The Effect of Co-Branding, Brand Personality and Ethnocentrism on Satisfaction through Consumer Purchase Decisions for Compass Shoes in Jember Regency

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Abstract: The high level of competition in the business world and conditions of uncertainty force companies to achieve competitive advantage in developing marketing strategies in order to win the competition. Consumer satisfaction is the most important component for the company’s sales so that the sales strategy must be implemented appropriately through the components of Co-Branding, Brand Personality and Ethnocentrism mediated by purchasing decisions on compass shoes. However, several things do not show the success and strength of the brand shoes. Compass tries to measure purchasing decisions as an intervention. Determining this strategy can increase consumer satisfaction for Compass shoes, which will be higher than other shoe products on the market. The power of consumer satisfaction is currently expected to be able to be used by compass shoe companies as a tool to win market competition in Indonesia

Keywords: Co-Branding, Brand Personality, Ethnocentrism, Purchasing Decision and Satisfaction

I. Introduction

The globalization era has asked changes in all fields, one of them is the marketing field. The increasing level of competition in the business world and conditions of uncertainty force companies to achieve competitive advantage in developing marketing strategies in order to win the competition. To achieve this, companies must apply modern market-oriented marketing concepts, because they are the spearhead of marketing success. Business competition requires companies to be able to act and act quickly and appropriately in the face of competition in a business environment that moves very dynamically and full of uncertainty.

One of the creative industry business actors in the fashion sector, namely Compass Shoes, takes advantage of the momentum of increasing the creative industry, especially in the shoe fashion sector. Compass Shoes is one of the local Indonesian sneaker brands originating from Bandung, which has a customer base throughout Indonesia. This sneaker brand was founded by Gunawan Kahar in 1998. However, the name Compass shoes became popular among the public, especially young people, after the rebranding carried out by Aji Handoko as creative director. Among the public, the Compass shoe brand is widely known after releasing an edition of independence shoes during the Asian Games with the theme of nationalism. Along with the development of the local pride movement which is widely popular among the public as an effort to love domestic products. Collaborating with several influencers in Indonesia, Compass shoes managed to get a place as a market leader who always gets a positive response among consumers every time they release new products. Compass shoes always sell products that are the latest trends desired by consumers, especially consumers who mostly come from among young people.

The empirical phenomenon in this study is that Compass Shoes are growing rapidly and spread throughout Indonesia, including the Jember City area which has contributed to the trend expansion and distribution area of Compass shoes sales. The data above shows that several strategies carried out by Compass have succeeded in attracting consumers to buy their products, especially in the Jember area, Compass shoe users still dominate the existing local brands. This is sufficient to illustrate how the Jember area is a potentially positive sub-region since 2018-2022 for sales of Compass shoes.

II. Literature Review

Co-Branding According to (Bucklin & Sengupta, 1993) (Riznal & Syafrizal, 2020) Co-Branding is defined as pairing two or more branded products (brand constituents) to form separate and unique products (composite brands), this is a popular strategy for introducing new products. Which means Co-Branding, namely putting two or more brands together to form a separate and unique product, this is a popular strategy for introducing new products. By carrying out a Co-Branding strategy, it will produce new products but these
products are different and unique compared to other products. The purpose of Co-Branding itself is to increase brand value by uniting the two brands by collaborating.

According to Fandy Tjiptono, Yanto Chandra, Anastasia Diana (2004:233) in (Siregar & Zulkarnain, 2015) suggested that Brand Personality is a set of human characteristics associated with a brand. Meanwhile, according to Kotler & Armstrong (2006:140) stated Brand Personality (Brand Personality) is a combination of human nature that can be applied to a brand. The idea that inanimate objects such as brands can be associated with a set of human characteristics are well accepted by social psychologists.

According to (Sinkovics & Holzmuller, 1994) in (Elida, 2015) The general concept of ethnocentrism which was introduced more than a hundred years ago, which started in 1906 by William Graham Sumner. (Sinkovics & Holzmuller, 1994) mentioned that the concept of ethnocentrism is used to explain human behavior in different cultural entities. The higher interaction between individuals in various cultures, the more ethnocentrism plays an important role. Individual ethnocentrism shapes and influences relations between international companies and strategy formulation.

According to Salnes (1993) satisfaction is a conclusion related to the assessment after experiencing the selection process of a particular transaction. Customer satisfaction is basically formed from the accumulated experiences of customers regarding purchases. Customer satisfaction is the level of one's feelings after comparing the results (performance) that are felt compared to their expectations (Kotler, 1997: 36).

According to Kotler (2010:108) that the decision to buy that is made by the buyer is actually a collection of a number of decisions. The purchasing decision process by consumers in general has almost the same characteristics. It can be seen from the general tendency of consumers to make a buying process. Marketers must be able to know who makes purchasing decisions and what roles the consumer plays. Recognizing consumers for certain products is quite easy, but marketers also need to identify the role of consumers in purchasing decisions.

III. Conceptual Model

The conceptual framework of this study aims to determine the relationship between the independent variable Brand positioning and customer intimacy, the intervening variable Brand trust, and the dependent variable of customer loyalty. So, based on the background description above which explains the influence of brand positioning and customer intimacy on customer loyalty through brand trust, the conceptual framework of this research can be described as follows:

**Figure 1. Conceptual Framework**

HYPOTHESIS
1. Freddy Rangkuti (2009:12), the purpose of co-branding is so the brand can strengthen another brand so it can attract consumers to buy. Co-Branding is carried out in the form of joint packaging, so each brand has the hope of reaching new consumers by associating it with other brands. This research is strengthened by research (Nurpriyanti & Hurriyati, 2016), (Anjarwati et al. 2019) The results of the study found that the effect of Co-Branding on purchasing decisions proved to have a significant effect.
   H1: Co-Branding has a significant effect on purchasing decisions.
2. Co-Branding According to Keller (2008:361) in (Pratiwi & Marlien, 2022) Co-Branding can increase sales through existing target markets and open opportunities for new consumers and networks. Co-Branding is also valuable for learning about consumers and how other companies approach consumers. The results show that co-branded food products increase marketing perceptions of quality and consumer satisfaction in the Croatian market.

