

## ARTICLE

# The Effect of Brand Evaluation and Brand Relationship on Brand Loyalty of MG Coffee and Resto in Pringsewu

## OPEN ACCESS

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M. Millenio Rizky Ramadhan<sup>1\*</sup>, Satria Bangsawan<sup>2\*</sup>, Dwi Asri Siti Ambarwati<sup>3\*</sup>

<sup>1,2,3</sup> Lampung University | <sup>1,2,3</sup> St. Prof. Dr. Ir. Sumantri Brojonegoro No.1, Bandar Lampung City, Lampung 35141

✉ [rr0286738@gmail.com](mailto:rr0286738@gmail.com)<sup>1</sup>, [satriabangsawan1961@gmail.com](mailto:satriabangsawan1961@gmail.com)<sup>2</sup>, [dwasrisitiambarwati@gmail.com](mailto:dwasrisitiambarwati@gmail.com)<sup>3</sup>

**Abstract:** This study aims to examine the effect of brand evaluation and brand relations on brand loyalty of MG Coffee and Resto in Pringsewu. The object of this research is MG Coffee and Resto in Pringsewu. The type of data used in this research is quantitative data. Methods of data collection by literature study and questionnaires with data testing techniques based on descriptive statistical analysis, validity test, reliability test, multiple linear regression analysis, hypothesis testing.

From the results of the analysis of this study it is known that brand evaluation has a significant positive effect on brand loyalty as evidenced by the t test value on brand evaluation of 8,846. Brand relations have a significant positive effect on brand loyalty as evidenced by the t test value on brand relations of 21,630.

**Keywords:** Brand Evaluation, Brand Relationship, Brand Loyalty, Brand Image, Brand Reputation

## 1. Preliminary

Intense competition in the business world occurs in various fields, including the culinary business. The development of lifestyles and the increase in people's consumption tastes has led to the proliferation of culinary businesses. The need for food and drink is a basic human need that must be fulfilled so that the culinary business has become a trend among Indonesian people, such as making "western" type food and drink which is popular with consumers, especially women. This is influenced by changes in consumption patterns and changes in the lifestyle of Indonesian consumers.

Currently, the culinary business has promising prospects because of the community's need for food and drink as well as a place to gather and relax from busy daily activities. One of them is the café business, which is a simple place that provides a cool atmosphere and provides attractive service, not only for drinking coffee but also for consuming snacks while hanging out with friends or doing assignments. Modern marketing demands not only product development that is well, setting a cheap selling price, and providing it to target customers only, but also having to communicate its product with its potential market, and what is communicated must be able to manage a complex marketing communication system because it includes communication with intermediaries.

Therefore, in conditions of very high competition, companies must be able to understand and know the wants and needs so that consumers feel satisfied and lead to brand or product loyalty. Namely by having a unique look from other places. Consumers tend to prefer places that have a different appearance from the others so that they can make consumers more interested, with this innovation it will be easier for companies to win the competition. Another innovation that is no less important is collaboration with brands and other creative industry players. This collaboration allows the company to reach a wider market potential. Creating brand loyalty is not an easy

matter, companies must have the right strategy so that consumers become loyal. Loyalty to the brand is needed so that the company can still compete with other competitors.

Brand loyalty occurs through a process where consumers are aware of the existence of the product, buy the product, consume the product, then evaluate it. Companies must be able to provide good service and provide satisfaction, so that customers will be loyal to the product, and will do so repeat purchases. Brand is something that is important for products or services, even the brand is used as a tool to evaluate a product. Evaluation of the brand itself becomes the meaning of whether consumers like or dislike the product.

Brand evaluation occurs when a brand comes to mind in the minds of consumers and then they evaluate it using the attributes of the brand (Veloutsou, 2015). Brand image and brand reputation can be used to evaluate. Satisfaction is closely related to loyalty, because many experts say that if consumers are satisfied, they will be loyal to the product. Satisfaction will encourage consumers to buy and re-consume the product (Kotler and Keller 2018: 177).

