



An empirical study in building brand loyalty in wardah cosmetics

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ABSTRACT

The value of products to get products from the money they spend to get benefits on the brand of a product or service, after that having a lifestyle that is more than the beginning. This raises the right for customers to be able to sort out the best product or service brands, which creates automatic customer happiness by indirectly demanding that companies must be able to create a stronger brand more than just ordinary products or services. The purpose of this study is to explore the factors that can increase loyalty to the Wardah Cosmetic brand. This study was conducted on Primagraha University students, especially in management study programs with a population of 403, while those drawn into the sample were 130 with a purposive sampling technique. The method used in this research is an associative quantitative approach with a survey method, the data analysis technique used in this research the author uses SmartPLS. The results showed that brand loyalty is influenced by brand experience, brand loyalty is influenced by brand trust, and brand trust can moderate the relationship between brand experience and brand loyalty. To be able to increase brand loyalty, it can also be done by increasing experience on the brand and trust in the brand so that its contribution to increasing loyality on the brand.

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INTRODUCTION

People now have a broader perspective on the value of a product, starting from the money they spend to get the benefits of a product or service brand, then to get the product, and then to get a better lifestyle. This issue raises the right of customers to choose the best product or service brand and indirectly requires companies to be able to create brands that are stronger than ordinary products and services, which automatically creates customer happiness (Nurwendi & Haryadi, 2022; Robertson et al., 2022).

Brand loyalty is essentially the tendency of consumers to be loyal to a particular brand, as indicated by the desire to purchase that brand as an important preference. In business, brand loyalty is a very important issue. Commitment to a brand shares benefits to a company's sales, such as reduced cost of sales, increased existing customers, and improved transaction effectiveness (Kiss et al., 2022; Mills et al., 2022). Brand loyalty is a purchasing attitude that is expressed in the long

term by several decision-making factors that prove a specific time situation and require two or more purchase actions. In other words, brand loyalty is a behavior that results from the honest pleasure of purchasing a product or service offered by a producer or seller, which makes the customer want to purchase the required product again and again, automatically achieving a long-term relationship (Jiménez-Barreto et al., 2022; Ju & Jang, 2023).

Being able to increase brand loyalty also increases trust in the brand. There is always a pattern of wanting to prove their true selves in their purchases, and millennials are selective and purchase products because they want to assert their individual opinions, especially to prove a point with the price and beliefs they hold (Bigné et al., 2023; Kumar et al., 2021). Brand trust is the sense of security that customers experience in their interactions with a brand and is based on the assumption that the brand can be counted on and is responsible for their benefit (Cardoso et al., 2022; Rao et al., 2021).

In addition to building brand love, brand loyalty requires, in other words, enhancing the brand experience. The experience with the brand is subjective and is the customer's response in the (impressions, feelings, awareness, and also attitudinal responses) that occur to the stimuli associated with the brand that is part of the concept, obviousness, packaging, communication, and are about the brand (Nadzri et al., 2016; Saari et al., 2020). Brand experience refers to the experience that customers have while enjoying a product or service, or after enjoying it, that builds up and realizes their innermost opinion of the brand and makes it hard to leave (Khan & Rahman, 2015; Prados-Peña & Del Barrio-García, 2021; Yasri et al., 2020).

PT Paragon Technology Innovation is one of the companies that produce cosmetics. Its products are produced in three brands, namely Puteri, Zahra, and Wardah. In this research, a case study with the Wardah brand is used. Wardah products are well-known cosmetic products with halal label certificates. Based on the data and figure 1, Wardah cosmetic sales from October to December 2018 to 2020, we can see that the Wardah brand has experienced a decline in sales every year. It can be seen that there is a problem, namely the decreasing number of sales of Wardah brand products from the last three years, namely from 2018 to 2020. This indicates the low brand loyalty of Wardah cosmetic products so the author is interested in researching it. The author tries to research by proposing variables that can build brand loyalty, namely by increasing brand experience through brand love and trust in the brand. Trust in the brand can create direct consumer interaction with the brand, and begins when customers search for products, buy, welcome services and use products. The existence of customer experience will also create a positive experience felt by consumers towards the brand directly so that it can encourage consumers to be loyal to the brand (Hafez, 2022). The customer will directly experience the brand after the customer consumes the product or service offered by the brand, on the other hand, the customer experiences the brand in an indirect way when the customer views promotions or other sales strategies tried by the brand tied to the product or service offered by the consumer (Hanaysha, 2022).

This study aims to explore by proving that brand experience can increase brand loyalty and trust in brands and can moderate the influence of brand experience on brand loyalty. In this study, the method of approach that the author uses is an associative descriptive quantitative approach through a survey so that the author is able to observe analyze the objectives in this study. So that the author is able to contribute benefits in providing advice, both practically and theoretically.

