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THE EFFECTS OF BRANDS COMMUNITY AND BRAND TRUST ON BRAND LOYALTY

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ABSTRACT

Indonesia is a potential market for two wheel motorcycle riders especially Harley Davidson. Harley Davidson brand has gained the trust of consumers in Indonesia because there is a pride to drive the motor.

HD brand trust towards the motor is likely to give effects on brand loyalty.

The purpose of this study aims to test the effects of brand community on brand loyalty in the Republic of Harley, to test the effect of brand trust on brand loyalty in the Republic of Harley, and to examine the effects of brand communities and brand trust on brand loyalty. Using a quantitative research method, this study involved as many as 45 riders from 3 motorcycle clubs in Surabaya as research samples.

This study found that brand community does not have effects on brand loyalty in HD bikers partially, brand trust partially have significant effects on brand loyalty in HD bikers, and brand communities and brand trust simultaneously have effects on brand loyalty of HD motorists.

Keywords: Brand community, brand trust, brand loyalty

INTRODUCTION

Harley Davidson is one of motorcycle brands that have participated in the motorcycle market competition in Indonesia. This bike has middle upper class market consumers. Customers who buy this bike are not for the sake of its function such as a mean of transportation but rather to satisfy their lifestyle. Having been founded in Milwaukee United States in 1903, Harley Davidson motorcycles was produced by Harley Davidson Motorcycle Company (HDMC). In Indonesia, Harley Davidson became known to the public since the 1950s.

The strength of Harley Davidson's brand community is high enough to contribute to the sales of Harley Davidson motorcycles. In 2007, Harley Davidson motorcycle sales in Indonesia rose by 25 percent each year. ATPM was the highest compared with other motorcycle 500cc upwards, the composition of which consisted of 40 percent of purchases by older consumers and 60 percent by new customers. Starting in 2014, the sales of Harley Davidson motorcycles decreased dramatically due to the price increase of motor- that is almost 100 percent- and low economic growth in Indonesia. So many communities prefer unofficial Harley Davidson (there is no official letter) where the price was cheaper by almost 50 percent

Therefore, in 2012 researchers think to open a online business associated with Harley Davidson. At that time, the researchers saw there were very few traders selling accessories Harley Davidson. As such, the researchers opened a business online under the name Republic Harley. This online business sold aftermarket accessories, such as Roland Sands Design, Performance Machine, Kuryakyn, Arlen Ness, and others. In addition, researchers have compared the prices of the accessories sold by other vendors such as Mabua, Kampoeng Moge, Moge Parts, World of Chrome. From there, the researchers believe that they would be successful because the profit margins obtained was extremely lucrative.

The purpose of this study are to examine the effect on brand loyalty brand community, to examine the effect of brand trust on brand loyalty, and to examine the effect of brand communities and brand trust simultaneous effect on brand loyalty.

LITERATURE REVIEW

Marketing

The marketing is the beginning of the activities that companies do to survive, develop and make profits. Marketing is the most important factor for the companies to maintain its operations sustainably. Marketing is a science in business strategy that aims to achieve continuous satisfaction for our stakeholders. Marketing activities are related to identifying and finding what is needed from the human and social environment.

According to Kotler and Keller (2011), the marketing is a social process through which individuals and groups obtain what they need and want by creating, offering, and freely exchanging products and services of value with others. The purpose of the actual marketing is to know and understand the customer so well that the products and services are sold in accordance with their needs.

Brand

According to Kotler (2011), the brand is defined as a name, term, sign, sign, or design, or a combination thereof, which are intended to identify the goods or services of one seller or group of sellers and to differentiate products or services from those of competitors.

Community Trademark

According to Martin and Schouten (2011), a brand community represents different social groups selected individually based on the commitment to a particular class of products, brands and consumption activities. This definition shows that the brand community is a social group which has solidarity bonds towards particular brands with the same intention and purpose.

Brand Trust

The trust has an important role in the marketing industry. In the fast dynamic business environment, the marketing is demanded to find a more creative and flexible strategies in order to adapt. In order to survive in such a situation, companies must find creative ways through forming relationships with customers (Son, 2011).

Brand loyalty

Brand loyalty represents people's preference towards particular brands where they make consistent purchases on the products with same brands all the time (Kotler, 2011). Loyal customers will make repeat purchases over a certain period. Loyal customers are very valuable to a company. It is because the cost for getting new customers is greater than that for retaining old customers

Relationship between a Brand Community with a Brand Loyalty

Some studies have been done to look at the relationships between a brand community with a brand loyalty. Chaudhry (2012), for example, studied if the brand community could generate customers' brand loyalty in consumers. The results showed that the brand community was an important driving factor of loyalty and even had been found to be more important than satisfaction. The brad community refers to a group of consumers classified according to the same use of a brand. As such, the brand community has an important role in building consumer loyalty to a particular brand.

