

**THE EFFECT OF BRAND CREDIBILITY AND RELIGIOUS  
ORIENTATION TO CUSTOMER LOYALTY OF MCDONALD  
YOGYAKARTA**

Thesis

Presented as partial fulfillment of the Requirements  
to Obtain the Bachelor Degree in Management Department



**By:**

**Ardian Praba Agung Laksana**

**14311186**

**DEPARTMENT OF MANAGEMENT  
INTERNATIONAL PROGRAM  
FACULTY OF ECONMICS  
UNIVERSITAS ISLAM INDONESIA  
YOGYAKARTA**

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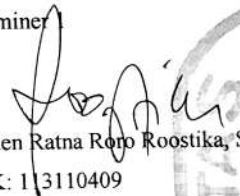
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**ARDIAN PRABA AGUNG LAKSANA**

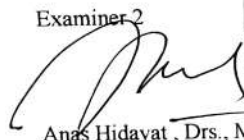
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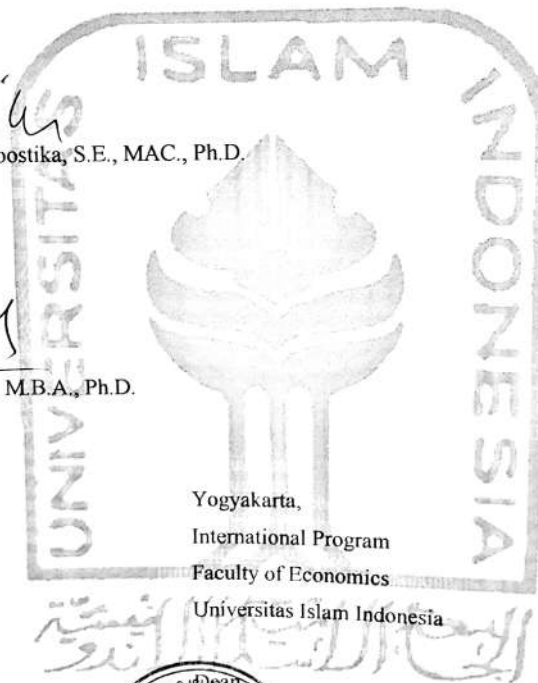
  
Raden Ratna Rono Roostika, S.E., MAC., Ph.D.  
NIK: 113110409

July 27, 2018

Examiner 2

  
Anas Hidayat, Drs., M.B.A., Ph.D.  
NIK: 883110102

July 27, 2018



Yogyakarta,  
International Program  
Faculty of Economics  
Universitas Islam Indonesia



Dika Driyana, S.E., M.Si.

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**Written By:**

**ARDIAN PRABA AGUNG LAKSANA**

Student Number : 14311186

Approved By

Content Advisor



Raden Ratna Rora Roostika, S.E., MAC., Ph.D.

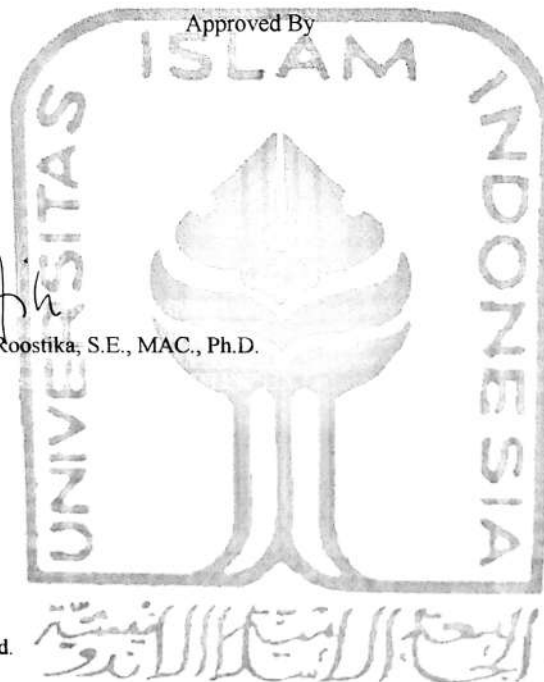
June 28, 2018

Language Advisor



Nihlah Ilhami, S.Pd.

June 28, 2018



## DECLARATION OF AUTHENCITY

Here in I declare the originality of the thesis. I have not presented anyone else's work to obtain my university degree, nor have I presented anyone else's words, ideas, or expression without acknowledgement. All quotations are cited and listed in the bibliography of the thesis.

If in the future this thesis statement is proven to be false, I am willing to accept any sanction complying with the determined regulation or its consequence.

Yogyakarta, June 28, 2018

  
Ardian Praba Agung Laksana

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This research is far from perfect but, researcher hope that this will be useful for management study specially in marketing.

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## **The Effect of Brand Credibility and Religious Value to Customer Loyalty of**

### **McDonald Yogyakarta**

Ardian Praba Agung Laksana

ardianpraba@gmail.com

### **ABSTRACT**

Credibility of brand is one of the important factors in determining customer loyalty. With credibility of brand, a brand can encourage consumers to trust the brand, especially in Indonesia, where religious value plays a big role in decision making of customers toward the brand to consume. The purpose of this research is to prove the effects of brand credibility and religion influence in order to create customer loyalty. The variables examined in this study are perceived quality, trustworthiness, brand credibility, religious orientation, and customer loyalty. This research was conducted in Yogyakarta. The data gathered by using a questionnaire based on Likert scale. The method of sample was using the purposive sampling with 257 respondents selected to represent overall users. The data analyzed by Structural Equation Model by using SPSS and AMOS. The results of this study models showed that the effect of brand credibility and religious influence are positive and significant.

**Keyword:** *brand credibility, religious orientation, perceived quality, trustworthiness, customer loyalty*

**Pengaruh Kredibilitas Merek dan Nilai Agama terhadap Kesetiaan  
Pelanggan McDonald di Yogyakarta**

Ardian Praba Agung Laksana

ardianpraba@gmail.com

**ABSTRAK**

Kredibilitas sebuah merek adalah salah satu faktor terbesar dalam menentukan kesetiaan konsumen. Merek yang kredibel (terpercaya) akan mendorong konsumen untuk mempercayai merek tersebut. Khususnya di Indonesia, dimana peran agama berpengaruh dalam pengambilan keputusan konsumen terhadap merek yang akan digunakan. Tujuan penelitian ini, adalah untuk membuktikan pengaruh kredibilitas sebuah merek dan nilai agama dalam terciptanya kesetiaan konsumen pada produk McDonald di Yogyakarta. Variabel yang diteliti dalam penelitian ini adalah kredibilitas merek, kualitas yang dirasakan, kepercayaan, kesetiaan konsumen, dan nilai agama. Penelitian ini dilaksanakan di Yogyakarta. Data dikumpulkan dengan menggunakan kuesioner berdasarkan *Likert-scale*. Metode pengambilan menggunakan *purposive sampling* dengan 257 responden. Data kemudian dianalisis dengan menggunakan analisis *structural equation model* dengan bantuan AMOS dan SPSS. Hasil penelitian dari pengaruh nilai agama dan kredibilitas merek terhadap kesetiaan pelanggan adalah positif dan signifikan.

**Kata Kunci:** *kredibilitas merek, kualitas yang dirasakan, nilai agama, kepercayaan, kesetiaan pelanggan*

# CHAPTER 1

## INTRODUCTION

### 1.1 Background

Nowadays, in this modern era customer experiences play a big role in a decision making toward the brand repurchase and reuse. The fact is, that a lot of companies have failed to adopt the marketing mix that dwells upon the needs of market. In this situation, company should consider about the desire of customers because customer would love to buy as the way they wants it to. Most companies recently have wrong assumption regarding the power of the present day customer and are unable to assure them (Alam, Arshad, & Shabbir, 2012). The outcome is, the customer becomes unsatisfied and may sometimes over promised. This will automatically impact on brand credibility and have big opportunities to affect on customer loyalty.

In the beginning, trust building is the fundamental value to face brand manufacturer. Furthermore customer satisfaction creates trustworthiness of the brand with customer (Ballester & Manuera, 2001). The results are to perceiving better quality from the manufacturer, welcome any modifications and innovations into the products and to show devotion regarding any new products from the same brand manufacturer. Trustworthiness and perceived quality play a big role in brand credibility. Special efforts are made by brand managers to provide better and efficient services to its customers in order to develop a long term credibility (Mathuis, Roddenburg, & Sikkel, 2004).

Customers having different religious views may respond differently towards a brand. Brands not conforming to an individual or society's religious beliefs may not get positive response from them (Alam, Arshad, & Shabbir, 2012). Therefore, the present study utilizes this potential and reality-based aspect of brand selection and utilization to provide an insight into the relationships between trustworthiness,

perceived quality, brand credibility and customer loyalty, incorporating the religious thoughts and beliefs of the customers (Alam, Arshad, & Shabbir, 2012).

With the population around 250 million of people coming from different religions, it shows that religion value has become essential for most people in Indonesia and plays a big role in determining brands in the market and it is very essential for them (Hati & Aida, 2014). Commonly, most Indonesian people consume products from brand having the same background of religion and this will impact on the continuity of consuming the product. Furthermore, this will create different approaches of companies for Indonesian market with a majority of Muslim people (Hati & Aida, 2014). Religion value is also included as a *Religious Orientation*.

Religious orientation plays a vital role in countries like Indonesia, where Islamic thoughts influence the product is positioning so that sometimes the product contradicts with their beliefs may lose its credibility as well as loyalty of the customers. The researcher coin up the term “religious orientation” to account for the choices of people in accordance to their religious views, where they may develop some sorts of non-acceptance for brands basically owned by non-Muslims or thought to be non-conforming to their religious beliefs. As such, they may have in doubts about the ingredients of the product or they may think that the actual profits will end up to the people that they have a dislike. To be clearer on the customers’ perception on this issue, let’s have the example of Starbuck. Recently, The CEO of Starbuck, Howard Schultz, makes an opinion to support LGBT (Lesbian, Gay, Bisexual and Transgender) and forces a party that, does not support LGBT in Starbuck to leave Starbuck. Although this message happened in Starbuck USA, but the effect spread in Indonesia rising the negative reactions from several Islamic organization in Indonesia especially PP Muhammadiyah, which is one of the biggest Islamic organizations in Indonesia with the member around 50 million members across Indonesia

and has, a big influence in Muslim market in Indonesia. This thing will create the conceptions customers' attitude towards alternate beverages.

McDonald operating in almost every single country in the world, McDonald's strives to meet customer requirements across a wide range of issues such as animal health and welfare, quality, food safety, and religion issue. For McDonald market in Indonesia with more than 250 million people is a potential and huge for McDonald to enter this country. However, McDonald cannot directly involve the market because of stigma that McDonald company belongs to a western company. There is a negative perception that the company having relation with jewish and any other issue creating a negative image, although McDonald already claimed that the company, is a global brand. This thing will be a huge concern for McDonald because if they cannot manage the religion issue it can impact McDonald as a brand in Indonesia. Moreover, McDonald in Indonesia still cannot become the market leader in terms of brand popularity, stand, and sales. According to W&S Research (2017), a research discuss about popularity of fast food in 3 countries: Indonesia, Vietnam, and Thailand. From this research, it can be see that KFC becomes the market leader in Indonesia, with 580 stand and 51.5 BPI point, McDonald shows different, results with which is only 168 stand and 17.9 BPI point. From this point of view, McDonald will deal with several issues especially the religion issue to maintain their brand credibility and customer loyalty.

By knowing fact that Indonesian people/consumers coming from different religions, religion value can have a big influence in people's life. In other words, it can be said that religion value can affect customer loyalty towards brand credibility, whether it is products or services (Alam, Arshad, & Shabbir, 2012). Thus, many companies nowadays are taking more consideration about the power of social networks to attract the consumers, especially to create their brand credibility and customer loyalty.

Customer loyalty requires a credibility of brand as a reason for them to make customers repurchase the same brands. According to Roddenburg and Dirk (2004), brand is anything for a company. From the brand, a company can create their own image toward customers, meaning that a company can involve in any segment of market from the brand that the company wants to use. Brand are built on credibility (Kemp, 2011). Credibility determines many things in many aspects of human life mostly in marketing aspect. The lifetime of a company really depends on how credible a company can maintain it (Alcaniz, Perez, & Garcia, 2009). What can company do to increase credibility of the brand? From this aspect a company can create brand trustworthiness so that the company can gain customer loyalty (Sweeney & Swait, 2007).

The purpose of this study is to determine the past questions in marketing which related to the company behind the brand such as credibility. Whether the company who makes brand trustworthiness, how to deal with company and how to deal with environmental issues, more and more consumers take credibility of company with respects to these issues into account in their judgements on product, service and brands. In short, credibility has been described the way in which brand is regarded as reliable, capable and reactive. High credibility increasing the possibility of acceptance from society or stakeholders. Object with high credibility can have better relationships with their target groups, which is can help the company to achieve their goal.

## **1.2 Problem Formulation**

1. Does trustworthiness have a positive impact on brand credibility?
2. Does perceived quality attributes have a positive impact on brand credibility?
3. Does brand credibility attributes have a positive impact on perceived quality?
4. Does brand credibility has a positive impact on customer loyalty?

5. Does brand credibility mediate the relationship between trustworthiness and customer loyalty?
6. Does brand credibility mediate the relationship between perceived quality and customer loyalty?
7. Does religious orientation of the customer enhance the relationship between trustworthiness and brand credibility?
8. Does religious orientation of the customer enhance the relationship between perceived quality and brand credibility?
9. Does religious orientation of the customer enhance the relationship between brand credibility and customer brand loyalty?

### **1.3 Limitations of the Study**

Due to several conditions and limitations possibility during this research process, there are several limitations in this study:

1. This research only takes place in Yogyakarta that cannot represent the whole consumer of McDonald
2. There is a possibility of bias answer from the respondent
3. There is a different perception of religion value that can influence the result of the questionnaire

### **1.4 Research Objectives**

1. To describe whether trustworthiness attributes have a positive impact on brand credibility
2. To describe whether perceived quality attributes have a positive impact on brand credibility
3. To describe whether brand credibility attributes have a positive impact on perceived quality
4. To describe whether brand credibility has a positive impact on customer loyalty
5. To describe whether brand credibility mediates the relationship between trustworthiness and customer loyalty



6. To describe whether brand credibility mediates the relationship between perceived quality and customer loyalty
7. To describe whether religious orientation of the customer enhances the relationship between trustworthiness and brand credibility
8. To describe whether religious orientation of the customer enhances the relationship between perceived quality and brand credibility
9. To describe whether religious orientation of the customer enhances the relationship between brand credibility and customer brand loyalty

## **1.5 Benefits of Research**

### **1.5.1 Theoretical Benefits**

This research helps to explain an overview of the theoretical framework of the relationship between brand credibility, including those that influence perceived quality, trustworthiness and religion value behaviors affecting users' customer loyalty, and to provide important strategic implications contributing to the marketing literature.

### **1.5.2 Practical Benefits**

This research will help McDonald to make a decision about how they treat their brand credibility with the influence of religion value. This will also help the marketing department to be more aware and/or realizes the importance of the religion value to get closer with the consumers, and the positive impact for the company to get more customer loyalty can be obtained.

## **1.6 Systematic of Writing**

This thesis consist of 5 chapters and every chapter consist of several sections. The formulation systematics and explanation of this thesis are described below:

Chapter 1: Introduction

This chapter will discuss about background, problem formulation, research objectives, systematic writing of research, benefit of research both for practical and theoretical benefits.

#### Chapter 2 : Literature Review

This chapter will explain theoretical foundation of brand credibility, trustworthiness, perceived quality, customer loyalty, and religious orientation. This research also provides the researcher's hypothesis and framework of the study.

#### Chapter 3 : Research Methodology

This chapter explains the models and methods used in this research in term of population, sample, sampling technique, variables of the study and testing methods used.

#### Chapter 4 : Data Analysis and Discussions

This chapter shows data analysis and discussion of the results that gathered from the statistical measurement by using theoretical concepts and interpretation of research on existing theories.

#### Chapter 5 : Conclusions and Recommendations

This chapter discusses about the conclusions of the result of the analysis and calculation of data obtained from the research. This chapter also discuss the weaknesses of studies conducted and recommendations for future research.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Brand Credibility**

One of important aspect to build a positive consumer choice is through brand credibility. Credibility is all about creating a positive value from entity to consumer (Ohanian, 1990). Brand credibility is believability of product position information embedded in a brand depending on consumer's perceptions of whether the brand has the ability and willingness to continuously deliver what has been promised (Erdem and Swait, 2004). Brand credibility involves consumers to perceive brand as a reliable source of information (trustworthiness), expertise (skills, competent, innovative) and matches with personality characteristics (attractiveness) (Malik et al, 2004). Credible brand will minimize risk and increase consumer confidence toward entity (Knox, 2004).