RESEARCH METHOD

The population taken is students of the Faculty of Economics and Business, Primagraha University who are in semester 4 and above, female with a total of 403 respondents who use the Wardah brand more than three times. The sample of this study were students of the Faculty of Economics and Business, Primagraha University who occupied the 4th semester and above, female gender who made more than three purchases with purposive sampling technique. The author used the

number of indicators 13 x 10 which were drawn into a sample of 130 respondents. In this study, the method used by the author is descriptive quantitative research with a causal approach. The causal research method will seek an overview of the relationship, influence, impact, and causal effects of various concepts or as factors or several ways designed in management science. The data collection technique used in this study used a questionnaire with an interval scale of 1 strongly disagree to 10 strongly agree. A total of 130 questionnaires were obtained from respondents. The data analysis technique in this study is a descriptive analysis using the SPSS version 26 assistance program, then to find the influence between variables using inferential analysis with the SmartPLS version 4.0 assistance program through the outer model test which includes validity test and reliability calculation test, then by looking at the root score value of each variable. Then proceed with the inner model test by looking at the R2 (R Square) value. To find the effect between variables, the bootstrapping test is used by looking at the t-statistical value and p-value.

RESULTS AND DISCUSSIONS

Validity testing is required to demonstrate how supportive the design of the apparatus and measurement techniques are before hypothesis testing can be carried out. Convergent and discriminant validity were examined in this study to assess validity. Additionally, the following sketch shows the validity trial's outcomes.

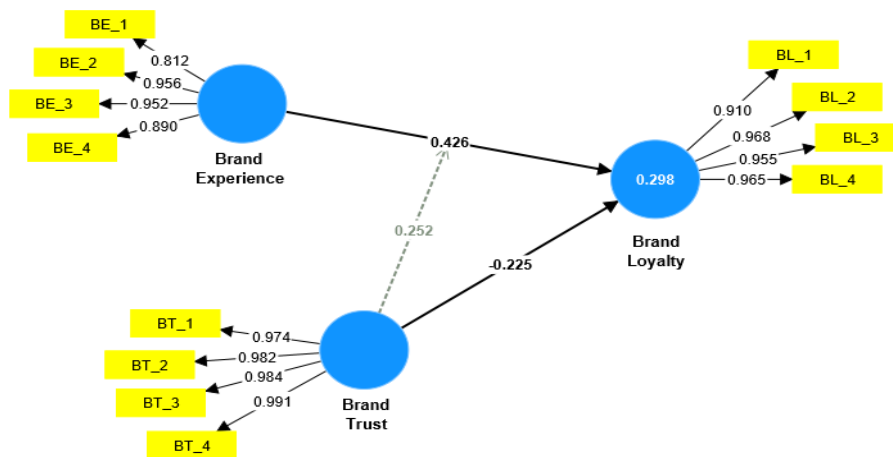


Figure 1. Outer Model Research
 Source: Results of 2023 research data processing

The graph above demonstrates that the data automatically satisfies the validity requirements if each indicator's elasticities are all greater than 0.70. Opinion (Ghozali & Latan., 2015: 74) Each indicator is said to be correct if the external load numbers are greater than 0.70. Convergent validity may be seen from the values that must be more than 0.50 in addition to the external load numbers (AVE) (Chin et al., 2020; Ghozali. I & Latan. H, 2015; Hair et al., 2021). The mean variance derived from each variable in this form is greater than 0.50, as seen in the table below.

Table 1. Outer model

Indicator	Brand_E xperience	Brand_Loy alty	Brand_Tr ust	Brand_Trust x Brand_Experience
BE_1	0,812	0,352	-0,075	-0,060
BE_2	0,956	0,404	-0,110	-0,117
BE_3	0,952	0,398	-0,099	-0,117
BE_4	0,890	0,353	-0,053	-0,089
BL_1	0,377	0,910	-0,254	0,178

BL_2	0,408	0,968	-0,228	0,238
BL_3	0,401	0,955	-0,253	0,195
BL_4	0,400	0,965	-0,232	0,242
BT_1	-0,060	-0,269	0,974	0,032
BT_2	-0,113	-0,258	0,982	0,034
BT_3	-0,107	-0,239	0,984	0,044
BT_4	-0,096	-0,231	0,991	0,045
Brand_Trust x Brand_Experience	-0,107	0,225	0,039	1,000

The table shows that the reliability test values indicate that Cronbach's alpha value, the composite reliability value for all variables is greater than or equal to 0.70 points. Thus, the conclusion is that all variables are reliable or meet the reliability test, and the Average Variance Extracted (AVE) value is > 0.50, which indicates that reliability and construct validity are met.

