4. Analysis and Discussion

This chapter elaborate and discuss the result of data that the writer's has analyze regarding "Examining The Role Of Advertising In Brand Equity Creation: Indomie Instant Noodle Among Perspective of University Students In Yogyakarta". The discussion start by showing the result of quantitative data that already collected through questionnaire and proceed by several statistic software. The analysis is covering the goodness of fit index, Structural Equation Modeling or known as SEM, and hypothesis testing.

After the questionnaires are distributed, the researcher does filtering the data in order to separate the outlier and invalid response. It resulted of 300 respondents in total. All received data are attached in the appendix and data recapitulation chapter.

4.1. Respondents Characteristic

a) **Gender**

The study has been divided respondents gender characteristic as follows:

Table 4.1
Respondents Gender Classificiation

No	Gender	Frequency	Percentage
1	Male	140	46,7%
2	Female	160	53,3%
Total		300	100,0%

Source: Processed Primary Data, 2018

Refering to table 4.1 above, the table describes that female respondents shows a higher percentage than male respondents. However, it did not means that female respondents are more aware of Indomie advertisements rather than male. The gender classifications show that the study result would have a slight tendency to the female response because the gap between male and female respondents is 6,6% or 20 respondent.

b) Age

In the age distribution, the respondents are classifying as follows:

Table 4.2

Respondents Age Distribution

No	Age	Frequency	Percentage
1	< 20	38	12,7%
2	20-35	262	87,3%
3	36-50	0	0%
4	>50	0	0%
Total		300	100,0%

Source: Processed Primary Data, 2018

As described in Table 4.2 the respondents that came from less than 20 years old were represent 12,7% of the respondents, and the rest are represented by those who 20-35 years old. It is because the study was focused on the university student in Yogyakarta that makes the age distribution were not significant. The result concludes that the study would only discuss the perspective of respondents who are less than 20 to 35 years old.

c) Occupation

Regarding the occupations of the respondents, the distribution was shown as follows:

Table 4.3
Respondents Occupation

No	Occupation	Frequency	Percentage
1	Student/University student	300	100,0%
Total		300	100,0%

Source: Processed Primary Data, 2018

As discussed earlier in the previous chapter, the focus of the study was university students in Yogyakarta. The data shows that all of the respondents are active student/university students. It is mean that the respondents are accurate from what the writer has planned to observe.

d) Income

The study also use income as the demography distribution of the data collected.

Table 4.4
Respondents Income/Allowance

No	Income/Allowance	Frequency	Percentage
1	Rp0 - Rp1,000,000	136	45,3%
2	Rp1,000,001- Rp3,000,000	145	48,3%
3	Rp3,000,001 - Rp5,000,000	15	5,0%
4	More than Rp5,000,000	4	1,3%
Total		300	100,0%

Source: Processed Primary Data, 2018

As shown in Table 4.4 the respondents had differences in terms of income/allowance, even though that the difference were not significant. Most of the students receive Rp1,000,001 – Rp3,000,000 every month, it represented by 48,3% while the other significant percentage is 45,3% that receive Rp0 – Rp1,000,000 every month. It means that 93,6% of our respondents receive no more that Rp3,000,000 each month. Those who earn more were only the slight of the respondents, that representing 6,4% of the data.

4.2. Data Analysis

4.2.1.   Variable Description Analysis

Table 4.5

Respondents Classification to All Variable

No	Variable	Total Mean Variable	Mean Variable	Rounding Up	Category
1	Advertising Spending	13,8	4,60	5	Agree
2	Attitude Toward Advertising	9,08	4,54	5	Agree
3	Perceived Quality	18,97	4,74	5	Agree
4	Brand Awareness	10,52	5,26	5	Agree
5	Brand Associations	14,61	4,87	5	Agree
6	Brand Loyalty	8,28	4,14	5	Agree
	Average	12,54	4,69	5	Agree

Source: Processed Primary Data, 2018

Refer to Table 4.5 it shows that the respondents tend to give positive responses to the indicators. The mean of the variable was 4,69 out of 6 which categorized as agree. It shows that the respondents were responds positively in how the advertising spending and attitude toward advertising affect the brand equity dimension which consists of perceived quality, brand awareness, brand associations, and brand loyalty.