In measuring brand credibility, there are 2 components that can be used, trustworthiness and expertise (Baek and King, 2011). Trustworthiness dimension can be willingness or effort from the brand to fulfill their promise. Willingness of brand can be measured by claim, statement of product quality, and promise in the form of after sales guarantee (Wang and Yang, 2010). Meanwhile, the definition of expertise dimension is ability and capability of brand to fulfill their promise toward their consumer. Expertise can be measured from skills, experience and knowledge of brand about its product category (Wang and Yang, 2010). Based on two dimensions above, it can be concluded that a brand that can be categorized credible when the brand is able to fulfill its promises to consumers and willing to fulfill the promise to consumer. When both dimensions can be applied by a brand, this will have an effect consumers to create customer satisfaction (Baek and King, 2011).

#### **2.2 Trustworthiness**

Trustworthiness is a foundation for business. Creating trust among customers is the way for an entity to create and defend customers.

Trustworthiness is defined as a believable value that a brand should deliver what it has promised, and make sure that the brand is believed among the customers (Erdem and Swait, 1998). Trustworthiness is also described as a willingness of customer to hang himself to another party in a trade because they have believability to another party (Asakdiyah, 2014). Trustworthiness can be built by increasing service quality and achieving customer satisfaction (Asakdiyah, 2014). Trustworthiness clearly can be advantage values for an entity and become important aspect to create relationship among customers, although being a trusted party is not easy and needs a good coordination among them (Fasochah and Hartono, 2013). Trustworthiness become an important factor to create short-term and long-term relationships to their customers and to prevent customer switching to another entity.

In measuring trustworthiness, there are 2 components that can be used, brand reliability and brand intention (Balester, 2005). Brand reliability sourced from customer belief that the brand is able to deliver what has been promised. In other words, customer believes that the brand will be able to fulfill and achieve customer satisfaction. Brand intention sourced from customers believe that the brand will be able to defend the interest of consumers when in trouble. In other words, making the customer feels there is an assurance that the brand will be responsible and pay attention to customers.

The previous study found that trustworthiness can influence on brand credibility, mentioned in brand credibility variable. Brand credibility is the believability of the product position information embedded in a brand depending on consumers perceptions whether the brand has the ability and willingness to continuously deliver what has been promised (Erdem and Swait, 1998). To measure brand credibility there are divided into 2 dimensions used which are expertise and trustworthiness (Erdem and Swait, 1998). Trustworthiness means one believable brand delivers what has been promised, and expertise implies

that the brand is believed capable of delivering the promises (Baek and King, 2011).

*H1 : Trustworthiness is positively related to brand credibility*

### **2.3 Perceived Quality**

Perceived quality is a critical element for decision making (Jin and Yong, 2005). Perceived quality is defined as consumer's assessment of overall superiority of product (Tjiptono, 2011). Perceived quality is also defined as customer's assumption about subjective recognition about the quality and attractiveness of a product or service (Zeithmal, 1998). Perceived quality is consumer perception towards overall quality and standard of product or service (Baek and King, 2011). Perceived quality can influence consumer's reason to buy, price, channel member interest, differentiation position, and brand extension (Zeithmal, 1998). Therefore, perceived quality is based on subjective evaluation of the customer.

In measuring perceived quality, there are 2 components that can be used, intrinsic and extrinsic (Olson and Jacoby, 1977). Intrinsic characteristic is a characteristic that is part of the physical product, which cannot be changed without also changing the physical product itself. Extrinsic characteristic is a characteristic related to the product, but not physically part of it.

The previous study found that perceived quality can influence brand credibility. The relationship between perceived quality and brand credibility is that a credible brand may not have the best quality among the available brands (Rizwan, 2014). Sometimes, a moderate-valued product may be more credible to customers because of the result of brand value that they share through consumers. Therefore, truthfulness in this regard may create higher brand reliability as compared to the competitors who are not consistent. Credibility linked with higher or lower perceived quality also affects the feeling of customers toward prices (Zeithmal, 1998). Generally, consumers who highly perceives a brand are less

receptive to prices compared to those perceiving brands of lower excellence (Krisnamurthi et al, 1992). They perceive the promised greater quality that increases their trust and believability on the brand.

*H2 : Perceived quality positively impacts brand credibility*

*H3 : Brand credibility positively impacts perceived quality*

## **2.4 Customer Loyalty**

Customer loyalty is defined as a commitment of customers to rebuy or repatronize a preferred product or service constantly in the future, therefore this will create repetitive same brand purchasing (Oliver, 1999). Another definition of customer loyalty is the feeling of customer toward the brand and cause positive and measurable financial results (Duffy, 2003). Customer loyalty is also described as behavioral encouragement to make repeat purchases and to build customer loyalty among a product or services produced by a brand through a repeat buying behavior (Sukmawati, 2011). Customer loyalty always makes repeat purchases to generate profits for the company. The customers have a tendency to purchase more and willing to pay a higher price, which directly affect to profits that the company earned (Drake, 2011).

In measuring customer loyalty, there are 5 dimensions that can be used (Vanessa, 2011). Firstly is customer satisfaction, it is an effect of company treatment to customer that can create customer dissatisfaction to the brand. Secondly, it is consumer commitment to create repeat purchase behavior to the brand. Thirdly, it is desire to become repeat buyers. Fourthly, it is willingness of consumers to recommend the brand to another people. The last is the desire of consumers to not move to another brand. Gremler and Brown (1999) divided customer loyalty into three which are behaviour loyalty, intentional loyalty and emotional loyalty. Behaviour loyalty is the repeating purchasing behaviour. Intentional loyalty is the repeating purchasing behaviour. Emotional loyalty is the attitude of

customers to the enterprise and its product or service. The customer may help the company publicize its product or service positively.

Customer loyalty is the most competitive advantage point of enterprise. It is complicated to give an appropriate definition of loyalty. Loyalty means the customer's tendency to choose product or service compared with its competitor. According to Gremler and Brown (1999), customer loyalty shows a customer positive attitude for the repeating buying behaviour on certain product or service. Customer loyalty refers to the influences of quality, price, service and any other relevant factors. These factor can create intensity feelings on certain product or service so that the product can become a preference.

*H4 : Brand credibility is positively related to customer loyalty*

*H5: Brand credibility mediates the relationship between trustworthiness and customer loyalty*

*H6: Brand credibility mediates the relationship between perceived quality and customer loyalty*

## **2.5 Religious Orientation**

Religious orientation have their influences on customer decision making, especially for Islam religion. Islam looks at commerce as an importance source for a person to make a living and are encouraged to be involved in business activities as far as generated income is legitimated, also part of Islamic principles and ethics are considered in all aspects of the business (Luthfi & Salehudin, 2011). Regarding this matter, Islamic values and laws should be incorporated to develop any marketing strategy by creating, communicating, and delivering Islamic values to customers (Hashim & Hamzah, 2014).

Decisions of customer are impacted by their social norms, religion value and play vital roles in their brand selections (Abdullah and Usman, 2012). In Islam, there are two things that the company should follow which are Syariat (law) and Aqidah (basic value). Customer on most occasions

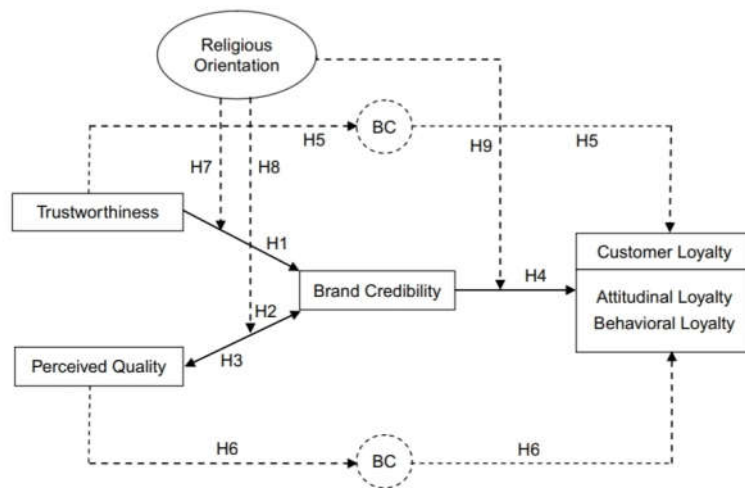
build loyalty toward the brand when it is acceptable with their religious belief. Brands that does not match with their religious belief will not get positive results and bad judgment from religious community in a certain region. Therefore, the hypothesis is that religious orientation should be use as a moderator in the relationships between trustworthiness, perceived quality, brand credibility and customer loyalty, since religious orientation enhances the relationship between trustworthiness, perceived quality, brand credibility and customer loyalty:

*H7: Religious orientation of the customer enhances the relationship between trustworthiness and brand credibility*

*H8: Religious orientation of the customer enhances the relationship between perceived quality and customer brand loyalty*

*H9: Religious orientation of the customer enhances the relationship between brand credibility and customer brand loyalty*

## 2.6 Conceptual Framework of the Study



In this research framework, the researcher found out several variables to support this study. The independent variables of this study consist of trustworthiness and perceived quality. The mediating variable of this study is brand credibility. In the moderating variable consists of religious orientation



## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Location**

Basically the research was conducted in Yogyakarta. However, in collecting the data, the researcher used the data not only from Yogyakarta but also from other resources.

#### **3.2 Populations and Sample Research**

Population is all elements, individuals, or units that meet the selection of criteria for a group to be studied. Sample is some aspects of population used to estimate an unknown characteristics of population. The sample used in this study was a purposive sampling. The purposive sampling is a sampling technique selecting the sample based on personal judgment about some appropriate characteristics of the sample member (Zikmun, Babin, Car, and Griffin, 2009).

Population of this study is people that are the followers of the Islamic Religion and already consumed the McDonald product. The method of sample in this research is non-probability sampling with a purposive sampling as the technique. The sample of this study is 257 respondents. The determination of the number of samples was based on the analysis used to test the hypothesis, which is structural equation model (SEM). SEM required the sample size number should be 5-10 times the number of observations for each of the estimated parameters or indicators used (Ferdinand, 2006).

#### **3.3 Types and Data Collection Techniques**

The research is a quantitative research that the data collection method of this study used primary data. Primary data is the data directly gathered from the object of study (Zikmun, Babin, Car and Griffin, 2009). The data gathered by spreading questionnaires to 300 respondents. Closed questions will be used in the questioner. The questionnaires were directly given to the respondent in forms of questionnaires and spread

online questionnaires using Google forms. The research used purposive data collection because this study needed respondents that are the followers of Islamic religion and already consumed McDonald.

The variables analyzed in this study are trustworthiness and perceived quality as the independent variable, brand credibility as the mediating variable, customer loyalty (attitudinal and behavioral loyalty) as the dependent variable, and religious orientation as the moderating variable. To measure those variables, this study used Six-Point Linkert Scale ranging from strongly disagree (1) and strongly agree (6).

### **3.3 Definition of Variable Operational and Measurement Research**

#### **3.3.1 Trusworthiness**

A trustworthy brand is the brand which keeps up to its promises, of providing value and quality, on a consistent basis (Ballester and Aleman, 2005). Trustworthiness may also be referred to as the expectation or reliability of an individual towards something (brand in our case. This trust may lead to the belief in the words of mouth of the manufacturer and promotions of the brand; thereby playing role in the decision-making process facilitating the utilization of the product. Trustworthiness in a brand leads to the credibility of the brand. This means that on the basis of prior experience of the customers, they develop a sort of trust in the product and then start valuing it. This trustworthiness leads to the credibility of the brand in the eyes of the customer. Trusted brands also have the leverage of the acceptance of their new extensions and may well fill up the gap created by the direct knowledge of the product.

##### *a. Trustworthiness scale items*

- I trust the manufacturer of the brand I am evaluating
- I rely on the manufacturer of the brand I am evaluating
- The manufacturer of brand I am evaluating is dependable
- The manufacturer of brand I am evaluating is honest
- The manufacturer brand I am evaluating is a safe company with which to conduct business

- I consider the manufacturer of the brand I am evaluating does not take advantage of its customers
- I believe the manufacturer of the brand I am evaluating does not take advantage of its customers
- I consider the company and people of the company I am evaluating to be trustworthy

### **3.3.2 Perceived Quality**

According to Aaker (2000), perceived quality is customers' view of the quality of a product or service both in terms of what they expect and also in comparison with how they perceive the quality of competing offerings. This means "perceived quality is defined as a measure of belief". Therefore if consumers believe you are the best, then you are. Regardless of the measures you may put in place, regardless of what the critics might say. or the awards you may have received. For those of us who believe in the power of intangibles, this makes a complete sense on reflection but it also contrasts with how we probably believe quality should work or tell ourselves it does work.

#### *Perceived quality*

- It is likely that the brand is of very high quality
- It is likely that the brand is of very consistent quality
- It is likely that the brand offers excellent features
- It is likely that the brand is very reliable

### **3.3.3 Religion Orientation**

The concept of religion orientation, derived from sociological literature, refers to the strong emotions of antagonism and enmity that people can have based on beliefs of past and on-going events of hostility between nations and people (Averill, 1982). Research on consumer ethnocentrism, examining the morality of purchasing foreign-made products, precedes that on consumer animosity defined as "the remnants of anger reactions related to prior or current political, military, economic,

or diplomatic events that affect consumers' purchase behaviour" (Sukmawati & Soenhadji, 2011) by over a decade. The possibility that a country's military or political actions in the international arena may create animosity towards the brands produced by the country has motivated research into consumer animosity, its antecedents and its effects on purchase decisions (Leong *et al.*, 2008). Nonetheless, additional motives such as religious ones may be at the base of consumer animosities.

*a. Trust in users' integrity and benevolence*

- I would not be inclined towards a brand does not conform to my religious beliefs
- I will prefer an Islamic brand rather than a non-Islamic one

### **3.3.4 Brand Credibility**

According to Erdem and Swait (2004), brand credibility is a multi-characteristic term that imitates the integrity of the brand in the eyes of the customer. The characteristics of the term include the reliability of the brand in terms of claim-justification, truthfulness, trust-spreading and delivering what is advertised by the manufacturer. Stating plainly, brand credibility is a three-fold term necessitating trustworthiness, expertise and attractiveness. This variable is measured by the following indicators:

*a. Brand Credibility*

- This brand reminds me of someone who is competent and knows what he/she doing
- This brand has the ability to deliver what it promises
- This brand delivers what it promises
- This brand's product claims are believable
- Over time, my experiences with this brand have led me to expect it to keep it is promises, no more and no less
- This brand does not pretend to be something it is not

### 3.3.5 Customer Loyalty

From marketing strategy point of view, customer brand loyalty is considered as one of the most significant upshots. Customer brand loyalty is a sort of commitment towards the brand that induces a re-buy behavior into the customer in spite of the potential marketing attempts by competitors to break up the coalition between the brand and the consumer (Oliver, 1999). Brand loyalty is considered to provide greater leverage to trade, condensed marketing costs (Aaker, 1991) and building an augmented market share.

#### *a. Customer Loyalty Scale Items*

- This brand reminds me of someone who is competent and knows what she/he doing
- This brand has the ability to deliver what it promises
- This brand's product claims are believable
- Over time, my experiences with this brand have led me to expect it to keep it is promises, no more and no less
- This brand has name you can trust
- This brand does not pretend to be something it is not

#### *b. Customer Attitudinal Loyalty Scale Items*

- I use the brand I am evaluating because it is the best choice for me
- I consider myself to be a loyal patron of the manufacturer of the brand I am evaluating
- In the future, I would be willing to pay a higher price for the brand from the manufacturer I am evaluating over competitive offerings
- I consider the manufacturer of the brand I am evaluating as my first choice

#### *c. Customer Behavioral Loyalty Scale Items*

- I would not switch to a competitor, even if I had a problem
- I intend to keep buying the brand I am evaluating

- I intend to purchase the items from the manufacturer of brand I am evaluating in the future

### 3.4 Validity and Reliability Research Instruments

The validity testing indicates the extent to which a measure (indicator) can measure what you want to measure (variable) (Zikmund et al, 2006). An indicator is said to be valid if it has a value of corrected item total correlation  $\geq 0.30$ . The reliability of the instrument was ensured through acceptable values of Cronbach 's alpha. To have a valid data, the indicator should have a value of corrected item with the total correlation above 0.6 ( $\geq 0.6$ ).

Thus, before distributing questionnaires to the samples of this research, the questionnaire were used as a data collection tool were tested for its validity and reliability. Then, a questionnaire that has been created was distributed to 30 (thirty five) respondents. Data collected from respondents were then analyzed for the validity and reliability with respect to the limitation as described above. The variables and indicators that will be analyzed including:

- 1) Trustworthiness has 7 indicators.
- 2) Perceived Quality has 5 indicators.
- 3) Brand Credibility has 6 indicators.
- 4) Customer Loyalty has 7 indicators.
- 5) Religious Orientation has 5 indicators.

The Table 3.1 below presents the detail results of validity and reliability test that have been tested by using SPSS.