H2: Co-Branding has a significant effect on satisfaction

3. According to research (Dhianwahyuni, 2019) co-branding of Bank Mandiri and Bank Aceh credit cards has a positive and significant effect on customer satisfaction because the higher the benefits or performance of co-branding products offered to customers, the higher the value thought by consumers, encouraging customers to make purchasing decisions will be higher due to significant consumer satisfaction.

H3: Co-branding has a significant effect on satisfaction through purchasing decisions.

4. According to Joseph Sirgy (Kotler & Keller, 2012:157), consumers often choose and use brands that have a Brand Personality (brand personality) that is consistent with their actual self-concept (the way they see themselves). According to research (Kasman & Amirulmukminin, 2021) showed Brand Personality has a significant effect on purchasing decisions. The research above is strengthened by research conducted by (Nur & Bayu, 2022). The results of this study indicated that there is a significant positive influence between brand personality, self-conformity, perceived price, perceived quality on the decision to purchase Vans shoes in Indonesia.

5. (Aaker, 1997) defined Brand Personality as a set of human characteristics associated with a brand, having a symbolic meaning that characterizes the brand as having human nature. The personality of a brand can support customers to express their self-concept, both ideal and actual, through the use of a brand (Malår et al. 2011). The results showed that satisfaction is the most important aspect in building loyalty. The results of this study indicate that more customers get a very large level of satisfaction from brand personality, which means that brand personality has a significant effect on customer satisfaction.

H5: Brand Personality has a significant effect on customer satisfaction.

6. According to research (Saiful et al. 2018), using multiple linear regression analysis of 400 respondents showed that brand personality has a positive and significant influence on consumer satisfaction. High consumer satisfaction, encourages consumers to make purchasing decisions. According to Limakrisna and Supranto (2007), consumer purchasing decisions are successful if consumers see a need that can be met by the products offered from the company, where consumers realize that the product they need is able to meet their needs, then the consumer will immediately buy it and be satisfied with the product purchased, this is reinforced by research (Bahri, 2018) which showed that purchasing decisions have a positive and significant effect on customer satisfaction.

H6: Brand personality has a significant effect on consumer satisfaction through purchasing decisions.

7. Shimp and Sharma in 1987 in (Thomas et al. 2019) stated that Ethnocentrism is defined as the beliefs held by consumers of a country about the morality and appropriateness of purchasing for foreign-made products. Ethnocentrism covers issues such as the fear of a person economically harming his own country by buying foreign products, the morality of buying foreign products and personal prejudice against imports. Ethnocentrism encourages consumer behavior to love domestic products more. The research above is strengthened by research (Inoni et al. 2021) The results of multiple regression indicated that the ethnocentric tendency of consumers and educational status has a positive and statistically significant effect on purchasing decisions for domestic goods.

H7: Ethnocentrism has a significant effect on purchasing decisions.

8. Costumers Ethnocentrism (CE) is a cultural dimension that influences buyers' attitudes towards products and brands. This refers to consumers' strong preference for domestic products and a real dislike of imports (Balabanis & Diamantopoulos, 2004). Research conducted (Febrianti et al. 2021) The results of the study conclude that ethnocentrism simultaneously also shows that ethnocentrism and brand image affect consumer satisfaction and purchase decisions.

H8: Ethnocentrism has a significant effect on customer satisfaction

9. Marketers must be able to know who makes purchasing decisions and the role that consumers play in making purchase decisions. Recognizing consumers for certain products is quite easy, but marketers also need to identify the role of consumers in purchasing decisions. Research (Febrianti et al. 2021) concludes that Ethnocentrism and brand image have an effect on purchasing decisions through customer satisfaction as an intervening variable and simultaneously ethnocentrism has a positive and significant effect on satisfaction and purchasing decisions.

H9: Ethnocentrism has a significant effect on customer satisfaction through purchasing decisions.

10. According to Kotler (2016: 212), the decision is a process of problem solving approach which consists of problem identification, seeking information, several alternative assessments, making buying decisions and consumer behavior after buying. Satisfaction will be achieved after consumers make purchasing decisions, this
is reinforced by research (Bahri, 2018) which showed that purchasing decisions have a positive and significant effect on consumer satisfaction. H10: purchasing decisions have a significant effect on consumer satisfaction.

IV. Conclusion

The tight competition in the creative textile industry for Compass shoes in Indonesia has forced companies to be more competitive in presenting products that relate with consumer expectations. One of the changes that occur in the fierce competition era is a decrease in customer satisfaction. The superiority of the brand has the impact of such a big change. The development of the brand also affects the consumer satisfaction brand of compass shoes, this shows that the concept of customer satisfaction has become a necessity to show the work of the company or organization entity. Strategic planning and complex utilization within the company are needed as a solution to face the uncertain changes that occur in the fierce competition era.

In the fierce competition era, the Compass shoe textile creative industry requires the effective and efficient product sales strategy concept. By increasingly the fierce competition, the concept of product sales strategy becomes the main subject in overcoming threats and opportunities. For this reason, further research is needed to determine the effect of Co-Branding, Brand Personality and Ethnocentrism in increasing consumer satisfaction through purchasing decisions.

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