4.2.2. Evaluation of Measurement Model

Measurement model analysis essentially used to test the unidimensionality of the indicators that represent factors or a latent variable. In context to verify that the indicators are qualified to represent the dimension of the factors. Evaluation methods that used were based on the t score from the parameters and its significance value. According to Holmes-Smith (2001) it stated when $\alpha = 0,05$ the parameters that have t value greater than 1.96 indicate that the parameters were significant or categorize as valid. Another approach to model-fit is to accept a model that approximates the true model through the index, Root Mean Square Error of Approximation (RMSEA), with typically an RMSEA of less than 0.05 indicating close fit, and values between 0.05 and 0.08 indicating acceptable fit.

The result of measurement model Analysis could be seen in Table 4.6 on the next page.

Table 4.6

t-value and Level of Significant

Item	t-value	p-value	Result
AS 1	1	-	Valid
AS2	8,835	0,000	Valid
AS 3	9,906	0,000	Valid
ATA 1	1	-	Valid
ATA 2	1	-	Valid
PQ 1	1	-	Valid
PQ 2	16,645	0,000	Valid
PQ 3	20,778	0,000	Valid
PQ 4	13,971	0,000	Valid
BAW 1	1	-	Valid
BAW 2	1	-	Valid
BAS 1	1	-	Valid
BAS 2	8,104	0,000	Valid
BAS 3	8,225	0,000	Valid
BL 1	1	-	Valid
BL 2	1	-	Valid

Source: Processed Primary Data, Structural Equation Modeling (SEM), 2018

4.2.3. Measuring the Model Fit

In context of Structure Equation Modeling (SEM), there are no main statistical tools in order to test the hypothesis. In purpose to measure the degree of model-fit, the resaearchers were able to combine some of goodness of fit index (Hair et al; 1998).

The section below will be discussed several methods that commonly used in order to measure the degree of goodness of fit of a model. There also will be discussed some of cut-off criteria that used in this research.

Chi-Square (χ^2). The test was conducted to measure if there any differences between population covariance matrix and sample covariance matrix. In this study, the researcher expects that the population covariance matrix was equaled to sample covariance matrix. Refer to goodness of fit index, model that considered as good if it has low chi-square score and has $p > 0,05$ cut-off value (Holmes, 2001).

Root Mean Square Error of Approximation (RMSEA). The test was purposed to compress the chi-square in a large amount of sample. RMSEA may reflect the degree of model fit in a certain sample. The model has considered if it has value $RMSEA \leq 0,08$ (Browne and Cudeck, 1993)

The Goodness of Fit Index (GFI). GFI was known as the analog of R square value in multiple-regression (Tabachnick, 2001). The index fit of GFI used to calculate the proportion of variance in sample covariance matrix that elaborated by estimated population covariance matrix. The range of GFI value is between 0 - 1, if the value was higher than 0,90 it shows that the model was fit (Jöreskog and S örbom, 1996)

Tucker Lewis Index (TLI). The test is an alternative to an incremental fit index which comparing a certain model toward baseline model. The value that considered in the test is ≥ 0,90 if the value closer to 1, it indicates that the model was considered a good model (Hair et al, 1998).

The Comparative Fit Index (CFI). Alongside with TLI, this test was recommended to measure the degree of goodness of fit model because it is not sensitive to the amount of sample also the complexity of the model. The range of CFI value was 0 to 1. In order to considered as good, the model should has the value of CFI ≥ 0,95, however, if the value is ≥ 0,90 also acceptable (Holmes, 2001).

Table 4.7
Goodness of Fit Index

Goodness of Fit Index	Cut off Value
X^2 (Chi-Square)	Small value
CMIN/DF	≤ 2.00
GFI (Goodness of Fit Index)	≥ 0.90
RMSEA (Root Mean Square Error of Approximation)	≤ 0.08
AGFI (Adjusted Goodness of Fit)	≥ 0.90

TLI (Tucker Lewis Index)	≥ 0.90
CFI (Comparative Fit Index)	≥ 0.90

Source: Ferdinand (2002)

The result of model fit-test could be seen in Table

4.8 on the next page.