Table 3.1 Validity and Reliability Test for the Questionnaire 1.

Construct/Indicator	Corrected Total Item Correlation	Cronbach Alpha	Minimal Score	Status
<b>Trustworthiness</b>		<b>0.840</b>	0.6	<b>Reliable</b>
I trust with the McDonald	0.644		0.3	Valid
I rely on the McDonald	0.448		0.3	Valid

McDonald is a honest company	0.538		0.3	Valid
McDonald is a honest company in doing the business	0.561		0.3	Valid
I concern McDonald as a trustworthy company	0.622		0.3	Valid
I believe McDonald does not take any advantage of its customers	0.691		0.3	Valid
I consider people of McDonald to be trustworthy	0.662		0.3	Valid
<b>Perceived Quality</b>		<b>0.619</b>	0.6	<b>Reliable</b>
McDonald haves a high quality	0.477		0.3	Valid
McDonald haves a consistent quality	0.471		0.3	Valid
McDonald offers excellent features	0.490		0.3	Valid
McDonald is very reliable	0.131		0.3	Valid
McDonald offers a good composition product	0.623		0.3	Valid
<b>Brand Credibility</b>		<b>0.798</b>	0.6	<b>Reliable</b>
McDonald reminds me of someone who is competent in food industries	0.645		0.3	Valid
McDonald has an ability to deliver what it promises	0.711		0.3	Valid
McDonald delivers what it promises	0.789		0.3	Valid
Overtime my experiences, McDonald led me to expect to keep its promises, no more and no less	0.776		0.3	Valid
McDonald has a name you can trust	0.042		0.3	Valid
McDonald does not pretend to be something it is not	0.521		0.3	Valid
<b>Customer Loyalty</b>		<b>0.929</b>	0.6	<b>Reliable</b>
I eat in McDonald because it is the best choice for me	0.801		0.3	Valid
I consider myself to be a loyal patron of McDonald	0.852		0.3	Valid
I am committed toward McDonald	0.824		0.3	Valid

In the future, I would be willing to pay higher price for McDonald product over another place	0.798		0.3	Valid
I consider McDonald as my first choice	0.794		0.3	Valid
I intend to keep buying from McDonald	0.638		0.3	Valid
I will not switch to a competitor, even if I have a problem with product/service of McDonald	0.727		0.3	Valid
<b>Religious Orientation</b>		<b>0.869</b>	0.6	<b>Reliable</b>
My perspective of McDonald's will not diminish even if it does not conform to my religious beliefs	0.496		0.3	Valid
I will prefer a brand that fit my beliefs	0.777		0.3	Valid
I choose a brand according to the manufacturing area	0.798		0.3	Valid
I will still consume McDonald's product even against my religious values	0.776		0.3	Valid
I promote the value of religion in choosing producers and products	0.640		0.3	Valid

Source: SEM data processing results, 2017

The data in Table 3.1 shows that all items that have been tested are considered valid and reliable because the score of corrected item in total correlations is greater than 0.30 and the Cronbach Alpha is greater than 0.60.

### 3.5 Statistical Tool of Analysis

To measure the reliability and validity, internal consistency measures (i.e. Cronbach Alpha and average variance extracted (AVE)), convergent validity (i.e. indicator loadings and critical ratios), and discriminant validity (i.e. inter-factor correlations) were tested. The tools used was SPSS for the pilot test and for the hypothesis testing structural equation model (SEM) and AMOS were utilized. SEM analysis is a



technique that allows analyze the influence of several variables against other variables simultaneously (Ghozali, 2008).

### **3.6 Analysis Technique**

This research used AMOS and SPSS to gather data analysis. This research used 2 processes of data analysis. The first step was by using the pilot test. The pilot test was conducted to test the validity and reliability of the indicators used in the questionnaire. The pilot test was tested by spreading 30 questionnaires to respondents, and the result of the questionnaires was analyzed by using SPSS. Following the pilot test tested, the next step was measuring the error, testing the structural model as well as research hypothesis, and analyzing the model fitness by using AMOS.

Technical analysis used in this research used structural equation modeling (SEM), considering the conceptual model of this research has one dependent variable, two independent variables, one mediating variable, and one moderating variable. This model cannot be analyzed by using the multiple regression analysis. Therefore, this research used AMOS, which is a part of SEM program. AMOS is a statistical software and stands for an analysis of a moment structures. It is also specially used for structural equation model (SEM), path analysis, confirmatory analysis and has functions in analyzing the influence of one variable to variables simultaneously. This test was conducted to analyze the relationship of Brand Credibility, Perceived Quality, Trustworthiness, Customer Loyalty, and Religious Orientation.

#### **3.6.1 Respondent Characteristics**

This research will be describes the demographic characteristics of the respondents. The demographic characteristics discussed are gender, age, spending, occupation, religion, and experience in consuming McDonald product.

#### **3.6.2 Descriptive Analysis**

Descriptive analysis is a set of descriptive explanation that can summarize a given set of data that can represent the entire population or the sample. Descriptive research is a research which aims to explain or describe a situation, event, object or people, and anything that is associated with variable of the study and it can be explained in the form of number of words (Rusdiyana, 2017).

### **3.6.3 Model Development on Theory**

According to Bollen (cited by the Rusdiyana, 2017), SEM is sets of equations that encapsulate the relationships among the latent variables, observed variables, and error variables. SEM can be used to respond research questions in a systematic and comprehensive analysis. SEM is the development of multi-equation modeling that has been developed mainly in econometrics and merged with the principle of measurement from psychology and sociology aspect, and SEM has developed as an integral tool in both managerial and academic research (Ishak, 2017).

### **3.6.4 Structure Equation Model (SEM) Identification**

SEM identification is a stage when a special value must be gained for all parameters of the gained data. If the special value cannot be found, then the modification of the model might be needed to identify the special value prior to parameter estimation. There are three categories of identification in SEM (Rusdiyana, 2017):

1. *Unidentified Model* is a model that the value of estimated parameter is greater than value of known data.
2. *Just Identified Model* is a model that the value of estimated parameter is equal to the value of known data and it can be concluded that the model has zero degree of freedom.
3. *Over Identified Model* is a model that the estimated parameter value is smaller than the value of known data.

### 3.6.5 Model Interpretation and Modification

The model interpretation and modification is needed to recover goodness of fit if the goodness of fit still do not meet the requirement. The aim of doing model interpretation and modification is to know if the modification made can give a better result in fitness of the model (Baiquni, 2017). The model can be stated as successfully modified if all or several goodness of fit indexes already meet the requirement (Nuriski, 2017). After doing the modification of model, the researcher can continue to test the hypothesis by using the modification model.

### 3.6.6 Goodness of Fit Criteria

#### 3.6.6.1.1. Chi Square ( $X^2$ ) and Normed ( $X^2$ )

Chi-square is one of the fundamental test for statistical significance and it is feasible for testing hypothesis regarding frequencies arranged in a frequency or contingency (Zikmund, Babinn, Carr, & Griffin, 2009). The chi-square will be valid if the data research reached an assumption of normality and have a large number of sample size. When the value of chi-square in a model reaches 0, it means that the model has a perfect fit (Rusdiyana, 2017). Normed tests  $X^2$  is a ratio of  $X^2$  divided with its degree of freedom. A model can be stated as a good model if the normed  $X^2$  between 1 and 2 even though when the normed  $X^2$  is in the ratio 2 and 3, the model still can be stated as a good model (Holmes-Smith, 2001).

Probability (P value) is a function used to get, a large deviation indicated by the value of chi-square. P value for Test of Close Fit (RMSEA <

0.5) indicates the probability of fall  $< 0.5$  P value  $> 0.50$  indicates fit model (Byrne, 1998). When the probability of insignificant chi-square value has fulfilled the requirements, it indicates that the empirical data are in accordance with the model.

- 1)  $H_0$ : Empirical data are identical to model, it means that the hypothesis will be accepted if  $p \geq 0,05$
- 2)  $H_a$ : Empirical data are not identical to model, it means that the hypothesis will be accepted if  $p \geq 0,05$

#### **3.6.6.1.2. Goodness of Fit Index (GFI)**

Goodness of fit index is used to test if sample data fits a distribution from a certain population. GFI is measurement of the accuracy of a model in a generating observed covariance matrix. The range of GFI value should be between 0 and 1. Miles and Shevlin (cited Hooper, Coughlan, Mullen 2008) stated that a model can be stated as a good fit model if the GFI value  $\geq 0.95$ . Joreskog & Sorbom theory (cited in Ghozali & Fuad, 2008) stated that if GFI have a negative value indicated that the model is the bad model.

#### **3.6.6.1.3. Comparative Fit Index (CFI)**

CFI value has a range between 0 to 1. When the value of CFI is close to 1, meaning the model fits while the value of CFI is close to 0, meaning the model does not fit (Sarwono, 2008). The value of CFI which is  $\geq 0.90$ , indicates a good fit and if the value of CFI is in between  $0.80 \leq CFI \leq 0.90$ , often referres to as a marginal fit (Rusdiyana, 2017).

Bentler (cited in Ghozal & Fuad, 2008) stated that the CFI is recommended as a tool to measure the fit of a model.

**3.6.6.1.4. Adjusted Goodness of Fit (AGFI)**

Schermelleh (as cited in Aldilla, 2016) stated that Adjusted Goodness-of-Fit Index (AGFI) is used to adjust bias because of the model complexity. The AGFI approaches the GFI. AGFI can be stated as, a good fit if the index is 0.90, while the value which is greater than 0.85 may be considered as an acceptable fit.

**3.6.6.1.5. Tucker Lewis Index (TLI)**

Tucker–Lewis index (TLI) is a tool used to evaluate the factor analysis developed in SEM (Aldilla, 2016). According to Haryono & Wardoyo (as cited in Aldilla, 2016), the value of TLI range from 0 to 1.0. TLI value can be said as a good fit when it is equal to or greater than 0,09.

**3.6.6.1.6. CMIN/DF**

CMIN/DF is the minimum discrepancy, divided by its degrees of freedom. Several studies have suggested the use of this ratio as a measure of fit. For every estimation criterion, the ratio should be close to one for correct models. If the value of CMIN/DF is  $\leq 2.00$ , it means that the value of CMIN/DF is a good fit (Byrne, 1989).

Table 3.2 Goodness of Fit Index Summary

<b>Goodness of Fit Index</b>	<b>Cut off Value</b>
Degree of Freedom (DF)	Positive
$X^2$ (Chi-Square)	$\geq 0.05$
Probability	$\geq 0.05$
RMSEA (Root Mean	$\leq 0.08$

Square Error of Approximation)	
GFI (Goodness of Fit Index)	$\geq 0.90$
AGFI (Adjusted Goodness of Fit)	$\geq 0.90$
CMIN/DF	$\leq 2.00$
TLI (Tucker Lewis Index)	$\geq 0.90$
CFI (Comparative Fit Index)	$\geq 0.90$

## CHAPTER 4

### DATA ANALYSIS AND DISCUSSIONS

This chapter will explain and discuss the data analysis of “Brand Credibility, Customer Loyalty, and the Role of Religious Orientation”. The result of this study analysis presented through the descriptive analysis of respondent’s characteristics, descriptive analysis of respondents’ responses, and SEM analysis. Structural Equation Modeling (SEM) and were used AMOS 22 as the data analysis tool in this study.

In this research, the study analysis was conducted based on the stages in SEM analysis as described in the previous chapter. SEM was used to evaluate the proposed model. After obtaining all the results from the data processing, this research obtained proof of the hypothesis that have been developed previously. This research also found additional findings as the results of research model modification, which are then summarized.

In the previous chapter, it was mentioned that 258 questionnaires have been spread out to 258 respondents to collect the data. The details of questionnaires can be seen in the appendix. Population of this research is people who live in Yogyakarta, followers of Islam, and already tried McDonald.

#### 4.1 Statistics Descriptive

This aspect illustrates the descriptive data of the respondent received from the survey. The descriptive data was used to see the profile of the research data and its relationship to the variable used in this study.

##### 4.1.1 Respondents Classification Based on Gender

On respondent’s classification based on gender, respondents are classified as follows:

**Table 4.1** Respondents Classification Based on Gender

No	Gender	Number (Person)	Percentage
1.	Male	141	54.9%

2.	Female	116	45.1%
Total		257	100%

Source: SEM data processing results, 2018

From the Table 4.1, it can be seen that the number of respondent is 141 respondents which is 54.9%. While the rest of 116 respondents is female. This section show most of consumer of McDonald in this research is male with 54.9%.

#### 4.1.2 Respondents Classification Based on Age

The respondent's classification based on age showed that respondents are classified as follows:

**Table 4.2** Respondents Classification Based on Age

No	Age	Number (Person)	Percentage
1.	15 - 30	224	87.2%
2.	31 – 40	26	10.1%
3.	45 >	7	2.1%
Total		257	100%

Source: SEM data processing, 2018

The majority of the respondents age in this section is between 15-30 years old which is 87.2%, followed by the range between 31-40 years old is 10.1 % and the minority age is 45 > which is 2.1%. From this section it can be concluded that the majority of age is between 15-30 which is 224 respondents.

#### 4.1.3 Respondents Classification Based on Monthly Spending

According to respondent's classification based on monthly spending, respondents are classified as follows:

**Table 4.3** Respondent's Classification Based on Monthly Spending

No	Monthly Spending	Number (Person)	Percentage
1.	< Rp 500.000	16	6.2%



2.	Rp 500.000 – Rp 1.000.000	92	35.8%
3.	Rp 1.000.000 – Rp 3.000.000	110	42.8%
4.	> Rp 3.000.000	39	15.2%
Total		257	100%

Source: SEM data processing, 2018

Based on this section, the most of 110 respondents have monthly spending between Rp 1.000.000 - Rp 3.000.000 with the percentage of 42.8%. On the other hand, the smallest percentage 6.2% belongs to those having monthly spending less then Rp 500.000 – Rp 1.000.000 which is 16 stundents.

#### 4.1.4 Respondents Classification Based on Occupation

According to respondent's classification based on occupation, respondents are classified as follows:

*Table 4.4 Respondent's Classification Based on Occupation*

No	Occupation	Number (Person)	Percentage
1.	Student and University Student	160	62.3%
2.	Private and Government Employees	66	25.6%
3.	Entrepreneur	31	12.2%
Total		257	100%

Source: SEM data processing, 2018

From the data based on occupation it showed that most respondents are student and university student with the total of 160 respondents or 62.3%. The private and government employees number are not quite high which are 66 respondents or 25.6%. The smallest number of respondents' occupation is entrepreneur with 31 respondents or 12.2%.

#### 4.1.5 Respondents Classification Based on Experience Consuming McDonald

The respondent's classification based on experience in consuming McDonald, respondent classified as follows:

**Table 4.5 Respondent's Classification Based on Experience in Consuming McDonald**

No	McDonald Experience	Number (Person)	Percentage
1.	Already consumed	257	100%
2.	Have not consumed	0	0%
Total		257	100%

Source: SEM data processing, 2018

Based on the data on the experience in consuming McDonald above, all of the respondents already have experienced in consuming McDonald products with the total of 257 respondents or 100%. Those can happened because one of the requirements to fill in this questionnaire is those who already have experiences in consuming McDonald products.

#### 4.1.6 Respondents Classification Based on the Followers of Islam

The results of respondent's classification based on followers of Islam, are as follows:

**Table 4.6 Respondent Classification Based on Followers of Islam**

No	Followers of Islam	Number (Person)	Percentage
1.	Followers of Islam	257	100%
2.	Not Followers of Islam	0	0%
Total		257	100%

Source: SEM data processing, 2018

The data above, all of the respondents are the followers of Islam with the total number of 257 of respondents or 100%. The reason why the number can reach 100% percentage is because one of the requirements to fill in this questionnaire is the those with Islam religion.

## 4.2 Descriptive Analysis

Descriptive analysis is a preliminary stage of data processing that creates a summary of historical data to yield useful information and

possibly prepare data for further analysis. The value-average score interval can be found by using the following formula:

Lowest perception score = 1

Highest perception score = 6

$$\text{Interval} = \frac{6 - 1}{5} = 1$$

With the detail interval as follows:

1.00 – 2.00 = Very Bad

2.01 – 3.00 = Bad

3.01 – 4.00 = Fair (Neutral)

4.01 – 5.00 = Good

5.01 – 6.00 = Very Good

#### 4.6.6 Trustworthiness

For the trustworthiness variable, the results of descriptive of practical benefits can be seen in table below.

*Table 4.7 Descriptive Analysis of Trustworthiness*

Attributes of Trustworthines	Mean	Category
I trust the McDonald	4,000	Fair
I rely on the McDonald	4,016	Good
McDonald is a honest company	3,981	Fair
McDonald conducts the business safety	4,071	Good

I consider McDonald as a trustworthy company	4,006	Fair
I believe that McDonald does not take advantage of its customer	3,934	Fair
I consider the people of McDonald to be trustworthy	3,800	Fair
Mean	3,980	Fair

Based on the descriptive analysis showed in the table 4.7, the average result of 257 respondents' trustworthiness is 3,980. The highest mean from this table is, "McDonald is a safe company with which conduct to business" with the result of 4,071 and is considered as good. The lowest mean is from, "I consider the people of McDonald to be trustworthy" with the result of 3,800 and is considered as fair. Therefore, this result indicates that respondents trustworthiness toward McDonald company is fair.

