# THE EFFECT OF BRAND EQUITY AND AFTER SALES SERVICE TO THE LOYALTY MEDIATED BY CUSTOMER SATISFACTION

(STUDY ON CUSTOMER UNIT EXCAVATOR KOBELCO)

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#### **ABSTRACT**

The purpose of observation is to analyze and describe the effect of brand equity and after sales service to the loyalty mediated bycustomer satisfaction as meadiating variable to customer Excavator Kobelco. Population in this observation is Kobelco customer who buy Excavator unit. Analysis tool used is multiple linear regression. The result of this observation can be concluded that brand equity has positive effect to customer satisfaction, after sales service also has positive effect to customer satisfaction. Brand equity has positive effect to loyalty customer, after sales service also haspositive effect. Customer sastifaction has positive effect to customer loyalty. Customer sastifaction mediates the effect brand equity to the loyalty customer Excavator Kobelco, Customer satisfaction doesn't mediate the effect after sales service to the loyalty customer Excavator Kobelco.

**Keywords:** brand equity, after sales service, customer sastifaction, loyalty customer.

#### INTRODUCTION

PT Daya Kobelco CMI has vision's company, that is "To develop a strong relationship and to acquire customer's trust for products & services in order to be the No. 1 supplier of excavator in Indonesia" and the mission is "Simplicity, Speed, and Openess". Strategy from PT Daya Kobelco to give customer sastifaction is having a programm such as "Preventive Maintenance Contract (PMC)", which give intensive treatment system to unit. So that, life of operating unit is getting longer and minimize the down time unit. The service is expected to provide customers sastifaction which is impacted to the increasing of customer loyalty. Nevertheless, the happening phenomenon right now is the decline of customer unit excavator.

Tablel 1
The Sum of Customer PT. Daya Kobelco
Years 2009-2015

	2000 2000 2010							
Years	Sum of Customers	Development						
2009	129	-						
2010	190	47.29						
2011	218	14.74						
2012	185	-15.14						
2013	178	-3.78						
2014	173	-2.81						
2015	158	-8.67						

Source: PT. Daya Kobelco, 2013.

Based on the table above, fluctuation is happening during 2009-2015. But it is clear to see that during 2012 until 2015, PT Daya Kobelco is loosing several customers.

Some *research gap* doing an observation about the effect of brand equity, after sales and sastifaction of customer loyalty, the reasultsare :

1. The observation, which was conducted by Prabowo, Harianto, and Subagio (2013), was finding empirical evidence that customer sastisfaction has a positive effect and also significant to customer loyalty. this observation is contradictive with the observation which was conducted by Ahmadun and Wiganda (2010), the result was customer sastifaction didn't impact directly to brand loyalty.

- 2. Prabowo and Budiarti's observation was finding empirical evidence that brand equity hadsignificantly influenced to the customer sastifaction and hada positive effect to customer loyalty. The observation, which was consucted by Palaguna (2011), was finding empirical evidence that there was no significant impact between brand equity and customer sastifaction. Kusnawa (2011) was also finding empirical evidence that there was no significant impact between brand equity and loyalty.
- 3. Essa Mustofa's observation (2011) was finding empirical evidence that after sales service had positive effect to customer sastifaction and loyalty. Different from Faizul (2008) was finsing empirical evidence that after sales service didn't make a significant impact to sastifaction. Saputro (2013) was also findinf empirical evidence that after sales service didn't make a significant impact to loyalty.

Based on argument above, it is necessary to do observation about The Effect of Brand Equity and After Sales Service to the Loyalty Mediated By Customer Sastifaction (Study on Customer Unit Excavator Kobelco). The purpose of this observation is to analyze the effect of brand equity and after sales service to the customer loyalty with cuatomer sastifaction as mediation

#### LITERATURE REVIEW

#### Loyalty

According to Oliver (1999) in Kotler and Keller (2012), brand loyalty is...

Menurut Oliver (1999) dalam Kotler & Keller (2012)loyalitas merk (brand loyalty) merupakan . . . a deeply held commitment to re-buy or repatronize a preferred product/service consistently in the future, thereby causing repetitive samebrand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior. From that definiton, it seems how important the company get the loyalty from customer, because the customer which already be loyal to the small brand usually affevted by the situation or marketing programm.