Building and maintaining long-term consumer-brand relationships is important in maintaining competitive advantage. The concept of brand relationship is a relationship that connects consumers and brands with interactions between the two parties (Veloutsou, 2015). According to Kotler and Keller (2018: 116) the advantage of a brand's relationship with its consumers is to provide special encouragement to consumers to establish long-term mutually beneficial relationships with the company, this kind of emotional bond allows the company to understand the wants and needs expected by consumers, conversely the negative impact of companies that fail to satisfy their services will face problems for consumers in having a bad brand image so that it will have an impact on trust in a brand. Dissatisfied consumers will convey their bad experience to others and you can imagine how big the loss is from failure to provide satisfaction to consumers.

When using a service, consumers compare their experience of the technical and functional dimensions of the service. The technical dimension means what the customer receives or what he has when the interaction ends. Meanwhile, the functional dimension has a relationship with how the service is received, for example in the form of social suitability, systems,

environmental conditions, and so on (Kotler and Keller 2018: 198).

MG Coffee and Resto is engaged in Food and Beverage, MG Coffee and Resto was established on February 27 2021. This MG Coffee and Resto carries a unique and interesting concept, namely with an indoor and outdoor atmosphere, there is also live music, and has a different appearance because the natural café design is combined with a modern feel so it is suitable for all circles. In general, cafes and restaurants only carry one concept, so it can be said that there are very few that use this concept, not even in Pringsewu. MG Coffee and Resto is open every day from 10:00-24:00.

**Table 1.** Average Visitors to MG Coffee and Resto in March-December 2021

Month	Average Visitor
March	620 People
April	595 People
May	625 People
June	590 People
July	680 People
August	700 People
September	585 People
October	525 People
November	560 People
December	510 People
Total	625 People
Average	590 People

(Source: MG Coffee and Resto Sales Data)

Café competition in Pringsewu is getting tougher, almost every part is filled with cafés, and the city center is the place most filled with this business. MG Coffee and Resto is one of the cafes that is visited by many consumers in Pringsewu, as evidenced by the sales data table above which shows that every month at least 590 people visit this café.

From the background that has been described above, it raises curiosity from researchers regarding brand evaluation, brand relations, and loyalty created by MG Coffee and Resto. This is what researchers are interested in researching about "The Influence of Brand Evaluation and Brand Relations on Brand Loyalty of MG Coffee and Resto in Pringsewu".

## Literature Review

### A. Brand Evaluation

Brand evaluation as a whole determines consumer affective responses to a brand such as feelings of liking, trusting, and wanting a brand (Sirianni, Bitner, Brown, & Mandel, 2013). According to Nurcahyo et.al. (2011) brand evaluation is a process carried out by consumers

regarding brand-related information based on past and new experiences with the aim of evaluating brands. This statement is in line with research conducted by Pham et. al. (2001) which states that brand evaluation is a reaction from someone when they feel a brand. These reactions can be in the form of an assessment of whether the brand is good, likeable, and enjoyable or not.

Based on the description above, it can be concluded that brand evaluation is a response from a consumer regarding a brand they have bought and used, this response is a determinant of whether consumers will be loyal or not to a brand because the resulting response can be a feeling of satisfaction or disappointment. . According to Fombrun and Rindova (in Wilson and Makmud, 2019) stated that to evaluate brands, we can use brand image and brand reputation as the basis for brand evaluation.

#### 1) Brand Image

Rindel and Iglesias (2014) define brand image as a consumer's perception in their memory that comes to mind when remembering a brand as a brand association.

#### 2) Brand Reputation

According to Rindel and Iglesias (2014) stated that brand reputation is a term that describes consumer attitudes towards a brand.

### B. Brand Relations

When consumers have several interactions with a brand, an emotional connection arises between them and consumers are aware that they are building a relationship. Consumer brand relationships exist in a variety of contexts (Veloutsou, 2015). Aurier and Lanauze (2012) stated that by being connected to a brand, consumers will seek emotional and psychological satisfaction in addition to the material value of a brand. Long-term brand relationships are likely to develop when consumers believe that the brand used will reflect their personality and increase their self-esteem and social status (Zhou et. al., 2012).

Veloutsu (2015) defines brand attachment or relationship with the brand as a long-term bond between the consumer and the brand, the strength of this relationship can be measured from the strength of the emotional connection with the brand and the strength of communication with the brand. Brand relationship is an important element to determine, maintain consumer perceptions and attitudes towards a brand. A brand relationship is defined as a reciprocal exchange of value between a consumer and a brand

that is expanded and deepened over time thereby adding value and strengthening the brand (Ahn & Back, 2018). According to Veloutsu (2015) suggests that the brand relationship dimension consists of two-way communication and emotional exchange.

