

Relationship between Brand Experience, Brand Personality, Consumer Satisfaction, and Consumer Loyalty of DSSMF Brand

Margie Zerlina Kwong, Ivan Candinegara

International Business Management Program, Petra Christian University
Jl. Siwalankerto 121-131, Surabaya

E-mail: margiekwong@hotmail.com, ivan.candinegara@gmail.com

ABSTRACT

PT XYZ is one of the market leaders of Indonesia's tobacco market with domination in almost all segments of cigarette. However, PT XYZ is still considered unsuccessful in capturing the market of Full Flavor Machine Made Cigarette (known as SKM FF). This is proven by insignificant performance of DSSMF as PT XYZ's product under SKM FF segment, especially in Javanese market. This research is aimed to analyze the relationship of brand experience, brand personality, consumer satisfaction, and consumer loyalty of DSSMF. Furthermore, this research attempts to examine the role of brand personality as mediating variable between DSSMF brand experience and consumer loyalty.

This research used simple random sampling method. Moreover simple and multiple linear regressions were used as the methods of data-analysis. In gathering the data, the writers used online questionnaire with DSSMF consumers domiciled in Java as the targeted respondents and successfully gathered 94 respondents. These research findings indicate that consumer satisfaction is the only variable significantly impacting DSSMF consumer loyalty. Brand experience and brand personality variables are found to be insignificant to consumer loyalty of DSSMF. Consequently, brand personality is proven not to be the mediating variable between brand experience and consumer loyalty of DSSMF.

Keywords: Brand experience, brand personality, consumer satisfaction, consumer loyalty.

ABSTRAK

PT XYZ merupakan salah satu pemimpin pangsa pasar rokok di Indonesia dengan lingkup dominasi hampir di seluruh segmen rokok. Akan tetapi, PT XYZ belum terhitung sukses merambah pangsa pasar untuk segmen Sigaret Kretek Mesin Full Flavor (SKM FF). Hal ini terbukti dengan kurang signifikannya performa DSSMF sebagai produk PT XYZ pada segmen SKM FF, khususnya pada pasar penikmat rokok di Pulau Jawa. Penelitian ini bertujuan untuk menganalisa hubungan antara brand experience, brand personality, consumer satisfaction, dan consumer loyalty brand DSSMF. Selain itu, penelitian ini juga menguji peran brand personality sebagai variabel mediasi antara brand experience dan consumer loyalty brand DSSMF.

Penelitian ini menerapkan metode simple random sampling. Selain itu, metode analisa data yang digunakan adalah regresi linear sederhana dan berganda. Dalam pengumpulan data, penulis menggunakan media kuesioner online dengan target responden penikmat DSSMF yang berdomisili di wilayah Pulau Jawa dan berhasil mengumpulkan 94 responden. Dari hasil penelitian, diketahui bahwa hanya variabel consumer satisfaction yang secara signifikan berpengaruh pada consumer loyalty brand DSSMF. Variabel brand experience dan brand personality diketahui tidak memiliki pengaruh signifikan terhadap consumer loyalty brand DSSMF. Dengan kata lain, brand personality tidak terbukti sebagai variabel mediasi brand experience dan consumer loyalty.

Kata Kunci: Brand experience, brand personality, consumer satisfaction, consumer loyalty.

INTRODUCTION

Tobacco industry still remains as one of the promising industries in Indonesia. This can be seen by the fact that

Indonesia ranks fourth as the biggest cigarette-consuming country after China, Russian Federation, and United States with approximate consumption of 261 billion cigarettes annually (World Lung Foundation, 2009). Several factors

are pointed out as the main causes of Indonesia's high consumption of cigarettes, which are population growth, rising incomes, and mechanization of kretek industry (Barber, Ahsan, Adioetomo, & Setyonaluri, 2008). In addition, low production costs, which are contributed by cheap labor and domestically-sourced raw materials make cigarettes are more affordable to consume by Indonesians ("Indonesian Tobacco Industry Expected to Continue Its Growth in 2014", 2013, October).

For sure, it is needed high number of supplies to serve this massive cigarette demand. In Indonesia, there are approximately 1,000 tobacco companies with 5 companies are dominating 90% of the market share ("Wismilak Posts Highest Profit Growth", 2013, November; PT XYZ Public Expose, 2013). Those 5 companies are PT XYZ, PT GG, PT DJ, PT BAT, and PT NJ. The rest 10% of market share comes from 995 tobacco companies that are spreading all over Indonesia.

PT XYZ is one of the market leaders in tobacco industry. Dominating the market for around 35%, PT XYZ has shown that it is outperforming other players in the same industry. PT XYZ has several products in each segment and most of the products generate high portion of market share in each of their segments. SKT (hand-rolled kretek), SKM LTLN (low tar low nicotine machine-made kretek), and SPM (white cigarette) are segments that are well captured by PT XYZ. PT XYZ also produces brand under SKM FF (full flavor machine-made kretek). Unfortunately, SKM FF segment is not the segment which is included as one of PT XYZ's strengths.

