urban culture (Bürkner & Lange, 2017). Live music is a remarkable experience. It brings the collective spirit from the sub-cultural and communal experience (Scott et al., 2018).

By observing the motivation and the objectives of the customers and observing their behaviors, bar and resto communicate their business to create brand images that are acceptable to the consumers. Each place

offers a brand image and a different experience. It has the function to make differences for the visitors, to accommodate the consumers, to actualize the self-image into the social culture, and to create brand loyalty in the future.

The brand has many advantages for both consumers and corporations. Brand, as an abstract asset, requires management. The brand also makes the consumers aware of the differences among brands within the same category. Kotler & Keller (2012) argue that marketers must establish the brand and create equity. The meaning of brand equity is a set of assets and brand responsibility as a symbol or name. It can influence the value of a corporate good or service. The efforts to establish the brand and effective service are done to foster the customers' attitudes

Each brand successfully represents customer loyalty (Wang, Yu-che., Hsu, K.C., Hsu, S.H. and Hsieh, 2011). There are two dimensions of conceptual behaviors based on brand equity. They were brand awareness and brand image. The brand image consists of the attributes and performance of a product. It provides an impression on the costumers' mind that the brand has differences than the other similar product category. Thus, it differs the corporate offering toward the competition (Webster, Frederick E., Keller, 2004). The interaction between the customers and the corporations will be the input for the brand image establishment.

From the brand perspective in the context of tourism products, the brand image becomes the cultural activity signatures (Camarero et al., 2010). Bar and resto are service corporate category. It has a strong correlation with service provision. In the service industry, the customers'

experience becomes something attached to customers' memories about a brand. This matter influences purchasing behavior in the future. The brand of a service product does not only show the service quality but also communicates the commitment to provide a certain experience. The most important matter is service company ensures every individual in the organization understands the consistent, predictable, and qualified performance for the customers (Webster, Frederick E., Keller, 2004).

Brand loyalty is an ultimate tool to create a competitive advantage. Many corporations build their brand loyalty from their customers. Then, this matter becomes an interesting study object for both researchers and marketing practitioners (Chinomona, 2016). Brand loyalty had been an important concept in marketing and it shows the customers' interest levels in a certain brand. By understanding the corporate loyal brand, the market could predict the costumers' possibilities to use the product brand although the price and the characteristics of the product change. Thus, the corporate could protect their customers from competitors (Kwon et al., 2020). Mukherjee, A. and He (2008), He & Li (2010) found that brand loyalty was a motivation that established the social identity. It expressed and affirmed the customers' personalities, and improved themselves and their self-concepts.

The objects of the research Holywing bars and restos in Indonesia, located in Surabaya. They provided live music as the main attraction. The researchers found the visitors' reviews in Google Review about the places. 1.158 reviews mostly reviewed about the live music. It shows how the customers catch the brand image of the bar

as a place to enjoy the menus instead of only drinking liquors. This matter contributed the most to the visitors. This research attempted to prove whether the brand image influenced brand loyalty and how the role of brand trust as the intervening variable in Holywing bars and restos. This research compared whether the brand trust attribute had significant roles since bar and resto, as a service industry, had relatively high variability.

Brand image has an important role as the substitution because customers need knowledge and detail information about a brand before purchasing it. The reputation branding of a brand influences the customers' trust toward the quality and service of the brand. It also facilitates the customers to evaluate the selections while purchasing the products (Chu et al., 2012). Trust toward a brand comes from one image that forgets the corporate manifestation result to communicate the brand continuously. Chinomona (2016) and Cretu & Brodie (2007) found that brand image could significantly influence the trust toward a brand. The components that establish an image of a brand could influence the customers' trust and customers' behavioral tendencies (Deheshti et al., 2016). Therefore, abstract features, such as trust, brand association, image, and supplier reputation, could also influence the buyers and not be limited only to price and quality (Leek & Christodoulides, 2011) From the explanations, this research tested the first hypothesis (H1) which is **Brand image positively influences brand trust.**

The customers' trust toward a brand must be accommodated by a brand to meet the customers' expectations upon the product performances. Before the

customers trust a brand of a product, they will evaluate the past brand performance. The consistent brand looks promising. It provides value for the customers with excellent service that increases the customers' loyalty (Chiou & Droge, 2006). Brand loyalty encourages the customers' strong commitment toward the brand. It becomes a long-term investment for corporations. The empirical evidence found a positive correlation between brand trust and brand loyalty (Morgan et al., 1994); (Doney et al., 2013); (Chiou & Droge, 2006).