Table 4.8
Goodness of Fit Index Result

Constructs	χ^2	RMSEA	GFI	TLI	CFI	Status
AS	1,000	0	1,000	1,000	1,000	Good Fit
ATA	1,000	0	1,000	1,000	1,000	Good Fit
PQ	4,419	0,064	0,993	0,990	0,997	Good Fit
BAW	1,000	0	1,000	1,000	1,000	Good Fit
BAS	1,000	0	1,000	1,000	1,000	Good Fit
BL	1,000	0	1,000	1,000	1,000	Good Fit

Source: Processed Primary Data, Structural Equation Modeling (SEM), 2018

According to the normality test it shows that RMSEA score < 0,08, GFI > 0,90, TLI and CFI > 0,90. This result describes that the structural equation modeling is considered as fit.

4.2.4. Validity and Reliability Test Result

Validity is the degree of appropriation of some point or indicators in order to measure a construction, or it is mean that validity is made sure that the items really representing what should be represented (Anderson and Gerbing, 1998). It is an obligation for the researcher to conduct validity test to make sure the unidimensionality of the constructed indicators that involve in the study before conducting the reliability test.

Researcher testing the observed variable by the approach of convergent validity. Convergent validity may be seen from the measurement model by deciding whether

each estimated indicators correctly measured the dimension from the tested concept. Indicators that showing the significant convergent validity if the coefficient variable of the indicator were greater than twice of the standard error (Anderson and Gerbing, 1988) or contain twice greater critical ratio from the standard error square (Ferdinand 2002). AMOS version 24 facilitate the measurement of the convergent validity by observing the critical value or t-value of each indicator. The criteria if indicators t-value $\geq$ 1,96 means that the indicators is significant in the level of α = 0,05 (Holmes-Smith, 2001).

Joreskog and Sorbom (1996) also stated that if the index of GFI $\geq$ 0,90 it shows that the indicators measured were valid and categorizes as unidimensionality of the tested construct, with the result that the construct was appropriate to test the hypothesis in the study.

Reliability is the measurement of internal consistency for the indicators in a certain construct that showing the degree of each indicator to indicate the general construction, or simply a consistency level and stability of the instrument (Ferdinand, 2002). In SEM there are some statistical tools in context to measure the reliability of

constructs which are construct reliability and variance extracted.

In this study, the reliability constructs tested with the approach of construct reliability by calculating the instrument reliability index that used by the analyzed SEM model. The construct reliability obtained from the formula by Fornell and Laker's (1981) as seen below:

$$\text{Construct Reliability} = \frac{(\Sigma \lambda_i)^2}{(\Sigma \lambda_i)^2 + \Sigma \varepsilon_i}$$

λ_i = Standard loading of each indicators (observed variable)

ε_i = The degree of error of each indicators (1 – indicators reliability).

The result of validity and reliability test could be seen on Table 4.8 in the next page:

Table 4.9
Validity and Reliability Test of The Study

Indicator	λ_1	ε_1	Status	Construct Reliability	Status
Advertising Spending					
AS1	0,785	0,069	Valid		Valid
AS2	0,546	0,066	Valid	0,921	Valid
AS3	0,882	0,054	Valid		Valid
Attitude Toward Advertising					
ATA1	0,740	0,057	Valid	0,914	Valid
ATA2	0,635	0,072	Valid		Valid
Perceived Quality					
PQ1	0,853	0,035	Valid		Valid
PQ2	0,793	0,037	Valid	0,956	Valid
PQ3	0,938	0,025	Valid		Valid
PQ4	0,705	0,056	Valid		Valid
Brand Awareness					
BAW1	0,815	0,043	Valid	0,954	Valid
BAW2	0,869	0,038	Valid		Valid
Brand Associations					
BAS1	0,653	0,060	Valid		Valid
BAS2	0,752	0,071	Valid	0,910	Valid
BAS3	0,681	0,076	Valid		Valid
Brand Loyalty					
BL1	0,781	0,101	Valid	0,865	Valid
BL2	0,679	0,127	Valid		Valid

Source: Processed Primary Data, 2018

Refer to Table 4.8 it shows that the probability statistic was> 0,50, therefore, all the indicators in the questionnaire in the variable Advertising Spending, Attitude Toward Advertising, Perceived Quality, Brand Awareness, Brand Associations, and Brand Loyalty < Level of Significant = 0,05 or above the average of 0,113 from

the rtable are considered as valid. Considering that Construct Reliability coefficient > 0,60, therefore, all the questions or indicators in the questionnaire in variable Advertising Spending, Attitude Toward Advertising, Perceived Quality, Brand Awareness, and Brand Loyalty are reliable.