Aside from the tight competition faced by PT XYZ in tobacco industry, there are also some challenges which PT XYZ has to encounter. One of those challenges is the enforcement of PP No.109/2012 about limitation on cigarette promotion that will be imposed on June 2014. Limitation on cigarette promotion includes limitation of the size for printed advertisement, limitation of the showing time for TV advertisement, restriction to put the advertisement in protocol streets, and restriction to put the advertisement on the cover of printed media and front page of newspaper (Kementerian Kesehatan Republik Indonesia, 2013). By all means, this PP No. 109/2012 will obstruct marketing efforts of tobacco companies that have been used as ways to stimulate people to buy their products, including DSSMF. Therefore, looking at this condition, it is needed to find the effective and efficient way in promoting and marketing DSSMF. Increasing advertisement or promotion is no longer an option for PT XYZ since it will be limited.

One of the strategies that are currently quite discussed in marketing scope is brand experience. The term brand experience has recently gained increasing popularity since there is change in consumers' priority over choosing product or service (Brakus, Schmitt, & Zarantonello, 2009). According to Morrison and Grane (2007); Zarantonello and Schmitt (2010), product or service functionality is not the main concern of consumers anymore, yet experience gained from the brand of product or service is the main concern of nowadays' consumers (in Walter, Cleff, & Chu, 2013, p.131). As the obvious example is Starbucks, which offers

excellent brand experience when its customers are enjoying their cup of coffee.

Several studies have shown as well that there is relationship between brand experience towards brand personality, consumer satisfaction, and consumer loyalty. Those studies are mainly rooted from the model developed by Brakus et al. (2009) which shows that brand experience affects consumer satisfaction and consumer loyalty in direct and indirect manner through brand personality. Referring to these, the writers are interested to also find out and analyze the relationships between brand experience, brand personality, consumer satisfaction, and consumer loyalty of DSSMF as a mean to increase its market share in SKM FF segment.

LITERATURE REVIEW

Brand Experience

According to Brakus, Schmitt, and Zarantonello (2009, p.53), brand experience is defined as "subjective, internal consumer responses (sensations, feelings, and cognitions) and behavioral responses evoked by brand-related stimuli that are part of brand's design and identity, packaging, communications, and environments". The almost-similar definition is also expressed by Gentile, Spiller, and Noci (2007) who defined brand experience as customer experience with the product or company that is established through customer personal relationship with the product or company itself (in Shamim & Butt, 2013, p.103). Based on the two definitions about brand experience, it can be seen that brand experience comes as consumers' personal or exclusive response which is provoked by brand-related stimuli.

Brand experience alone has four dimensions as they are reflected in brand experience definition by Brakus, Schmitt, and Zarantonello (2009). The four dimensions are sensations, feelings, cognitions, and behavioral. Further, those four dimensions are written as sensory, affective, intellectual, and behavioral in the same journal by Brakus, Schmitt, and Zarantonello (2009).

- Sensory

According to Zarantonello & Schmitt (2010), sensory dimension refers to stimulations which are associated with vision, hearing, smell, taste, and touch that are presented by a brand (in Lee & Kang, 2012, p.89). In other words, sensory addresses to the interesting brand presentation that can be captured by human five senses. This sensory dimension will make consumers feel that the brand has strong impression and is appealing according to their senses. For instance, consumers will feel the nice taste and smell of Starbucks coffee when they are exposed with Starbucks advertisement in the Internet.

- Affective

Affective dimension is defined as response of consumer toward brand-related stimuli that is related to consumer's emotional capacity – feeling or mood (Chen & Ma, n.d.). This affective dimension will stimulate consumer's feeling such as fun, fresh, elegant, etc.

- Intellectual

Intellectual dimension is defined as consumer's cognitive response toward the brand in which consumer is evoked to think or feel curious about aspects within the brand (Lee & Kang, 2012). As an example, consumers may feel curious about the meaning behind brand's design or logo.

- Behavioral

According to Zarantonello & Schmitt (2010), behavioral dimension refers to physical behavior or action stimulated by the brand (in Lee & Kang, 2012, p.90). This behavioral dimension relates to "bodily experiences", "lifestyles", and "interaction with brands" (Lee & Kang, 2012). As an illustration, consumers will feel to work out or jogging when they see Adidas advertisement in television.

Brand Personality

Brand personality is widely accepted as human characteristics that can be represented and associated with the brand (Aaker, 1997). According to Aaker (1997), brand personality consists of five dimensions and they are sincerity, excitement, competence, sophistication, and ruggedness.

- Sincerity

In general, Aaker (1997) defined sincerity as down to earth, honest, wholesome, and cheerful. Down to earth is reflected by several traits such as down to earth, family-oriented, and small town; honest is reflected by honest, sincere, and real; wholesome is represented by being wholesome and original; and cheerful is reflected by traits of cheerful, sentimental, and friendly.

- Excitement

According to Aaker (1997), excitement is highly correlated with being daring, spirited, imaginative, and up to date. Daring is specifically related to daring, trendy, and exciting. Moreover, spirited is reflected by traits of spirited, cool and young. Imaginative and unique are traits that represent imaginative facet. The last one is up to date which is represented by the traits, which are up to date, independent, and contemporary.

- Competence

Aaker (1997) defined competence with terms such as reliable, intelligent, and successful. Reliable means that the brand is reliable, secure, and represents hard working characteristic. Intelligent means that the brand is technical, corporate, and intelligent; whereas successful refers to brand traits that are successful, leader, and confident.

- Sophistication

Sophistication refers to upper-class (upper-class, glamorous, and good-looking) and charming (charming, feminine, and smooth) in accordance to Aaker (1997).

