THE INFLUENCE OF SOCIAL MEDIA AND BRAND EQUITY ON CUSTOMER LOYALTY IN MALANG CLOTHING AND DISTRO INDUSTRY

(Study Case on Inspired27, Nimco, Sch and 3Second Store Distro)

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ABSTRACT

In this digital era, every aspect of human life is almost dependable on the technology and internet. Social media is one of the global phenomenon that embrace several aspects of human life into one dimension. This combined with the science of marketing strategy, has developed a mutual relation that enhances the performance of the company's ability. The internet and social media has created marketing strategy into a new level by introducing a cheap yet effective tool to gain effective market by introducing their brand equity into customer with amazing results. Brand equity, such as brand awareness, brand trust , and perceived value is one of the main drives for a customer to become a loyal. A company should understand this matter as loyal customer is one of the most precious things that company should have. By having loyal customer, the repeated purchase intention can be made , which will give extra benefit to the company. Combining brand equity with effectiveness of social media marketing, it become powerful methods as marketing strategy, especially in the business that attracted by young customer. Distro, or distribution store in Malang, is one of the company that adapting a new marketing strategy each period. Powered by young generation and young leader, many distro distinguish themselves by having dynamic and interesting marketing strategy. In this study, there will be explanation all of this social media , brand equity and brand loyalty phenomenon that happen in distro marketing strategy. The analysis will be using multiple regression analysis method, which aided by SPSS program on windows. Finding of this research prove that social media and brand equity have significant impact on the customer loyalty, which give reader insight how important social media marketing and brand equity is.

Keywords : Social media, brand awareness, brand trust, perceived value, customer loyalty, distro

1. Introduction
A. Background

Electronic Marketing is marketing activities using electronic tools. To carry out activities with target groups. It is a two-way communication activity and is an activity that entrepreneurs can contact with consumers at any time. Electronic marketing is beneficial for both entrepreneurs and consumers. That is, entrepreneurs can advertise or promote their products at any time. Choose the target product that matches their product. In addition, entrepreneurs can reduce the cost of doing business. They can also find information about their competitors. And consumers can choose to watch and order products through social media at any time. It helps reduce travel time to buy products from the store. They can also compare the prices of products from many operators before deciding to buy them (Thomkaew, Homhual, Chairat, & Khumhaeng, 2016)

Based on Brenner (2018) there are some reasons why social media is the ultimate choice for the small-medium enterprise, first by using social media company will instantly have an online presence, it also means there is an opportunity to be recognized. Supported by the popularity of smartphone and many social media application, it is almost a must for SME to take this opportunity. Second, by registering the company into social media, the company will have a link of their social media account that can easily be shared on any online media. This link will automatically give the customer the details of the business location and also the direction.

Many people are using social media to help them make buying decisions and searching for the products and services they need on social media platforms. While many small business owners have leveraged the benefits of social media, many still doubt about how it can be used to help the growth of their business. Here are several examples of how social media can be used as a powerful business tool:

1. Publishing, engaging and create a good content to market the product
2. Running highly targeted, cost-effective ad campaigns for brand awareness and education.
3. Engage regularly to connect with the online community and develop a positive and thoughtful social media presence.

Small business owners can also build relationships and stay connected with their audience through social. Social media impact on Indonesia SME also showing significant result, region that had good internet infrastructure and have access to media social affect positivity in region development. This development based on the beneficial impact of social media at SME in Indonesia. Around 87% of internet users in Indonesia are utilizing social media (asosiasi penyelenggara jasa internet indonesia, 2017). Another survey also concluded that SME in Indonesia uses Facebook (43%) and Instagram (11%) for their social media marketing (idEA, 2017).

Utilizing social media homever, should not only limited to promote and communicate with the customer, but also building brand equity and eventually, creating sense of loyalty to the brands. Brands should no longer regard social media

marketing as a way to reach consumers, but also as an important and cost-effective image-building tool. Social media could therefore eventually compete with more conventional marketing channels (TV and magazines) as an effective tool for building emotional effects with brands (Leong, Huang, & Stanners, 1998).

Based on Aaker (1991) Brand equity is set of brand assets and liabilities linked to a brand, its name and symbol; that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers. Aaker focused on five brand equity dimensions which is brand awareness, brand associations, brand loyalty, perceived quality, and other proprietary brand assets. Another study by Atilgan, et al., (2009) concluded that brand trust also should be added to the concept of brand equity to strengthen the relationship between all brand equity dimensions. In this research however, there are three dimensions of brand equity that will be used, which is brand awareness, brand trust and perceived value for a sake of research simplicity. Each of this three brand equity dimension proven to be having capability for affecting level of customer loyalty to the brands. Customer loyalty is is divided by two, which is behavioral loyalty and attitudinal loyalty. Behavioural loyalty refers to the frequency of repeat purchase. Attitudinal loyalty refers to the psychological commitment that a consumer makes in the purchase act, such as intentions to purchase and intentions to recommend without necessarily taking the actual repeat purchase behaviour into account (Jacob, 1971).

