

The Influence of Product Community on Customer Loyalty and the Influence of Customer Loyalty to Intention to Buy (Case of Compass Shoes)

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Abstract

Loyalty is important to foster a sense of wanting to repurchase products. Previous researches showed that this loyalty can be strengthened by product community. That's why companies form a community. This study examines the influence of the community on forming loyalty which influences the repurchase intention of a brand.

The respondents used in this study were individuals who had/are currently wearing compass brand shoes. We collected data via google form and got 100 respondents. Furthermore, the data that has been collected has been tested for validity and reliability. The results obtained indicate that all items tested are valid and the questionnaires are reliable. The hypothesis was tested using WarpPLS with the results: Community positively influences Loyalty and Loyalty positively influences Repurchase Intention

Keywords:

Product Community, Customer Loyalty, Intention to Buy

Introduction

A brand is assumed to be essential as an intangible asset for an organization (Paul & Bhakar, 2018). This intangible asset can be further supported by the presence of a community. Community relations relate to what we have with values, organizational commitment, cooperation and interdependence between individuals. This association is relevant to every individual in an organization in which personal values are exchanged, organizational functions and there is support between individuals who have ethics to help strengthen and align common goals with organizational values, vision and mission to achieve success.

Community can be seen in terms of a better understanding of the term "psychological feeling of community". It is associated with emotional sharing, security and healthy relationships, and positive feelings that develop from individuals to a particular group (Burroughs & Eby, 1998). The organizational community can be thought of as a place where individuals are aware of each other's needs and support each other (Brown & Isaacs, 1994; Sarson, 1974).

The community is very much focused on greater involvement between individuals, ownership, diversity of views on an object, cooperation, transparency in communication related to organizational safety, empowerment and consensus building (Arnold et al., 2019). A further view of community is about how to build loyalty to an object. The economic interest in studying the concept of loyalty has grown in the context of the continuous change of strategies adopted by organizations to understand the impact of loyal clients on their profits. One of the most common definitions of loyalty in the marketing literature is cited by Jacoby and Chestnut (1978), who saw this process as a behavioral concept of consumer preference for a particular brand from a set of similar brands. In the marketing literature, loyalty has been

studied as a component of loyalty, attitude and behavior or four dimensions (cognitive, affective, conative, action).

Loyalty is a deeply held commitment to bring up the intention to repurchase *favorite products/services* consistently in the future and this causes repeated purchases of the same brand. This is also apart from situational influences and marketing efforts that can potentially change behavior (Oliver, 2014). Affective loyalty is determined from a general emotional evaluation (Evanschitzky & Wunderlich, 2016). Conative loyalty is determined as a customer's behavioral intention to repurchase a company product and its commitment to a *favorite company* (Evanschitzky & Wunderlich, 2016). Loyalty actions include saying something positive about the company, showing the company's preference to others, continuing to repurchase the product (Zeithaml et al., 1996). Studying both loyalty attitudes and behaviors opened the gate for us to be able to identify different consumer segments and to work with different types of marketing strategies (Baloglu, 2002). Community influences the loyalty of an individual where this loyalty can actually increase the intention to repurchase a product at a preferred *brand*.

Theory and Hypothesis

Brand community or community is a group formed on the basis of closeness to a particular product or brand. The first brand community was put forward by (Muñiz & O'Guinn, 2001) in the Association for Consumer Research Annual Conference in Minneapolis explaining "Brand Community" as a specialized form of community, a community that has ties that are not only based on geographical ties, but based more on the structure of social relations among fans of a particular brand. This community departs from its essence, namely the brand on a brand and then functions in building relationships from each of its members who are users or people who have the same frequency with that brand.

The main benefit of having a community for companies is to improve relations between companies and consumers. Improving the relationship between the company and the consumer will provide a big advantage for a company, where in this case the company can know and learn more about the characteristics of its customers and the company can also get input from consumers regarding various aspects of its product or product design. Oskar Syahbana in Fajar MK (2010) in his article entitled community branding states that brand communities include brand campaign strategies and involve a community in marketing. Brand community is an initial process in the journey to better understand customer desires and is the first step in an effort to bind customer loyalty.

The most important thing about the existence of a community is that it can create long-term relationships to maintain consumer loyalty or to gain consumer loyalty in order to influence consumers to repurchase the brand. Consumer loyalty is not formed in a short time but must go through a process and is based on the results of consumer experience in making purchases all the time. If the consumer feels that he has received what is expected, then this buying process will continue to repeat itself. (Oliver, 2014) defines customer loyalty as a situation where there is a strong commitment to repurchasing and reusing company goods and services. Loyalty is the magnitude of the frequency and consumption of purchases made by consumers for an item or brand itself. Loyalty is about the percentage of people who have purchased within a certain time frame and will continue to make repeat purchases since the previous purchase. Loyalty is one thing that is important for the survival of a company, therefore to build customer loyalty a company must have a good relationship with customers so that the company can better understand the needs and expectations of its customers.