4.2.5. Structural Equation Analysis

Analysis instrument that used in this study is Structural Equation Model (SEM). The instrument was used to find out whether Advertising Spending will give positive impact to Perceived Quality, Brand Awareness, and Brand Associations. Attitude Toward Advertising will give positive impact to Perceived Quality, Brand Awareness, and Brand Associations. Brand Awareness will give positive impact on Perceived Quality, and Brand Associations. Perceived Quality will give positive impact to Brand Loyalty, and Brand Associations will give positive impact to Brand Loyalty.
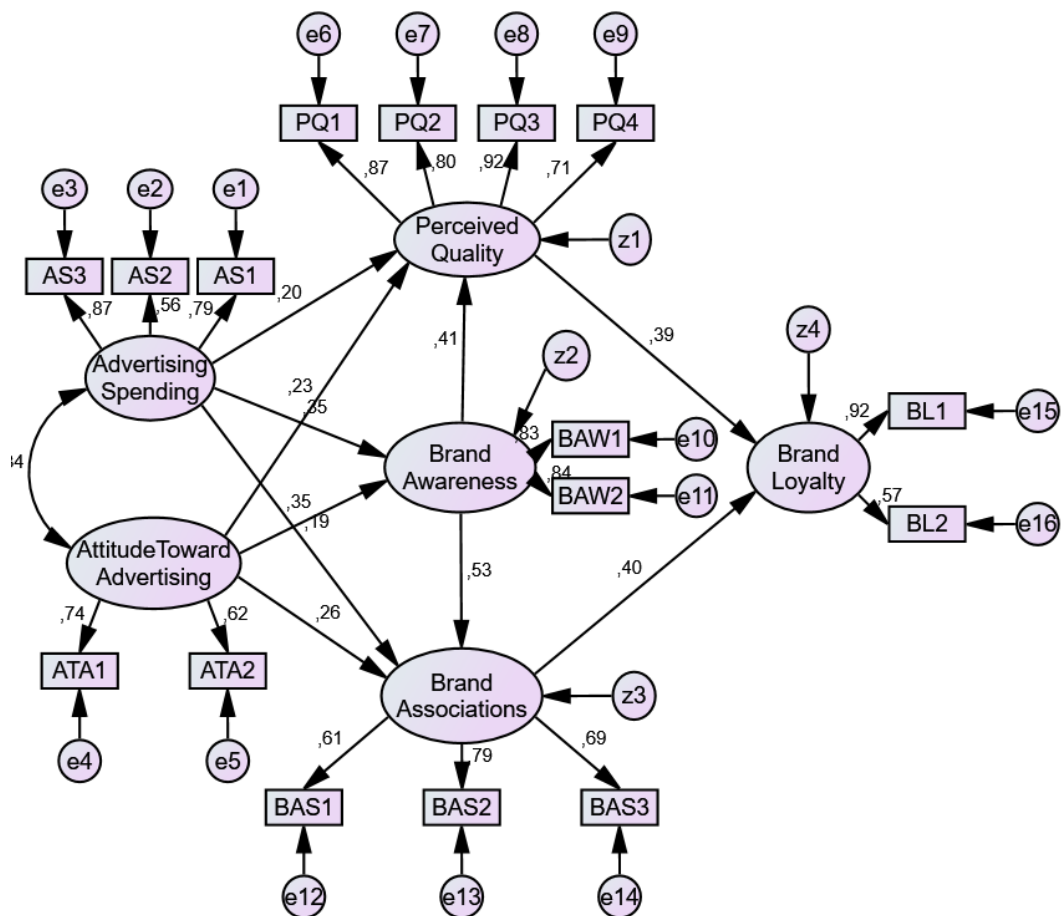
Table 4.10
Goodness Fit Result

Constructs	χ^2	RMSEA	GFI	TLI	CFI	Status
Model	151,063	0,046	0,941	0,914	0,973	Good Fit

Source: Processed Primary Data, Structural Equation Modeling (SEM), 2018

Refer to the normality test, it resulted that the value of RMSEA < critical value = 0,08, GFI > 0,90, TLI and CFI ≥ 0,90. Therefore, it represents that the structural equation modeling in this study is fit.