B. Problem Statement

Based on the background mentioned above, the problem can be formulated into several questions below:

1. How does social media marketing variable affect customer loyalty to the distros ?
2. How does brand awareness variable affect customer loyalty to the distros ?
3. How does brand trust variable affect customer loyalty to the distros ?
4. How does perceived value variable affect customer loyalty to the distros ?

2. Theoretical Framework

A. Definition of Social Media Marketing

Social media has proven to be a new way for people to keep in touch with each other like never before. Social media are the media designed to interact and disseminate content on the internet through social interaction, they have high accessibility, and scalable propagation technics have been used in them (Khaniki, 2014). Social media is "a group of internet-based applications that builds on the ideological and technological foundations of Web 2.0, and it allows the creation and exchange of user-generated content" (Kaplan & Haenlein, 2009).

Marketing intelligence, promotions, public relations, product and customer management, and marketing communications should get the benefit from social media since there is an increasing interest among potential consumers to utilize the internet and consumer-generated content (Huang & Castronovo, 2012). Engaging closely with customers represents a high cost to companies; people are increasingly interacting via different social media platforms; companies could not afford to

ignore close engagement with customers. The online population represents a great opportunity for businesses, and by investing in this medium of engagement; companies will be able to gain a competitive advantage. An important element in the success of a brand is to gain trust from customers. Social media marketing is a useful tool to create this trust. Companies without creating the opportunity for two ways communication and transparency, will not survive. Necessity of utilizing social media channel to strengthen the brands, especially at the time that social media platforms are accepted and expected by the customer (Reedy & Schullo, 2003).

B. Definition of Brand Awareness

Based on Aaker (1991) brand awareness engages a continuum ranging from an undecided feeling that the brand is recognized, to a faith that it is the barely one in the product class. Even though the last decades particular literature exposed and crystallized the thought of brand equity (in relative to which brand awareness is one of the primary dimensions), the term has been and at a standstill is approached in numerous manners in the specialized literatures (Latif, Islam, & Nur, 2014).

Aaker (1991) differentiate stage of brand awareness into four different levels which called as awareness pyramid, which presented below :

Top of mind

Brand recall

Brand recognition

Unaware of brand
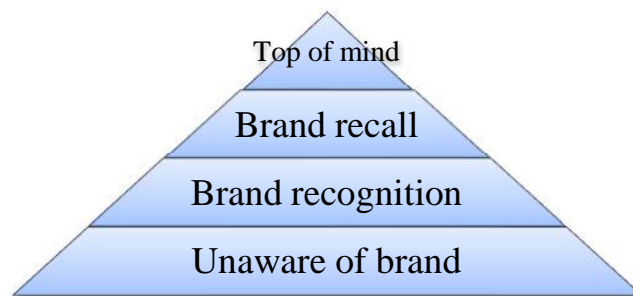
Source : Adaption from Aaker (1991)

C. Definition Brand Trust

Consumers perceptions of the quality of the brand created by informational cues associated with the brand (Schiffman & Kanuk, 2007). Brand trust is an important mediator factor on the customer behaviors before and after the purchase of the product; and it causes long term loyalty and strengthens the relationship between customer and company (Gecti. & Zengin, 2013). Brand trust can be defined as the willingness of the average consumer to rely on the ability of the brand to perform its stated functions (Chauduri, Holbrook, & Morris, 2001). Brand trust arises after consumers' evaluation of companies' offerings. If companies provide beliefs of safety, honesty, and reliability about their brands to consumers, the brand trust will be generated steadily (Doney & Cannon, 1997)

D. Perceived Value

Research has emerged that define customer perceived value as a multidimensional construct, comprising several attributes or dimensions that capture consumers holistic or multifaceted value perceptions (Babin, Darden, & Griffin, 1994). By introducing the theory of consumption values, the pioneering approach of Sheth et al. (1991), goes beyond the purely functional or economic propositions and takes explicitly five customer value dimensions consider: (1)