#### 4.2.2 Perceived Quality

For the perceived quality variable, the results of practical benefits can be seen in table below.

*Table 4.8 Descriptive Analysis of Perceived Quality*

<b>Attributes of Perceived Quality</b>	<b>Mean</b>	<b>Category</b>
McDonald has a high quality	3,930	Fair
McDonald has a consistent quality	4,000	Fair
McDonald offers excellent features	4,249	Good
McDonald is very reliable	4,020	Good
McDonald offers a good composition of products	4,050	Good
Mean	4,056	Good

Based on the descriptive analysis showed in the table 4.8, the average result of 257 respondents perceived quality is 4,056. The highest mean from this table is, “McDonald offers excellent features” with the result of 4,249 and is considered as good. The lowest mean is from, “McDonald has a high quality” with result is 3,930 and considered as fair. Therefore, this result indicates that respondents perceived quality toward McDonald company is fair.

### 4.2.3 Brand Credibility

For the brand credibility variable, the result of practical benefits can be seen in table below:

*Table 4.9 Descriptive Analysis of Brand Credibility*

<b>Attributes of Brand Credibility</b>	<b>Mean</b>	<b>Category</b>
McDonald reminds me of someone who's competent in food industry	4,000	Fair
McDonald has ability to deliver what it promises	4,140	Good
McDonald deliver what it promises	4,187	Good
Overtime my experiences, with McDonald led me to expect it to keep it promises, no more and no less	4,141	Good
McDonald has a name you can trust	4,160	Good
McDonald does not pretend to be something it isn't	4,194	Good
Mean	4,140	Good

Based on the descriptive analysis showed in the table 4.9, the average result of 257 respondents' Brand Credibility is 4,140. The highest mean from this table is, “McDonald does not pretend to be something it is not” with the result of 4,194 and is considered as good. The lowest mean is from, “McDonald reminds me of someone who is

competent in food industry” with result of 4,000 and is considered as fair. Therefore, this result indicates that respondents brand credibility toward McDonald Company is fair.

#### 4.2.4 Customer Loyalty

For the customer loyalty variable, the result of practical benefits can be seen in table below:

*Table 4.10 Descriptive Analysis of Customer Loyalty*

<b>Attributes of Customer Loyalty</b>	<b>Mean</b>	<b>Category</b>
I eat in McDonald because it is the best choice for me	3,840	Fair
I consider myself to be loyal patron of McDonald	3,829	Fair
I am committed toward McDonald	3,440	Fair
In the future, I would be willing to pay higher price for McDonald product over another place	3,080	Fair
I consider McDonald as my first choice	3,660	Fair
I intend to keep buying from McDonald	4,050	Good
I will not switch to a competitor, even if I have a problem with product/service of McDonald	2,930	Bad
Mean	3,550	Fair

Based on the descriptive analysis showed in the table 4.10, the average result of 257 respondents customer loyalty is 3,550. The highest mean from this table is, “I intend to keep buying from McDonald” with the result of 4,050 and is considered as good. The lowest mean is from, “I will not switch to a competitor, even if I have a problem with product/service of McDonald” with the result of 2,930

and is considered as bad. Therefore, this result indicates that respondents' customer loyalty toward McDonald company is fair.

#### 4.2.5 Religious Orientation

Related to the religious orientation variable, the results of practical benefits can be seen in the table below.

*Table 4.11 Descriptive Analysis of Religious Orientation*

<b>Attributes of Religious Orientation</b>	<b>Mean</b>	<b>Category</b>
My perspective of McDonald will not diminish even if it does not conform to my religious beliefs	2,770	Bad
I will prefer a brand that fit my beliefs	3,833	Fair
I choose a brand according to the manufacturing area	3,774	Fair
I will still use McDonalds products even against my religious values	2,693	Bad
I promote the value of religion in choosing producers and products	4,300	Good
Mean	3,473	Fair

Based on the descriptive analysis showed in the table 4.11, the average result of 257 respondents' religious orientation is 3,473. The highest mean from this table is, "I promote the value of religion in choosing producers and products" with the result of 4,300 and is considered as good. The lowest mean is from, "I will still use McDonald product even against my religious values" with result of 2,693 and is considered as bad. Therefore, this result indicates that religious orientation loyalty toward McDonald company is fair.

#### 4.3 Reliability and Validity Test

The next chapter is discussing about reliability and validity tests. Before processing into the AMOS program, the reliability and validity tests were conducted already by using SPSS program. Then, the results were retested by using AMOS. This test was constructing to confirm either the data were valid and reliable. The total respondents of this test are 257 respondents. The retest reliability and validity of the measurement used AMOS 22.0 as the program to assist the statistic test. Confirmatory Factor Analysis (CFA) is used to test whether measures of construct are consistent with a researcher's understanding the nature of the construct. CFA is also used to illustrate how good the variable can measure the construct. The requirement is if the value of loading factor from each construct is more than 0.5 ( $\lambda > 0.5$ ), it is considered as valid, if the value of construct reliability from each construct is more than 0.7, it can be stated as reliable. The formula is follows:

$$\text{Construct reliability} = \frac{(\sum \lambda_i)^2}{(\sum \lambda_i)^2 + \sum \epsilon_i}$$

**Table 4.12** *Validity and Reliability Test by AMOS*

<b>Variable</b>	<b>Indicator</b>	<b>Loading Factor (<math>\lambda</math>)</b>	<b>Standard Error (<math>\epsilon</math>)</b>	<b><math>\Sigma(\lambda)</math></b>	<b><math>\Sigma(\epsilon)</math></b>	<b>Construct Reliability</b>	<b>Label</b>
<b>Trustworthiness</b>				5.431	3.598	0.891	<b>Reliable</b>
	<b>T1</b>	0.835	0.351				<b>Valid</b>
	<b>T2</b>	0.723	0.509				<b>Valid</b>
	<b>T3</b>	0.781	0.469				<b>Valid</b>
	<b>T4</b>	0.805	0.437				<b>Valid</b>
	<b>T5</b>	0.729	0.565				<b>Valid</b>
	<b>T6</b>	0.841	0.402				<b>Valid</b>
	<b>T7</b>	0.717	0.865				<b>Valid</b>
<b>Perceived Quality</b>				3.648	2.49	0.842	<b>Reliable</b>
	<b>PQ1</b>	0.831	0.35				<b>Valid</b>



	<b>PQ2</b>	0.788	0.455				<b>Valid</b>
	<b>PQ3</b>	0.554	0.755				<b>Valid</b>
	<b>PQ4</b>	0.723	0.497				<b>Valid</b>
	<b>PQ5</b>	0.752	0.433				<b>Valid</b>
<b>Brand Credibility</b>				4.705	2.184	0.910	<b>Reliable</b>
	<b>BC1</b>	0.736	0.596				<b>Valid</b>
	<b>BC2</b>	0.884	0.215				<b>Valid</b>
	<b>BC3</b>	0.86	0.255				<b>Valid</b>
	<b>BC4</b>	0.859	0.265				<b>Valid</b>
	<b>BC5</b>	0.632	0.515				<b>Valid</b>
	<b>BC6</b>	0.734	0.338				<b>Valid</b>
<b>Customer Loyalty</b>				5.348	4.525	0.863	<b>Reliable</b>
	<b>CL1</b>	0.839	0.404				<b>Valid</b>
	<b>CL2</b>	0.881	0.307				<b>Valid</b>
	<b>CL3</b>	0.800	0.525				<b>Valid</b>
	<b>CL4</b>	0.679	0.937				<b>Valid</b>
	<b>CL5</b>	0.772	0.695				<b>Valid</b>
	<b>CL6</b>	0.790	0.578				<b>Valid</b>
	<b>CL7</b>	0.587	1.079				<b>Valid</b>

Table 4.12 shown that all items in variables are valid because the loading factor is more than 0.5 ( $\lambda > 0.5$ ). The data shown in the table 4.12 also indicated that all variables in the questionnaire for the hypothesis testing model 1 are reliable because the construct reliability is more than 0.7.

#### 4.1 Goodness of Fit Measurement

This study is currently using the structure equation model (SEM) as an obligatory technique of social research. Structure equation model itself consists of good of fit measurement aiming to assess the

fit of a model to data (whether the model is good or not). The measurement of goodness of fit uses the degree of freedom, probability, CMIN/DF, RMSEA, GFI, AGFI, TLI, and CFI to determine good criteria of fit of the measurement model. The results of goodness of fit evaluation can be seen in the table 4.13 below.

**Table 4.13** Goodness of Fit Table Analysis

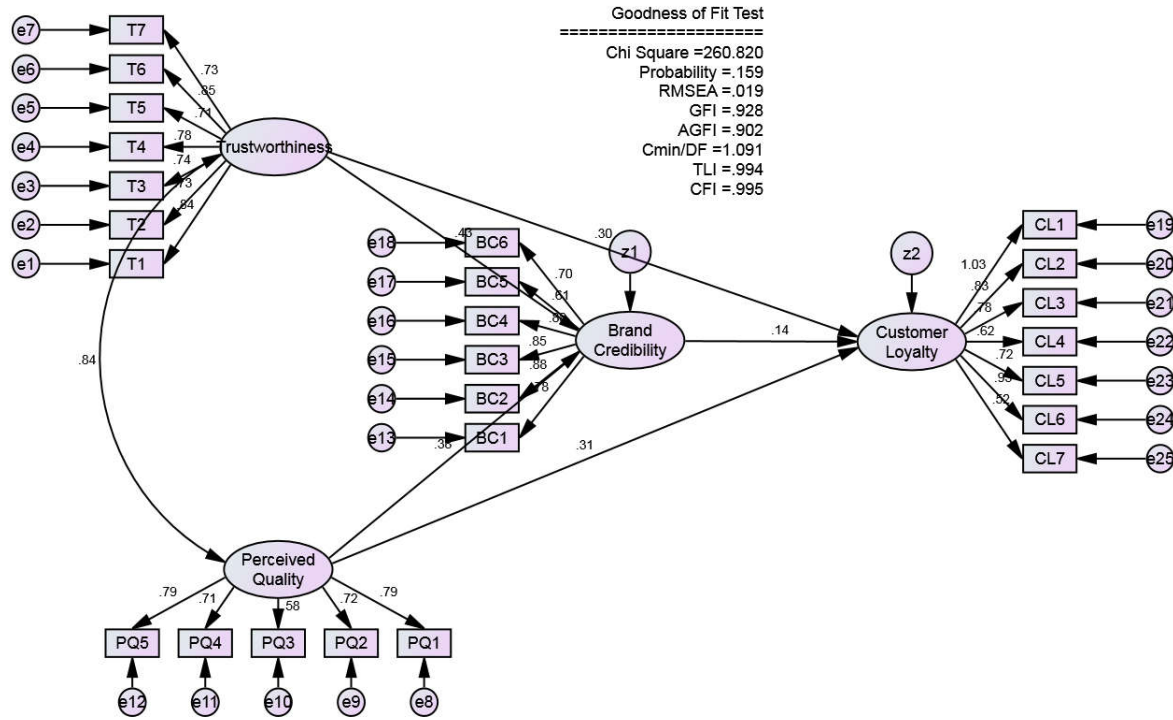
<b>Goodness of Fit Index</b>	<b>Cut off Value</b>	<b>Result</b>	<b>Model Valuation</b>
Degree of freedom (DF)	Positive	239	Good Fit
X <sup>2</sup> (Chi-Square)	≥ 0.05	260.820	Good Fit
Probability	≥ 0.05	0.159	Good Fit
RMSEA	≤ 0.08	0.019	Good Fit
GFI (Goodness of Fit Index)	≥ 0.90	0.928	Good Fit
AGFI (Adjusted Goodness of Fit)	≥ 0.90	0.902	Good Fit
CMIN/DF	≤ 2.00	1.091	Good Fit
TLI (Tucker Lewis Index)	≥ 0.90	0.994	Good Fit
CFI (Comparative Fit Index)	≥ 0.90	0.995	Good Fit

Table 4.13 shows the results of goodness of fit measurements in data analysis. The model of this study can be considered has fulfilled the minimum criteria of the goodness of fit index and from the table above all aspects of goodness of fit measurement shows a good fit.

#### **4.5 Hypothesis Framework Model**

This research contains of eight hypotheses to find out whether the hypotheses can support or not. The model of this research uses

Structural Equation Model (SEM) with AMOS 22 as the software. The hypothesis can be supported if the value of probability is less than 0.05 ( $p < 0.05$ ). The testing result of the research model can be seen in the model below.



Source: SEM data processing results, 2018

Figure 4.1 Hypothesis Testing Model

Following to the model analysis by AMOS 22, the following table is the hypothesis testing results indicating the casual relationship among variables.

**Table 4.14 Hypothesis Testing Result Model**

Hypothesis	Variable Relationship	Estimate	P	Label
H1	Trustworthiness → Brand Credibility	0.421	0.000	Supported
H2	Perceived Quality → Brand Credibility	0.397	0.001	Supported

	Credibility			
H3	Brand Credibility → Customer Loyalty	0.185	0.047	Supported
H4	Perceived Quality → Customer Loyalty	0.438	0.003	Supported
H5	Trustworthiness → Customer Loyalty	0.395	0.002	Supported

Based on Table 4.14 , the description for hypothesis model testing are:

The first hypothesis showed that trustworthiness has a positive and significant influence on brand credibility. In the table 4.14, the testing of trustworthiness on brand credibility is significant because the probability value was 0.000 ( $p < 0.05$ ) and the path estimate was 0.421 (H1 supported). Therefore, the result of trustworthiness on brand credibility is positive and the hypothesis is **accepted**.

The second hypothesis showed that perceived quality has a positive and significant influence on brand credibility. In the table 4.14, the testing of perceived quality on customer loyalty is significant because the probability value was 0.001 ( $p < 0.05$ ) and the path estimate was 0.185 (H2 supported). Therefore, the result of brand credibility on customer loyalty is positive and the hypothesis is **accepted**.

The third hypothesis showed that brand credibility has a positive and significant influence on customer loyalty. In the table 4.14, the testing of perceived quality on customer loyalty is significant because the probability value was 0.047 ( $p < 0.05$ ) and the path estimate was 0.397 (H2 supported). Therefore the result of perceived quality on brand credibility is positive and the hypothesis is **accepted**.

The fourth hypothesis showed that perceived quality has a positive and significant influence on customer loyalty. In the table 4.14, the testing of perceived quality on customer loyalty is significant because

the probability value was 0.003 ( $p < 0.05$ ) and the path estimate was 0.438 (H4 supported). Therefore, the result of perceived quality on customer loyalty is positive and the hypothesis is **accepted**.

The fifth hypothesis showed that trustworthiness has a positive and significant influence on customer loyalty. In the table 4.14, the testing of trustworthiness on customer loyalty is significant because the probability value was 0.002 ( $p < 0.05$ ) and the path estimate was 0.395 (H5 supported). Therefore, the result of trustworthiness on customer loyalty is positive and the hypothesis is **accepted**.

## **4.6 Results of Discussion**

### **4.6.1 The Influence of Trustworthiness to Brand Credibility**

The result of this study proved that the influence of trustworthiness to brand credibility is positive and significant. The result was tested by AMOS 22 application. This result is aligned with the research by Abdullah & Arshad (2012) as the basis of the research. Abdullah & Arshad (2012) found that trustworthiness toward brand credibility has a positive and significant impact.

Erdem & Swait (2004) have proposed trustworthiness, attractiveness and expertise as the part of credibility. According to Ballester & Alleman, (2005) stated that trustworthy brand is the brand which keep up to its promises of providing value and quality. This trustworthiness in a brand point will lead to credibility of the brands. This means that on the basis of prior experience of the customers, they develop a sort of trust in the product and then start valuing it. Trusted brand also has the leverage of the acceptance of their new extensions and may well fill up the gap created by the direct knowledge of the product (Hem *et al*, 2000).

Based on the explanation above, the result of this study has been corresponding to the finding that trustworthiness have positive and significant impacts on brand loyalty.

#### **4.6.2 The Influence of Perceived Quality to Brand Credibility**

The result of this study proved that the influence of perceived quality to brand credibility is positive and significant. The result was tested by AMOS 22 application. This result is aligned with the research by Abdullah & Arshad (2012) as the basis of the research. Abdullah & Arshad (2012) found that perceived quality toward brand credibility has a positive and significant impact.

Krishnamurti (1992) stated that credibility associated with lower and higher perceived quality also impacts the sensitivity of customers toward prices. Consumers who highly perceive a brand are generally less receptive to prices as compared to those perceiving brands of lower quality. The relationship between perceived quality and brand credibility is that a credible brand may not have the best quality among the available brands (Rizwan, 2014).