- Ruggedness

Based on Aaker (1997), ruggedness is associated with outdoorsy and tough facets. Outdoorsy is represented by the traits of outdoorsy, masculine, and western; while tough refers to being tough and rugged.

Consumer Satisfaction

According to Kotler (2000), consumer satisfaction is defined as a person's emotional judgment towards product

or service which is the result of comparing product's real performance and the product performance expectations (in Angelova & Zekiri, 2011, p. 238). Aligned with Kotler, Hansemark & Albinsson (2004) also defined consumer satisfaction as consumer's emotional response or attitude towards product or service provider by evaluating the difference between what consumer expects and receives (in Angelova & Zekiri, 2011, p. 238). Hence, referring to those definitions, it can be concluded that the essence of consumer satisfaction lies on the comparison between consumers' expectations and actual experience towards the product or service.

In addition, according to Anderson & Srinivasan (2003), consumer satisfaction alone can be measured through five dimensions, which are overall satisfaction, consumer favorite, consumer loyalty, consumer recommendation, and priority option (in Shanin, Abandi, and Javadi, 2011, p. 130). Moreover, according to Masroujeh (2009), consumer satisfaction is not only limited to the performance or feeling of product or service, but it could also capture satisfaction of product or service information. The product or service information here refers to the advertisement, information of product attached in the packaging, and salesperson communications. In the end, according to Palmatier, Dant, Grewal, and Evans (2006), consumer satisfaction is believed as beneficial for a company since it creates "positive word of mouth", "cross-buying", and "customer loyalty" (in Yoshida & James, 2010, p. 338).

Consumer Loyalty

Consumer loyalty, according to Oliver (1997), is defined as consumers willingness to commit buying product or service consistently, regardless the external factors (i.e. competitors' marketing or promotion) that might trigger consumers to switch and buy products from other providers (in Li, Green, Farazmand, & Grodzki, n.d., p. 4). Another definition of consumer loyalty is expressed by Baumann, Elliott, and Hamin (2011), which simply defines loyalty as "attitude and behavior" (in Rai & Medha, 2013, p. 141).

According to Chitty, Ward, and Chua (2007), consumer loyalty has two dimensions which are attitudinal and behavioral. Behavioral loyalty refers to the strong intention to re-purchase, whereas the attitudinal loyalty is related to emotional and psychological aspects of loyalty (in Donnelly, 2009, p. 52). Further, those two dimensions are combined to act as the composite measurement of consumer loyalty. According to Jones & Taylor (2007), behavioral loyalty is measured by three variables and they are repurchase intentions, switching intentions, and exclusive intentions. Repurchase intentions are consumers willingness to make the next purchase of product or service from certain company. Switching intentions are defined as consumers' willingness not to buy the product or service from the company and their willingness to buy the product within the same category from another company. This switching intention has negative relationship to consumer loyalty in which consumers are considered loyal when their switching intentions are low.

In addition, Jones & Taylor (2007) also stated that there are three measurement variables of attitudinal loyalty. The measurement variables are relative attitude, willingness to recommend, and altruism. Relative attitude is evaluation towards the product or service and “degree of differentiation from alternatives”. Willingness to recommend represents consumers’ willingness to recommend or share the good experience toward the product or service to other consumers. Altruism is “consumers’ willingness to assist the company or other consumers in the effective delivery of product or service”. For example, an individual may donate to the company to show the support for company’s charity program.

Relationships between Concepts

The relationships between concepts are adapted from Brakus, Schmitt, and Zarantonello (2009) research which examined 2 direct relationships and 2 indirect relationships. The direct relationships are: (1) Brand experience – Consumer loyalty (2) Brand experience – Consumer satisfaction – Consumer loyalty. Meanwhile, the indirect ones are: (1) Brand experience – Brand personality – Consumer loyalty (2) Brand experience – Brand personality – Consumer satisfaction – Consumer loyalty.

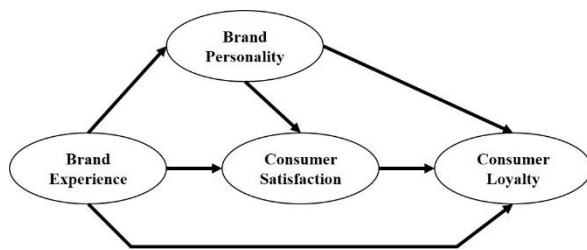


Figure 1. Relationships between Concepts

In this study, brand experience acts as the independent variable and the dependent variable is consumer loyalty. Meanwhile, brand personality and consumer satisfaction are functioned as the mediating variables. As a way to analyze the relationship of variables, the writers develop hypotheses based on several related theories and studies, which are as followings.

1. Brand experience has significant influence on brand personality.
2. Brand experience has significant influence on consumer satisfaction.
3. Brand experience has significant influence on consumer loyalty.
4. Brand personality has significant influence on consumer satisfaction.
5. Brand personality has significant influence on consumer loyalty.
6. Consumer satisfaction has significant influence on consumer loyalty.
7. Brand experience and brand personality simultaneously influence consumer satisfaction.
8. Brand experience, brand personality, and consumer satisfaction simultaneously influence consumer loyalty.