Here is the result of Structural Equation Model (SEM):

Picture 4.1
Structural Model

Table 4.11
Result of Structural Equation Modeling (SEM)

Hypothesis	Regression Weight	Regression Coefficient	Standard Error	t-value	Probability	Status
H1a	AS-PQ	0,259	0,082	3,172	0,002	Significant
H1b	AS-BAW	0,380	0,079	4,835	0,000	Significant
H1c	AS-BAS	0,149	0,055	2,725	0,006	Significant
H2a	ATA-PQ	0,313	0,109	2,869	0,004	Significant
H2b	ATA-BAW	0,416	0,105	3,952	0,000	Significant
H2c	ATA-BAS	0,230	0,075	3,068	0,002	Significant
H3	BAW-PQ	0,486	0,088	5,538	0,000	Significant
H4	BAW-BAS	0,395	0,066	6,009	0,000	Significant
H5	PQ-BL	0,485	0,082	5,880	0,000	Significant
H6	BAS-BL	0,783	0,150	5,212	0,000	Significant

Source: Processed Primary Data, Structural Equation Modeling (SEM), 2018

According to the calculation of the analysis and statistical program AMOS 24 it obtained a score of probability between Advertising Spending toward Perceived Quality, Advertising Spending toward Brand Awareness, Advertising Spending toward Brand Associations, Attitude Toward Advertising toward Perceived Quality, Attitude Toward Advertising toward Brand Awareness, Attitude Toward Advertising toward

Brand Associations, Brand Awareness toward Perceived Quality, Brand Awareness toward Brand Associations, Perceived Quality toward Brand Loyalty, and Brand Associations toward Brand Loyalty is < Level of Significant = 0,05, therefore all the variables have positive impact.

4.3. Hypothesis Testing

T-test used to proven the correlation between Advertising Spending toward Perceived Quality, Advertising Spending toward Brand Awareness, Advertising Spending toward Brand Associations, Attitude Toward Advertising toward Perceived Quality, Attitude Toward Advertising toward Brand Awareness, Attitude Toward Advertising toward Brand Associations, Brand Awareness toward Perceived Quality, Brand Awareness toward Brand Associations, Perceived Quality toward Brand Loyalty, and Brand Associations toward Brand Loyalty. According to the calculation of AMOS 24 statistical program, the hypothesis testing was such as the following:

1. The test of variable Advertising Spending toward Perceived Quality.

   H1a : Consumers' perceptions of a brand's advertising spending have a positive influence on perceived quality.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 3,172 with the probability of 0,002.

   - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05,

therefore it conclude that there is a positive impact between Advertising Spending and Perceived Quality.

2. The test of variable Advertising Spending toward Brand Awareness.

   H1b : Consumers' perceptions of a brand's advertising spending have a positive influence on brand awareness.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 4,835 with the probability of 0,000.

   - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Advertising Spending and Brand Awareness.

3. The test of variable Advertising Spending toward Brand Associations.

   H1c : Consumers' perceptions of a brand's advertising spending have a positive influence on brand associations.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 2,725 with the probability of 0,006.

- Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Advertising Spending and Brand Associations.

4. The test of variable Attitude Toward Advertising toward Brand Perceived Quality.

   H2a : Individuals' attitudes toward the advertisements undertaken for a brand have a positive influence on perceived quality.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value} = 2,869 with the probability of 0,004.

   - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Attitude Toward Advertising and Perceived Quality.

5. The test of variable Attitude Toward Advertising toward Brand Awareness.

   H2b : Individuals' attitudes toward the advertisements undertaken for a brand have a positive influence on brand awareness.

- With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 3,952 with the probability of 0,000.

- Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Attitude Toward Advertising and Brand Awareness.

6. The test of variable Attitude Toward Advertising toward Brand Associations.

   H2c : Individuals' attitudes toward the advertisements undertaken for a brand have a positive influence on brand associations.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 3,068 with the probability of 0,002.

   - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Attitude Toward Advertising and Brand Associations.