Schiffman and Kanuk (2008) told that loyalty components consist of 4, that is:

- a. Cognitive is representation from what customer was believed. This cognitive componentis filled by preception, belief and stereotype a customer about some brand.
- b. Affective is component based on feelings and commitment of customer to some brand. A loyal customer affectively will like to the brand competitor if the brand competitor can express the mesager through association and also can direct them to the unpleased feel of previousbrand.
- c. Conative is the border between attitudinal loyalty and behavioral loyalty which is presented through behavioral consumer to use the same brand in the next opportunity.
- d. Action is repurchase a brand by the costumer in several product only and recommend the brand to the other.

#### **Customer Satisfaction**

According to Kotler and Keller (2010) satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relationship to his or her expectation. Besides Lovelock (2009) was explaining that satisfaction is an emotional condition, reaction after nuying can be expressed in anger, unpleased, disappointed, happy or pleased. It is not surprised that company has been obsessed of customer sastifaction, remaining the relationship with the loyalty of customer, market and benefits.

Based in definition above, can be concluded that customer satisfaction is based on preseption and customer hope. The factors that influence preseption and customer hope when they buy goods and service is needs of customer, experience or friend's experience when consuming the goods or service.

# **Brand Equity**

According to Kotler and Keller (2010), brand equity is the added value endowed to products and services. This value may be reflected in how consumers think, feel and act with respect to the brand then it may affects the brand price, market share and profitability. The power of a brand lies in the minds of existing or potential buyers so brand equity is an important intangible asset that has psychological and financial value to the firm.

According to Durianto, dkk (2004), brand equity can give a vakue to the company. Below is brand equity value to the company :

- 1. A strong brand equity can help the company to attract the costumer also to get a good relationship with the customer and to erase the doubts of the brand quality.
- 2. All brand equity elements can affect the decision of cuatomer because a strong brand equity will decrease the desire of customer to move in other brand.
- 3. A high loyalty customer won't easily move to the brand competitor even the competitor has did a product inovation.
- 4. Brand association will be useful to the company to do evalution of brand extention strategy.

- 5. The company that has a strong brand equity can determine premium price also decreasing the depency to the promotion.
- 6. The company that has strong brand equity can minimize the expenses while doing brand extention.
- 7. A strong brand equity will create a loyal distribution that can make the increasing number of company selling.
- 8. Four important elements of a strong brand equity will increase the element strength of brand equity such us customer trust.

According to Simamora (2003), brand equity isn't happeming easily. Brand equity is built by brand equity elements such us:

- 1. Brand Awareness
- 2. Brand Association
- 3. Perceived Quality
- 4. Brand Loyalty
- 5. Other proprietary brand assets such as patent, market access, technology access, source access, etc.

#### After Sales Service

According to Shaharudin, Muzani, Jamel and Wan (2009), after sales service is described as a service that given to the customer when the goods of customerhas sent. After sale service usually called as product supporting, which the meaning is all activities that support transaction-centrist product (Lele dan Karmarkar, 1983). This is also defined as "customer supproting", which means all elements can make sure the customer that the sell product has a guarantee as promised.

After sales product includes service, like:

- 1. Service by customer service
- 2. Guarantee
- 3. Training and directions way to use product
- 4. Provide parts
- 5. Handling repairs, handling of complaints, trakeing needed information about the condition of the product being repaired
  - 6. *Up selling* and *cross selling*

In the technique aspect, after sales service need: system and procedure to pull the goods and service, to claim the guarantee, to control the documents about goods and service, consultancy service, improvement product, stressing the employee to response the complain, developing system after sales service (Wibisono, 2006).

### **Hypothesis Formulation**

#### 1. The effect of brand equity to customer satisfaction

According to Kotler and Keller (2009), brand equity is the added value given to products and services. Brand equity can be reflected in the way customers think, feel, and act in conjunction with the brand, as well as price, market share, and profitability of a given brand for the company. Aaker (1997) revealed that the brand equity creates value both to the company and the consumer. The better the brand equity formed, it will be able to improve customer satisfaction. Research conducted by Prabowo (2013) find empirical evidence that brand equity positively affects customer satisfaction. Based on these assumptions, we can conclude the following hypotheses:

# H<sub>1</sub>:Brand equity postively impacts to customer satisfaction

#### 2. The Effect of After Sales Service to Customer Satisfaction

Any products purchased by consumers, especially products that are durable (more than 1 year) one day surely suffer damage or loss in performance in the move, so it does not provide maximum results. When it does, this is where the importance of the roleafter sales service. If after sales service is provided by the company to consumers or customers walk properly even exceed their expectations, then there will be a certain satisfaction. Research conducted by Mustafa (2011) and Kurniawan & Lubis (2013) find empirical evidence that after sale service positively affects customer satisfaction. Based on these assumptions, we can conclude the following hypotheses:

