

WARDAH BRANDING, EMOTIONAL ATTACHMENT AND BRAND LOYALTY: STUDY CASE FOR MILLENNIAL CONSUMER

ABSTRACT

The purpose of this study was to determine what corporate branding consisted of corporate association, corporate effectiveness, corporate value, and corporate personalities towards emotional attachment and to determine whether emotional attachment had an effect on brand loyalty.

The population in this study is generation Y consumers who use wardah consensus. The samples taken in this study are some of the generation Y consumers who use wardah consensus which amounts to 270 people. Data analysis in this study using the SEM method.

The results of this study prove that corporate branding which consists of corporate association, corporate innovation, corporate value, and corporate personalities has a significant positive effect on emotional attachment and emotional attachment and has a significant positive effect on brand loyalty.

Keywords: ***corporate branding, emotional attachment and brand loyalty***

1. Introduction

The success of a company depends on its ability to attract consumers towards their product brands. In particular, the interest of the consumer is crucial to the survival of the brand. Consumers who are loyal to the brands will reduce the cost of marketing the company because the cost of attracting new customers was found about six times higher than the cost of retaining existing customers.

One of the best *brand value* in Indonesia is Wardah Cosmetics. This local brand cosmetics can take the attention of consumers in Indonesia, because the cosmetics brand of Wardah inculcate halal products they sell. It makes consumers feel safe when using the product. Corporate branding is defined as a brand that represents a company where corporate values extended to various categories of

products/services. *Emotional attachment* helps provide customers a complete premium ownership experience and unforgettable while taking the brand (Brun et al., 2008) so it becomes important to connect with customers on an emotional level to be successful in the luxury fashion market (Khan et al., 2016) particularly in the luxury cosmetics market.

On the basis of the above issue, the writer will do research with the title: “Wardah Branding, Emotional Attachment and Brand Loyalty”.

2. Literature review

2.1. Brand Loyalty

Brand loyalty is the key for many companies to manage long-term relationships with customers. Brand loyalty can be composed of two aspects: aspects relating to behavior and aspects relating to attitude (Assael, 2004). Chaudhuri & Holbrook (2001) also mentions behavioral loyalty as loyalty purchasing.

According to them the behavioral loyalty contains the repeat purchase of a brand, while the attitudinal loyalty covers the level of commitment to tend to a brand based on some unique value associated with the brand.

To measure the brand loyalty it involves both aspects, thus, not only in terms of repeat purchases because the only repeat purchases do not reflect the true brand loyalty (Assael, 2004).

2.2. Corporate Branding

Corporate branding is a holistic brand management approach adopted by the company to establish a unique corporate identity (Abratt & Kleyn, 2012).

Corporate branding concept has gained popularity in the marketing literature for the company's brand can be said to add value to the products and services offered by the company (Harris & de Chernatony, 2001).

Strong brands will generate the hard intangible asset to imitate a competitor. Thus, a very strong corporate brand gives the company a sustainable competitive advantage that will generate the loyalty (Khan et al., 2016; So et al., 2013).

2.2.1. Corporate Association

Association of the company refers to the evaluation of the customer to a brand that is determined by the knowledge stored in their memory, based on previous customer-brand interaction (Romaniuk & Gaillard, 2007).

With knowledge of this brand, the association of companies serves as a cue for the customer important information when assessing a company's credibility and perceived product quality for brand selection (Souden et al., 2006).

Based on study result by Khan et al., (2016), proves that Corporate Association give a positive effect on emotional attachment. Based on the description above, the first hypothesis of this study is:

H1: Corporate Association gives a positive effect on emotional attachment

2.2.2. Corporate Activities

The company's activities include all actions taken by the company to actively engage customers with the brand.

The company measures such as advertising and CSR aims to enhance the brand image (Sen and Bhattacharya, 2001) and brand reputation that their customers expect (Heath, Brandt, & Nairn, 2006) as well as the emotional attachment and brand loyalty (Pratihari & Uzma, 2018).

Based on study result by Pratihari & Uzma, (2018), proves that company activities in the form of CSR affect an emotional attachment to the customer. Based on the description above, the second hypothesis of this study is:

H2: Corporate Activity gives a positive effect on emotional attachment

2.2.3. Corporates Values

The company's value can be generated by all the good relationship with the other participants in the environment outside the company, such as customers, suppliers and other groups.

Organizations create value, and most of them incorporate some kind of a value statement either explicitly or implicitly on their website, but the expression value is not only unclear but also contradictory.

Brands that are supported by the company's values that are strong tend to be regarded as a high quality brand partners, which encourage customers to commit to a long-term relationship (So et al., 2013).