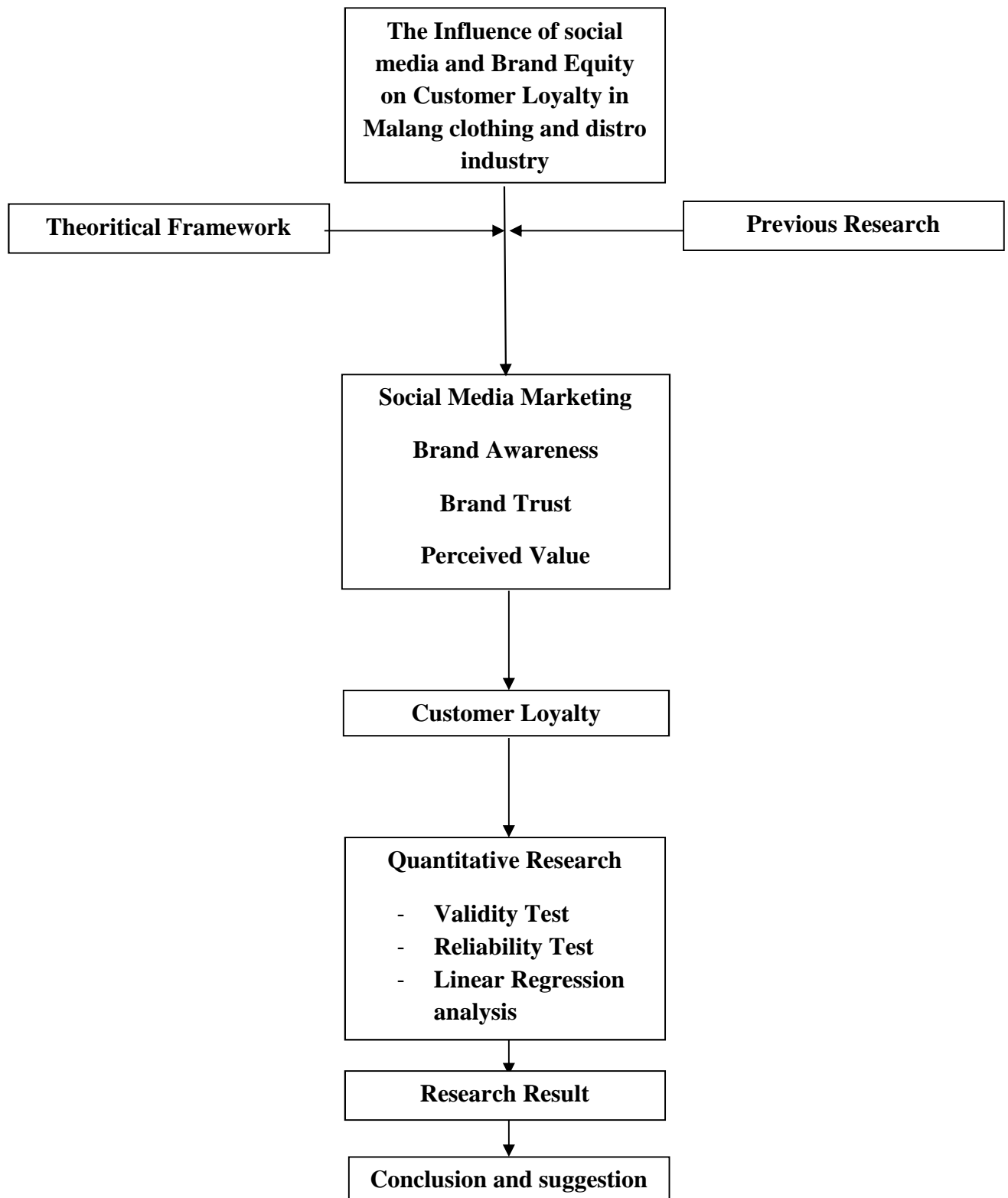functional value, (2) epistemic value, (3) conditional value, (4) social value, and (5) emotional value.

From perceived value, comes customer value, which defined as the ratio between the customers perceived benefits (economic, functional, and psychological) used to obtain those benefits. Perceived value has relative and subjective nature. To get in-depth understanding about the perceived value, it is important to understand first the concept of customer behavior decision-making process during their first contact with the company until they received the product. This process is divided into three-phase, first is the input stage, second is the process stage, and last is the output stage. The input stage influences the customer recognition of a product need and consist of two major sources of information, the firm marketing efforts (the product itself, price, promotion, where it sold) and the external factor (family, friend, neighbors, other informal and non-commercial sources, social class, and cultural membership). The cumulative impact of each firm marketing efforts, the family, friends, and society are all inputs that are likely to affect what customers purchase and what they buy.

Second is the process stage, which focuses on how a customer makes decisions. The psychological factors inherent in each individual (motivation, perception, learning, personality, and attitudes) affect how external inputs from input stages influence recognition of customer needs, prepurchase search for information, and evaluation of alternatives. The experience gained through the evaluation of alternatives, which affects the customer is existing psychological attributes (Schiffman & Kanuk, 2007).

E. Customer Loyalty and Repurchase Intention

Purchase decision and the outcome of any complaint behavior affect the customer repurchase intention.. Dissatisfaction with the purchase still may be followed by repeat purchases. The reason is the expected benefits of renewed search and evaluation are less than the expected cost of such activities. However, the most likely outcome of dissatisfaction is a discontinued brand or product use (Quester, Neal, Pettigrew, Gimmer, & Hawkins, 2007). As defined by Jacoby & Kyner (1973), repeat purchase behavior is referred to frequently as brand loyalty. Brand loyalty implies a psychological commitment to the brand, whereas repeat purchase behavior involves the frequent repurchase of the same brand.