#### H<sub>2</sub>: After sales service positively affects to Customer Satisfaction

#### 3. The Effect of Brand Equity to Loyalty

Brand equity can provide a competitive advantage for a company (Kotler, 2008; Yoo and Donthu, 2001). Brand equity provides value for consumers that could affect confidence in making purchasing decisions. Thus, the consumer loyalty to a product can be built. Research conducted by Shihab and Sukendar (2009) found empirical evidence that brand equity has positive effect on loyalty. Based on these assumptions, we can conclude the following hypotheses:

# H<sub>3</sub>: Brand Equity positively affects customer loyalty

# The Effect of After Sales Service to Customer Loyalty

Any products purchased by consumers, especially products that are durable (more than 1 year) one day surely suffer damage or loss in performance in the move, so it does not provide maximum results. When it does, then this is where the importance of the role of after sales service. If the after-sales service provided by the manufacturer or company to consumers or customers walk properly even exceed their expectations, then there will be loyalty or customer loyalty.

Research conducted by Mustafa (2011) found empirical evidence that after sales service a positive effect on loyalty. Based on these assumptions, we can conclude the following hypotheses:

#### H<sub>4</sub>: After sales service positively affects customer loyalty

# 4. The Effect of Customes Satisfaction to Customer Loyalty

Satisfaction perceived by the customer can increase the intensity of the customer's purchase (Assael, 1995). With the creation of the optimal level of customer satisfaction then encourage the creation of loyalty in the minds of customers were satisfied earlier. Customer loyalty is seen as the strength of the relationship between the relative person's attitude and repeat business. This relationship is seen as mediated by social norms and situational factors.

Research conducted by Prabowo (2013) and Harianto and Subagio (2013) find empirical evidence that customer satisfaction and significant positive effect on customer loyalty. Based on these assumptions, we can conclude the following hypotheses:

# H<sub>5</sub>: Customer satisfaction positively affects Customer Loyalty

# **Concept Definition and Variable Operational**

Concept Definition and Variable Operational can be seen in the table below:

Table2
OperationalizationVariable

		Operationaliza	zationVariable				
	Observati	Concept	Operationalizatio	on Variabel			
0	on Variable		Dimention	Indicator			
	Brand	brand equity is the	Brand awareness	1. Introduction			
	Equity $(X_1)$	added value endowed to	Brand	2. Differentiate			
		products and services. This	association				
		value maybe reflected in	Perceived	3. Performance			
		how consumers think, feel	quality				
		and act with respect to the	Brand loyalty	4. Priority			
		brand then it mayaffects the		brand			
		brand price, market share and profitability. The power	Assests another	5. Patent			
		of a brand lies in theminds	brand				
		of existing or potential					
		buyers so brand equity is an					
		important intangible asset					
		thathas psychological and					
		financial value to the firm					
		(Kotler dan Keller, 2010)					
	After Sales	After sales service is a	Delivery speed	1. The duration			
	Service (X <sub>2</sub> )	service given by the seller		between order the			
		after transactions.(Kotler,		product and delivery			
		2002)		the product			
			Consistency	2. Ability to			
				fulfill the schedule			
				promised			
			Order rate	3. Completenes			
				s of delivery order			
			Information	4. Order Status			
			Response in the	5. Ability of			
			emergency condition	handling the			
				unplanned order			
			Wisdom	The procedure			

	Observati	Concept	Operationalization	on Variabel
0			Dimention	Indicator
			Retrievel Perception	of handling the broken product  1. Satisfaction of service
	-,	performance or result they get.(Kotler, 2008)		2. Satisfaction of system
			Customer wish	3. Satisfaction overall 4. Conformit y of products and / or services offered to the customers' expectations
	Brand Loyalty (Y <sub>2</sub> )	Customer loyalty as a customer commitment to the brand, the store, the supplier is based on a very positive	Cognitive Affective	1. Benefits 2. Favorite level
	attitude which is reflected by the consistent purchase		Conative	3. Intention of buying
		(Tjiptono, 2007)	Action	4. Buying history

# A. Population, Sample, Sampling Technique Sampling

Population in this observation is KOBELCO customer who buy Excavator unit. Sampling technique used is judgement sampling. Judgement sampling is one kind of purposive sampling which is the process of choosing sample by the purpose of observation (Ferdinand, 2006). So, the chosen sample is based on the customers who buy Excavator unit and has used the product for 1 year.