#### 1) Two Way Communication

Two-way communication is a reciprocal relationship between the customer and the company.

#### 2) Emotion Exchange

Emotional exchange is an interaction between consumers and brands that involves convenience in psychological relationships (Veloutsu, 2015).

### C. Brand Loyalty

According to Oliver (in Veloutsu, 2015) states that brand loyalty can be seen as a commitment from a consumer who is firmly held to repurchase a preferred product or service consistently in the future, even though there are situational influences and marketing efforts that have the potential to cause them to switch. to another product. On the other hand, Kotler and Keller (2018: 205) also define that brand loyalty is the impact of the feelings of a consumer who is satisfied with a product or service, this loyalty is not only to the brand, but also to the entire product or service line of the company. so it can be said that the brand has become part of a consumer's life.

Based on the description above, it can be concluded that brand loyalty is a consistent consumer preference to make purchases of the same brand on specific products or certain service categories. Rangkuti (in Bastian, 2014) suggests that brand loyalty can be measured through:

- 1) Behavior measures
- 2) Measuring switch costs
- 3) Measuring satisfaction
- 4) Measuring liking brand
- 5) Measuring commitment

### 2. Research Methods

This study uses a descriptive research methodology with a quantitative approach. According to Sugiyono (2014: 13), descriptive research is research conducted to determine the value of an independent variable, either one variable or more (independent) without making comparisons, or connecting with other variables. Meanwhile, quantitative research according to Sugiyono (2014: 8) is research based on an assumption that a symptom can be classified and the

relationship of symptoms is causal (cause and effect). The population in this study is visitors to MG Coffee and Resto in Pringsewu. The sampling technique in this study used a purposive sampling technique. Purposive Sampling is a sampling technique with certain considerations (Sugiyono, 2014: 122). The criteria used in this study were consumers who had seen MG Coffee and Resto advertisements and consumers who had purchased MG Coffee and Resto products at least three times. Determination of respondents using the formula Hair et al., (2017:118) obtained as many as 150 respondents according to predetermined criteria. Methods of data analysis using Validity and Reliability Tests with data analysis techniques using descriptive analysis and multiple linear regression analysis. Hypothesis testing was carried out using the t-test and the Coefficient of Determination Test (R<sup>2</sup>). Then the results obtained were processed using SPSS software version 26.

### 3. Results and Discussion

#### 3.1. Results

##### Regression Calculation Results

Table 2. Partial Test Results (t-test)

Model	Coefficients <sup>a</sup>			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	std. Error	Betas		
1 (Constant)	,596	,594		1.004	,317
Total_X1	,263	.030	,300	8,846	,000
Total_X2	,697	.032	,734	21,630	,000

a. Dependent Variable: Total\_Y

Source: Processed data, 2022

The table above shows that the constant value is 0.596. Based on this, the regression equation is obtained as follows:

$$Y = 0,596 + 0,263 X1 + 0,697 X2 + e$$

Each variable is known to have a positive and significant influence. Brand evaluation (X1) has a value (8.846 > 1.976) and a significance value <0.05 (0.000 <0.05). It can be concluded that brand evaluation has a positive and partially significant effect on brand loyalty. Brand relationship (X2) has a value (21.630 > 1.977) and a significance value <0.05 (0.000 <0.05). It can be concluded that brand relationship has a positive and partially significant effect on brand loyalty.

$$t_{hitung} > t_{tabel} \quad t_{hitung} > t_{tabel}$$

#### 3.2. Discussion

In this study, there are three variables, namely the influence of brand evaluation (X1) and brand relationship (X2) which affect brand loyalty (Y), where the brand evaluation variable studied has 2 sub-variables including brand image and brand reputation. While the brand relationship variable studied has 2 sub-variables including two-way communication and emotional exchange.