Studies about the brand loyalty of attraction, hospitality, tourism industries showed that one of the brand loyalty determinants is a brand image (Hsu et al., 2012). The customers' re-visits, in the tourism context, becomes the measurement to determine the product loyalty (Kim et al., 2016). Therefore, higher customers' trust toward a brand increases the costumers' loyalty. From the explanations, this research tested the second hypothesis (H2) as **Brand trust has a positive influence on brand loyalty.**

The brand is an interface of corporations with the customers. Therefore, trust toward a brand can be developed and established to support loyalty. It means brand trust can also establish loyalty (Erkmen & Hancer, 2019). Similar findings showed that brand trust significantly influenced loyalty toward global brands. The influence, experienced by a corporation, was when the customers had high trust. It had a strong commitment to encourage the consumers to remain loyal to the brand.

The significant correlation between brand image and loyalty was positive (Chinomona, 2016). Brand trust contributes toward brand loyalty and has roles to realize long-term customer relationships (Morgan et al., 1994). A study also supported this finding and showed the correlation between brand trust and brand loyalty. It created a valuable correlation between the company and the customers, and brand trust contributed toward brand loyalty (Kwon et al., 2020). In the bar and restaurant industry, which has a wide variety of offerings, strong differentiation is essential. Brand trust is important to establish. It is to create a strong commitment of the visitors. Therefore, it needs evaluation toward the brand because of the attached images in the customers' minds. From the explanations, this research tested the third hypothesis (H3) that **Brand image positively influences brand loyalty via brand trust.**

## METHOD

This qualitative research used primary data type. The variables were brand image (X), brand trust (Y), and brand loyalty (Z). The population consisted of all Holywing bar and resto visitors in Surabaya branches. The researchers obtained the data via survey from March until April 2020 with a questionnaire as the instrument. The sample consisted of 100 participants living in Surabaya. This requirement was the absolute requirement for the respondents.

The next criterion of the respondents was visiting at least twice in the last six months. The researchers did the measurement to check the influence of brand image (X), brand trust (Y), and brand

loyalty(Z) with the Likert scale. The respondents scored from 1 - 5 for each option. The ranges were Strongly Disagree (SD) until Strongly Agree (SA) to show the agreement toward the displayed questions in the questionnaire. The analysis data technique used Smart PLS to test the research model as shown in Figure 1 with the formula:

$$Y = \alpha + \alpha_1 CM + \alpha_2 KM + \alpha_3 LM + \alpha_4 CMLM + e$$

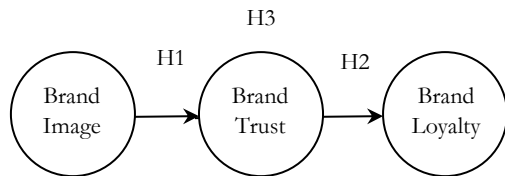


Figure 1. The Research Model

The total question items were 10 questions. The question items about brand image consisted of 3 questions. While about brand trust, consisting of 3 questions; and brand loyalty, consisting of 4 questions. The researcher tested the instruments with validity and reliability test, and all items were valid and reliable. The output of validity and reliability test is shown in Table 1, 2, and 3. It can be seen that the AVE score were higher than 0.5. The reliability test output which applied Cronbach Alpha and composite reliability also seem acceptable for all variables.

Table 1. The AVE Score

Variables	AVE
Brand Image	0.596
Brand Trust	0.755
Brand Loyalty	0.583

Source: primary data processed (2021)

Table 2. Cronbach's Alpha

Variables	Cronbach's Alpha
Brand Image	0.664
Brand Trust	0.838
Brand Loyalty	0.763

Source: primary data processed (2021)

Table 3. Composite Reliability

Variables	Composite Reliability
Brand Image	0.816
Brand Trust	0.902
Brand Loyalty	0.848

Source: primary data processed (2021)

## RESULTS

Table 4 & 5 shows the hypothesis result. Brand image positively influences brand loyalty directly and indirectly via brand trust. The first hypothesis test shows a p-value of 0.000, lesser than the cut-off value, 0.05, and the path coefficients is 0.193. Thus, H1 is accepted. It shows that a higher brand image of Holywing bars and resto in Indonesia leads to higher customers loyalty.