RESEARCH METHOD

In gathering the data for this study, the writers distribute the questionnaires via online with the targeted respondents of DSSMF consumers in Java Island only. The targeted respondents are also limited in terms of the age – starting from 18 years old above. The questionnaire distribution adapted the simple random sampling in which the questionnaire was expected to cover respondents from all provinces in Java with heterogeneous background. The minimum sample size of this study is 74, based on the sample size formula by Tabachnick and Fidell (in Pallant, 2005, p. 142).

The questionnaire being used in this study basically captured respondents’ profile (gender, age, domicile area, occupation, monthly income, experience of consuming DSSMF, and frequency of buying DSSMF weekly) and respondents’ ratings towards DSSMF brand experience, brand personality, consumer satisfaction, and consumer loyalty. The measurement items of brand experience, brand personality, consumer satisfaction, and consumer loyalty are based on the literature review and they are all measured using 5-point Likert scale (1 represents strongly disagree and 5 represents strongly agree).

Table 1. Indicators of Brand Experience Dimensions

Brand Experience Aspects	Indicators
Sensory	DSSMF advertisement makes distinguished and memorable impression on consumers’ visual sense or other senses.
	Packaging of DSSMF is interesting visually.
	In terms of taste, DSSMF is good.
	In terms of smell, DSSMF is good.
Affective	DSSMF puts me in a better mood.
	DSSMF creates strong positive emotions to consumers.
Intellectual	Consumers are curious about the message which are delivered in DSSMF advertisement.
	Consumers are curious about the difference between DSSMF and DSS (parent brand).
Behavioral	Consumers are inspired to have glamorous lifestyle after seeing DSSMF advertisement.

Table 2. Indicators of Consumer Loyalty Dimensions

Consumer Loyalty Dimensions	Indicators
Repurchase intentions	Consumer will probably buy DSSMF again.
Switching intentions	Consumer is unlikely to switch buying another brand of cigarette.
Exclusive intentions	Consumer will buy DSSMF when they need to smoke.
	Majority of consumer's cigarette purchase is DSSMF.
Relative attitude	DSSMF is superior in every way.
	DSSMF has high standard of quality.
Willingness to recommend	Consumer says positive things about DSSMF to other people.
	Consumer will recommend DSSMF to someone who asks for advice about cigarette.
	Consumer encourages relatives/friends to buy DSSMF

Table 3. Indicators of Brand Personality Dimensions

Brand Personality Dimensions	Indicators
Excitement	Consumer will think of young image when he/she is asked about DSSMF.
Competence	Consumer will think of smart image when he/she is asked about DSSMF.
Sophistication	Consumer will think of upper-class image when he/she is asked about DSSMF.
Ruggedness	Consumer will think of masculinity when he/she is asked about DSSMF.

Table 4. Indicators of Consumer Satisfaction Dimensions

Consumer Satisfaction Dimensions	Indicators
Overall satisfaction	Consumer is satisfied with the overall performance of DSSMF.

Consumer favorite	Consumer often and repetitively buys DSSMF.
Priority option	Consumer considers DSSMF as the number one option in cigarette category.
Advertisement satisfaction	Consumer is satisfied with DSSMF advertisement.

After gathering the data, the writers conducted several tests using IBM SPSS 21.0 for Mac and Microsoft Excel. The tests performed by the writers are reliability and validity tests as well as four classical assumption tests (normality, autocorrelation, multicollinearity, heteroscedasticity test). Afterwards, linear and multiple regressions are also performed.

Reliability test has to do with the consistency of the measuring instrument in supplying the results. According to Nunnally (1994), variable is said to have reliable indicators if it has a Cronbach's Alpha of 0.7 or higher (in Ghazali, 2011, p. 48). A variable with a Cronbach's Alpha below 0.7 or even approaching 0 has many errors or not reliable.

According to Cooper and Schindler (2011), a validity test should help the writers to understand whether their chosen measuring instruments really measure what they actually want to measure. To check the validity, the writers compare each variable's r from the questionnaire with the r from the table. The r from the questionnaire can be seen in the Corrected Item-Total Correlation column. The r from the table is using 2-tailed r table with N-2 degree of freedom, where N is the number of sample, and 95% significance level.-The measuring instruments will then be said to be valid only (null hypothesis is failed to be rejected) when its r is higher than the r shown in the r table (Ghozali, 2011).

According to Gravetter & Wallnau (2000), the purpose of having a normality test is to ensure that the distribution of the residuals is 'normal', meaning that it can be described as a symmetrical, bell-shaped curve, with the most frequency of data in the middle and less frequencies nearing the extremes (in Pallant, 2005, p. 53).

Meanwhile, the statistical analysis is looking at the kurtosis and skewness values of the residuals (Ghozali, 2011). Kurtosis explains the 'peakedness' of the probability distribution, while skewness explains the asymmetry of the probability distribution. The way to calculate them is as follows:

$$Z_{kurtosis} = \text{Kurtosis} / (\sqrt{24/N})$$

$$Z_{skewness} = \text{Skewness} / (\sqrt{6/N})$$

When both kurtosis and skewness are at zero, it means the distribution is perfectly normal (Pallant, 2005). The residuals' distribution can be said as distributed normally when the kurtosis and skewness shows values between -1.96 and +1.96 for 0.05 significance level (Ghozali, 2011).