##### A. The Effect of Brand Evaluation on Brand Loyalty MG Coffee and Resto

The brand evaluation variables studied have two dimensions, namely brand image and brand reputation. Based on the distribution of respondents' answers, it can be seen that MG Coffee and Resto gets a good brand evaluation from consumers. The brand evaluation obtained by MG Coffee and Resto arises from consumers' sense of confidence in the MG Coffee and Resto brand which was developed based on the MG Coffee and Resto brand image and the MG Coffee and Resto brand reputation. This statement can be seen from the distribution of respondents' answers to the five question items that have been presented.

This study shows that brand evaluation plays an important role in influencing brand loyalty. Partially, the brand evaluation variable (X1) has a positive and significant effect on the MG Coffee and Resto brand loyalty variable in Pringsewu. This is indicated by the t count > t table and with a significance value <0.05, which means that H<sub>0</sub> is rejected and H<sub>a</sub> is accepted. These findings support previous research conducted by Veloutsu (2015) which stated that brand evaluation has a partial effect on brand loyalty but uses a different analytical calculation technique. Veloutsu (2015) used OLS regression analysis on 189 respondents and produced a β value of 0.23 with a significance of 0.000, while this study used multiple linear regression analysis on 150 respondents and produced a β value of 0.263 with a significance of 0.000. The results of this study are also supported by the research conducted. Bapat and Thanigan (2016) revealed that the emotional and cognitive dimensions of brand experience affect brand evaluation, and brand evaluation affects brand loyalty.

##### B. Effect of Brand Relations on Brand Loyalty MG Coffee and Resto

The brand relationship variable studied has two dimensions, namely two-way communication and emotional exchange. Based on the distribution of respondents' answers, it can be seen that MG Coffee

and Resto builds good brand relationships with consumers. Brand relationships can be built by MG Coffee and Resto by connecting consumers to the MG Coffee and Resto brand through emotional ties such as understanding consumers' wants and needs. The brand relationship was developed based on MG Coffee and Resto's two-way communication and MG Coffee and Resto's emotional exchange. This statement can be seen from the distribution of respondents' answers to the five question items that have been presented.'

This study shows that brand relations play a role as the dominant variable in influencing brand loyalty. Partially, the brand relationship variable (X2) has a positive and significant effect on the MG Coffee and Resto brand loyalty variable in Pringsewu. This is indicated by the  $t$  count  $>$   $t$  table and with a significance value  $<0.05$ , which means that  $H_0$  is rejected and  $H_a$  is accepted. These findings support previous research conducted Ahn and Back (2018) where their research shows that brand relations have a positive and significant effect on brand loyalty. This statement illustrates that brand relationship is a very important aspect in influencing brand loyalty. However, the difference between this study and the research conducted Ahn and Back (2018) is the analysis calculation technique where he used PLS-structural equation modeling (SEM) to 443 respondents and produced a  $p$  value  $<0.05$  while this study used multiple linear regression analysis to 150 respondents and produced a  $\beta$  value of 0.263 with a significance of 0.000. The results of research conducted by Wilson and Makmud (2018) also support the results of this study where they found that brand evaluation and brand relationships have a positive impact on brand loyalty.

#### 4. Conclusion

Based on the results and processing of research data that has been carried out and measured with the SPSS version 26 analysis tool regarding the influence of brand evaluation variables and brand relationship variables on brand loyalty MG Coffee and Resto in Pringsewu it can be concluded as follows:

- a. Brand evaluation has a positive and significant effect on brand loyalty MG Coffee and Resto, but brand evaluation is the variable that has the least influence.
- b. Brand Relations positive and significant effect on brand loyalty MG Coffee and Resto and brand relations is the variable that has the most dominant influence.

#### Suggestion

Based on the conclusions that have been presented, the researcher provides the following suggestions:

- a. MG Coffee and Resto, which already has good brand relations, are expected to maintain and continue to improve the quality of their relationships, such as establishing promotional strategies by utilizing digital marketing, such as paid advertisements on social media. This aims to increase visitor traffic and cover a wider range of consumers.
- b. MG Coffee and Resto should further increase efforts related to brand image and brand reputation such as creating new menus that are trending so that in the future MG Coffee and Resto will get even better evaluations from consumers either by word of mouth or e-word of mouth.

For other researchers, it is hoped that this research can help develop further research. Researchers suggest adding other dependent variables to make it wider in scope to find out more about brand loyalty.

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