Based on the explanation above, the result of this study has been corresponding to the finding that perceived quality have positive and significant impact on brand loyalty.

#### **4.6.3 The Influence of Brand Credibility to Customer Loyalty**

The result of this study proves that the influence of brand credibility to customer loyalty is positive and significant. The result was tested by AMOS 22 application. This result is aligned with the research by Abdullah & Arshad (2012) as the basis of the research. Abdullah & Arshad (2012) found that brand credibility toward customer loyalty has positive and significant impact.

Credibility of brand will easily create loyal customers if it consistently generates promised quality and trust among customers (Rizwan, 2014). The higher credibility of brand will increase consumer's confidence in the brand and enhance in terms of repeat purchase so that it will have an affect on loyalty of customer (Kim *et.al*, 2008). The level of brand credibility will result in sustained commitment by customers, or consumers will be loyal toward the brand (Sweeney & Swait, 2008).

Based on the explanation above, the result of this study has been corresponding to the finding that brand credibility have positive and significant impact on customer loyalty.

#### **4.6.4 The Influence of Trustworthiness to Customer Loyalty**

The result of this study proved that the influence of trustworthiness to customer loyalty is positive and significant. The result was tested by AMOS 22 application. This result is aligned with the research by Abdullah & Arshad (2012) as the basis of the research. Abdullah & Arshad (2012) found that trustworthiness toward customer loyalty has a positive and significant impact.

The point of view of trustworthiness has an influence to loyalty of customer already put forward by Parasuruman, Zeithaml & Berry (1998) stating that customer should have trust toward the brand. Customer will feel safe in doing transaction with company and the transaction will be guaranteed. Trust play an important role to achieve customer loyalty with generating value of quality, reliability, and integrity (Adinugroho, 2011). The result of this research IS supporting the research of Sanzo (2009), research of Morgan & Hunt (1994) and research of Garbarino & Johnson (1999).

Based on the explanation above, the result of this study has been corresponding to the finding that trustworthiness has a positive and significant impact on customer loyalty.

#### **4.6.5 The Influence of Perceived Quality to Customer Loyalty**

The result of this study proved that the influence of perceived quality to customer loyalty is positive and significant. The result was tested by AMOS 22 application. This result is aligned with the research by Abdullah & Arshad (2012) as the basis of the research. Abdullah & Arshad (2012) found that perceived quality toward customer loyalty has a positive and significant impact.

Perceived quality has a strong positive relationship with customer loyalty and negative effect on propensity to switch (Fandos & Flavian, 2006). Leison & Prosser (2004) found that higher perceived quality will bond customer loyalty. Perceived quality plays an important role in generating customer loyalty and has a direct impact on customer loyalty (Chao, 2008). Edvardsson (2005) found that perceived quality will lead to higher productivity and create stronger customer loyalty.

Based on the explanation above, the result of this study has been corresponding to the finding that perceived quality have positive and significant impact on customer loyalty.

#### **4.6.6 Moderation Effect**

Based on the framework of this journal, there are 3 hypotheses influenced by moderating relationship. The first hypothesis is religious orientation moderating trustworthiness, the second is religious orientation moderating perceived quality and religious orientation moderating customer loyalty.



Religious orientation is not moderating the relationship between trustworthiness and brand credibility. This result is not aligned with the previous research by Abdullah & Arshad (2012) indicating that the brand credibility of customers will not be influenced by trustworthiness, based on the analysis that the brand conforms to their religious belief/orientation.

Religious orientation is moderating the relationship between perceived quality and brand credibility, indicating notion that the brand from any country of origin may induce credibility and loyalty to the customers as long as delivers quality consistently.

Religious orientation is moderating the relation between brand credibility and customer loyalty, indicating that the brand needs to conform religious teaching and beliefs of the customers in order to induce loyalty of customers toward the brand .

## CHAPTER 5

### CONCLUSION AND RECOMMENDATION

This research examined: (1) whether trustworthiness can affect brand credibility of McDonald company, (2) whether the influence of perceived quality can affect the brand credibility of McDonald company, (3) the influence of brand credibility that can affect customer loyalty, (4) the influence of trustworthiness that can affect customer loyalty, (5) another variable which is perceived quality can influence customer loyalty, (6) whether religious orientation can affect customer loyalty, (7) the influence of religious orientation with the relationship of trustworthiness toward brand credibility, (8) the influence of religious orientation with the relationship of perceived quality toward brand credibility. Based on the data analysis results, there are 6 hypothesis accepted, which are H1, H2, H3, H4, H5, H7, H8. Meanwhile, there is 1 hypothesis which is not accepted, which is H6.

#### 5.1 Conclusions

From the result of this study, it can be seen that perceived quality (PQ), trustworthiness (TW), brand credibility (BC), and religious orientation (RO) positively and significantly affected customer loyalty of McDonald that correspond with the study by Arshad & Shabir (2014). For the moderation variable, the influence of religious orientation (RO) to the relationship of perceived quality (PQ) to brand credibility (BC), and direct influence to customer loyalty (CL) is correspond with the study by Arshad & Shabbir (2014). However, there is a different result from the study of Arshad & Shabir (2014), that showed the result of relationship of trustworthiness (TW) to brand credibility (BC) is significant, but the result of this study is not correspondent. Religious orientation does not significantly affect relationship trustworthiness to brand credibility of McDonald customers.

The results of the hypothesis that does not support showed that for H6 the significant value is 0.760 ( $p > 0.05$ ) meaning the hypothesis is not supported. This research finding shows even though people have a good religious orientation toward the brand, it does not mean people can directly trust the brand which can be the reason for the credibility of a brand. Religious orientation is an abstract value that people might have and this abstraction can develop biases to the people. Those biases will lead to different decision either customer can develop trust to the credibility of a brand (McDonald).

The hypothesis supported the results showed that the significant value of H1 is 0.000 ( $p < 0.005$ ) meaning that the hypothesis is supported, the significant value of H2 is 0.001 ( $p < 0.005$ ) meaning that the hypothesis is supported, the significant value of H3 is 0.047 ( $p < 0.005$ ) that meaning that the hypothesis is supported, the significant value of H4 is 0.000 ( $p < 0.003$ ) meaning that the hypothesis is supported, the significant value of H5 is 0.002 ( $p < 0.005$ ) meaning that the hypothesis is supported, the significant value of H7 is 0.002 ( $p < 0.005$ ) meaning that the hypothesis is supported, the significant value of H8 is 0.041 ( $p < 0.005$ ) meaning that the hypothesis is supported. H1 shows that a more intention of customers to trust the brand, this will affect the credibility of the brand. H2 showed that the more intention of customers to perceive a quality of the brand, this will affect the credibility of the brand. H3 showed that the more intention to rely on the credibility of the brand, this will affect customer loyalty. H4 showed that the more intention to trust the brand, this will affect customer loyalty. H5 showed that the more intention to perceive a quality of the brand, this will affect customer loyalty. H7 showed that the more intention to apply religious value on the brand, this will affect the perceived quality of the brand. H8 showed that the

more intention to apply religious value on the brand, this will affect customer loyalty.

## **5.2 Research Limitations**

The limitations of this research as follows:

- 1.3 The outcome of this research could be bias because this research used collecting random sampling for the survey
- 2.3 There is a different perception in applying and assuming the values of religious orientation
- 3.3 The sample might be not represent all audiences of this research
- 4.3 This research was conducted in Indonesia which is necessarily limited to the study's context. Different demographic areas can create different results of research because demographic factors can drive customer loyalty

## **5.3 Suggestion**

For further empirical studies, the researcher suggests to focus on another aspect since the researcher used beverages (McDonald) as the object of this research. The researcher also suggests to use another brand in order to validate (or invalidate) the result of the research.

For marketers, this study will contribute in helping the company to focus on achieving market shares by considering aspects of trustworthiness, perceived quality and religious orientation that would develop more customer loyalty for them. In Indonesian culture, where religious orientation has strong influences on customer choice, a company must try to conform to this orientation to blend with the society culture. Because youngsters that the researcher observed has given higher brand credibility scores, the major concern of the company should be able to attracting this age

group by promoting and advertising the brand with issues that are of their interest. Also, products should be designed and specified based on the religious belief of the customers

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**APENDIX A**  
**KUESIONER PENELITIAN**  
**PENGARUH KREDIBILITAS MEREK DAN NILAI AGAMA TERHADAP**  
**KESETIAAN PELANGGAN MCDONALD DI YOGYAKARTA**

Assalamuallaikum Wr.Wb.

Perkenalkan nama saya Ardian Praba Agung Laksana mahasiswa International Progam Management, Fakultas Ekonomi Universitas Islam Indonesia yang melaksanakan tugas akhir skripsi.

Saya sedang melakukan penelitian tentang “Kredibilitas Merek, Kesetiaan Pelanggan dan Peran Orientasi Agama pada Brand McDonald”. Penelitian ini dilaksanakan untuk mengetahui dampak dari kredibilitaas merek, kesetiaan pelanggan dan peran orientasi agama pada Brand McDonald.

Peneletian ini terdiri dari 37 pertanyaan yang dibagi menjadi 2 bagian pertanyaan demografik (data personal), dan 30 pertanyaan variabel yang terbagi dalam 5 bagian (*Brand Credibility, Perceived Quality, Trustworthiness, Religious Orientation, Customer Loyalty*).

Dalam pengisian kuesioner ini, responden diharapkan mengisi dengan jujur dan sesuai dengan apa yang dirasakan responden untuk keakurasian kuesioner.

**Section A: Personal Data**

1. Nama  
:
2. Jenis Kelamin  Laki-laki  Perempuan  
:
3. Umur  15-30  31-40  >40  
:
4. Pengeluaran/Bulan  < Rp 500.000  
:  Rp 500.000 - 1.000.000  
 Rp 1.000.000 - 3.000.000  
 > Rp 3.000.000
5. Pekerjaan  Pelajar/Mahasiswa

- :  Wiraswasta  
 Pegawai Swasta/ Negeri  
 Lain-lain:.....

6. Pernahkah anda Iya Tidak  
mengkonsumsi McDonald?
7. Apakah anda seorang Iya Tidak  
Muslim?

Keterangan:

Untuk menjawab pertanyaan dibawah ini, pilihlah salah satu dari nomor yang tersedia dengan contoh keterangan:

- (1) Sangat Tidak Setuju      (3) Agak Tidak Setuju      (5) Setuju  
(2) Tidak Setuju              (4) Agak Setuju              (6) Sangat Setuju

**Section B: Kepercayaan/*Trusworthiness***

Kode	Penyataan	Sangat Tidak Setuju	1	2	3	4	5	6	Sangat Setuju
TW1	Saya percaya dengan McDonald		1	2	3	4	5	6	
TW2	McDonald bisa saya andalkan		1	2	3	4	5	6	
TW3	Saya percaya bahwa McDonald jujur		1	2	3	4	5	6	
TW4	McDonald perusahaan yang bersih dalam menjalankan bisnisnya		1	2	3	4	5	6	
TW5	Saya mempertimbangkan McDonald adalah salah satu rumah makan yang bisa dipercaya		1	2	3	4	5	6	
TW6	Saya percaya McDonald tidak memanfaatkan pelanggan		1	2	3	4	5	6	
TW7	Orang-orang yang bekerja di McDonald dapat dipercaya		1	2	3	4	5	6	

**Section C: Kualitas yang Dirasakan/*Perceived Quality***

Kode	Penyataan	Sangat Tidak Setuju	1	2	3	4	5	6	Sangat Setuju
PQ1	McDonald berkualitas tinggi		1	2	3	4	5	6	
PQ2	McDonald memiliki konsistensi terhadap kualitas		1	2	3	4	5	6	
PQ3	McDonald menawarkan tampilan yang menarik		1	2	3	4	5	6	
PQ4	McDonald menawarkan produk yang terpercaya		1	2	3	4	5	6	
PQ5	McDonald menawarkan komposisi produk yang baik		1	2	3	4	5	6	

### Section C: Kredibilitas Merek/*Brand Credibility*

Kode	Penyataan	Sangat Tidak Setuju	1	2	3	4	5	6	Sangat Setuju
BC1	McDonald mengingatkan saya pada orang yang kompeten di industry makan		1	2	3	4	5	6	
BC2	McDonald mempunyai kemampuan menyampaikan apa yang dijanjikannya		1	2	3	4	5	6	
BC3	McDonald menjanjikan apa yang disampaikan		1	2	3	4	5	6	
BC4	Sejauh ini, pengalaman saya mendorong untuk meyakini apa yang dijanjikan oleh McDonald, tidak kurang dan lebih		1	2	3	4	5	6	
BC5	McDonald mempunyai nama untuk menjadi alasan saya mengakui keberadaannya		1	2	3	4	5	6	
BC6	McDonald tidak pura-pura menjadi sesuatu brand yang tidak dimilikinya (apa adanya)		1	2	3	4	5	6	

### Section D: Kesetiaan Pelanggan/*Customer Loyalty*

<b>Kode</b>	<b>Penyataan</b>	<b>Sangat Tidak Setuju</b>	<b>Sangat Setuju</b>
CL1	Saya makan di McDonald karena itu salah satu pilihan terbaik untuk saya	1	2 3 4 5 6
CL2	Saya memilih untuk menjadi pelanggan setia McDonald	1	2 3 4 5 6
CL3	Saya mempunyai komitmen terhadap McDonald	1	2 3 4 5 6
CL4	Dimasa yang akan datang, saya mau membayar lebih untuk makan di McDonald dibandingkan tempat lain	1	2 3 4 5 6
CL5	Saya mempertimbangkan McDonald sebagai pilihan pertama	1	2 3 4 5 6
CL6	Saya suka membeli produk McDonald	1	2 3 4 5 6
CL7	Saya tidak berniat pindah ke kompetitor lain, meskipun saya ada masalah terhadap pelayanan McDonald	1	2 3 4 5 6

**Section D: Customer Loyalty/Religious Orientation**

<b>Kode</b>	<b>Penyataan</b>	<b>Sangat Tidak Setuju</b>	<b>Sangat Setuju</b>
RO1	Pandangan saya terhadap McDonald tidak akan berkurang meskipun tidak sesuai dengan keyakinanku	1	2 3 4 5 6
RO2	Saya cenderung memilih merek yang sesuai keyakinan saya dibandingkan merek yang non-agama saya	1	2 3 4 5 6
RO3	Saya memilih merek sesuai wilayah pembuatan	1	2 3 4 5 6
RO4	Saya tetap menggunakan produk McDonald walaupun bertentangan dengan nilai agama saya	1	2 3 4 5 6



RO5	Saya mengedepankan nilai agama dalam memilih produsen produk	1	2	3	4	5	6
-----	--	---	---	---	---	---	---

**APENDIX B**  
**VALIDITY AND RELIABILITY TEST OF RESEARCH INSTRUMENTS**  
**RESULTS**

**A. Trustworthiness**

**Case Processing Summary**

		N	%
Cases	Valid	257	100.0
	Excluded <sup>a</sup>	0	.0
	Total	257	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.912	7

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
TW1	23.8638	30.782	.795	.892
TW2	23.8444	32.351	.682	.904
TW3	23.8794	31.130	.743	.897
TW4	23.7899	30.815	.757	.896
TW5	23.7938	31.594	.698	.902
TW6	23.9261	29.827	.797	.891

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
TW1	23.8638	30.782	.795	.892
TW2	23.8444	32.351	.682	.904
TW3	23.8794	31.130	.743	.897
TW4	23.7899	30.815	.757	.896
TW5	23.7938	31.594	.698	.902
TW6	23.9261	29.827	.797	.891
TW7	24.0623	29.770	.678	.907

**B. Perceived Quality**

**Case Processing Summary**

		N	%
Cases	Valid	257	100.0
	Excluded <sup>a</sup>	0	.0
	Total	257	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.850	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PQ1	16.3502	10.830	.738	.798
PQ2	16.2529	10.948	.686	.812
PQ3	16.0311	12.265	.516	.856
PQ4	16.2568	11.504	.661	.819
PQ5	16.2296	11.357	.709	.807

**C. Brand Credibility**

**Case Processing Summary**

		N	%
Cases	Valid	257	100.0
	Excluded <sup>a</sup>	0	.0
	Total	257	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items

**Reliability Statistics**

Cronbach's Alpha	N of Items
.904	6

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
BC1	20.8210	16.249	.690	.897
BC2	20.6809	16.304	.824	.874
BC3	20.6342	16.405	.813	.876
BC4	20.6809	16.413	.791	.879
BC5	20.6615	18.170	.616	.904
BC6	20.6265	17.969	.715	.891

**D. Customer Loyalty**

**Case Processing Summary**

		N	%
Cases	Valid	257	100.0
	Excluded <sup>a</sup>	0	.0
	Total	257	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.908	7