Autocorrelation test tries to examine the existence of correlation between the residuals of a certain period (period t) with the residual from the previous period (period t-1). In order to check the existence of autocorrelation, the writers are going to use the Durbin-Watson test in IBM SPSS 21.-The possible decisions and conditions for this test are listed in the table below.

Table 5. Possible Decisions and Conditions for Autocorrelation Test

Null Hypothesis	Decision	Condition
No positive autocorrelation	Reject	$0 < d < dl$
No positive autocorrelation	No decision	$dl \leq d \leq du$
No negative correlation	Reject	$4 - dl < d < 4$
No negative correlation	No decision	$4 - du \leq d \leq 4 - dl$
No autocorrelation, positive or negative	Accept	$du < d < 4 - du$

Source: Ghozali, 2011, p.11

Saunders, Lewis, and Thornhill (2009) explained multicollinearity as a situation where two or more independent variables are correlated to each other. When multicollinearity exists, it makes things difficult for the writers to examine the separate effects of individual variables. According to Hair, Black, Babin, Anderson, and Tatham (2006), the rule of thumb of a multicollinearity presence is when the correlation is as high as 0.90 or above. Another way to measure, which happens to be the more common way, is using tolerance value and its opposite, variance inflation factor (VIF) (Ghozali, 2011). Furthermore, according to Pallant (2005), multicollinearity happens when the tolerance value is very small, below 0.10, or the variance inflation factor (VIF) is above 10.

In this research, the writers conducted the Park test as the heteroscedasticity test. The decision rule for the Park test is from the beta parameter coefficients of the regression model. Hence, as the decision rule, when the coefficients are significant (showing significance value below 0.05), explaining the occurrence of heteroscedasticity (Ghozali, 2011). On the contrary, insignificant coefficients (showing significance value above 0.05) explain the homoscedasticity within the regression model.

The first stage is to do a linear regression analysis between brand experience and brand personality. The next stage is a multiple regression analysis consisting of brand experience and brand personality as the independent variables and consumer satisfaction as the dependent variable. Last, another multiple regression analysis with brand personality, consumer satisfaction, and brand experience as the independent variables and consumer loyalty as the dependent variable.

Ghozali (2011) explained that the accuracy of a regression model depends on its goodness of fit. The common three factors to be analyzed are F-test, t-test, and Adjusted R².

The F-test will provide the overall significance of the model. The hypothesis to be checked is:

$$H_0: \beta_1 = \beta_2 = \beta_3 = 0$$

$$H_A: \beta_1 \neq \beta_2 \neq \beta_3 \neq 0$$

Since this research is using 5% significance level, the decision rule for the hypothesis above is as follows:

- If the Sig. value in the ANOVA table is above 0.05, then the null hypothesis is failed to be rejected.
- If the Sig. value in the ANOVA table is below 0.05, then the null hypothesis is rejected.

The t-test is basically used to help the writers understand the significance of each independent variable in the regression model.

The hypothesis to be tested is:

$$H_0: \beta_i = 0$$

$$H_A: \beta_i \neq 0$$

The decision rule for the hypothesis above is as follows:

- If the Sig. value in the Coefficients table is above 0.05, then the null hypothesis is failed to be rejected.
- If the Sig. value in the Coefficients table is below 0.05, then the null hypothesis is rejected.

The Adjusted R² represents the capability of the independent variable(s) to explain the variations in the dependent variable. The value will always be between 0 and 1, with higher value indicating better capability of the independent variable(s) to predict the variations in the dependent variable (Ghozali, 2011).

RESULTS AND DISCUSSION

Table 6. Reliability and Validity Tests

Variable	Cronbach's Alpha	Calculated r vs. r Table
Brand Experience	0.925	All calculated r values are above r Table value (0.203)
Brand Personality	0.868	
Consumer Satisfaction	0.863	
Consumer Loyalty	0.925	

The collected data should first undergo the reliability and validity tests to ensure that the indicators of each variable are all reliable and valid.

To test the validity of the variables' indicators, the rule is to compare the calculated r values and the r table value. The calculated r can be found in the Corrected Item-Total Correlation column, while the r table for this research with 92 degree of freedom and 0.05 significance level is 0.203. The numbers in table 1 above show that the variables in this DSSMF research have reliable and valid indicators.

There are four classical assumption tests, as the preliminary steps for the three linear regression models within this research.

Table 7. Normality Tests

Regression Model	Zskewness	Zkurtosis
Simple	-0.0673	1.0054
Multiple #1	-0.5027	1.0054
Multiple #2	-0.173	-0.234

Table 2 shows the Zskewness and Zkurtosis of all three regression models in this research. All are between -1.96 and +1.96, proofing that the residuals are all distributed normally.

Table 8. Autocorrelation Tests

Regression Model	d_U	D-W	$4-d_U$
Simple	1.691	1.878	2.309
Multiple #1	1.708	1.778	2.292
Multiple #2	1.731	1.996	2.269

Table 3 shows that all models' Durbin-Watson values are always between d_U and $4-d_U$ limit. This means that no autocorrelation, both positive and negative, occurs between the residuals in the regression models.