Based on the description above, the third hypothesis of this study is:

H3: Corporate Values give a positive effect on emotional attachment

2.2.4. Corporates Personalities

Personality of companies reflects a series of human-like emotional characteristics associated with a brand (Aaker, 2006). Consumers consider a brand able to represent their personality traits (Orth, Limon, & Rose, 2010).

When customers have their own confidence in a brand, they have trust in the brand to continue to meet their expectations, and therefore more willing to be loyal to the brand (Khan et al., 2016).

Based on the description above, the fourth hypothesis of this study is:

H4: Corporate Personalities give a positive effect on emotional attachment

2.3. Emotional Attachment

Consumers who purchase repeatedly on the brands marketed is desired by the marketer. This is because the loyalty that they do will consistently contribute to the company's revenue and profit (Reicheld, 1996).

Consumers have experience with a brand when they're looking for the right product, make a purchase, and use it (Brakus, Schmitt, & Zarantonello, 2009).

Based on study result by Khan et al., (2016) and So et al., (2013), prove that emotional attachment has a positive effect on brand loyalty. Based on the description above, the fifth hypothesis of this study is:

H5: emotional attachment gives a positive effect on brand loyalty

3. Research Methodology

3.1. Research Approach

In this study, it is used a quantitative method as research approach. In this quantitative study, the writer proposed a new problem by identifying with the hypothesis that the temporary answer to the formulation of research problems. Quantitative research methods according to Given, (2008) are approaches to empirical studies to collect, analyze, and display data in numeric form rather than narrative.

3.2. Data Collection and Analysis

The questionnaire can be used as a measuring tool of research that needs to be tested for validity and reliability, due to the requirements of good instruments of the research data used to measure the variables must satisfy the elements of accuracy, precision and sensitivity. In order to obtain the measurement value distribution close to normal, it should be the number of respondents to take the questionnaire test that is same with a sample of the research used.

3.3. Analysis of Structural Equation Model

3.3.1. Normality test

When CR is greater than the critical value, it can be presumed that the data distribution is not normal. The critical value based on the level of significance of 1% can be determined by ± 2.58 (Ghozali, 2011). The results of the analysis of normality test is as follows:

Table 1
Normality Test Results

Variable	min	max	skew	c.r.	kurtosis	c.r.
BL3	1,000	5,000	-,752	-5,047	-,762	-2,555
BL2	1,000	5,000	-,998	-6,692	-,184	-,617
BL1	1,000	5,000	-,983	-6,592	-,179	-,602
EA6	1,000	5,000	-,676	-4,533	-,762	-2,556
EA5	1,000	5,000	-,746	-5,004	-,684	-2,295
EA4	1,000	5,000	-,782	-5,246	-,634	-2,125
EA3	1,000	5,000	-,821	-5,508	-,446	-1,497
EA2	1,000	5,000	-1,035	-6,942	-,179	-,601
EA1	1,000	5,000	-,869	-5,826	-,534	-1,792
CP3	1,000	5,000	-1,229	-8,244	,865	2,901
CP2	1,000	5,000	-,843	-5,653	,010	,033
CP1	1,000	5,000	-1,267	-8,500	,718	2,407
CV4	1,000	5,000	-,957	-6,422	-,460	-1,542
CV3	1,000	5,000	-1,006	-6,752	-,150	-,504
CV2	1,000	5,000	-,981	-6,581	-,252	-,844
CV1	1,000	5,000	-1,105	-7,414	,169	,568
CAC4	1,000	5,000	-,792	-5,314	-,501	-1,680
CAC3	1,000	5,000	-1,007	-6,756	-,426	-1,428
CAC2	1,000	5,000	-,981	-6,583	-,305	-1,022
CAC1	1,000	5,000	-,867	-5,816	-,305	-1,024
CAS4	1,000	5,000	-1,095	-7,345	,147	,492
CAS3	1,000	5,000	-1,036	-6,948	-,126	-,421
CAS2	1,000	5,000	-1,043	-6,997	-,309	-1,035
CAS1	1,000	5,000	-,996	-6,680	-,445	-1,493
Multivariate					5,135	1,689

Source: Primary Data Processed, 2019

Critical ratio value used is equal to + 2.58 at the significance level of 1%, meaning that if the value of the CR does not exceed the absolute value of 2.58 then variables is concluded that it is normally distributed.