The second hypothesis test proves the influence of brand trust on brand loyalty. The p-value is 0.000, lesser than the cut-off, 0.05, and the path coefficients is 0.344. Thus, the second hypothesis is accepted. It shows the higher brand trust of Holywing bars and resto in Indonesia leads to higher customers loyalty.

The third hypothesis shows indirect influence between the brand image toward brand loyalty via brand trust. The p-value is 0.001, lower than the cut-off 0.005. The direct influence between brand image on brand trust on path coefficients is 0.561. Thus, the third hypothesis is accepted. It means brand trust indirectly influences brand loyalty. It means that the increased

brand image leads to higher brand trust that positively influences the brand loyalty of the customers.

**Table 4. Path Coefficients Result**

Influence	Path Coefficients
Brand Image > Brand Trust	0.561
Brand Trust > Brand Loyalty	0.344
Brand Image > Brand Loyalty	0.193

Source: primary data processed (2021)

**Table 5. The Hypothesis Result**

H	Influence	cut off	p-value	Result
H <sub>1</sub>	Brand Image > Brand Trust	0.05	0.000	Supported
H <sub>2</sub>	Brand Trust > Brand Loyalty	0.05	0.000	Supported
H <sub>3</sub>	Brand Image > Brand Loyalty	0.05	0.001	Supported

Source: primary data processed (2021)

The explanation of the outer and inner models provide output and descriptions of the variables' contributions, shown in Figure 2 & 3. Thus, the coefficient value of

0,561 explains that brand image contributes 56,1% toward brand trust. While trust to brand (brand trust) contributes 34,4% to brand loyalty. The figure also show that the brand image has contributed for about 0,193 or 19,3% toward brand loyalty. Overall, the model, indirect influence of brand image to brand loyalty via brand trust, explained 11,9% of phenomena. It means, that this model is ok, however the category is low/weak.

## DISCUSSION

### Brand Image toward Brand Trust

The results showed a positive and significant influence of brand image toward brand trust. It proved that the bars and restos had unique attractiveness for the customers in terms of the amusement side. The more customers liked the brand image, the brand trust or assertiveness would be positive toward the branded products and the attributes of the

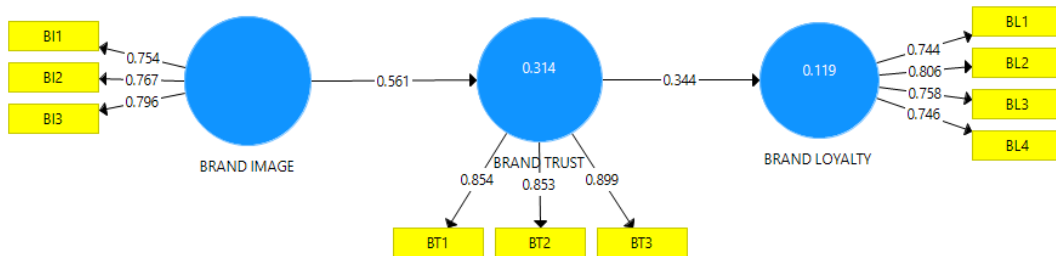


Figure 2. Research Model Output (Outer Model)

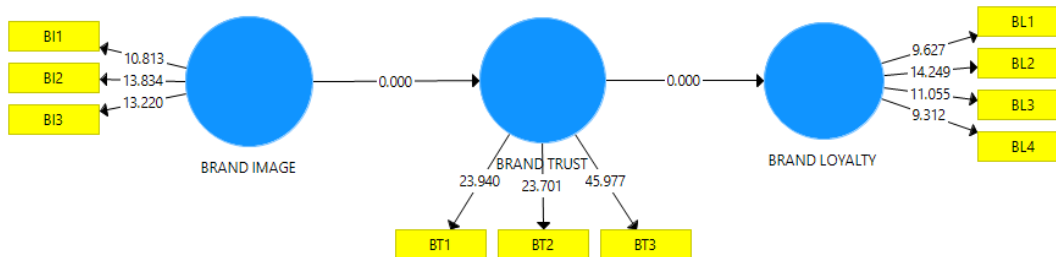


Figure 3. Research Model Output (Inner Model)

customers (Bennett et al., 2005). The Holywing bars and restos in Indonesia bring the theme of amusements. They are realized into live music, disc jockey, bar, and culinary dishes for consumers, mostly college students, and workers. The live music amusement also involves national musicians. This concept is rarely brought by similar bars in Surabaya. Holywings Indonesia is also suitable for the customers to socialize and hang out.