# **Data Analysis**

Table3 Regression Model I and II

No	Regression Model	Model Test		Regress	ion Test	P.s	
1	Regression Model I	Determination	Tes	t F		Sig	
	The effect	Test	F hit	Sig			
	of brand equity and sales services to the satisfaction $Y_1 = 0.378 X_1 + 0.586 X_2$	0,697	120,523	0,000			
	brand equity to performance satisfaction				0,378	0,001	H1 received
	After sales service to sastifaction				0,586	0,000	H2 received
II	Regression Model II Theeffectof brand equity, after sales service and customer satisfaction to loyalty $Y_2 = 0,146 X_1 + 0,429 X_2 + 0,455 Y_1$	0,858	211,007	0,000			
	brand equity to loyalty				0,146	0,004	H3 received
	after sales service to loyalty				0,429	0,000	H4 received
	Satisfaction to loyalty				O,455	0,000	H5 received

# **Multiple Linear Regression Analysis**

In multiple regression analysis can be calculated in the regression equation as bellow:

$$Y_1 = 0.378 X_1 + 0.586 X_2$$

Based on the regression equation above, the variable brand equity and after sales services in this study provide a positive sign that the increase in the variable of brand equity and after sales service will affect customer satisfaction.

 $Y_2 = 0.146 X_1 + 0.429 X_2 + 0.455 Y_1$ 

Based on the regression equation above, the variable brand equity, after sales service and customer satisfaction in this study provide a positive sign that the increase in the variable of brand equity, after sales service and customer satisfaction will influence the increase in customer loyalty.

#### **Feasibility Model Test**

#### a. Test Coefficient of Determination

Based on the results obtained by the coefficient of determination (Adjusted R Square) regression phase I of 0.697 which means the variation change of customer satisfaction can be explained by the variable of brand equity andafter sales services by 69.7%, while the rest influenced by other variables outside the model study.

Based on the results obtained by the coefficient of determination (Adjusted R Square) regression phase II amounted to 0.858, which means a change of customer loyalty variation can be explained by the variable of brand equity, after sales service and customer satisfaction amounted to 85.8%, while the rest influenced by other variables outside the research model.

# b. Test F

Based on the observation results of the regression F count Phase I provides calculated F value of 120.523 with a significant probability of less than 0.05 0.000 (significant level equal to 5 percent), which means that simultaneous variable brand equity and sales service effect on customer satisfaction.

Based on the results of Phase II study results of the regression gives calculated F value of 211.007 with a significant probability of less than 0.05 0.000 (significant level equal to 5 percent), which means that the brand equity, after sales service and customer satisfaction effect on customer loyalty.

# Hypothesis Test

a. The influence of brand equity on customer satisfaction (H1)
 Regression analysis showed that stage I t value of brand equity amounted to 6.109 with significant value 0,000 less than 5%. So the first hypothesis is formulated, the positive effect on the brand equity of consumer

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satisfaction is accepted, means the better the effect of brand equity, it will further increase customer satisfaction.

#### b. Effect of after-sales service to customer satisfaction (H2)

Regression analysis showed that stage I t value of 9.478 after sales services with significant value 0,000 less than 5%. So that the second hypothesis is formulated, the after-sales service has positive influence on consumer satisfaction accepted, means the better the effect of after sales service, it will increase customer satisfaction.

#### c. Brand equity effect on customer loyalty (H3)

Regression analysis showed that the phase II t value of brand equity amounted to 2,960 with significant value 0,004 less than 5%. So the first hypothesis is formulated, the brand equity positively affects customer loyalty is accepted, means the better the effect of brand equity, the more it will increase customer loyalty.

#### d. Effect of after sales service to customer loyalty (H4)

Regression analysis showed that the phase II t value of 7.391 after-sales services with significant value 0,000 less than 5%. So that the second hypothesis is formulated, the after sales service a positive effect on customer loyalty is accepted, means the better the effect of after sales service, the more it will increase customer loyalty.