3.3.2. Outlier Test

One observation is expressed as an outlier if it has a range (distance) that is significant to the observation center at a significance level of $p < 0.001$ with a degree of freedom of a number of constructs used in the study (Ghozali, 2011)

Table 2
Outlier Test Results

Observation number	Mahalanobis d-squared	p1	p2
73	26,862	,311	,131
203	26,862	,311	,105
133	26,759	,316	,114
263	26,759	,316	,191
43	26,758	,316	,172
27	26,328	,337	,198
194	26,168	,345	,242
142	26,152	,346	,213

Source: Processed Data, 2019

From table 2 above, it is a table of *Observations farthes from the centroid (Mahalanobis distance)*. The result is the value of p1 and p2 above of 0.001 so that no data is beyond the limit of outliers. It can be concluded that there are no outliers of the results of this study.

3.3.3. Confirmatory Test

Test results of validity and reliability of partial data are as follows that can be seen in the table below:

Table 3
Validity and Reliability Test Results

Variables	Indicators Code	λ_1	ϵ_1	TValue	Info	Reliability Construct	Info
Corporate Association	CAS1 (Wardah cosmetics company is a company with high quality products with due regard to the halal and product benefits)	1.794	0.172	10.437	valid	0.978	Reliable
	CAS2 (Wardah Cosmetics Company is a successful company)	1.288	0.165	7.797	valid		
	CAS3 (Wardah cosmetics company is considered good by the public)	1.186	0.144	8.221	valid		
	CAS4 (Wardah Cosmetics Company is a leading company in the cosmetics field)	1.176	0.132	8.900	valid		
Corporate Activity	CAC1 (Wardah cosmetics companies	1.155	0.130	8.900	valid	0.981	Reliable

	(provide consumer opportunities to be involved in product development)						
	CAC2 (Wardah cosmetics company has a complete portfolio of cosmetic products)	1.530	0.151	10.130	valid		
	CAC3 (Wardah cosmetics companies support CSR activities)	1,613	0.159	10.119	valid		
	CAC4 (Wardah cosmetics companies support government activities)	1.136	0.144	7.892	valid		
Corporate Value	CV1 (Wardah cosmetics company aims to achieve product excellence)	1.249	0.132	9.446	valid	0.981	Reliable
	CV2 (Wardah Cosmetics Company strives to be the best)	1.490	0.149	10.003	valid		
	CV3 (Wardah cosmetics	1.089	0.144	7.553	valid		

	company focused on customers)							
	CV4 (Wardah manufacturer companies are always constant in innovating)	1.612	0.162	9.950	valid			
Corporate Personalities	CP1 (Wardah cosmetics company has competence in the cosmetics field)	0.744	0.089	8.379	valid	0.952	Reliable	
	CP2 (Wardah cosmetics company has competence in the cosmetics field)	0.667	0.092	7.244	valid			
	CP3 (Wardah cosmetics company uses the latest technology)	0.926	0.094	9.805	valid			
Emotional Attachment	EA1 (I am a person full of love)	1.504	0.136	11.021	valid	0.987	Reliable	
	EA2 (I am able to control compassion)	1.524	0.137	11.153	valid			
	EA3 (I am a passionate person)	1.356	0.125	10.874	valid			
	EA4 (I am a happy person)	1.572	0.142	11.045	valid			

	EA5 (I am able to build relationships with other people)	0.653	0.088	7.442	valid		
	EA6 (I am a person who is able to give a good bond with others)	0.765	0.092	8.338	valid		
Brand Loyalty	BL1 (I only buy wardah products)	1.477	0.146	10.115	valid	0.977	Reliable
	BL2 (I only buy wardah products If it is not available, I will buy Wardah another time)	1.389	0.148	9.395	valid		
	BL3 (I will not buy another brand)	1,537	0.166	9.243	valid		

Source: Processed Data, 2018

Table above shows the results of testing the validity and reliability. If the value of the loading factor of each construct is more than 0.5 ($\lambda > 0.5$), it can be declared as valid and the reliability value of each construct construct more than 0.6. Based on these requirements, all the indicators or question items declared valid and reliable in measuring the variables.

3.3.4. Hypothesis Testing

Results of testing the hypothesis by using SEM can be seen in the table below:

Table 4
Hypothesis Test Results

	Standardized	S.E.	C.R.	P	Label
EA <--- CAS	,174	,094	1,976	,048	par_19
EA <--- CAC	,222	,098	1,991	,046	par_20
EA <--- CV	,351	,107	3,234	,001	par_21
EA <--- CP	,274	,102	2,173	,030	par_22
BL <--- EA	,779	,151	4,542	***	par_23

Source: Data AMOS processed

Based on the results of hypothesis testing, it can be concluded that testing on each hypothesis is as follows:

The first hypothesis is Corporate Association gives a positive effect on emotional attachment. Based on the results of the analysis are obtained p-value less than 0.05, it can be concluded that the Corporate Association gives a significant positive effect on emotional attachment so the first hypothesis of this study is accepted. The second hypothesis is Corporate Activity gives a positive effect on emotional attachment. Based on the results of the analysis are obtained p-value less than 0.05, it can be concluded that Corporate Activity gives a significant positive effect on emotional attachment so that the second hypothesis of this study is accepted.