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
CL1	20.9844	36.797	.765	.890
CL2	20.9961	36.340	.799	.886
CL3	21.3813	36.370	.766	.889
CL4	21.7471	36.237	.694	.898
CL5	21.1673	35.874	.726	.894
CL6	20.7782	36.415	.737	.892
CL7	21.8949	37.946	.595	.908

**E. Religious Orientation**

**Case Processing Summary**

		N	%
Cases	Valid	257	100.0
	Excluded <sup>a</sup>	0	.0
	Total	257	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.572	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
RO1	14.5953	13.914	.187	.592
RO2	13.5331	11.250	.464	.436
RO3	13.5875	11.376	.462	.439
RO4	14.6693	13.738	.233	.567
RO5	13.0623	12.035	.324	.521

**APENDIX C**  
**TABLE OF RESPONDENTS CHARACTERISTICS AND**  
**CLASSIFICATION**

**A. Respondents Classification Based on Gender**

No.	Gender	Number (Person)	Percentage
1.	Male	141	54.9%
2.	Female	116	45.1%
Total		257	100%

**B. Respondents Classification Based on Age**

No.	Gender	Number (Person)	Percentage
1.	15 - 30 years	224	87.2%
2.	31 - 40 years	26	10.1%
3.	> 40 years	7	2.7%
Total		257	100%

**C. Respondents Classification Based Monthly Money Spending**

No.	Gender	Number (Person)	Percentage
1.	< Rp 500.000	16	6.2%
2.	Rp 500.000 – Rp 1.000.000	92	35.8%
3.	Rp 1.000.000 – Rp 3.000.000	110	42.8%
4.	> Rp 3.000.000	39	15.2%
Total		257	100%

**D. Respondents Classification Based on Occupation**

No.	Gender	Number (Person)	Percentage
1.	Student and University Student	160	62.3%
2.	Private and Government	66	25.7%



	Employees		
3.	Entrepreneur	31	12.1%
Total		257	100%

**E. Respondents Classification Based on Religion**

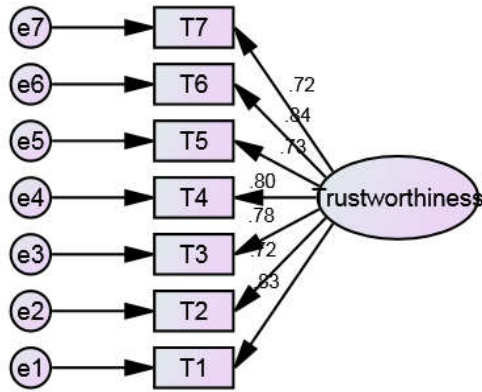
No.	Gender	Number (Person)	Percentage
1.	Followers of Islam	257	100%
2.	Not followers of Islam	0	0%
Total		257	100%

**F. Respondents Classification Based on Experience Consuming**

**McDonald**

No.	Gender	Number (Person)	Percentage
1.	Already consume	257	100%
2.	Have not consume	0	0%
Total		257	100%

**APENDIX D**  
**THE RESULT OF INDICATOR IDENTIFICATION**



**Estimates (Group number 1 - Default model)**

**Scalar Estimates (Group number 1 - Default model)**

**Maximum Likelihood Estimates**

**Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
T1 <--- Trustworthiness	1.000				
T2 <--- Trustworthiness	.831	.064	13.006	***	
T3 <--- Trustworthiness	.954	.066	14.515	***	
T4 <--- Trustworthiness	.999	.066	15.161	***	
T5 <--- Trustworthiness	.892	.068	13.170	***	
T6 <--- Trustworthiness	1.100	.068	16.207	***	
T7 <--- Trustworthiness	1.066	.083	12.874	***	

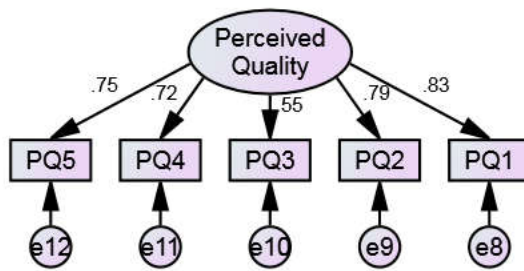
**Standardized Regression Weights: (Group number 1 - Default model)**

	Estimate
T1 <--- Trustworthiness	.835
T2 <--- Trustworthiness	.723
T3 <--- Trustworthiness	.781
T4 <--- Trustworthiness	.805
T5 <--- Trustworthiness	.729
T6 <--- Trustworthiness	.841
T7 <--- Trustworthiness	.717

**Variances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Trustworthiness	.805	.100	8.037	***	
e1	.351	.039	8.994	***	
e2	.509	.050	10.220	***	
e3	.469	.048	9.739	***	
e4	.437	.046	9.462	***	
e5	.565	.055	10.176	***	
e6	.402	.045	8.863	***	
e7	.865	.084	10.254	***	

	Loading ( $\lambda$ )	Error ( $\epsilon$ )	$\Sigma$ ( $\lambda$ )	$\Sigma$ ( $\epsilon$ )	Construct Reliability
T1	0.835	0.351	5.431	3.598	0.891
T2	0.723	0.509			
T3	0.781	0.469			
T4	0.805	0.437			
T5	0.729	0.565			
T6	0.841	0.402			
T7	0.717	0.865			



**Estimates (Group number 1 - Default model)**

**Scalar Estimates (Group number 1 - Default model)**

**Maximum Likelihood Estimates**

**Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
PQ1 <--- Perceived_Quality	1.000				
PQ2 <--- Perceived_Quality	.977	.073	13.394	***	
PQ3 <--- Perceived_Quality	.655	.074	8.857	***	
PQ4 <--- Perceived_Quality	.835	.069	12.112	***	
PQ5 <--- Perceived_Quality	.850	.067	12.698	***	

**Standardized Regression Weights: (Group number 1 - Default model)**

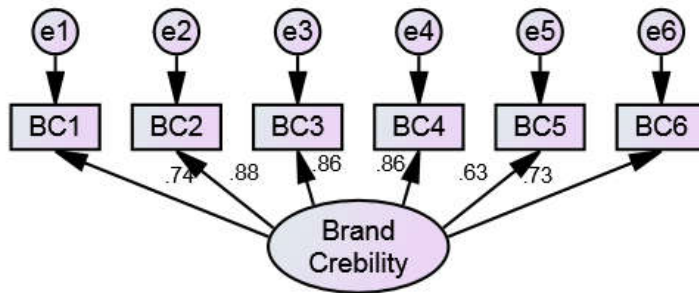
	Estimate
PQ1 <--- Perceived_Quality	.831
PQ2 <--- Perceived_Quality	.788
PQ3 <--- Perceived_Quality	.554
PQ4 <--- Perceived_Quality	.723
PQ5 <--- Perceived_Quality	.752

**Variances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Perceived_Quality	.781	.102	7.686	***	
e8	.350	.047	7.381	***	
e9	.455	.054	8.415	***	
e10	.755	.072	10.557	***	
e11	.497	.053	9.406	***	

	Estimate	S.E.	C.R.	P	Label
e12	.433	.048	9.029	***	

	Loading ( $\lambda$ )	Error ( $\epsilon$ )	$\Sigma$ ( $\lambda$ )	$\Sigma$ ( $\epsilon$ )	Construct Reliability
PQ1	0.831	0.35	3.648	2.49	0.842
PQ2	0.788	0.455			
PQ3	0.554	0.755			
PQ4	0.723	0.497			
PQ5	0.752	0.433			



**Estimates (Group number 1 - Default model)**

**Scalar Estimates (Group number 1 - Default model)**

**Maximum Likelihood Estimates**

**Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
BC1 <--- Brand_Credibility	1.000				
BC2 <--- Brand_Credibility	1.046	.073	14.240	***	
BC3 <--- Brand_Credibility	1.012	.073	13.832	***	
BC4 <--- Brand_Credibility	1.032	.075	13.831	***	
BC5 <--- Brand_Credibility	.698	.070	9.980	***	
BC6 <--- Brand_Credibility	.749	.064	11.689	***	

**Standardized Regression Weights: (Group number 1 - Default model)**

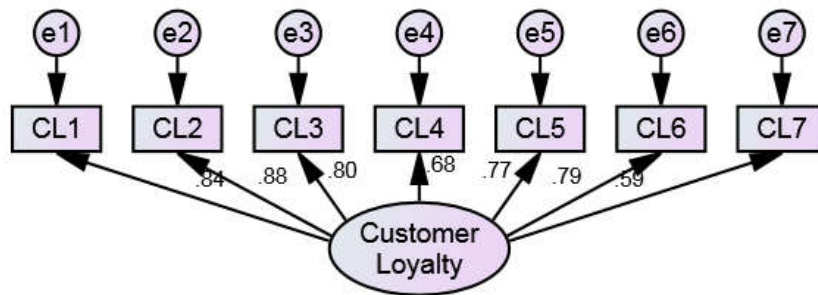
	Estimate
BC1 <--- Brand_Credibility	.736
BC2 <--- Brand_Credibility	.884
BC3 <--- Brand_Credibility	.860
BC4 <--- Brand_Credibility	.859
BC5 <--- Brand_Credibility	.632
BC6 <--- Brand_Credibility	.734

**Variiances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Brand_Credibility	.704	.105	6.694	***	
e1	.596	.058	10.205	***	
e2	.215	.027	7.880	***	
e3	.255	.030	8.605	***	

	Estimate	S.E.	C.R.	P	Label
e4	.265	.031	8.606	***	
e5	.515	.048	10.693	***	
e6	.338	.033	10.218	***	

	Loading ( $\lambda$ )	Error ( $\epsilon$ )	$\Sigma$ ( $\lambda$ )	$\Sigma$ ( $\epsilon$ )	Construct Reliability
BC1	0.736	0.596	4.705	2.184	0.910
BC2	0.884	0.215			
BC3	0.86	0.255			
BC4	0.859	0.265			
BC5	0.632	0.515			
BC6	0.734	0.338			



**Estimates (Group number 1 - Default model)**

**Scalar Estimates (Group number 1 - Default model)**

**Maximum Likelihood Estimates**

**Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
CL1 <--- Customer_Loyalty	1.000				
CL2 <--- Customer_Loyalty	1.053	.060	17.670	***	
CL3 <--- Customer_Loyalty	.987	.065	15.226	***	
CL4 <--- Customer_Loyalty	.913	.076	12.055	***	
CL5 <--- Customer_Loyalty	1.033	.072	14.425	***	
CL6 <--- Customer_Loyalty	1.001	.067	14.941	***	
CL7 <--- Customer_Loyalty	.768	.077	10.013	***	

**Standardized Regression Weights: (Group number 1 - Default model)**

	Estimate
CL1 <--- Customer_Loyalty	.839
CL2 <--- Customer_Loyalty	.881
CL3 <--- Customer_Loyalty	.800
CL4 <--- Customer_Loyalty	.679
CL5 <--- Customer_Loyalty	.772
CL6 <--- Customer_Loyalty	.790
CL7 <--- Customer_Loyalty	.587

**Variances: (Group number 1 - Default model)**

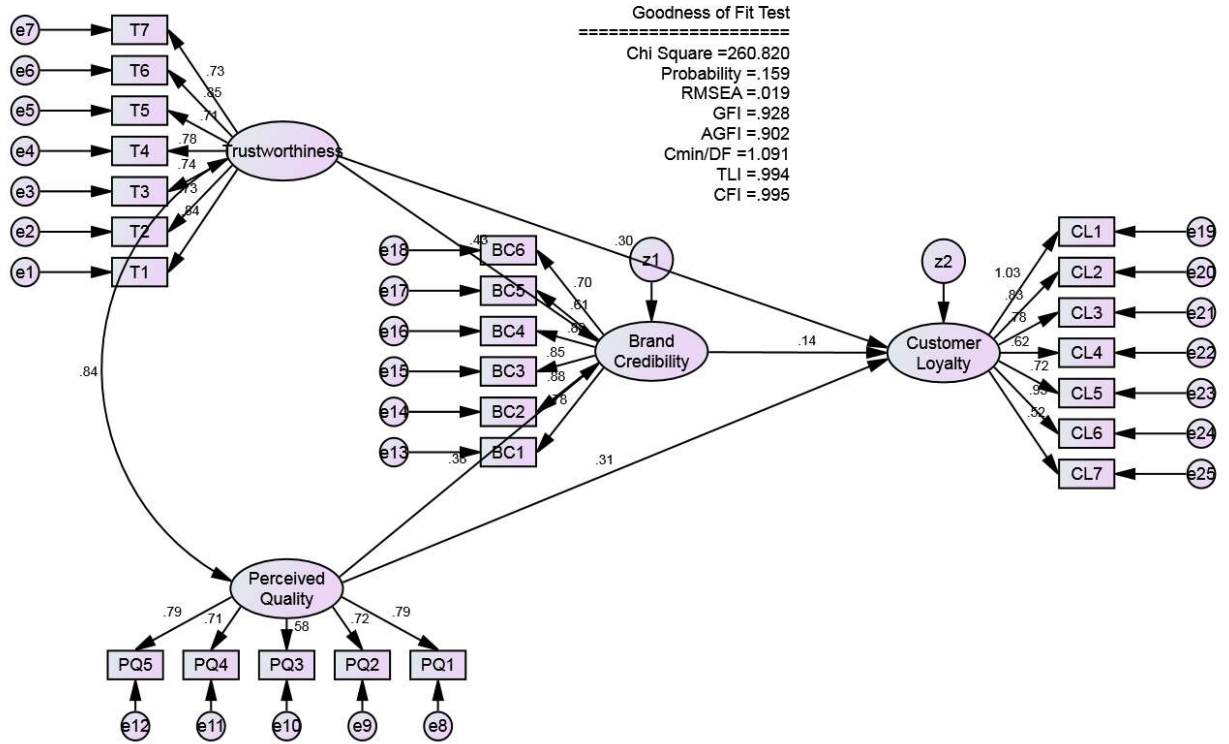
	Estimate	S.E.	C.R.	P	Label
Customer_Loyalty	.960	.118	8.119	***	



	Estimate	S.E.	C.R.	P	Label
e1	.404	.045	9.043	***	
e2	.307	.038	7.995	***	
e3	.525	.055	9.620	***	
e4	.937	.089	10.511	***	
e5	.695	.070	9.919	***	
e6	.578	.059	9.735	***	
e7	1.079	.100	10.822	***	

	Loading ( $\lambda$ )	Error ( $\epsilon$ )	$\Sigma$ ( $\lambda$ )	$\Sigma$ ( $\epsilon$ )	Construct Reliability
CL1	0.839	0.404	5.348	4.525	0.863
CL2	0.881	0.307			
CL3	0.800	0.525			
CL4	0.679	0.937			
CL5	0.772	0.695			
CL6	0.790	0.578			
CL7	0.587	1.079			

**APENDIX F**  
**FINAL STRUCTURAL EQUATION MODEL FULL (AMOS)**



**Analysis Summary**

**Date and Time**

Date: Tuesday, April 24, 2018

Time: 12:47:12 PM

**Title**

full model: Tuesday, April 24, 2018 12:47 PM

**Groups**

**Group number 1 (Group number 1)**

**Notes for Group (Group number 1)**

The model is recursive.