F. Research Framework

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                    │  The Influence of social │
                    │  media and Brand Equity  │
                    │  on Customer Loyalty in  │
                    │  Malang clothing and distro│
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Source : Researcher, 2018

G. Hypothesis

Based on the framework above, the hypotheses proposed are:

(H1) Social media affect the customer loyalty of Malang clothing and distro industries.

(H2) Brand awareness affects the customer loyalty of Malang clothing and distro industry.

(H3) Brand trust affects the customer loyalty of Malang clothing and distro industry.

(H4) Perceived value affects the customer loyalty of Malang clothing and distro industry

3. Research Methodology

In this research, the researcher is using **quantitative** approach, since customer loyalty can be measurable by collecting data. Three main purposes of descriptive quantitative research are to describe, explain, and validate findings. Description emerges following creative exploration, and serves to organize the findings in order to fit them with explanations, and then test or validate those explanations (Kratwohl & David, 1998). Variables need to be described in such a way to give the reader an insight into the correlation between all variables and the final result. The research will be conducted on the customer of the four biggest distros in Malang, which are Inspired27, Sch, Nimco, and 3Second

A. Research Location

Location of the research will be the main object to collect the data in real-time to find the result of the research. By focusing on one location, the researcher hopes the result will be able to be proven clearly and measurable. In this case, the location is Inspired27, Sch, Nimco, and 3Second distro, which is located in Soekarno Hatta street, near the Universitas Brawijaya.

B. Population and samples

Population is a generalization of the region which consists of an object or subject that has quality and distinctive characteristic which chosen by the researcher to be analyzed and then, can be drawn as a conclusion (Sugiyono, 2014). In this research, the population would be a customer of Inspired27, Sch, Nimco, and 3Second, which assumed to have experienced the social media marketing that conducted by their management, both online or offline. For the samples technique, **non-probability purposive sampling method** will be used considering the user of social media mostly are accessed by young and teenager people, but there will be also few adult correspondent which also frequently use social media in their daily activity. While purposive sampling is the type that mainly used. The main objective of purposive sampling is to produce a sample that can be considered representative of the population. In this research, for purposive method, researcher will give specific category for the audience, which is customer had to purchase at least twice,

to be categorized as loyal customer, then the respondent have minimum age of 18 , because in this age, correspondent able to make their own decision to purchase a product. Based on previous explanation, it can be concluded that sample have to above 50 people, based from 5 variables times by 10, to gain minimum representation for the data. In this research however, there will be 100 correspondent to be collected to gain a better sample accuracy. Questionnaire will be in form offline questionnaire.

C. Type of Data

Primary and secondary data will be used for this research. A primary data source is an original data source, which the data are collected firsthand by the researcher. Primary data can be collected in several ways. However, the most common techniques are self-administered surveys, interviews, field observation, and experiments. (Primary data would be collected directly from the survey that conducted offline. The survey is collected by fill the prepared questionnaire, which also consist of the identity of the subject identity, such as name, address, age, and gender. While Secondary data are the data collected by a researcher which is not related to the research, but rather use it for other purpose and give a new material to compare. As a result, utilizing existing data for research is becoming more prevalent, and therefore secondary data analysis. While secondary analysis is flexible and can be utilized in several ways, it is also an empirical exercise and a systematic method with procedural and evaluative steps, just as in collecting and evaluating primary data (Johnston, 2014). In this case, the secondary data will be collected from previous research, journal, or thesis.

D. Operational Definition

1. Independent Variables

Independent variable or free variable is the variable that affects, or change medium, or the cause of emerging dependent variable (Sugiyono, 2008). In this research, the independent variables are social media marketing brand awareness, brand trust and perceived value.

2. Dependent Variable

Dependent variable or tied variable is the variable that affected or the result of the presence of independent variables (Sugiyono, 2008). In this research, customer loyalty act as independent variables.

E. Instrument Testing

1. Validity Test

One way to determine the validity of the instrument is by correlating the scores with the total score. If each of the instrument has a positive result with the score above 0,3 then that instrument is assumed to have strong construct, and the opposite, if the instrument has a score below 0,3 then it is considered not valid (Sugiyono, 2008). While Arikunto (2010) stated that validity is a measure to show the validity level of the instrument. The instrument is valid if it can measure what the researcher wants. The high and low of the instrument validity show how far the data that has been collected does not deviate from the validity purpose in the first place.