The third hypothesis is Corporate values gives a positive effect on emotional attachment. Based on the results of the analysis are obtained p-value less than 0.05, it can be concluded that Corporate Value gives a significant positive effect on emotional attachment so that the third hypothesis of this study is accepted. The fourth hypothesis is Corporate personalities give a positive effect on emotional attachment. Based on the results of the analysis are obtained p-value less than 0.05, it can be concluded that corporate personalities give a significant positive effect on emotional attachment, so that the fourth hypothesis of this study is accepted.

Fifth hypothesis is emotional attachment gives a positive effect on brand loyalty. Based on the results of the analysis are obtained p-value less than 0.05, it can be concluded that emotional attachment gives a significant positive effect on brand loyalty so that this fifth hypothesis of the study is accepted.

4. Discussion and Implication

Based on the results of hypothesis testing, it can be concluded that the Corporate Association, Corporate Activities, Corporate Value, Corporates Personalities, give a positive effect on Emotional Attachment. These results are consistent with study by Khan et al., (2016) which prove that Corporate Association gives a positive effect on emotional attachment.

Similarly, Emotional Attachment gives a positive effect on Brand Loyalty. These results are consistent with study by Khan et al., (2016) and So et al., (2013), which proving that emotional attachment has a positive effect on brand loyalty.

Based on this, the company should pay more attention to the brand. Because, when the brand is able to express itself through the brand used, then the consumer attachments will be formed.

5. Conclusion and Recommendation

This study shows that Corporate Association, Corporate Activities, Corporate Value, Corporates Personalities, give a positive effect on the Emotional Attachment. Similarly, Emotional Attachment gives a positive effect on Brand Loyalty. Companies are recommended to increase the role of emotional attachment to the efforts of corporate branding formation by increasing the association of the company, company activities, the company's value, and the personality of the company.

References

- Aaker, J. (2006). Dimensions of Brand Personality. *Journal of Marketing Research*, 34(3), 347–356. <https://doi.org/10.2139/ssrn.945432>
- Abratt, R., & Kleyn, N. (2012). Corporate identity, corporate branding and corporate reputations: Reconciliation and integration. *European Journal of Marketing*, 46(7), 1048–1063. <https://doi.org/10.1108/03090561211230197>
- Assael, H. (2004). *Consumer Behavior: A Strategic Approach*. Boston: Houghton Mifflin Company.
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty? *Journal of Marketing*, 73(3), 52–68. <https://doi.org/10.1509/jmkg.73.3.52>
- Brun, A., Caniato, F., Caridi, M., Castelli, C., Miragliotta, G., Ronchi, S., ... Spina, G. (2008). Logistics and supply chain management in luxury fashion retail: Empirical investigation of Italian firms Alessandro. *Int. J. Production Economics*, 114, 554–570. <https://doi.org/10.1016/j.ijpe.2008.02.003>
- Chaudhuri, A., & Holbrook, M. B. (2001). The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing*, 65(2), 81–93. <https://doi.org/10.1509/jmkg.65.2.81.18255>
- Ghozali, I. (2013). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 21*. Semarang: Universitas Diponegoro.
- Given, L. (2008). *The Sage encyclopedia of qualitative research methods*. California: Sage-Thousand Oaks.
- Harris, F., & de Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, 35(3/4), 441–456. <https://doi.org/10.1108/03090560110382101>
- Heath, R., Brandt, D., & Nairn, A. (2006). Brand relationships: strengthened by emotion, weakened by attention. *Journal of Advertising Research*, 46(4), 410–419. <https://doi.org/10.2501/S002184990606048X>