Table 9. Multicollinearity Tests

Regression Model	Independent Variable	Highest Correlation	Tolerance	VIF
Simple	EXPERIENCE			
Multiple #1	EXPERIENCE	0.825	0.319	3.134
	PERSONALITY		0.319	3.134
Multiple #2	EXPERIENCE	0.613	0.199	5.022
	PERSONALITY		0.305	3.275
	SATISFACTION		0.258	3.881

Multicollinearity occurs when the correlation between independent variables are as high as 0.9 or when the tolerance value is below 0.1 or when the VIF value is above 10. Table 4 proves that multicollinearity issue does not occur in this DSSMF research.

Table 10. Heteroscedasticity Tests

Regression Model	Independent Variable	Sig. from Park Test
Simple	EXPERIENCE	0.909
Multiple #1	EXPERIENCE	0.329
	PERSONALITY	0.149
Multiple #2	EXPERIENCE	0.813
	PERSONALITY	0.403
	SATISFACTION	0.373

Heteroscedasticity takes place when the significance value from the Park Test is lower than 0.05. Based on table 5, it can be concluded that no heteroscedasticity takes place in this research.

Table 11. Regression Analyses

Regression Model	Independent Variable	F-test	t-test	Beta	Adjusted R ²
Simple	EXPERIENCE	0.000	0.000	0.825	0.677
Multiple #1	EXPERIENCE	0.000	0.000	0.697	0.737
	PERSONALITY		0.046	0.191	
Multiple #2	EXPERIENCE	0.000	0.225	0.119	0.825
	PERSONALITY		0.240	-0.093	
	SATISFACTION		0.000	0.879	

The F-test shown in table 6 stated that the significance value of all three regression models are much lower than 0.05. Thus, it can be concluded that brand experience is a significant influencer of brand personality; brand experience and brand personality are significant influencers of consumer satisfaction simultaneously; and brand experience, brand personality, and consumer satisfaction significantly influence consumer loyalty simultaneously.

The significance values from the t-test are all below 0.05, except for brand experience and brand personality to consumer loyalty. In other words, since the significance value from the t-test of brand experience to consumer loyalty is 0.225 and brand personality to consumer loyalty is 0.240, it can be concluded that brand experience and brand personality acting individually cannot be a significant influencer of consumer loyalty. For the simple linear regression model, when the standard deviation of brand experience increases by one unit, the standard deviation of brand personality will increase by 0.825 unit.

Brand experience is insignificant toward consumer loyalty probably because the aspects the writers look for within the brand experience does not consist only things about the product itself rather including other things such as the advertisement and the branding of the product. Unfortunately, some aspects like these two may not always affect consumer loyalty. Consumer loyalty may depend on the product itself. For instance for food product, the most important thing to consider for one's purchase is the food product itself (Tolusic, Zmaic, and Deze, 2002). Things such as taste and scent play very important roles for food products. This argumentation can also be applicable for other products consumers can consume like cigarettes. It is understandable because consumers want to be loyal to consumable things like cigarettes and foods more primarily because of their tastes or scents rather than because of the eye-catching ads. Out of 94 respondents, 51 rated the taste of DSSMF (EX3) and 45 rated the smell (EX4) as ordinary (3) or below.

Another thing as important as the product itself is how the consumers see the brand's personality. Many brands offer similar products, but only some are becoming the leaders in the market. A successful brand requires a distinct brand personality (Farhat & Khan, 2011). For instance, a brand that is seen to be innovative will sell better than other brands that are not seen having the innovative personality. That said, it is very crucial for brands to aim for a good brand personality through communication such as advertising or direct marketing because this is the most important part of brand personality that can enhance the formation of a strong brand personality on the consumers'

side (Magin, Algesheimer, Huber, and Hermann, 2003). DSSMF, through its ads, looks that it wants to be seen as a brand for young, intelligent, upper class, and masculine people. However, consumers may see them differently.

Table 12. Additional Regression Analysis

Independent Variable	F-test	t-test	Beta	Adjusted R ²
EXPERIENCE	0.000	0.000	0.732	0.623
PERSONALITY		0.509	0.075	

In order to understand whether mediations really occur in our research, the additional regression model is required. Table 8 above explained that brand experience is a significant influencer of consumer loyalty when consumer satisfaction is not around. However, when consumer satisfaction comes into the regression model, brand experience becomes insignificant toward consumer loyalty. This means that a full mediation by consumer satisfaction happens. The arrival of consumer satisfaction variable takes over the role of brand experience in influencing consumer loyalty. This is in accordance with the research by Saeed et al. (2013) that consumer satisfaction should happen first before consumer loyalty for cigarette product.

Further, to really understand whether the mediation is really significant, a Sobel test should be done between brand experience (independent variable), consumer satisfaction (mediating variable), and consumer loyalty (dependent variable). When the result is higher than 1.96, then consumer satisfaction is proven to be a significant mediator between brand experience and consumer loyalty. Since the calculated t for Sobel test is 8.586, above 1.96, this means it can be concluded that mediation exists.

CONCLUSION

PT XYZ is the market leader in tobacco industry which dominates the market for approximately 35%. However, having that big number of domination does not indicate that all brands from PT XYZ are successfully accepted by the market. DSSMF is PT XYZ's brand which turns out to have insignificant share in its category – SKM FF. Understanding this fact, it is crucial for PT XYZ to take meaningful actions in order to increase DSSMF market share. One of the ways to increase DSSMF market share is by understanding the brand experience of DSSMF, especially since brand experience concept has recently gained popularity as the tool to increase consumer loyalty and competitive advantage (Brakus, Schmitt, and Zarantonello, 2009; Yao, Wang, and Liu, 2013). In this research, the writers attempted to analyze the relationship of DSSMF brand experience, brand personality, consumer satisfaction, and consumer loyalty.