7. The test of variable Brand Awareness toward Perceived Quality

H3 : Brand awareness has a positive influence on perceived quality.

- With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 5,538 with the probability of 0,000.

- Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Brand Awareness and Perceived Quality.

8. The test of variable Brand Awareness toward Brand Associations.

H4 : Brand awareness has a positive influence on brand associations.

- With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 6,009 with the probability of 0,000.

- Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05,

therefore it conclude that there is a positive impact between Brand Awareness and Brand Associations.

9. The test of variable Perceived Quality toward Brand Loyalty.

   H5 : Perceived quality has a positive influence on brand loyalty.

   - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 5,880 with the probability of 0,000.

   - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05, therefore it conclude that there is a positive impact between Perceived Quality and Brand Loyalty.

10. The test of variable Brand Associations toward Brand Loyalty.

    H6 : Brand associations have a positive influence on brand loyalty.

    - With the significant level (α) = 5% = 0,05 and the calculation result of Structural Equation Modeling (SEM) it obtained a value of t_{value}= 5,212 with the probability of 0,000.

    - Refer to the result of processing data it obtained **score of probability** = 0,000 < **Level of Significant** = 0,05,

therefore it conclude that there is a positive impact between Brand Associations and Brand Loyalty.

4.4. Discussion

The result of the analysis shows that the score of probability = 0,002 < Level of Significant = 0,05, therefore it can be conclude that there is a positive impact on Advertising Spending and Perceived Quality. This result means that how a certain brand spends on their advertising would affect the consumer perception on the perceived quality of the product or services that offer by the brand. In this study, means that Indomie already spent a proper amount of capital in their advertising in order to improve the perceived quality of their product. Align with the study that conducted by (Buil, et al, 2013) advertising spending has slight impact on the perceived quality even the enhancement was not significant. Consistent with the previous study, consumers seem to be forming their quality perceptions through the different mechanism for durable goods and non-durable, consumers may acquire more objective information about durables before purchase because of the greater commitment and financial outlay that involve in the brand itself (Moorthy, and Zhao, 2000). It reflects that how the brand invest on their advertisement seems to give positive impact to consumer perceived quality of the product or services.

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be concluded that there is a positive impact between Advertising Spending and Brand

Awareness. This result means that how certain brand spends on their advertising would affect the consumer awareness of the brand. The previous study also reveals that perceived advertising spending has a positive impact on brand awareness, even though that advertising investment seems do not necessarily enhance perceived quality and brand associations (Buil, et al., 2013). For a brand that at the top of the market should formulating a larger communications strategy in order to create brand awareness (Human, et al., 2011) and to formulating a larger communication strategy in order enhance the advertising awareness, surely a brand need to invest more on their advertising.

The result of the analysis shows that the score of probability = 0,006 < Level of Significant = 0,05, therefore it can be concluded that there is a positive impact on Advertising Spending and Brand Associations. This result means that how certain brand spends on their advertising would affect the consumer associations of the brand. Gwinner and Eaton (1999) agree that the brand image is brand associations in the memory of the consumers to concerning the brand, it might be the similarity of them to the brand or how familiar some brand in the perspective of the consumers. The writers suspect that brand associations are a slightly above the awareness, which brand associations reflect that the consumers already know well the brand and make them repeat to utilize the product or services of the brand. In the study that conducted by Buil, et al (2013) the investment on the advertising is not sufficient to

positively influence the brand associations, however, the research is conducted in different product category also different demography with this study. There is many factors that influence the behavior of the consumers to act toward the advertisement (Keller, 2003).

The result of the analysis shows that the score of probability = 0,004 < Level of Significant = 0,05, therefore it can be concluded that there is a positive impact between Attitude Toward Advertising and Perceived Quality. This result means that how certain brand executes their advertising would affect the consumer perception of the quality of the product or services offers by the brand. Farris and Albion (1980) stated that persuasive advertising affects the consumer preferences, tastes, changes product attributes and differentiates the product or services toward the competitors. This study also reveals that there is a correlation between how the advertising delivers its messages regarding the consumer perception of the quality, proven by the t-value of 2,725. Thus, it is important for the business or entity to develop well their advertisement to be able to represent its product quality.