- Khan, M. N., Rasheed, S., Islam, F., Ahmed, H. I., & Rizwan, M. (2016). Corporate Branding, Emotional Attachment and Brand Loyalty: The Case of Luxury Fashion Branding. *International Journal of Scientific and Research Publications*, 6(5), 151–159.
- Orth, U. R., Limon, Y., & Rose, G. (2010). Store-evoked affect, personalities, and consumer emotional attachments to brands. *Journal of Business Research*, 63(11), 1202–1208. <https://doi.org/10.1016/j.jbusres.2009.10.018>
- Pratihari, S. K., & Uzma, S. H. (2018). CSR and corporate branding effect on brand loyalty: a study on Indian banking industry. *Journal of Product and Brand Management*, 27(1), 57–78. <https://doi.org/10.1108/JPBM-05-2016-1194>
- Reicheld, F. (1996). *The Loyalty Effect: The Hidden Force Behind Growth, Profits, and Lasting Value*. Boston: Harvard Business Scholl.
- Romaniuk, J., & Gaillard, E. (2007). The relationship between unique brand associations, brand usage and brand performance: analysis across eight categories. *Journal of Marketing Management*, 23(3–4), 267–284. <https://doi.org/10.1362/026725707X196378>
- Sen, S., & Bhattacharya, C. . (2001). Does doing good always lead to doing better? Consumer reaction to corporate social responsibility. *Journal of Marketing Research*, 38(2), 225–243.
- So, J. T., Parsons, A. G., & Yap, S. F. (2013). Corporate branding, emotional attachment and brand loyalty: The case of luxury fashion branding. *Journal of Fashion Marketing and Management*, 17(4), 403–423. <https://doi.org/10.1108/JFMM-03-2013-0032>
- Souiden, N., Kassim, N. M., & Hong, H. J. (2006). The effect of corporate branding dimensions on consumers' product evaluation: A cross-cultural analysis. *European Journal of Marketing*, 40(7–8), 825–845. <https://doi.org/10.1080/00336297.2017.1333438>

QUESTIONNAIRE

To The Designation:

Students/Student UII

in place of the

Assalamu'alaikum Wr. Wb

With respect, I am student of Islamic University of Indonesia who are currently putting together a final assignment in the form of a thesis. In order to search for data in order to craft a Thesis with the title "**Wardah Branding, Emotional Attachment and Brand Loyalty : Study Case For The millennial Consumer**", then I beg for help as well as her willingness to fill out the question form.

Top participation and willingness in the question form filling I say many thanks.

Wassalamu'alaikum Wr Wb.

IDENTITY :

1. Age :
 - a. < 15-20 years
 - b. 21 - 25 years
 - c. 26 - 30 years
 - d. 31 - 34 years
2. Job :
 - a. Civil Cervant
 - b. Entrerprenuer
 - c. Private employee
 - d. student
 - e. other
3. Income
 - a. ≤ Rp. 1.000.000 ,-
 - b. Rp. 1.000.000 , - Rp. 2.000.000 ,-
 - c. Rp. 2.000.000 , - Rp. 3.000.000 ,-
 - d. Rp. 3.000.000 , -

Hint: Put a check mark (✓) or a cross (X) on the answers that are correct and correct in your opinion, and fill in the space provided.

Criteria for evaluating questionnaires:

SS = VERY AGREE S = AGREE N = NEUTRAL

TS = DONT AGREE STS = VERY DONT AGREE

NO	Question	SS	S	N	TS	STS
Corporate Association						
1	Wardah cosmetics company is a company with high quality products with due regard to the halal and product benefits					
2	Wardah Cosmetics Company is a successful company					
3	Wardah cosmetics company is considered good by the public					
4	Wardah Cosmetics Company is a leading company in the cosmetics field					
Corporate Activities						
1	Wardah cosmetics companies provide consumer opportunities to be involved in product development					
2	Wardah cosmetics company has a complete portfolio of cosmetic products					
3	Wardah cosmetics companies support CSR activities					
4	Wardah cosmetics companies support government activities					
Corporate Values						
1	Wardah cosmetics company aims to achieve product excellence					
2	Wardah Cosmetics Company strives to be the best					

3	Wardah cosmetics company focused on customers					
4	Wardah manufacturer companies are always constant in innovating					
Corporate Personality						
1	Wardah cosmetics company has competence in the cosmetics field					
2	Wardah cosmetics company has competence in the cosmetics field					
3	Wardah cosmetics company uses the latest technology					

NO	PERTANYAAN	SS	S	N	TS	ST S
Emotional Attachment						
1	I am a person full of love					
2	I am able to control compassion					
3	I am a passionate person					
4	I am a happy person					
5	I am able to build relationships with other people					
6	I am a person who is able to give a good bond with others					

NO	PERTANYAAN	SS	S	N	TS	ST S
Customer Loyalty						
1	I only buy wardah products					
2	I only buy wardah products If it is not available, I will buy Wardah another time					

3	I will not buy another brand					
---	------------------------------	--	--	--	--	--