2. Reliability Test

Reliability is a critical quality of any test, whether it is a written test, a performance assessment or an informal observation or question. It provides the consistency that makes validity possible (Miller, Linn, & Gronlund, 2009) one measure of internal consistency is Cronbach's alpha which allows the rater to estimate the reliability and knows the score variance and the covariances among all its components (Crocker & Algina, 1987). An instrument can be reliable if it has coefficient ( ) bigger than 0,6. Based on Sugiyono (2008), to get the interpretation of the relation strength

F. Data Analysis

1. Classical Assumption Test

For the classical assumption test, there will be 3 requirement which is Normality test, Heteroscedascity test, and multicollinearity test. First is normality test, regression assumes that variables have normal distributions. They do not explicate which variables, in particular, they are referring to, but the implication seems to be that multiple regression requires that the predictor and/or response variables be normally distributed. In reality, only the assumption of normally distributed errors is relevant to multiple regression (Osborne & Waters, 2002). While based on Ghozali (2011), normality can be detected by seeing the scattered point at diagonal axis from the graphic or by seeing the histogram from their residual, with the basic of decision from:

a. If the data scattered around the diagonal line, or the histogram graphic show normal distribution pattern, then the regression model fulfill the normality assumption

b. If the data scattered far from diagonal or the histogram graphic, then the regression model does not fulfill the normality assumption

Second is Heteroscedascity test, heteroscedasticity test has a purpose of finding the inequality variance of residual between each of observation in the regression model (Ghozali, 2011). If the variance from each observation to another observation residual is same, it is called as homoscedasticity. Furthermore, if it is the opposite, then it is called heteroscedasticity. The good regression model is the one which heteroscedasticity does not occurred.

Last one is multicollinearity test, multicollinearity test has the purpose of finding any correlation between independent variables (Ghozali, 2010). Multicollinearity occurs when the correlation is presented. Good regression problem should not correlate with the independent variables. The method to detect multicollinearity is Tolerance and Variante Inflation Factor (VIF). If tolerance < 0,1, multicollinearity occurs, and if VIF > 10, then that independent variable have a multicollinearity problem with another independent variable. In the opposite, the tolerance>0,1 and VIF <10, then multicollinearity does not occur.

2. Multiple Regression Analysis

In this research, multiple regression analysis is used to determine the strength of the relationship between the independent and dependent variable. Regression

analysis is a method for analyzing data of ordered pairs or groups. The data is usually plotted, one versus the other, and then modeled. The model in a two-dimensional case is the best fit curve. The modeling assumption is the best fit line computed by the least-squares method (Milton & Arnold, 1990). In this case, the (Y_1) as the dependent variable is the customer loyalty, while social media marketing (X_1), brand awareness (X_2), brand trust (X_3), and perceived value (X_4) is the independent variable.

The model for multiple regression analysis can be formulated in the figure below:

Y: b0 + b1X1 + b2X2 + b3X3 + b4X4
Below is the explanation for each equation symbol :
Y : Customer loyalty
b0 : Constant
b1, b2, b3, b4 : Coefficient of each factor
X1, X2, X3, X4 : Social media marketing, brand awareness, brand trust and perceived value

After the result of the regression analysis is found, it is still needed to be tested to find the correlation of the regression coefficient, whether positive or negative from both partial or simultaneously way. It also needs to be concluded on how strong is the result of the regression analysis.

3. Findings and Discussions

A. Company Overview
1. Inspired27 was built by a person named Uji Kuswanto in the year 2003. With now have three outlets in Malang city. The first outlet is in Soekarno Hatta Street that mainly focused on selling clothes and also became a retail store for many different local clothing products in Malang. The second store, which located in Kendalsari, is mainly focused on selling the ambiance, mostly this store is designed for youth to hanging around, but still, there is an outlet of cloth inside. The third store, located in Singosari, is focused on tourism. The store in Singosari offers the products and also bus tour, which in the end offers the cloth product for the gift merchandise.
2. Ouval Research, or abbreviated as Sch., was established in 1997 by the founders, who had idealism to engendering creative and flexible products, while at the same time representing the youth lifestyle. The idea was encouraged by a skateboarding community, which was not only about sport, but it also became a certain lifestyle. That idealistic thought then was exposed into the style of fashion that could be used by either local or international community.
3. Nimco clothing is founded in 2006 in Yogyakarta city. Nimco sold many varieties of products, ranging from T-shirt, jeans, shorts, dress, jacket, hats, and sandals. With around 114 store open across Indonesia, Nimco is one of the leading industries in the clothing segment. The founder of Nimco always emphasizes the flexibility for their product to keep pace with the on-going trend with youth culture. This culture can be seen in their products, which symbolize modernism and dynamic design (Nimco , 2019).

4. 3second is also one of the leading markets of the independent distro in Indonesia. Based in Bandung city, 3second was established since 2002. 3second is one of the most dynamic distros which create the product based on the current style. 3second have a unique image by using Indonesian musician as their brand image. The famous Ariel Noah and Momo Geisha are two of the brand models that they use frequently.

B. The Characteristics of Respondents

    1. Characteristics of Respondents Based on Ages

Gender of Ages

No.	Age	Frequency	Percentage
			(%)
1	18 – 23 years old	60	60
2	24 – 29 years old	34	34
3	30 – 35 years old	3	3
4	36 – 40 years old	3	3
	Total	100	100

Based on table above, it can be seen there are 60 respondents or 60% in the age around 18 – 23 years old. For age of 24 – 29 year old, there are 34 respondent calculated. The respondents with age more than 30 – 35 years old reached about 3 respondents or 3%, and there are also 3 respondents or 3% around the age of 36 – 40 years old. From this table, it can be concluded that most of the visitors of distro clothing are kids and teenager.