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be concluded that there is a positive impact between Attitude Toward Advertising and Brand Awareness. This result means that how certain brand executes their advertising would affect the consumer awareness of the brand. This also in line with the statement of Farris and Albion (1980) in their study that "We

propose that persuasive advertising is more likely to encourage consumers to ask their doctors about an advertised drug than reminder and informational advertising", means that the customers likely to seek another information about the product that they see in the advertisement, it is good for the business that the customers already aware of their product or services and probably will become their loyal customers. The correlation between attitude toward advertising and brand awareness also gives most significant impact compared with the other correlation to brand equity dimension, with t-value of 3,952.

The result of the analysis shows that the score of probability = 0,002 < Level of Significant = 0,05, therefore it can be conclude that there is a positive impact between Attitude Toward Advertising and Brand Associations. This result means that how certain brand executes their advertising would affect the consumer associations on the brand. Consistently, how the brand communicates with the customers may be the key factor to increase brand equity. Thus, as the study conducted, individuals' attitudes toward advertisements give significant impact to influencing perceived quality, brand awareness, and brand associations (Buil, et al., 2013).

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be conclude that there is a positive impact between Brand Awareness and Perceived Quality. This result means that how the degree of consumers awareness of certain

brands will reflect their perspective on the quality of the product or services that offers by the brand. Customers are occasionally unsure about the quality of the product or services, and therefore perceive their decisions as risky. According to the theory of information economics, brand awareness may decrease buyer perceived risk because it can reduce buyer information costs (Erdem and Swait 1998). More specifically, brand awareness role as a significant signal of outstanding good reputation of certain brand product or services (Hoyer and Brown 1990). Thus, purchasing high-awareness brands is considered with reducing the risk for the consumers.

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be conclude that there is a positive impact between Brand Awareness and Brand Associations. This result means that how the degree of consumers awareness of certain brands will reflect their perspective of how the brands might be familiar with them. It seems that consumers tend to buy a brand that associated with high awareness levels such the brand that has strong brand equity. In the other hand, brand awareness affects customer purchase process through the strength of its associations to the brand (Keller 1993; Erdem and Swait 1998). Improving brand awareness may increase the degree of its brand association (Aaker 1996). Besides, brand awareness will positively influence the perceived value of the brand. Consumers often

prefer to buy brands that they already familiar and well-known(Aaker 1996).

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be conclude that there is a positive impact between Perceived Quality and Brand Loyalty. This result means that how the product quality are developed will gives impact to their loyalty of a certain brand. Perceived quality is considered to be one of the contributing factors of brand loyalty. Khan, Zain-ul-Aabdean, Nadeem and Rizwan (2016) investigated the impact of perceived quality on brand loyalty and the correlation analysis results showed that perceived quality is considered as highly correlated with brand loyalty and have a and significant relationship. It means that an increase or decrease in perceived quality will give an impact on brand loyalty (Khan, Zain-ul-Aabdean, Nadeem & Rizwan 2016). Reich, McCleary, Tepanon, & Weaver, (2006) investigated in their study that the product or service quality affect brand loyalty. Their results showed that quick-service restaurants in Nigeria need to be more concerned with product quality especially in taste, freshness, and temperature, and focus on the overall service quality to build brand loyalty. In line with the previous study, the study that conducted in this research also reveals that the perceived quality of Indomie has a highly significant impact on the brand loyalty, considering the t-value of 5,880.

The result of the analysis shows that the score of probability = 0,000 < Level of Significant = 0,05, therefore it can be concluded that there is a positive impact between Brand Associations and Brand Loyalty. This result means that how familiar them with the brand will gives impact to their loyalty of a certain brand. According to Atilgan, Aksoy, and Akinci (2005) a strong brand association creates higher loyalty. In the previous study conducted by Azadi, Esfahani and Mohammadpoori (2015) investigated the correlations between the brand association and brand loyalty in the customers of private clubs in Iran. The result has shown that there was a significant relationship between brand association and brand loyalty in the customers of the private club. Moreover, a study done by Atilgan, Aksoy, and Akinci (2005) revealed that if customers have more positive association with the brand, they would be loyal to the brand and vice versa. It is in line with the study that conducted by the writer, that the correlation between brand associations and brand loyalty were the most significant correlation in compare to the other. Brand association which lay on some aspects such the familiarity of the customers with the product or services, the reflection of the customers on the brand itself, it will highly influence them to become loyal to the brand.