#### e. The influence of customer satisfaction on customer loyalty (H5)

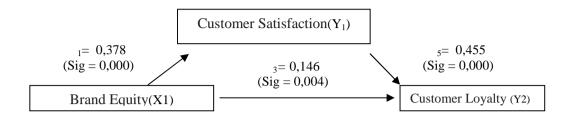
The results of the phase II regression analysis showed that customer satisfaction t value of 6.723 with significant value 0,000 less than 5%. So that the third hypothesis formulated, namely customer satisfaction positively affects customer loyalty is accepted, meaning that the higher the effect of customer satisfaction, it will also increase customer loyalty.

#### **Mediation Test Results**

### a. Mediation Effect Test I

To prove whether the brand equity to customer loyalty with customer satisfaction as a mediating variable. Test mediating effect in this study using a support path pathway analysis with the results as shown below,

# Picture1 Relation Between Brand Equity towards Customer Loyalty with Customer Satisfaction as Variable Mediation



The result of the interaction of beta coefficient brand equity towards customer satisfaction and beta coefficients customer satisfaction to customer loyalty: 0.378 \* 0.455 is 0.172.

Proof of brand equity (X1) indirect effect on customer loyalty Y2) through customer satisfaction (Y1), then do a comparison coefficient of mediation with the coefficients directly as follows: 0.378 \* 0.455 = 0.172, but the result is greater than the result of the direct influence of brand equity on loyalty customers amounted to 0,146. Based on these results concluded that the effect of brand equity to customer loyalty is more is indirect through customer satisfaction. This can be seen indirect path coefficient of 0.172> direct coefficient of 0,146. Means customer satisfaction as a mediating variable.

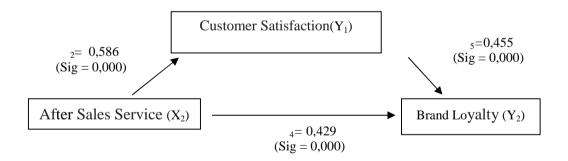
While the total effect of the model is of a direct influence on customer loyalty brand equity plus the indirect effect of brand equity on customer satisfaction and customer satisfaction to customer loyalty is 0.318 (0.172 + 0.146 = 0.318).

It concluded that the mediating effect of customer satisfaction can be identified or in other words, customer satisfaction variables mediate the effect of brand equity on customer loyalty in the customer Kobelco Excavator.

#### b. Mediation Effect Test II

To prove whether mediate customer satisfaction after-sales service to customer loyalty test is required mediating effect. Test mediating effect in this study using a support path pathway analysis with the results as shown below,

Picture2
Relation Between Variables After Sales Service Customer Loyalty With Customer Satisfaction As Variable Mediation



The result of the interaction of beta coefficient after sales service to customer satisfaction and beta coefficients customer satisfaction to customer loyalty: 0.586 \* 0.455 is 0.267.

Proof of after sales service (X2) indirect effect on customer loyalty (Y2) through customer satisfaction (Y1), then do a comparison coefficient of mediation with the coefficients directly as follows: 0.586 \* 0.455 = 0.267, but the result is smaller than the result of the direct effect after service sales to customer loyalty at 0.429. Based on these results concluded that the effect of after sales service to customer loyalty is more direct than indirect through customer satisfaction. This can be seen indirect path coefficient of 0.267 <direct coefficient of 0.429. Customer satisfaction is not meant as a mediating variable.

While the total effect of the model is a direct effect of after-sales service to customer loyalty plus the indirect effect of after-sales service to customer satisfaction and customer satisfaction to customer loyalty is 0.696 (0.429 + 0.267 = 0.696).

It can be concluded that the mediating effect of customer satisfaction can not be identified or in other words, customer satisfaction variables do not mediate the effect of after sales service to customer loyalty in the customer Kobelco Excavator.

#### DISCUSSION

# 1. Effect of brand equity on customer satisfaction

The results of this study found empirical evidence that brand equity positively affects customer satisfaction. The better the brand equity will improve customer satisfaction. According to Kotler and Keller (2009), brand equity is the added value given to products and services. Brand equity can be reflected in the way customers think, feel, and act in conjunction with the brand, as well as price, market share, and profitability of a given brand for the company. Aaker (1997) revealed that the brand equity creates value both to the company and the consumer. The better the brand equity that is formed, it will be able to improve customer satisfaction. The results are consistent with research conducted by Prabowo (2013) find empirical evidence that brand equity positively affects customer satisfaction.