    2. Characteristics of Respondents Based on gender

Gender of Respondents

No.	Gender	Total Respondent	Percentage
			(%)
1	Male	72	72.00
2	Female	28	28.00
	Total	100	100

The number of male respondents is 72 respondents or 72%, whereas the female respondents are 28 respondents or 28% of the populations. Thus, most of the respondents are male. Based on the table, the gap is quite big between male and female visitor. It can be a result of the nature of distro itself, which mainly aim to create a macho product. Female products are displayed less in the store, but male products are abundant in comparison

3. Characteristics of Respondents Based on Customer Frequency

Respondents based on distro visit frequency

No.	Distro store	Frequency	Percentage (%)
1	Inspired27	36	36
2	Sch.	18	18
3	Nimco	27	27
4	3second	12	12
	Total	100	100

Source : Primary data

From this table and collected data, it can be concluded that most of the respondents are visiting inspired27 the most than the other distro. this can be related because the inspired27 image itself as representative distro in Malang city, so it is natural people will visit inspired27 first if they intended to shop at distro in Malang, especially in Sokearno Hatta area.

C. Variable Description

This research is conducted by distributing 100 offline questionnaires to 100 respondents from the visitor of each 4 distro. To measure their answer, likert scale will be used to determine the value from lowest (Strongly disagree) to strongest (Strongly Agree)

1. Social media marketing

Frequency Distribution of Social media marketing (X1)

Item	5		4		3		2		1		Total		Mean
	F	%	F	%	f	%	f	%	F	%	Total	%	
X1.1	24	24.00	54	54.00	20	20.00	1	1.00	1	1.00	100	100	3.99
X1.2	36	36.00	50	50.00	9	9.00	5	5.00	0	0.00	100	100	4.17
X1.3	18	18.00	43	43.00	28	28.00	11	11.00	0	0.00	100	100	3.68
X1.4	22	22.00	56	56.00	18	18.00	2	2.00	2	2.00	100	100	3.94
X1.5	32	32.00	55	55.00	6	6.00	7	7.00	0	0.00	100	100	4.12
X1.6	16	16.00	46	46.00	27	27.00	11	11.00	0	0.00	100	100	3.67
													3.93

Source : Primary data analysis

Based on the result and mean value above, respondent are mostly agree on fifth question, which is about distro online advertisement that polite and appropriate for them.

2. Brand Awareness

Frequency Distribution of Brand Awareness

Item	5		4		3		2		1		Total		Mean
	F	%	F	%	F	%	F	%	F	%	Total	%	
X2.1	18	18.00	43	43.00	27	27.00	11	11.00	1	1.00	100	100	3.66
X2.2	22	22.00	55	55.00	17	17.00	6	6.00	0	0.00	100	100	3.93
X2.3	17	17.00	56	56.00	16	16.00	11	11.00	0	0.00	100	100	3.79
X2.4	12	12.00	59	59.00	22	22.00	7	7.00	0	0.00	100	100	3.76
													3.79

Source : Primary data

Based on the result and mean value above, respondent are mostly agree on second question, which is about easiness for customer to remember the distro brand just by seeing their brand logo.

3. Brand trust

Frequency Distribution of Brand Trust

Item	5		4		3		2		1		Total		Mean
	F	%	F	%	F	%	f	%	f	%	Total	%	
X3.1	31	31.00	38	38.00	24	24.00	4	4.00	3	3.00	100	100	3.90
X3.2	24	24.00	41	41.00	26	26.00	6	6.00	3	3.00	100	100	3.77
													3.77

Source : Primary data

Based on the result and mean value above, respondent are mostly agree on first question, which is about their satisfaction because these four distros succeed to fulfil customer expectation about their product.

4. Perceived value

Frequency Distribution of Perceived Value

Item	5		4		3		2		1		Total		Mean
	F	%	F	%	F	%	f	%	f	%	Total	%	
X4.1	40	40.00	49	49.00	8	8.00	1	1.00	2	2.00	100	100	4.24
X4.2	15	15.00	65	65.00	13	13.00	6	6.00	1	1.00	100	100	3.87
X4.3	32	32.00	54	54.00	11	11.00	3	3.00	0	0.00	100	100	4.15
X4.4	39	39.00	44	44.00	15	15.00	2	2.00	0	0.00	100	100	4.20
													4.12

Source : Primary data

Based on the result and mean value above, respondent are mostly agree on first question, which is about the relatively cheap price from the distro product.