Sample size = 257

**Variable Summary (Group number 1)**

**Your model contains the following variables (Group number 1)**

Observed, endogenous variables

T1

T2

T3

T4

T5

T6

T7

PQ1

PQ2

PQ3

PQ4

PQ5

BC1

BC2

BC3

BC4

BC5

BC6

CL1

CL2

CL3

CL4

CL5

CL6

CL7

Unobserved, endogenous variables

Brand\_Credibility

Customer\_Loyalty

Unobserved, exogenous variables

Trustworthiness

e1

e2

e3

e4

e5

e6

e7

Perceived\_Quality

e8

e9

e10

e11

e12

e13

e14

e15

e16

e17

e18

e19

e20

e21

e22

e23

e24

e25

z1

z2

**Variable counts (Group number 1)**

Number of variables in your model: 56

Number of observed variables: 25

Number of unobserved variables: 31

Number of exogenous variables: 29

Number of endogenous variables: 27

**Parameter Summary (Group number 1)**

	Weights	Covariances	Variances	Means	Intercepts	Total
--	---------	-------------	-----------	-------	------------	-------

	Weights	Covariances	Variances	Means	Intercepts	Total
Fixed	31	0	0	0	0	31
Labeled	0	0	0	0	0	0
Unlabeled	26	31	29	0	0	86
Total	57	31	29	0	0	117

**Assessment of normality (Group number 1)**

Variable	min	max	skew	c.r.	kurtosis	c.r.
CL7	1.000	6.000	.385	2.522	-.408	-1.337
CL6	1.000	6.000	-.137	-.900	-.838	-2.743
CL5	1.000	6.000	-.179	-1.172	-.673	-2.204
CL4	1.000	6.000	.275	1.798	-.512	-1.676
CL3	1.000	6.000	.132	.865	-.487	-1.592
CL2	1.000	6.000	-.014	-.090	-.754	-2.466
CL1	1.000	6.000	.122	.796	-.667	-2.182
BC6	1.000	6.000	-.346	-2.265	.091	.297
BC5	1.000	6.000	-.321	-2.101	-.108	-.352
BC4	1.000	6.000	-.169	-1.104	-.343	-1.122
BC3	1.000	6.000	-.356	-2.330	.022	.074
BC2	1.000	6.000	-.163	-1.069	-.112	-.366
BC1	1.000	6.000	-.331	-2.166	.064	.210
PQ5	1.000	6.000	-.265	-1.737	-.314	-1.027
PQ4	1.000	6.000	-.288	-1.885	-.255	-.833
PQ3	1.000	6.000	-.367	-2.400	-.256	-.836
PQ2	1.000	6.000	-.320	-2.093	.028	.090
PQ1	1.000	6.000	-.268	-1.753	.090	.294
T7	1.000	6.000	-.364	-2.382	-.501	-1.638
T6	1.000	6.000	-.305	-1.997	-.192	-.629
T5	1.000	6.000	-.290	-1.896	-.225	-.735
T4	1.000	6.000	-.138	-.905	-.662	-2.165
T3	1.000	6.000	-.369	-2.415	.099	.324

Variable	min	max	skew	c.r.	kurtosis	c.r.
T2	1.000	6.000	-.158	-1.037	-.410	-1.340
T1	1.000	6.000	-.274	-1.794	-.076	-.248
Multivariate					158.378	34.551

**Observations farthest from the centroid (Mahalanobis distance) (Group number 1)**

Observation number	Mahalanobis d-squared	p1	p2
115	81.910	.000	.000
100	79.304	.000	.000
97	72.914	.000	.000
25	70.981	.000	.000
94	68.368	.000	.000
102	67.172	.000	.000
157	66.580	.000	.000
146	56.773	.000	.000
89	54.573	.001	.000
99	54.466	.001	.000
86	52.376	.001	.000
122	51.638	.001	.000
228	51.198	.002	.000
254	51.094	.002	.000
20	50.650	.002	.000
166	50.125	.002	.000
70	49.877	.002	.000
96	49.769	.002	.000
17	49.207	.003	.000
23	48.922	.003	.000
109	46.947	.005	.000
5	46.543	.006	.000
61	46.375	.006	.000
24	45.886	.007	.000

Observation number	Mahalanobis d-squared	p1	p2
33	45.859	.007	.000
62	45.783	.007	.000
28	45.465	.007	.000
252	45.268	.008	.000
48	44.501	.010	.000
10	43.999	.011	.000
256	43.879	.011	.000
19	43.067	.014	.000
249	42.879	.014	.000
222	42.053	.018	.000
88	41.932	.018	.000
82	41.151	.022	.000
18	40.641	.025	.000
77	40.382	.027	.000
4	40.219	.028	.000
170	39.995	.029	.000
234	39.400	.034	.000
58	38.819	.038	.000
63	38.585	.041	.000
90	38.421	.042	.000
59	37.657	.050	.000
22	37.590	.051	.000
21	37.325	.054	.000
247	37.247	.055	.000
3	35.626	.077	.000
7	34.956	.089	.000
78	34.937	.089	.000
36	34.737	.093	.000
255	34.687	.094	.000

Observation number	Mahalanobis d-squared	p1	p2
192	34.562	.096	.000
76	34.542	.097	.000
182	34.297	.102	.000
187	34.013	.108	.000
191	33.988	.108	.000
106	33.890	.110	.000
217	33.502	.119	.000
176	33.447	.120	.000
125	33.084	.129	.000
46	33.068	.129	.000
169	32.679	.139	.000
55	32.050	.157	.000
87	32.024	.157	.000
105	31.703	.167	.000
71	31.632	.169	.000
173	31.606	.170	.000
239	30.999	.189	.001
208	30.973	.190	.000
68	30.760	.197	.001
180	30.657	.201	.001
65	29.795	.232	.022
42	29.742	.234	.019
29	29.625	.239	.021
16	29.489	.244	.024
213	29.449	.246	.020
66	29.100	.260	.049
41	28.760	.274	.104
108	28.696	.277	.097
40	28.169	.300	.274



Observation number	Mahalanobis d-squared	p1	p2
69	28.162	.300	.235
64	27.877	.314	.345
110	27.575	.328	.483
244	27.391	.337	.550
196	27.382	.337	.504
12	27.271	.342	.524
101	26.677	.372	.822
221	26.627	.375	.810
185	26.443	.384	.855
174	26.377	.388	.852
199	26.358	.389	.828
103	25.924	.412	.941
49	25.788	.419	.953
224	25.500	.435	.980
225	25.460	.437	.977
8	25.379	.441	.978
154	25.103	.457	.991
218	25.049	.460	.990

**Models**

**Default model (Default model)**

**Notes for Model (Default model)**

**Computation of degrees of freedom (Default model)**

Number of distinct sample moments: 325

Number of distinct parameters to be estimated: 86

Degrees of freedom (325 - 86): 239

**Result (Default model)**

Minimum was achieved

Chi-square = 260.820

Degrees of freedom = 239

Probability level = .159

**Group number 1 (Group number 1 - Default model)**

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
Brand_Credibility	<--	Trustworthiness	.421	.110	3.813	***	
	-						
Brand_Credibility	<--	Perceived_Quality	.397	.123	3.222	.00	
	-	y				1	
Customer_Loyalty	<--	Brand_Credibility	.185	.093	1.987	.04	
	-	y				7	
Customer_Loyalty	<--	Perceived_Quality	.438	.149	2.937	.00	
	-	y				3	
Customer_Loyalty	<--	Trustworthiness	.395	.130	3.044	.00	
	-					2	
T1	<--	Trustworthiness	1.000				
	-						
T2	<--	Trustworthiness	.832	.061	13.70	***	
	-				7		
T3	<--	Trustworthiness	.894	.065	13.84	***	
	-				4		
T4	<--	Trustworthiness	.956	.064	15.01	***	
	-				1		
T5	<--	Trustworthiness	.858	.066	13.01	***	
	-				4		
T6	<--	Trustworthiness	1.100	.065	17.02	***	
	-				2		
T7	<--	Trustworthiness	1.056	.078	13.57	***	
	-				0		
PQ1	<--	Perceived_Quality	1.000				
	-	y					

			Estimate	S.E.	C.R.	P	Label
PQ2	<--	Perceived_Qualit	.939	.067	14.03	***	
	-	y			9		
PQ3	<--	Perceived_Qualit	.722	.079	9.186	***	
	-	y					
PQ4	<--	Perceived_Qualit	.877	.075	11.69	***	
	-	y			9		
PQ5	<--	Perceived_Qualit	.942	.072	13.10	***	
	-	y			0		
BC1	<--	Brand_Credibilit	1.000				
	-	y					
BC2	<--	Brand_Credibilit	.987	.064	15.34	***	
	-	y			9		
BC3	<--	Brand_Credibilit	.948	.064	14.74	***	
	-	y			5		
BC4	<--	Brand_Credibilit	1.006	.075	13.47	***	
	-	y			9		
BC5	<--	Brand_Credibilit	.635	.064	9.977	***	
	-	y					
BC6	<--	Brand_Credibilit	.681	.058	11.71	***	
	-	y			2		
CL1	<--	Customer_Loyalt	1.000				
	-	y					
CL2	<--	Customer_Loyalt	.805	.055	14.60	***	
	-	y			4		
CL3	<--	Customer_Loyalt	.785	.065	12.06	***	
	-	y			4		
CL4	<--	Customer_Loyalt	.675	.074	9.172	***	
	-	y					
CL5	<--	Customer_Loyalt	.782	.070	11.15	***	

		Estimate	S.E.	C.R.	P	Label
	- y			5		
CL6	<-- Customer_Loyalt	.965	.075	12.84	***	
	- y			4		
CL7	<-- Customer_Loyalt	.555	.069	8.050	***	
	- y					

**Standardized Regression Weights: (Group number 1 - Default model)**

		Estimate
Brand_Credibility	<--- Trustworthiness	.432
Brand_Credibility	<--- Perceived_Quality	.375
Customer_Loyalty	<--- Brand_Credibility	.136
Customer_Loyalty	<--- Perceived_Quality	.306
Customer_Loyalty	<--- Trustworthiness	.299
T1	<--- Trustworthiness	.845
T2	<--- Trustworthiness	.735
T3	<--- Trustworthiness	.743
T4	<--- Trustworthiness	.782
T5	<--- Trustworthiness	.710
T6	<--- Trustworthiness	.848
T7	<--- Trustworthiness	.728
PQ1	<--- Perceived_Quality	.790
PQ2	<--- Perceived_Quality	.716
PQ3	<--- Perceived_Quality	.578
PQ4	<--- Perceived_Quality	.715
PQ5	<--- Perceived_Quality	.788
BC1	<--- Brand_Credibility	.777
BC2	<--- Brand_Credibility	.881
BC3	<--- Brand_Credibility	.851
BC4	<--- Brand_Credibility	.882

		Estimate
BC5	<--- Brand_Credibility	.608
BC6	<--- Brand_Credibility	.704
CL1	<--- Customer_Loyalty	1.028
CL2	<--- Customer_Loyalty	.826
CL3	<--- Customer_Loyalty	.778
CL4	<--- Customer_Loyalty	.617
CL5	<--- Customer_Loyalty	.721
CL6	<--- Customer_Loyalty	.934
CL7	<--- Customer_Loyalty	.521

**Covariances: (Group number 1 - Default model)**

		Estimate	S.E.	C.R.	P	Label
Trustworthiness	<--> Perceived_Quality	.639	.077	8.340	***	
e22	<--> e25	.574	.081	7.102	***	
e21	<--> e22	.202	.058	3.468	***	
e8	<--> e9	.156	.041	3.776	***	
e13	<--> e16	-.126	.028	-4.515	***	
e7	<--> e25	.242	.056	4.309	***	
e23	<--> e24	.255	.052	4.948	***	
e17	<--> e18	.146	.031	4.775	***	
e21	<--> e25	.182	.057	3.205	.001	
e9	<--> e11	.080	.037	2.146	.032	
e3	<--> e5	.119	.038	3.137	.002	
e4	<--> e16	.049	.025	1.967	.049	
e4	<--> e17	-.035	.031	-1.144	.253	
e5	<--> e15	.060	.027	2.232	.026	
e15	<--> e18	.028	.021	1.318	.188	
e4	<--> e23	.065	.037	1.760	.078	
e22	<--> e23	.160	.050	3.179	.001	
e3	<--> e11	.116	.034	3.372	***	

			Estimate	S.E.	C.R.	P	Label
e1	<-->	e22	-.115	.035	-3.262	.001	
e20	<-->	z2	.109	.050	2.196	.028	
e19	<-->	z2	-.239	.106	-2.253	.024	
e8	<-->	e17	.050	.029	1.730	.084	
e19	<-->	e22	-.077	.034	-2.286	.022	
e1	<-->	e23	-.061	.035	-1.757	.079	
e6	<-->	e21	.086	.033	2.572	.010	
e21	<-->	e23	.065	.043	1.500	.134	
e19	<-->	e24	.026	.058	.448	.654	
e24	<-->	z2	-.247	.099	-2.502	.012	
e2	<-->	e23	.094	.038	2.450	.014	
e3	<-->	e4	.082	.034	2.399	.016	
e15	<-->	e20	.044	.021	2.123	.034	

**Correlations: (Group number 1 - Default model)**

			Estimate
Trustworthiness	<-->	Perceived_Quality	.840
e22	<-->	e25	.509
e21	<-->	e22	.257
e8	<-->	e9	.313
e13	<-->	e16	-.369
e7	<-->	e25	.246
e23	<-->	e24	.345
e17	<-->	e18	.327
e21	<-->	e25	.219
e9	<-->	e11	.146
e3	<-->	e5	.210
e4	<-->	e16	.149
e4	<-->	e17	-.069
e5	<-->	e15	.150

			Estimate
e15	<-->	e18	.088
e4	<-->	e23	.103
e22	<-->	e23	.172
e3	<-->	e11	.221
e1	<-->	e22	-.194
e20	<-->	z2	.249
e19	<-->	z2	-.435
e8	<-->	e17	.105
e19	<-->	e22	-.118
e1	<-->	e23	-.117
e6	<-->	e21	.181
e21	<-->	e23	.095
e19	<-->	e24	.050
e24	<-->	z2	-.348
e2	<-->	e23	.149
e3	<-->	e4	.161
e15	<-->	e20	.169

**Variances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Trustworthiness	.826	.100	8.271	***	
Perceived_Quality	.699	.097	7.224	***	
z1	.314	.048	6.511	***	
z2	.751	.162	4.633	***	
e1	.332	.036	9.099	***	
e2	.489	.047	10.316	***	
e3	.535	.052	10.222	***	
e4	.481	.048	9.942	***	
e5	.600	.057	10.442	***	
e6	.390	.043	9.103	***	

	Estimate	S.E.	C.R.	P	Label
e7	.817	.079	10.339	***	
e8	.422	.048	8.714	***	
e9	.585	.062	9.399	***	
e10	.726	.069	10.574	***	
e11	.515	.053	9.718	***	
e12	.377	.043	8.808	***	
e13	.516	.054	9.552	***	
e14	.221	.026	8.655	***	
e15	.268	.029	9.276	***	
e16	.227	.029	7.858	***	
e17	.540	.049	10.916	***	
e18	.369	.035	10.524	***	
e19	.401	.071	5.669	***	
e20	.258	.043	6.008	***	
e21	.578	.061	9.505	***	
e22	1.069	.101	10.597	***	
e23	.812	.080	10.170	***	
e24	.673	.089	7.571	***	
e25	1.191	.108	11.051	***	

**Matrices (Group number 1 - Default model)**

**Total Effects (Group number 1 - Default model)**

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.397	.421	.000	.000
Customer_Lo yalty	.512	.473	.185	.000
CL7	.284	.262	.103	.555
CL6	.494	.456	.179	.965



	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
CL5	.400	.370	.145	.782
CL4	.346	.319	.125	.675
CL3	.402	.371	.145	.785
CL2	.412	.381	.149	.805
CL1	.512	.473	.185	1.000
BC6	.271	.286	.681	.000
BC5	.252	.267	.635	.000
BC4	.400	.423	1.006	.000
BC3	.377	.399	.948	.000
BC2	.392	.415	.987	.000
BC1	.397	.421	1.000	.000
PQ5	.942	.000	.000	.000
PQ4	.877	.000	.000	.000
PQ3	.722	.000	.000	.000
PQ2	.939	.000	.000	.000
PQ1	1.000	.000	.000	.000
T7	.000	1.056	.000	.000
T6	.000	1.100	.000	.000
T5	.000	.858	.000	.000
T4	.000	.956	.000	.000
T3	.000	.894	.000	.000
T2	.000	.832	.000	.000
T1	.000	1.000	.000	.000

**Standardized Total Effects (Group number 1 - Default model)**

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.375	.432	.000	.000

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Customer_Lo yalty	.357	.358	.136	.000
CL7	.186	.187	.071	.521
CL6	.333	.335	.127	.934
CL5	.257	.258	.098	.721
CL4	.220	.221	.084	.617
CL3	.278	.279	.106	.778
CL2	.295	.296	.113	.826
CL1	.367	.368	.140	1.028
BC6	.264	.304	.704	.000
BC5	.228	.263	.608	.000
BC4	.331	.381	.882	.000
BC3	.319	.368	.851	.000
BC2	.330	.380	.881	.000
BC1	.291	.335	.777	.000
PQ5	.788	.000	.000	.000
PQ4	.715	.000	.000	.000
PQ3	.578	.000	.000	.000
PQ2	.716	.000	.000	.000
PQ1	.790	.000	.000	.000
T7	.000	.728	.000	.000
T6	.000	.848	.000	.000
T5	.000	.710	.000	.000
T4	.000	.782	.000	.000
T3	.000	.743	.000	.000
T2	.000	.735	.000	.000
T1	.000	.845	.000	.000

Direct Effects (Group number 1 - Default model)

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.397	.421	.000	.000
Customer_Lo yalty	.438	.395	.185	.000
CL7	.000	.000	.000	.555
CL6	.000	.000	.000	.965
CL5	.000	.000	.000	.782
CL4	.000	.000	.000	.675
CL3	.000	.000	.000	.785
CL2	.000	.000	.000	.805
CL1	.000	.000	.000	1.000
BC6	.000	.000	.681	.000
BC5	.000	.000	.635	.000
BC4	.000	.000	1.006	.000
BC3	.000	.000	.948	.000
BC2	.000	.000	.987	.000
BC1	.000	.000	1.000	.000
PQ5	.942	.000	.000	.000
PQ4	.877	.000	.000	.000
PQ3	.722	.000	.000	.000
PQ2	.939	.000	.000	.000
PQ1	1.000	.000	.000	.000
T7	.000	1.056	.000	.000
T6	.000	1.100	.000	.000
T5	.000	.858	.000	.000
T4	.000	.956	.000	.000
T3	.000	.894	.000	.000
T2	.000	.832	.000	.000