#### 2. Effect of after-sales service to customer satisfaction

The results of this study found empirical evidence that after-sale service positively affects customer satisfaction. The better after sales service will increase customer satisfaction. Quality of care in this case given the after sales service is also important to note. After sales service is a service provided by the company to the consumer after the sale transaction (Kotler, 2008). Any products purchased by consumers, especially products that are durable (more than 1 year) one day surely suffer damage or loss in performance in the move, so it does not provide maximum results. When it does, then this is where the importance of the role of after sales service. If the after sales service provided by the manufacturer or company to consumers or customers walk properly even exceed their expectations, then there will be a certain satisfaction. The results are consistent with research conducted by Mustafa (2011) and Kurniawan&Lubis (2013) find empirical evidence that after-sale service positively affects customer satisfaction.

#### 3. Effect of brand equity on loyalty

The results of this study found empirical evidence that brand equity has positive effect on customer loyalty. The higher the brand equity, then the customer loyalty will increase. Brand equity can provide a competitive advantage for a company (Kotler, 2008; Yoo and Donthu, 2001). Among these are a number of advantages companies can enjoy lower marketingcosts. This is caused by the awareness and consumer loyalty to the brand is high. In addition, the company also has a stronger position in negotiating with distributors and retailers because customers expect them to sell those products. Thus the company can charge a higher price than its competitors. Companies will also find it easier to launch the expansion of the brand because the brand has a high credibility. Brand equity provides value for consumers that could affect confidence in making purchasing decisions. Thus, the consumer loyalty to a product can be built. The results are consistent with research conducted by Shihab and Sukendar (2009) found empirical evidence that brand equity has positive effect on customer loyalty.

# 4. The effect of after sales service to customer loyalty

The results of this study found empirical evidence that after sales service a positive effect on customer loyalty. The better after sales service will increase customer loyalty. Customer satisfaction is a situation where the wishes, expectations and needs of customers are met (http://triatmojo.wordpress.com, 2011). Customers are people who do not depend on us, but we are dependent on them, the man who brought us the desire and the paramount importance which must be satisfied (Gaspersz, 2002). Thus the survival of the business is run is determined by how the strategies used by a company in order to satisfy the needs of palanggan accordance with what is expected to even surpass it. Due to retain existing customers is more difficult than finding new customers who will certainly eat the higher costs such as installing promotions or ads more often.

Any products purchased by consumers, especially products that are durable (more than 1 year) one day surely suffer damage or loss in performance in the move, so it does not provide maximum results. When it does, then this is where the importance of the role of after-sales service. If the aftersales service provided by the manufacturer or company to consumers or customers walk properly even exceed their expectations, then there will be loyalty or customer loyalty. The results are consistent with research conducted by Mustafa (2011) found empirical evidence that after sales service a positive effect on customer loyalty.

#### 5. Effect of customer satisfaction to customer loyalty

The results of this study found empirical evidence that customer satisfaction has positive effect on customer loyalty. The better the customer satisfaction will increase customer loyalty. Satisfaction perceived by the customer behavior has consequences in the form of complaints and customer loyalty, so if an organization or company can pay attention to all the things that can shape customer satisfaction, the satisfaction perceived by the customer as a whole will be formed. Where overall satisfaction is defined as affective statements about the emotional reaction to the experience of products or services, which are influenced by customer satisfaction with the product and the information used to select a product. Consumer or customer satisfaction is a lifeblood of any company, so that customer satisfaction is one important element in improving the performance of marketing within a company or organization.

Satisfaction perceived by the customer can increase the intensity of the customer's purchase (Assael, 1995). With the creation of the optimal level of customer satisfaction then encourage the creation of loyalty in the minds of customers were satisfied earlier. Customer loyalty is seen as the strength of the relationship between the relative person's attitude and repeat business. This relationship is seen as mediated by social norms and situational factors. The results are consistent with research conducted by Prabowo (2013) and Harianto and Subagio (2013) find empirical evidence that customer satisfaction and significant positive effect on customer loyalty.

#### **Managerial Implications**

Managerial implications of this study are:

- 1. The company pays attention to the brand equity to further improve the performance of the unit Kobelco Excavator. Companies can conduct research and development of products for the improvement of Kobelco Excavator unit, so it will have more maximal performance.
- 2. After sales service needs to be improved by the company with respect to time customers order products and product delivery time. Companies need to improve the service both in terms of ordering and delivery of the product appropriately and according to the promise.
- 3. Customer satisfaction as a whole needs to be improved, thereby increasing customer loyalty in unit Kobelco Excavator. This is the company pay more attention to their products in accordance with the expectations of its customers.