5. Customer loyalty

Frequency Distribution of Customer Loyalty

Item	5		4		3		2		1		Total		Mean
	F	%	F	%	f	%	F	%	F	%	Total	%	
Y1	17	17.00	54	54.00	22	22.00	7	7.00	0	0.00	100	100	3.81
Y2	20	20.00	54	54.00	17	17.00	9	9.00	0	0.00	100	100	3.85
Y3	18	18.00	58	58.00	20	20.00	4	4.00	0	0.00	100	100	3.90
Y4	15	15.00	52	52.00	26	26.00	7	7.00	0	0.00	100	100	3.75
Y5	16	16.00	27	27.00	25	25.00	31	31.00	1	1.00	100	100	3.26
													3.71

Source : Primary data

Based on the result and mean value above, respondent are mostly agree on hirdt question, which is about the success attempt by distro to make their customer become loyal to them.

D. Hypothesis Test Result

1. Normality Test

Normality test is done to indicate whether the residue value is scattered normally or not, the result is expected to be normal so it can be accepted. The definition of Kolgorov-Smirnov procedure is explained by A Timur, J Harlow, and P Hartig (2017). The Kolmogorov-Smirnov test is a hypothesis test procedure for determining if two samples of data are from the same distribution.

One-Sample Kolmogorov-Smirnov Test

			Unstandardized Residual
N			100
Normal Parameters [a,b]	Mean		.0000000
	Std. Deviation		2.30084893
Most Extreme Differences	Absolute		.056
	Positive		.056
	Negative		-.051
Kolmogorov-Smirnov Z			.564
Asymp. Sig. (2-tailed)			.908

a. Test distribution is Normal.

b. Calculated from data.

Source : Primary data

According to the table above, the value of **sig.** is 0.908) or higher than 0.05; then H_0 is accepted. Thus, the normality is qualified.

2. Multicollinearity Test

Multicollinearity test is done to obtain that there is no strong relation, or there is no perfect linear relation, and it can also consider that there is no relation in each independent variable. The test is done by comparing the value of tolerance resulted

from multiple regression calculation, if the value of tolerance < 0.1, then there is multicollinearity

Variable	Collinearity Statistics	
	Tolerance	VIF
Social media marketing	0.532	1.879
Brand awareness	0.515	1.940
Brand trust	0.417	2.397
Customer loyalty	0.474	2.110

Source : Primary data

The result of the test indicates the value of tolerance > 0.1 then it can be concluded the multicollinearity do not occur between the independent variables.

3. Heteroscedasticity Test

Heteroskedasticity test is used to find inequality value of residual deviation caused by the small value of one independent variable, or there is a difference of variance value by the escalation of the dependent variable value. If the variance from each observation to another observation residual is the same, it is called as homoscedasticity.
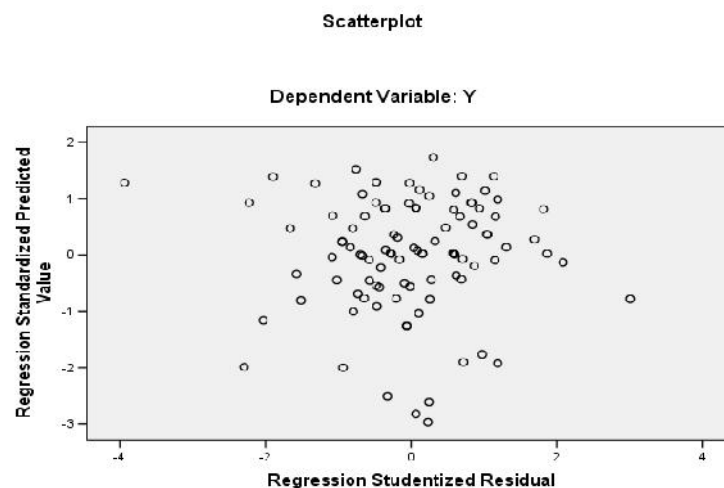
Source : Primary data

From the analysis indicates that the scatterplot diagram is scattering and not shaping particular pattern, so there is no **Heteroskedasticity** occur, so it can be concluded that the residual has homogenous variance (constant) or in other words, there is no tendency of **Heteroskedasticity**.

E. Hypothesis Testing

1. Multiple Regression Analysis

   Linear Regression is used to calculate the influence of each independent variable, Social media marketing (X_1), Brand awareness (X_2), Brand trust (X_3), and Perceived value (X_4) to the dependent variable which is Customer loyalty (Y).

2. Regression equation

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.540	1.715		0.898	0.371
Social media marketing	0.160	0.074	0.196	2.163	0.033
Brand awareness	0.314	0.121	0.239	2.592	0.011
Brand trust	0.495	0.190	0.267	2.602	0.011
Perceived value	0.286	0.130	0.211	2.200	0.030

Source : Primary data

According to its able to obtained the regression equation as follows:

$$Y = 1.540 + 0.160\ X_1 + 0.314\ X_2 + 0.495\ X_3 + 0.286\ X_4$$

Based on the interpretation above, Social media marketing, Brand awareness, and Brand trust has a positive influence on Customer loyalty. In other words, if there are increasing value of Social media marketing, Brand awareness, Brand trust, and Perceived value, then it will be followed with the escalation of Customer loyalty.