From this research, the writers found that brand experience has insignificant relationship to consumer loyalty as well as brand personality has insignificant relationship to consumer loyalty. Consumer satisfaction is the only independent variable capable of significantly influencing consumer loyalty. In addition, from this research, the writers found that consumer satisfaction is

significantly influenced by brand experience and brand personality. This research also proves that brand experience is a significant influencer of brand personality of DSSMF. Further, it is proven that consumer satisfaction fully mediates the relation between brand experience and consumer loyalty, which is in accordance with previous research by Saeed et al. (2013). Therefore, the writers have been successful in answering the statements of research problem and the aimed research objectives. At least three recommendations can be provided to enhance the performance of DSSMF. The first is to improve the development of the cigarette itself by listening more to the target market. This is based on the not-so-satisfying results, especially the taste and smell, from the questionnaire and interview with several respondents. The second recommendation would be for DSSMF to have clear brand personality. This can be achieved through advertisement consistency. DSSMF ads have been proven to be positively rated by our respondents, however the brand personality is not strong enough. Hence, consistency could be the key to this problem. DSSMF can learn from Marlboro and A Mild for instance, that they always be consistent in building the brand personality by having consistent model or tag line. Another way to strengthen the brand personality can be by sponsoring related events. In this case DSSMF can look at what Marlboro does. To strengthen the personality as a masculine brand, it chooses to sponsor more extreme kind of sports. For DSSMF, they should try to sponsor events closely related to upper-class image. The last recommendation is to stay aligned to the idea of creating a clear brand personality. It is funny when we know that the price of DSSMF is not as expensive as what we thought. It is even funnier because DSSMF tries to be seen as a premium brand but its price is not. We believe that this may not be as controversial as it sounds because the demand of tobacco products is insensitive to price changes.

This research definitely can be improved in the future. First, increasing the number of sample size can make the improvement. The second is to distribute the questionnaire more evenly. In our research, due to the some limitations, we could only distribute the questionnaire through the Internet. It would be better if in the future, the research can gather similar number of respondents from each area. The last limitation of our research is limited previous relevant researches, especially those which are related to tobacco product. Most tobacco-related researches are around the health impact of consuming tobacco. Last but not least, a direction can be given about the DSSMF advertisement in the questionnaire so that the respondents will not recall the wrong ads. This is important let's say when there are more premium cigarette brand in the future.

REFERENCES

- Aaker, J.L. (1997, August). Dimensions of brand personality. *Journal of Marketing Research*, 34, 347 – 356. Retrieved March 12, 2014, from <http://www.haas.berkeley.edu/groups/finance/Papers/DimensionsofBPJMR1997.pdf>.
- Angelova, B. & Zekiri, J. (2011, October). Measuring customer satisfaction with service quality using