Tabele. 2 Outer Reliability

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	The average variance extracted (AVE)
Brand_Experience	0,924	0,931	0,947	0,818
Brand_Loyalty	0,964	0,964	0,974	0,902
Brand_Trust	0,988	0,991	0,991	0,965

It can be concluded that each variable meets the reliability requirements so that it can be continued for further testing. After testing the outer and inner models, the authors continued testing the data to determine the effect of the variables assumed by the authors, which in full can be seen in the bootstrap test below. The assumed results are said to be accepted if the T statistical value and the t table index value > (1,960) or if the P value is smaller than the significance value of 0.05. The results can be seen in the following figure or table.

Table. 3 Bootstrapping Direct Effect Test Results

Path Coefficient Direct Effect				
Hypothesis	Variable Influence Relations	Original Sample	T Statistic	P Values
H ₁	Brand Experience → Brand Loyalty	0.426	5.130	0.000
H ₂	Brand Trust → Brand Loyalty	- 0.225	3.023	0.003
H ₃	Brand Experience x Brand Trust → Brand Loyalty	0.252	3.093	0.002

Sumber: Output SmartPLS 4.0 diolah 2023

The form of the table above is the result of the Bootstrapping test with SmartPLS 4.0 which can be explained in the discussion below: The results of this study prove that the brand experience variable has a significant effect on brand experience. The sample coefficient interval is 0.426, the T-statistic is 5.130 which is greater than the t-table (1.960), and the p-value is 0.000 which is smaller than the significance level (0.05). Found a significant effect on brand experience variables on brand loyalty. The better the brand experience, the more brand loyalty increases. Brand experience is a direct mental interaction with the brand. Brands can enhance and express emotional character positively by offering exceptional products that can make the brand experience unforgettable (Safeer et al., 2020). Brand experience is the perception, understanding, awareness, and assumptions of customers generated by the brand, bound by the stimuli generated by the brand concept, sales communication, and the area of the brand that has been promoted (Harun et al., 2021).

The second finding of the assumption in this study proves that the brand trust variable has a significant effect on brand loyalty with a statistical T value of 3.023 which is greater than the t

table (1.960) and a p-value of 0.000 which is smaller than the significance level (0.05). which states that brand trust has a positive and significant effect on brand loyalty. The higher the trust in the brand, the higher the brand loyalty. consumer confidence in the brand (brand trust) is defined as the willingness of consumers to rely on a brand with the risks experienced because of expectations for the brand to create positive results (Hartono & Rodhiah, 2021). Trust in brands conceptualizes trust (belief) when one group has a level of certainty that the alteration partner has reliability and integrity. Confidence is a condition that associates positive expectations about the motives of others related to oneself in a risky situation (Okki & Trinanda, 2021)

The third finding of the assumption in this study proves that the brand trust variable can strengthen the influence of brand experience on brand loyalty. Then the point coefficient interval for the original sample is 0.252, the T statistical value is $3.093 > T$ table (1.960), and the P value is $0.000 < sig$ (0.05). Brand experience is an experience that is created, materialized, and cannot be left by customers during or after enjoying products and services where this experience wants to create an opinion in the customer's mind about the brand (Chandra & Keni, 2021). This shows that the consumer has a very close bond that supports the consumer to continue a good bond with the restaurant. This attitude can be regarded as a close client's love, desire, and a great willingness to always be loyal to the brand. The existence of customer experience will also create a positive experience felt by consumers towards the brand directly so that it can encourage consumers to be loyal to the brand. Then the research results (Giti & Mawardi, 2020) The results of his research explain that the amount of trust in the brand can affect brand loyalty. when consumers have experience with a brand and feel that the brand creates a positive or encouraging experience, they want to create confidence in the brand. Then the study (Hartono & Rodhiah, 2021) in his research suggests that brand experience can create direct consumer interaction with the brand, and begins when customers search for products then, buy, welcome services, and consume products. The existence of experience in customers can also create a positive experience felt by consumers on the brand directly, so that it can encourage consumers to seek brand loyalty.

CONCLUSION

From the results of this study, the authors conclude, among others, brand loyalty can be influenced by brand experience. sensations, feelings, cognitions, and behavioral responses "evoked by brand-related stimuli that are part of the design and identity, brand packaging, communications, and environment. Thus brand loyalty can be influenced by the brand trust. a consumer's belief that a product has certain attributes, beliefs that arise from repeated views and with learning and experience gained. Likewise, brand loyalty can be influenced by experience with the brand, and trust in the brand can be a moderator so that it can strengthen the relationship between brand experience and brand loyalty. This study only examines three variables including brand loyalty, brand experience and brand trust. For future research, it is necessary to add variables including product quality, product price, purchase decisions so that in the future it can contribute to the customer loyalty variable. In addition, it is necessary to add research samples to strengthen statistical results so that they are more accurate.

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