The Relationship Between Brand Trust with Brand Loyalty

Brand loyalty is closely related to the consumers' experience in using a brand. The occurrence of the consumer brand loyalty is due to the influence of customers' satisfaction or dissatisfaction with a brand that has accumulated continuously in addition to their perception of the quality of the product (Schiffman, 2014). Consumers who are loyal to a product brand will

re-purchase the product with the same brand. If the customer's brand loyalty is managed and exploited properly, this is likely to offer value and profits in some forms.

POPULATION

There are a lot of Harley Davidson riders in Surabaya. However, the researchers intentionally involved as many as 45 riders as the subjects of the study. A proper way of selecting sampling method can properly describe the condition of a population accurately and it can save the cost of a study. The samples should be able to describe the actual population. Moreover, this study employed Slovin formula to determine the number of samples. Out of 50, this study has taken 45 Harley Davidson riders from several communities as the research samples.

Operational definition

The operational definition is a tool to facilitate the understanding of a measurement of each variable in a study.

Table 1. Operational Definition

No.	Variabel	Indikator	Sumber
1	Brand community is a special community that is based on similar preference for the brand use or consumption activity across geographical locations; moreover, it also has a set structure of social relations among fans of such a brand.	1. Love of the customer to a brand. 2. Customer loyalty to a brand. 3. The company understands the needs of customers. 4. The advantage gained by a fellow customer of a brand community.	Lee (2011)
2	Confidence in the brand is the willingness to trust the brands at all costs due to their expectations as promised by the brand in delivering positive outcomes to the consumers	*1. Brand Characteristics* *2. Company Characteristics* *3. Consumer –Brand Characteristics*	Lee (2011)
3	Brand loyalty is a recurring purchase patterns because there is a commitment to a particular brand.	1. Purchase the 2. Provide recommendations to others 3. Immunity towards foreign influences	Kotler (2011)

MULTIPLE LINEAR REGRESSION ANALYSIS

Regression analysis can determine how far and large the influence of the brand community (X1) and brand trust (X2) are on brand loyalty. Multiple linear regression equation in this study is written as follows:

$Y = \beta0 + \beta1X1 + \beta2X2 + \varepsilon$
Description:
Y = Brand Loyalty
$\beta0$ = Constant
$\beta1, \beta2$ = Regression Coefficients
X1 = Community Trademark
X2 = Brand Trust
ε = Standard Error / Deviation

Validity and Reliability

The validity test is useful to know if certain questions on the questionnaire need to be removed or replaced due to their irrelevancies (Umar, 2010). The validity test of this study is done using SPSS. Criterion validity can be seen by looking at the value of Pearson Correlation or Sig. (2-tailed). If the value is greater than the Pearson Correlation values, that is, r-critical value, then the item is valid. In the same way, if Sig. (2-tailed) <0.05, it means that the item is valid with a confidence level of 95% (Kuncoro, 2013).

The results of Validity test on a brand community variables (X1) indicates that the Sig. is not greater than 0.05. Hence, all items are declared to be valid questions. Meanwhile, the results of validity test to the question items on Brand Trust variables (X2) show that there is one item in question (X2.5) which has the Sig. > 0.05. As such, we conclude that such an item is declared to be invalid and must be removed from the instrument.

All items of questions on the Y variable (brand loyalty) has Sig. <0.05 so that it can be concluded that all of the items are valid questions.

The reliability of a measurement indicates the extent to which these measurements are without bias (error-free). Therefore, this will ensure the measurement over time and across a variety of items in the instrument. The reliability test is done using SPSS. A questionnaire is considered reliable if the value of Cronbach's Alpha> 0.6 (Kuncoro, 2013).

Cronbach's Alpha value of the variable brand community is 0.882. While Cronbach's Alpha value is greater than 0.6, then it can be concluded that all items on the statement of job satisfaction variables are declared to be reliable.

Cronbach's Alpha value of the variable brand trust is 0.763. While, the Cronbach's Alpha value is greater than 0.6, then it can be concluded that all items on the statement of job satisfaction variables are reliable.

Cronbach's Alpha value of the variable Brand loyalty is 0.825. While, the Cronbach's Alpha value is greater than 0.6, then it can be concluded that all items of job satisfaction variables are reliable.

RESEARCH ANALYSIS

This study has used multiple linear regression analysis to determine the effect of two independent variables, namely, the brand community (X1) and brand trust (X2) on brand loyalty as dependent variable (Y).