3. Coefficient of Determination

   To obtain the contribution of independent variables (Social media marketing (X_1), Brand awareness (X_2), and Brand trust (X_3) toward the dependent variable (customer loyalty). If the **R^2** we can use R^2 value as presented in Table below:

R	R Square	Adjusted R Square
0.764	0.584	0.567

Source : Primary data

   Coefficient of determination is used to calculate the influence or contribution of independent variable toward the dependent variable. From the analysis of Table 4.17, we get the result of adjusted R^2 (determinant coefficient) is 0.567. It means that 56.7% customer loyalty variable will be influenced by another independent variable, which is: social media marketing(X_1), brand awareness (X_2), and brand trust (X_3). Whereas 43.3% of customer loyalty variable is influenced by other variable are not described in this research.

4. F test

F Test or model test is done to obtain the significance of regression analysis result or the appropriateness of the expected model. If significant, then the result will reject H_0, and H_1 accepted. If the result is not significant, then H_o accepted, and H_1 rejected.

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	736.413	4	184.103	33.371	0.000
Residual	524.097	95	5.517		
Total	1260.510	99			

Source : Primary data

According to Table 4.18, the F test is 33.371. While F Table (= 0.05; df regression = 3: df residual = 95) is 2.467. Because F test > F Table which is 33.371 > 2.467 or sig F value (0.000) < = 0.05 then regression model analysis is significant. It means, H_0 is rejected and H_1 accepted. Thus, dependent variable (Customer loyalty) influenced significantly by the independent variable (Social media marketing (X_1), Brand awareness (X_2), Brand trust (X_3), and Perceived value (X_4).

5. Partial Test (T-Test)

T-test is used to obtain if the independent variable partially has a significant influence on the dependent variable. Then it also said, t-test > t Table or -t-test < -t Table then the result is significant so reject H_0 rejected and accept H_1. If t count < t Table or -t-test > -t-test then the result is not significant so accept H_0 and reject H_1 rejected.

Variable	T	Sig.	t Table	Note
Social media to customer loyalty	2.163	0.033	1.985	Significant
Brand awareness to customer loyalty	2.592	0.011	1.985	Significant
Brand trust to customer loyalty	2.602	0.011	1.985	Significant
Perceived value to customer loyalty	2.200	0.030	1.985	Significant

Source : Primary data

This shows that independent variable has a significant influence on Customer loyalty simultaneously and partially. From those three variables, the most dominant variable which influence Customer loyalty is Brand trust because it has the most value of coefficient and t count.

6. Conclusions and Recomendations

A. Conclusions
Based on analysis from four dependent variables, which is social media marketing, brand awareness, brand trust, and perceived value impact to customer loyalty, a conclusion can be drawn as explained below.

1. For social media marketing, it can be concluded that all four Malang distros use social media quite effectively. It can be proven by a statistic and regression analysis that are collected from the interview of distro customer. Most of the customers are satisfied by the presentation of the content from distro social media and make them easy to stay in touch with the store product catalog, update, and customer service contact.
2. For brand awareness, the analysis that conducted by using regression analysis, it is proven that most of the customer easily recognize the inspired27, Sch, Nimco and 3second brand whenever they hear or see the brand logo, etc. It proves that four distros succeed to market their brand into their target market. Brand awareness is a start for a customer to get attached to the product, so in this aspect, four distros are a success. If the customers are aware, they can step the relation to brand identity, which enhances the attachment into customer loyalty.
3. For brand trust, this research also indicates that four distros success to gain trust from their customer. From the analysis, it can be proven that because of both product and service quality; most of the customer trust the distro, which is leading them to become a loyal customer.
4. From perceived value aspect, Inspired27, Sch, Nimco, and 3second also succeed to create a good balance between product and service with the value or price that they tagged. It can be proven in the analysis and interview, that most of them are satisfied with the equality of quality and the price. It is also a foundation for customer to become loyal to the product.

B. Recommendations
Based on the analysis and the research result, the researcher can point out some of the aspects that can be suggested for inspired27, Sch, Nimco, and 3second to improve the ability to gain customer loyalty.

1. Even though the marketing segment of the distro is good, four distros are suggested to expand its market into the adult market. Because of their market limitation, the distro is unable to attract adult customer, which has more budget to spend than students and teenagers. The expansion can be done by opening a new product segment which attracts adult market such as leather shoes, leather jacket, pantofel shoes, office necktie, etc.
2. Distro stores are suggested to expand and attract the female market. The female market is one of the biggest market available, yet most of the products of the distro are male-oriented by creating the male symbol, etc. This potential market should be considered to gain a better overall value of the store, which attracts more loyal customer to them.

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