- American Customer Satisfaction Model (ACSI Model). *International Journal of Academic Research in Business and Social Sciences*, 1 (3), 232 – 258. Retrieved March 26, 2014, from <http://www.hrmars.com/admin/pics/381.pdf>.
- Barber, S., Ahsan, A., Adioetomo, S.M. & Setyonaluri, D. (2008). Tobacco economics in Indonesia. Retrieved February 22, 2014, from http://global.tobaccofreekids.org/files/pdfs/en/Indonesia_Tobacco_Economics_full_en.pdf.
- Brakus, J. J., Schmitt, B. H. & Zarantonello, L. (2009, May). Brand experience: What is it? How is it measured? Does it affect loyalty? *Journal of Marketing*, 73, 52-68. Retrieved February 24, 2014, from http://bear.warrington.ufl.edu/weitz/mar7786/Articles/brakus_etal_2009_brand_experience.pdf
- Chen, A.C. & Ma, C.L. (n.d.). The impact of brand experience on customer equity. Retrieved March 18, 2014, from <http://www.nedsi.org/proc/2011/proc/p101209003.pdf>.
- Cooper, D. R. & Schindler, P. S. (2011). *Business research methods* (11th ed.). New York: McGraw-Hill/Irwin.
- Donnelly, M. (2009). Building customer loyalty: A customer experience based approach in a tourism context. Retrieved March 25, 2014, from http://riikon.ie/images/publications/Donnelly_2009_Building_Customer_Loyalty_A_Customer_Experience_Based_Approach_Masters_Thesis.pdf.
- Farhat, R. & Khan, B. M. (2011). Importance of brand personality to customer loyalty: A conceptual study. *New Media and Mass Communication*, 1, 4-10. Retrieved May 8, 2014 from <http://www.iiste.org/Journals/index.php/NMMC/article/viewFile/868/783>.
- Ghozali, I. (2011). *Aplikasi analisis multivariate dengan program IBM SPSS 19* (5th ed.). Semarang: Badan Penerbit Universitas Diponegoro.
- Hair, J.F., Black, B., Babin, B., Anderson, R.E. & Tatham, R.L. (2006). *Multivariate Data Analysis* (6th ed.). Harlow: Pearson Education.
- Indonesian tobacco industry expected to continue its growth in 2014. (2013, October 28). Retrieved February 22, 2014, from <http://www.indonesia-investments.com/news/todays-headlines/indonesian-tobacco-industry-expected-to-continue-its-growth-in-2014/item1255>.
- Jones, T. & Taylor, S.F. (2007). The conceptual domain of service loyalty: How many dimensions? *Journal of Services Marketing*, 21 (1), 36 – 51. Retrieved March 22, 2014, from Proquest database.
- Kementerian Kesehatan Republik Indonesia. (2013). Peraturan Republik Indonesia nomor 109 tahun 2013 tentang pengamanan bahan yang mengandung zat adiktif berupa produk tembakau bagi kesehatan. Retrieved February 22, 2014, from http://www.depkes.go.id/downloads/InfoTerkini_P109_2012_Tentang_Tembakau.pdf.
- Lee, H.J. & Kang, M.S. (2012). The effect of brand experience on brand relationship quality. *Academy of Marketing Studies Journal*, 16 (1), 87-98. Retrieved February 22, 2014, from Proquest database.
- Li, M. L., Green, R. D., Farazmand, F. A. & Grodzki, E. (2012). Customer loyalty: Influences on three types of retail stores' shoppers. *International Journal of Management and Marketing Research*, 5 (1), 1-19. Retrieved March 19, 2014, from http://papers.ssm.com/sol3/papers.cfm?abstract_id=1957207.
- Magin, S., Algesheimer, R., Huber, F. & Hermann, A. (2003). The impact of brand personality and customer satisfaction on customer's loyalty: Theoretical approach and findings of a causal analytical study in the sector of internet service providers. *Electronic Markets*, 13 (4), 294-308. Retrieved May 8, 2014, from http://aws.iwi.uni-leipzig.de/em/fileadmin/user_upload/doc/Issues/Volume_13/Issue_04/V13I4_The_Impact_of_Brand_Personality_and_Customer_Satisfaction_on_Customers_Loyalty.pdf
- Masroujeh, W.F. (2009). Critical factors for customer satisfaction and delight in the Palestinian pharmaceutical market. Retrieved March 26, 2014, from <http://library.iugaza.edu.ps/thesis/87084.pdf>.
- Pallant, Julie. (2005). *SPSS survival manual: A step by step guide to data analysis using SPSS for Windows (version 12)* (2nd ed.). New South Wales: Allen & Unwin.
- Rai, A.K. & Medha, S. (2013, June). The antecedents of customer loyalty: An empirical investigation in life insurance context. *Journal of Competitiveness*, 5 (2), 139 – 163. Retrieved March 25, 2014, from <http://www.cjournal.cz/files/139.pdf>.
- Saeed, R., et al. (2013) Antecedents of cigarette brands loyalty in Pakistan. *Journal of Basic and Applied Scientific Research*, 3(5), 969-975. Retrieved March 17, 2014, from [http://www.textroad.com/pdf/JBASR/J.BasicAppl.SciRes.3\(5\)969-975.2013.pdf](http://www.textroad.com/pdf/JBASR/J.BasicAppl.SciRes.3(5)969-975.2013.pdf)
- Saunders, M., Lewis, P. & Thornhill, A. (2009). *Research methods for business students* (5th ed.). Essex: Pearson Education Limited.
- Shamim, A. & Butt, M.M. (2013). A critical model of brand experience consequences. *Asia Pacific Journal of Marketing and Logistics*, 25 (1), 102 – 117.
- Shanin, A., Abandi, A.A. & Javadi, M.H. (2011, December). Analyzing the relationship between customer satisfaction and loyalty in the software industry – with a case study in Isfahan System Group. *International Journal of Business and Social Science*, 2 (23), 129 – 136. Retrieved March 15, 2014, from http://ijbssnet.com/journals/Vol_2_No_23_Special_Issue_December_2011/14.pdf.

- Tolusic, Z., Zmaic, K. & Deze, J. (2002). Marketing-mix in the function of the organic food of Eastern Croatia. *Ekonomski Pregled*, 53 (7-8), 782-794. Retrieved May 3, 2014 from <http://hrcak.srce.hr/file/44535>.
- Walter, N., Cleff, T. & Chu, G. (2013, January). Brand experience's influence on customer satisfaction and loyalty: A mirage in marketing research? *International Journal of Management Research and Business Strategy*, 2(1), 133 – 144.
- Wismilak posts highest profit growth (2013, November 18). Retrieved February 21, 2014, from <http://en.ift.co.id/posts/wismilak-posts-highest-profit-growth>.
- World Lung Foundation. (2009). Top 5 cigarette consuming countries. Retrieved February 22, 2014, from http://www.tobaccoatlas.org/products/cigarette_consumption/fig_c/
- Yao, J., Wang, X. & Liu, Z. (2013) Brand management innovation: a construction of brand experience identification system. *Journal of Applied Sciences*, 13(21), 4477-4482. Retrieved February 12, 2014, from <http://scialert.net/abstract/?doi=jas.2013.4477.4482>.
- Yoshida, M. & James, J.D. (2010). Customer satisfaction with game and service experiences: Antecedents and consequences. *Journal of Sport Management*, 24, 338 – 361. Retrieved March 21, 2014, from http://www.humankinetics.com/acucustom/sitenamedam/067/243_yoshida_customer_satis.pdf.