The results of data processing using SPSS obtained from the questionnaire are shown in Table 2 below:

Table 2. Multiple Regression Analysis
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.217	.540		.402	.690		
	x1rata2	.329	.210	.317	1.569	.124	.201	4.975
	x2rata2	.655	.257	.515	2.550	.015	.201	4.975

a. Dependent Variable: yrata

The equation of the multiple linear regression equation based on Table 2 is as follows:

$$\hat{Y} = 0{,}217 + 0{,}329X_1 + 0{,}655X_2$$

- b1 = 0.329 shows that if a brand community is raised one unit and the other variables are constant, there will be an increase in brand loyalty by 0.329 units, assuming other variables remain the same.
- • b2 = 0.655 shows that if confidence in the brand increase by one unit and the other variables are constant there will be an increase in brand loyalty by 0.655 units, assuming other variables remain the same.
- Conclusion: An increase in the level of brand communities and brand trust are associated with the increase in brand loyalty. Conversely, a decrease in the level of brand communities and brand trust are associated with a decrease in brand loyalty.

Simultaneous Significance Test (Test Statistic F)
The F test indicates whether all the independent variables included in the model simultaneously have a significant effect on the dependent variable (Kuncoro, 2013). Statistical test F begins with making hypotheses:

Ho: Brand community and brand trusts do not have a significant effect on Harley
    Davidson motorcycle riders' brand loyalty simultaneously.
Ha: A brand community and brand trust have a significant effect on Harley
    Davidson motorcycle riders' brand loyalty simultaneously

Decision-making is based on the value of Sig. of F. If Sig. <0.05 then Ho is rejected (Ha acceptable) and vice versa.

After processing the data using SPSS, results of the F test are obtained (see Table 3):

Table 3. the Results of F Test
ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.766	2	1.883	40.084	.000^a
	Residual	1.973	42	.047		
	Total	5.738	44			

a. Predictors: (Constant), X2rata2, X1rata2

b. Dependent Variable: Yrata2

Table 3 shows that the calculated F value is 40.084 with Sig. 0,000 (Sig. <0.05). With this calculation, Ho is then rejected and Ha is accepted. Therefore, it can be concluded that brand communities and brand trust have a significant influence on Harley Davidson motorcycle riders' brand loyalty simultaneously.

Individual Significance Test (T Test)

T test is used to examine how independent variables individually or partially explain the variation of dependent variables (Kuncoro, 2013). Decision-making judgment is based on the significance value of T. If Sig. <0.05 then Ho is rejected (Ha acceptable) and vice versa

After processing the data using SPSS program, t test results are obtained as shown in Table 4 below:

Tabel 4. Hasil Uji t
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.217	.540		.402	.690		
	x1rata2	.329	.210	.317	1.569	.124	.201	4.975
	x2rata2	.655	.257	.515	2.550	.015	.201	4.975

a. Dependent Variable: Y

1. Test Results variable t Communities Brand (X1)
Hypothesis:
Ho: Community brand partially no significant effect on brand loyalty on a Harley
    Davidson motorcycle rider.
Ha: Community trademark partially significant effect on brand loyalty on a
    Harley Davidson motorcycle rider.

Results
From Table 5.12 it can be seen that the Sig. for variable brand community is 0.124 (> 0.05), then Ho is accepted and Ha rejected. The conclusion is a brand community partially no significant effect on brand loyalty in Harley Davidson bikers.

2. Test Results Brand Trust t variables (X2)
Hypothesis:
Ho: Brand trust partially have no significant effects on Harley Davidson
    motorcycle riders' brand loyalty on a.
Ha: Brand trust partially has significant effects on Harley Davidson motorcycle
    riders' brand loyalty.

Results
From Table 5.12 it can be seen that the Sig. for the variable brand trust is 0.015 (<0.05), then Ho is rejected and Ha accepted. The conclusion is that brand trust is partially significant effect on brand loyalty on a Harley Davidson motorcycle rider.

CONCLUSION
This study aimed to examine the effects of brand community and brand trust on brand loyalty as well as to test the influence of brand communities and brand trust on brand loyalty. The study was conducted by distributing questionnaires to 45 respondents who were HD bikers in Surabaya. From the results of data analysis using SPSS, the conclusions are as follows:
1. Community brand partially has no effects on brand loyalty in motorcyclists HD.
2. Trust brand partially has significant effects on brand loyalty in HD riders.
3. Community trademark and brand trust simultaneously influences brand loyalty
   of HD riders.

SUGGESTION
This study was only conducted in Surabaya. To get more accurate results, it is advisable for other researchers to distribute questionnaires to the respondents outside the city of Surabaya via an online survey. For some reasons, it is because the characteristics of consumers in Surabaya with consumer characteristics outside Surabaya are different.

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