4.4.1. Direct Effects of The Variable

The result of direct effect analysis of advertising spending, attitude toward advertising,

perceived quality, brand awareness, brand associations, and brand loyalty of Indomie instant noodle among university students in Yogyakarta as seen on the next page:

Table 4.12
Direct Effects of The Variable

Variable	Advertising Spending	Attitude Toward Advertising	Perceived Quality	Brand Awareness	Brand Associations
Perceived Quality	0,204	0,225	-	0,415	-
Brand Awareness	0,351	0,351	-	-	-
Brand Associations	0,186	0,262	-	0,534	-
Brand Loyalty	-	-	0,394	-	0,403

Source: Processed Primary Data, 2018

According to the calculating above, it describes that there is a direct effects of advertising spending toward perceived quality in the amount of 0,204, effects of advertising spending toward brand awareness in the amount of 0,351, effects of advertising spending toward brand associations in the amount of 0,186, effects of attitude toward advertising toward perceived quality in the amount of 0,225, effects of attitude toward advertising toward brand awareness in the amount of 0,351, effects of attitude toward advertising toward brand associations in the amount of 0,262, effects of brand awareness toward perceived quality in the amount of 0,415, effects of brand awareness toward brand associations in the amount of 0,534, effects of

perceived quality toward brand loyalty in the amount of 0,394, effects of brand associations toward brand loyalty in the amount of 0,403.

4.4.2. Indirect Effects of The Variable

The result of indirect effect analysis of advertising spending, attitude toward advertising, perceived quality, brand awareness, brand associations, and brand loyalty of Indomie instant noodle among university students in Yogyakarta as seen on the table below:

Table 4.13
Indirect Effects of The Variable

Variable	Advertising Spending	Attitude Toward Advertising	Perceived Quality	Brand Awareness	Brand Associations
Perceived Quality	0,146	0,145	-		-
Brand Awareness	-	-	-	-	-
Brand Associations	0,187	0,187	-	-	-
Brand Loyalty	0,288	0,327	-	0,379	-

Source: Processed Primary Data, 2018

According to the calculating above, it describes that there is a indirect effects of advertising spending toward perceived quality in the amount of 0,146, effects of advertising spending toward brand awareness in the amount of 0,187, effects of advertising spending toward brand loyalty in the amount of 0,288, effects of attitude toward advertising toward perceived quality in the amount of

0,145, effects of attitude toward advertising toward brand associations in the amount of 0,187, effects of attitude toward advertising toward brand loyalty in the amount of 0,327, effects of brand awareness toward brand loyalty in the amount of 0,379.

4.4.3. Total Effects of The Variable

The result of total effect analysis of advertising spending, attitude toward advertising, perceived quality, brand awareness, brand associations, and brand loyalty of Indomie instant noodle among university students in Yogyakarta as seen on the table below:

Table 4.14
Total Effects of The Variable

Variable	Advertising Spending	Attitude Toward Advertising	Perceived Quality	Brand Awareness	Brand Associations
Perceived Quality	0,350	0,371	-	0,415	-
Brand Awareness	0,351	0,351	-	-	-
Brand Associations	0,374	0,449	-	0,534	-
Brand Loyalty	0,288	0,327	0,394	0,379	0,403

Source: Processed Primary Data, 2018

According to the calculating above, it describes that there is a total effect of advertising spending toward

perceived quality in the amount of 0,350, effects of advertising spending toward brand awareness in the amount of 0,351, effects of advertising spending toward brand associations in the amount of 0,374, effects of advertising spending toward brand loyalty in the amount of 0,288, effects of attitude toward advertising toward perceived quality in the amount of 0,371, effects of attitude toward advertising toward brand awareness in the amount of 0,351, effects of attitude toward advertising toward brand associations in the amount of 0,449, effects of attitude toward advertising toward brand loyalty in the amount of 0,327, effects of brand awareness toward perceived quality in the amount of 0,415, effects of brand awareness toward brand associations in the amount of 0,534, effects of brand awareness toward brand loyalty in the amount of 0,379, effects of perceived quality toward brand loyalty in the amount of 0,394, effects of brand associations toward brand loyalty in the amount of 0,403.