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				Mea	suring S	Scale		
No	Statement	STS	TS	KS	N	AS	S	SS
	Brand	1 d Loyalt	2	3	4	5	6	7
1.	Excavators brand Kobelco excavators	ı Loyan,	<u>y</u>					1
1.	more benefits than other brands							
2.	I prefer the brand Kobelco Excavator							
	excavators than other brands							
3.	I intend to continue purchasing brand Kobelco Excavator in the future							
4.	When needing excavator, I just bought a brand Kobelco Excavator							
CUS	TOMER SATISFACTION							<u> </u>
1.	I am satisfied with the services provided							
2.	I am satisfied with the existing system in			-		-		
۷.	Kobelco							
3.	I am satisfied overall with products from Kobelco Excavator							
4.	I am satisfied because of Kobelco Excavator product is in conformity with what I expected							
RDA	ND EQUITY		[		[			!
1.	I am very familiar with the brand Kobelco Excavator							
2.	I think that differentiate products from Kobelco Excavator with other products is their reliability							
3.	I think the performance of the unit has been good Kobelco Excavator							
4.	I prioritize brand Kobelco excavator as required.							
5.	Kobelco Excavator own patents.							
Afte	r Sales Service	L. L.		l		l		
1.	I think the time customers order products and product delivery time is very fast							
2.	I think the company's ability to meet the promised schedule is right							
3.	According to my company always gives the completeness of orders sent							
4.	According to my information on the status of the order is accurate							
5.	I think the company is able to handle that sudden demand							
6	According to the company I was wise enough to handle damaged goods in returned customers							·

#### **OUTPUT ATTACHMENT**

# MODEL I: THE EFFECT OF BRAND EQUITY AND AFTER SALES SERVICE TO THE CUSTOMER SATISFACTION

# Regression

# Variables Entered/Removed<sup>b</sup>

Model	Variables Entered	Variables Removed	Method
1	LayananPurnaJual, EkuitasMerek <sup>a</sup>		Enter

a. All requested variables entered.

b. Dependent Variable: Kepuasan Customer

# **Model Summary**

				Std. Error of the
Model	R	R Square	Adjusted R Square	Estimate
1	.838 <sup>a</sup>	.703	.697	.37567

a. Predictors: (Constant), LayananPurnaJual, EkuitasMerek

# $ANOVA^b$

N	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	34.019	2	17.009	120.523	.000 <sup>a</sup>
	Residual	14.395	102	.141		
	Total	48.414	104			

a. Predictors: (Constant), LayananPurnaJual, EkuitasMerek

b. Dependent Variable: Kepuasan Customer

# Coefficients<sup>a</sup>

Ü		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	.577	.352		1.639	.104
	EkuitasMerek	.375	.061	.378	6.109	.000
	LayananPurnaJual	.502	.053	.586	9.478	.000

a. Dependent Variable: Kepuasan Customer

# MODEL II: THE EFFECT OF BRAND EQUITY, AFTER SALES SERVICE AND CUSTOMER SATISFACTION TO THE BRAND LOYALTY

# Regression

# Variables Entered/Removed<sup>b</sup>

Model	Variables Entered	Variables Removed	Method
1	Kepuasan Customer, EkuitasMerek, LayananPurnaJual <sup>a</sup>		Enter

a. All requested variables entered.

# **Model Summary**

				Std. Error of the
Model	R	R Square	Adjusted R Square	Estimate
1	.929ª	.862	.858	.27451

a. Predictors: (Constant), Kepuasan Customer, EkuitasMerek, LayananPurnaJual

# ANOVA<sup>b</sup>

M	odel	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.701	3	15.900	211.007	.000 <sup>a</sup>
	Residual	7.611	101	.075		
	Total	55.312	104			

a. Predictors: (Constant), Kepuasan Customer, EkuitasMerek, LayananPurnaJual

# Coefficients<sup>a</sup>

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	191	.260		734	.465
	EkuitasMerek	.155	.052	.146	2.960	.004
	LayananPurnaJual	.393	.053	.429	7.391	.000
	Kepuasan Customer	.486	.072	.455	6.723	.000

a. Dependent Variable: LoyalitasPelanggan

b. Dependent Variable: LoyalitasMerek

b. Dependent Variable: LoyalitasMerek