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
T1	.000	1.000	.000	.000

**Standardized Direct Effects (Group number 1 - Default model)**

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.375	.432	.000	.000
Customer_Lo yalty	.306	.299	.136	.000
CL7	.000	.000	.000	.521
CL6	.000	.000	.000	.934
CL5	.000	.000	.000	.721
CL4	.000	.000	.000	.617
CL3	.000	.000	.000	.778
CL2	.000	.000	.000	.826
CL1	.000	.000	.000	1.028
BC6	.000	.000	.704	.000
BC5	.000	.000	.608	.000
BC4	.000	.000	.882	.000
BC3	.000	.000	.851	.000
BC2	.000	.000	.881	.000
BC1	.000	.000	.777	.000
PQ5	.788	.000	.000	.000
PQ4	.715	.000	.000	.000
PQ3	.578	.000	.000	.000
PQ2	.716	.000	.000	.000
PQ1	.790	.000	.000	.000
T7	.000	.728	.000	.000
T6	.000	.848	.000	.000

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
T5	.000	.710	.000	.000
T4	.000	.782	.000	.000
T3	.000	.743	.000	.000
T2	.000	.735	.000	.000
T1	.000	.845	.000	.000

**Indirect Effects (Group number 1 - Default model)**

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.000	.000	.000	.000
Customer_Lo yalty	.073	.078	.000	.000
CL7	.284	.262	.103	.000
CL6	.494	.456	.179	.000
CL5	.400	.370	.145	.000
CL4	.346	.319	.125	.000
CL3	.402	.371	.145	.000
CL2	.412	.381	.149	.000
CL1	.512	.473	.185	.000
BC6	.271	.286	.000	.000
BC5	.252	.267	.000	.000
BC4	.400	.423	.000	.000
BC3	.377	.399	.000	.000
BC2	.392	.415	.000	.000
BC1	.397	.421	.000	.000
PQ5	.000	.000	.000	.000
PQ4	.000	.000	.000	.000
PQ3	.000	.000	.000	.000

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
PQ2	.000	.000	.000	.000
PQ1	.000	.000	.000	.000
T7	.000	.000	.000	.000
T6	.000	.000	.000	.000
T5	.000	.000	.000	.000
T4	.000	.000	.000	.000
T3	.000	.000	.000	.000
T2	.000	.000	.000	.000
T1	.000	.000	.000	.000

**Standardized Indirect Effects (Group number 1 - Default model)**

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
Brand_Credib ility	.000	.000	.000	.000
Customer_Lo yalty	.051	.059	.000	.000
CL7	.186	.187	.071	.000
CL6	.333	.335	.127	.000
CL5	.257	.258	.098	.000
CL4	.220	.221	.084	.000
CL3	.278	.279	.106	.000
CL2	.295	.296	.113	.000
CL1	.367	.368	.140	.000
BC6	.264	.304	.000	.000
BC5	.228	.263	.000	.000
BC4	.331	.381	.000	.000
BC3	.319	.368	.000	.000
BC2	.330	.380	.000	.000

	Perceived_Qu ality	Trustworthi ness	Brand_Credib ility	Customer_Lo yalty
BC1	.291	.335	.000	.000
PQ5	.000	.000	.000	.000
PQ4	.000	.000	.000	.000
PQ3	.000	.000	.000	.000
PQ2	.000	.000	.000	.000
PQ1	.000	.000	.000	.000
T7	.000	.000	.000	.000
T6	.000	.000	.000	.000
T5	.000	.000	.000	.000
T4	.000	.000	.000	.000
T3	.000	.000	.000	.000
T2	.000	.000	.000	.000
T1	.000	.000	.000	.000

**Modification Indices (Group number 1 - Default model)**

**Covariances: (Group number 1 - Default model)**

	M.I.	Par Change
e18 <--> e21	4.125	-.055
e17 <--> Perceived_Quality	6.626	.068
e10 <--> z2	4.090	.081
e10 <--> e24	4.300	.082
e6 <--> e16	4.225	-.048
e6 <--> e14	5.428	.052
e4 <--> e9	5.458	.075
e4 <--> e6	5.234	.067

**Variances: (Group number 1 - Default model)**

	M.I.	Par Change

**Regression Weights: (Group number 1 - Default model)**

	M.I.	Par Change
CL7 <--- BC3	4.032	.113

	M.I.	Par Change
CL7 <--- BC1	4.052	.098
CL7 <--- PQ3	6.305	.133
CL3 <--- BC6	6.250	-.136
BC5 <--- PQ3	4.861	.091

**Minimization History (Default model)**

Iteration	Negative eigenvalues	Condition #	Smallest eigenvalue	Diameter	F	NTripes	Ratio
0	e 29		-1.683	9999.000	4464.508	0	9999.000
1	e* 29		-.385	2.711	2347.959	19	.395
2	e 16		-.319	.849	1579.812	5	.882
3	e 2		-.132	.973	845.873	5	.875
4	e 1		-.017	1.028	486.715	5	.680
5	e 0	3083.445		.694	323.794	5	.930
6	e 0	271.013		.474	305.683	4	.000
7	e 0	268.375		.579	265.926	1	1.075
8	e 0	284.434		.179	260.980	1	1.096
9	e 0	289.930		.044	260.821	1	1.033
10	e 0	285.37		.003	260.82	1	1.002



Iteration	Negative eigenvalues	Condition #	Smallest eigenvalue	Diameter	F	NTris	Ratio
11	0	4 285.36 6		.000	260.82 0	1	1.000

**Model Fit Summary**

**CMIN**

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	86	260.820	239	.159	1.091
Saturated model	325	.000	0		
Independence model	25	4699.878	300	.000	15.666

**RMR, GFI**

Model	RMR	GFI	AGFI	PGFI
Default model	.047	.928	.902	.682
Saturated model	.000	1.000		
Independence model	.561	.159	.089	.147

**Baseline Comparisons**

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.945	.930	.995	.994	.995
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

**Parsimony-Adjusted Measures**

Model	PRATIO	PNFI	PCFI
Default model	.797	.752	.793
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

**NCP**

Model	NCP	LO 90	HI 90
Default model	21.820	.000	65.145

Model	NCP	LO 90	HI 90
Saturated model	.000	.000	.000
Independence model	4399.878	4181.531	4625.503

**FMIN**

Model	FMIN	F0	LO 90	HI 90
Default model	1.019	.085	.000	.254
Saturated model	.000	.000	.000	.000
Independence model	18.359	17.187	16.334	18.068

**RMSEA**

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.019	.000	.033	1.000
Independence model	.239	.233	.245	.000

**AIC**

Model	AIC	BCC	BIC	CAIC
Default model	432.820	452.264	738.041	824.041
Saturated model	650.000	723.478	1803.450	2128.450
Independence model	4749.878	4755.531	4838.605	4863.605

**ECVI**

Model	ECVI	LO 90	HI 90	MECVI
Default model	1.691	1.605	1.860	1.767
Saturated model	2.539	2.539	2.539	2.826
Independence model	18.554	17.701	19.436	18.576

**HOELTER**

Model	HOELTER	HOELTER
	.05	.01
Default model	271	288
Independence model	19	20

**Execution time summary**

Minimization: .062

Miscellaneous: 2.746

Bootstrap: .000

Total: 2.808

## Reliability

### Scale: ALL VARIABLES

#### Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded <sup>a</sup>	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

#### Reliability Statistics

Cronbach's Alpha	N of Items
.862	7

## Validity Test

#### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
T1	23.3714	23.593	.715	.832
T2	23.5714	25.840	.465	.864
T3	23.8000	23.812	.585	.850
T4	23.8286	23.617	.600	.847
T5	23.6000	23.188	.637	.842
T6	23.6286	23.299	.701	.833
T7	23.4571	23.255	.731	.829

## Reliability

Scale: ALL VARIABLES

### Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded <sup>a</sup>	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	N of Items
.641	5

## Validity Test

### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PQ1	17.0286	7.264	.407	.583
PQ2	16.9714	7.087	.287	.651
PQ3	16.6571	7.467	.500	.555
PQ4	16.8571	8.008	.209	.674
PQ5	16.8286	5.734	.651	.443

## Reliability

Scale: ALL VARIABLES

Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded <sup>a</sup>	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.821	6

## Validity Test

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
BC1	21.3429	9.820	.643	.803
BC2	21.0286	12.146	.751	.758
BC3	21.0571	12.173	.793	.751
BC4	21.2286	11.946	.767	.753
BC5	20.9143	16.551	.137	.861
BC6	20.8571	14.185	.551	.802

## Reliability

### Scale: ALL VARIABLES

**Case Processing Summary**

		N	%
Cases	Valid	35	100.0
	Excluded <sup>a</sup>	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	N of Items
.934	7

## Validity Test

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
CL1	19.9143	47.139	.809	.923
CL2	20.1143	44.928	.852	.918
CL3	20.4857	45.022	.834	.920
CL4	20.7143	45.975	.802	.923
CL5	20.5714	45.487	.808	.922
CL6	19.7143	47.798	.676	.935

CL7	20.2571	49.079	.745	.928
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## Reliability

### Scale: ALL VARIABLES

#### Case Processing Summary

		N	%
Cases	Valid	35	100.0
	Excluded <sup>a</sup>	0	.0
	Total	35	100.0

a. Listwise deletion based on all variables in the procedure.

#### Reliability Statistics

Cronbach's Alpha	N of Items
.856	5

## Validity Test

#### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
RO1	14.6286	18.593	.452	.883
RO2	14.4571	16.550	.759	.804
RO3	14.6857	16.163	.765	.801
RO4	14.8286	16.029	.767	.800
RO5	14.2000	17.459	.637	.834

## Regression

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	PQ.RO, T, RO, PQ, T.RO <sup>b</sup>	.	Enter

a. Dependent Variable: BC

b. All requested variables entered.

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.646 <sup>a</sup>	.417	.406	.77113

a. Predictors: (Constant), PQ.RO, T, RO, PQ, T.RO

b. Dependent Variable: BC

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	106.851	5	21.370	35.938	.000 <sup>b</sup>
	Residual	149.253	251	.595		
	Total	256.105	256			

a. Dependent Variable: BC

b. Predictors: (Constant), PQ.RO, T, RO, PQ, T.RO

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.459	.321		1.427	.155		
	T	.329	.073	.303	4.529	.000	.519	1.926

PQ	.302	.086	.250	3.494	.001	.453	2.207
RO	.071	.077	.056	.929	.354	.636	1.573
T.RO	.028	.091	.023	.306	.760	.412	2.429
PQ.RO	.298	.097	.248	3.067	.002	.356	2.810

a. Dependent Variable: BC

## Regression

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	BC.RO, BC, RO <sup>b</sup>		Enter

- a. Dependent Variable: CL  
 b. All requested variables entered.

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.577 <sup>a</sup>	.333	.325	.82216

- a. Predictors: (Constant), BC.RO, BC, RO  
 b. Dependent Variable: CL

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	85.199	3	28.400	42.014	.000 <sup>b</sup>
	Residual	171.016	253	.676		
	Total	256.215	256			

- a. Dependent Variable: CL  
 b. Predictors: (Constant), BC.RO, BC, RO

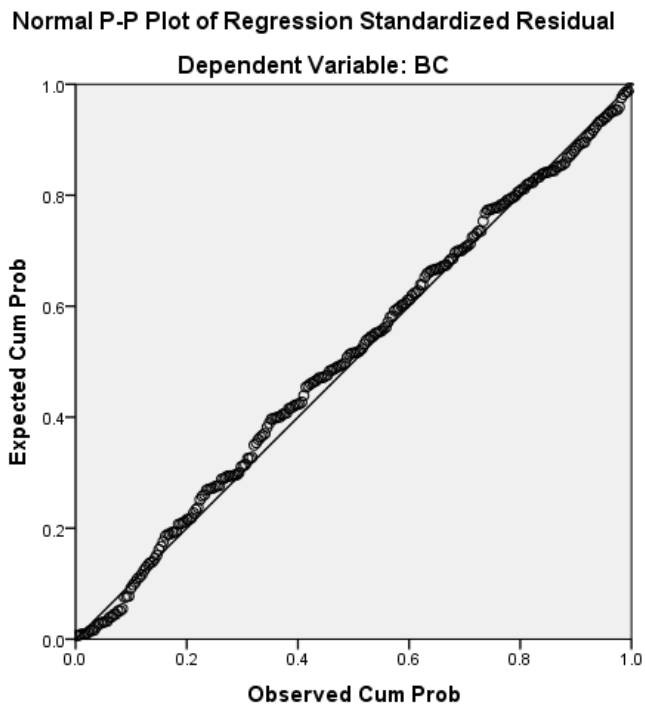
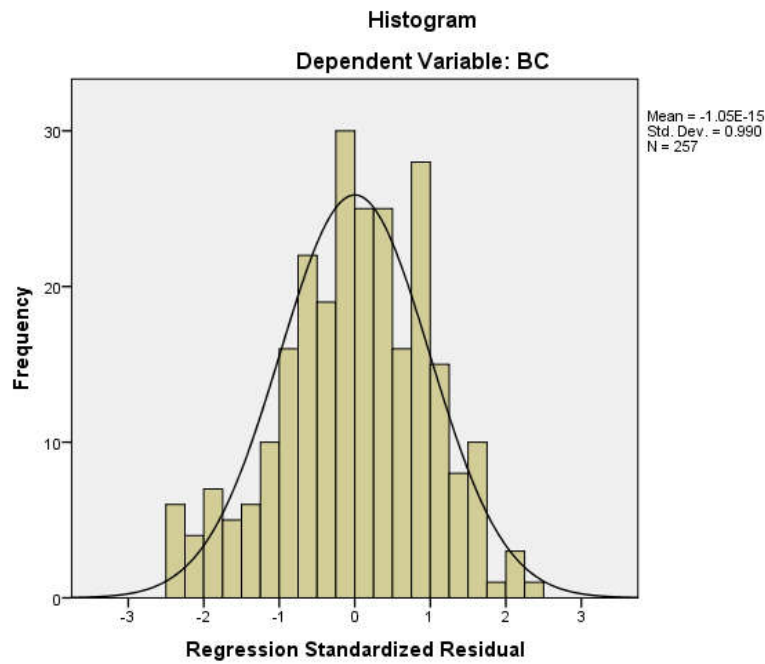
**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF

	(Constant)	.613	.351		1.746	.082		
1	BC	.606	.077	.494	7.828	.000	.663	1.508
	RO	.070	.087	.055	.803	.422	.560	1.786
	BC.RO	.184	.089	.156	2.057	.041	.458	2.186

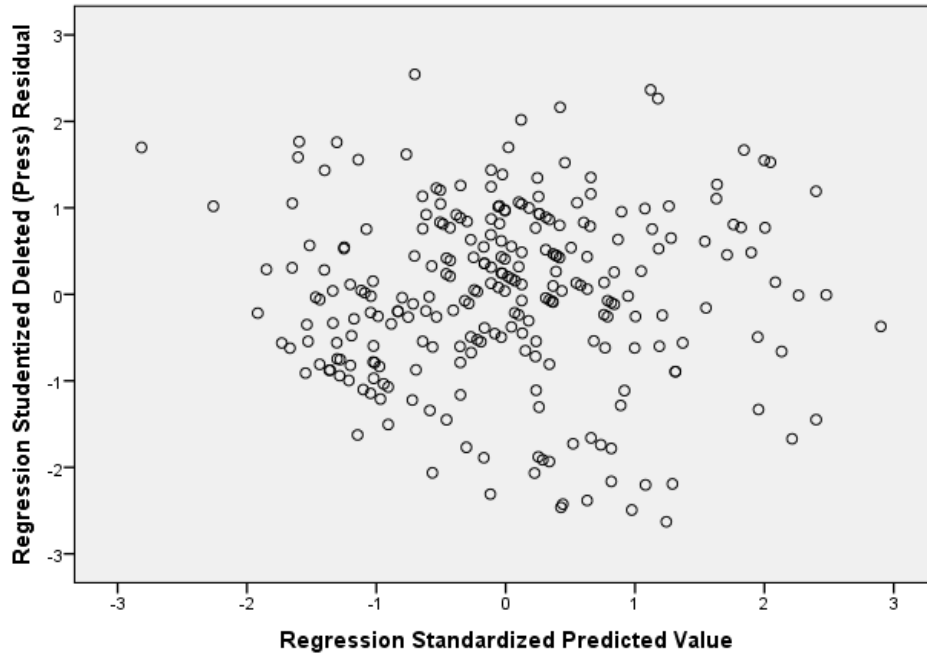
a. Dependent Variable: CL

## Charts



Scatterplot

Dependent Variable: BC



# Charts