Erkmen & Hancer (2019) found that the service of a restaurant brand proved that brand image was the main factor toward brand trust. They state the positive influence of brand image toward brand trust due to the prestigious attributes of the customers. The attributes of a restaurant become the attraction to improve prestige and to establish brand trust. Music lovers will feel enjoy the comfortable display and situation of Holywing bars and restos in Indonesia. It improves the trust toward the bars and restos. In this researcher, the respondents thought they would get something interesting. This matter improved the customers' self-confidence toward a brand. Then, it would increase the chance to make them trust the brand. Cretu & Brodie (2007) also support the positive correlation between brand image and brand trust.

### **Brand Trust toward Brand Loyalty**

From the research results, brand trust significantly and positively influenced brand loyalty. This matter shows that Holywing bars and restos in Indonesia have loyal customers because they feel comfortable and find joyful amusement. Agustin & Singh, (2005) found that trust decreased the environmental uncertainty in which the costumers were susceptible because they knew they could control the brand trust. When a brand can meet the interest and expectations of the customers, the customers will trust the brand. Holywing Indonesia brings consistent service via the

customer operational system. Therefore, the customers trust the issued prices will be equal with the experienced services. It will trigger the customers' loyalty toward Holywing bar Indonesia.

Brand trust is a result of careful customers. These customers think of brands carefully that can review the reliability and credibility of the brands (Chaudhuri & Holbrook, 2001). A trusted brand is a consistent brand that meets its promises toward the customers. It is realized into qualified service and guarantees given for the customers in their process (Chiou & Droge, 2006).

### **Brand Image toward Brand Loyalty via Brand Trust**

In the bar and resto industries, it is important to have various offerings and strong differences. Brand trust is important to establish. It is to create a strong commitment of the visitors. Therefore, it needs evaluation toward the brand because of the attached images in the customers' minds.

The attributes of Holywing bar Indonesia made the customers enjoy so that they wanted to re-visit the bars. The customers' loyalty also occurred when they did not want to take the risk of spending money in other places that could not provide service guarantees.

The customers' loyalty toward the brand made the customers recommended the bars to other people. They did it because they trusted that the bars had more competitive attributes than other bars.

Brand trust contributes toward brand loyalty and has roles to realize long-term customer relationships (Morgan et al., 1994). A study also supported this finding and showed the correlation between brand trust



and brand loyalty. It created a valuable correlation between the company and the

## CONCLUSION AND SUGGESTION

From the results, the first hypothesis test showed that the brand image influenced brand trust with a *p-value* = 0.000, lesser than 0.05. It means the first hypothesis is accepted. The second hypothesis showed the influence of brand trust toward brand loyalty with a *p-value* = 0.000, lesser than 0.05. It means the second hypothesis is accepted. The third hypothesis test showed no direct influence between brand image and brand loyalty of Holywings Indonesia via brand trust with *p-value* = 0.001, lesser than 0.05. It means the third hypothesis is accepted.

The researchers recommend the research object about the positive brand. It is because the common perception of the community toward bard is only an amusement place with low stigma. The researchers also recommend Holywing bars and restos in Indonesia to be consistent in providing the service for better brand trust. As the industry that provides live music, it is important for Holywing to select the guest stars. The attribute of the people in terms of the service quality was observable on how the trust and costumers' judgment. Thus, these should be improved. Dealing with brand loyalty, this research recommends considering the customers' intention to re-visit the bars in a short time. From the questionnaire results, the rate of re-visiting the bars was low. It was also the effect of data collection technique during the pandemic and the large-scale social restriction.

customers, and brand trust contributed toward brand loyalty (Kwon et al., 2020).

The researchers expect the bars and restos to apply health protocol during this new normal period. Thus, the business operation remains running. Regular and standardization training for the employees is important to do regularly. Thus, the service will keep running properly

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