Community can be formed if there are several individuals who have the same attachment. We measure this variable using several items. The sample item in this research is "Community makes me close to fellow Compass shoe users". Loyalty can be formed with a high trust in a product. We measure this variable using several items that have been developed by (Bobâlcă et al., 2012) . A sample item to measure loyalty is "I am happy to buy the Compass shoe brand and I feel more attached to it". So, the hypothesis that is formed:
H1: Community positively influences Loyalty

Repurchase intention is included in the consumer's bound relationship with the brand. We measure this variable with items that have been developed by (Nilsson & Wall, 2017) . The sample item serves to measure how the intensity of loyalty has succeeded in increasing this variable with community mediation saying "Overall, if I buy shoes again, then I will buy Compass shoes". So, the hypothesis that is formed:
H2: Loyalty positively influences Repurchase Intention

Research Method

In this study, the respondents I used were those who own/are wearing Compass brand shoes with a diverse demographic range of respondents. We are looking for respondents by sharing the *Google form* that we have designed with friends, family, acquaintances, and even strangers who meet the requirements for filling out this questionnaire.

Participation responses were obtained through the *Google form*. Valid participants are individuals who have purchased/used Compass brand shoes. The validity items in the questionnaire have been investigated using SPSS. Reliability testing is determined using Cronbach's Alpha. The hypothesis was investigated using warpPLS.

Results and Discussion

Because it uses an unknown population, this study uses non-probability *sampling* using *purposive sampling method* with the results of 100 respondents from all Compass shoe users who are willing to participate in this study. Table 1 below shows the *demographic characteristics* of the research respondents.

Table 1 Participants Characteristics							
		Σ	%			Σ	%
Gender	Man	51	48.6	age	< 25 years	93	88.6
	Woman	54	51.4		25 - 35 years	11	10.5
					36 - 45 years	1	1.0
Job	Employee	18	17.1	First year wearing Compass shoes	2018	25	24.5
	Student / Student	70	66.7		2019	21	20.6
	Professional	5	4.8		2020	24	23.5
	Employee	18	17.1		2021	16	15.7
	Etc	12	11.4		2022	16	15.7
Quantity of Shoes	>15 shoes	1	1.0				
	0-5 shoes	101	96.2				
	6-10 shoes	2	1.9				

Analysis in testing the validity and reliability testing using SPSS and testing the hypothesis tested using WarpPLS. Table 2 shows the factor analysis result with a factor weight reference of > 0.50 which can be considered to have a validation level that is strong enough to explain the latent construct. Table 3 Shows the reliability test result.

Table 2 Factor Analysis Result

	Factor Loading
I'm part of the Compass shoe community	.719
The Compass community makes me close to fellow Compass shoe users	.729
I often attend events with Compass friends	.726
I bought this brand because I really like the Compass shoe brand	.837
I am happy to buy this shoe brand than another shoe brand	.871
I like this shoe brand more than other shoe brands	.858
I feel more attached to this shoe brand than another shoe brand	.857
I am more interested in this shoe brand than any other shoe brand	.848
Maybe I will buy the Compass shoe brand again	.838
Maybe I will use the Compass shoe brand in the future	.819
If I had to buy shoes again, I would choose the Compass shoe brand	.863

Table 3 Reliability Test Result

Table 5 Reliability Statistics			
Variables	Cronbach's Alpha	N of Items	Description
KOM	.910	3	reliable
LOY	.935	5	reliable
RP	.909	3	reliable

Based on the reliability test results contained in Table 3, it shows that each variable tested is reliable.

Hypothesis testing was conducted using structural equation modelling using WarpPLS program. In this test using the structural equation mode which requires a model fit test. Hypothesis testing allows it to be adjusted if the requirements for the suitability values have been met when there is an indication that the model being tested is supported by research data. The test data for this match value is in table 4. In the table, the modified fit value has been fulfilled which indicates that the model has been supported by the data and hypothesis testing can be carried out.

Table 4. Model Fit Evaluation

Goodness-of-fit Indexes	Criteria	FIT MODELS	
		Calculated Result	Model Evaluation
APC,ARS ,AARS	P>value<0.05	0.743, P<0.001 0.564, P<0.001 0.560, P<0.001	Good Fit

AVIF and AFVIF	<3.3 but <5 is acceptable	AFVIF 2.978, acceptable if ≤ 5 , ideally ≤ 3.3	Good Fit
Gidness Tenenhaus	>0.10small >0.25medium >0.36 Large	0.684, tiny	Good Fit
homework	acceptable if ≥ 0.7 , ideally = 1	1,000, acceptable if ≥ 0.7 , ideally = 1	Good Fit
RSCR	acceptable if ≥ 0.9 , ideally = 1	1,000, acceptable if ≥ 0.9 , ideally = 1	Good Fit
SSRS	Must >0.7	1,000, acceptable if ≥ 0.7	Good Fit
NLBCDR	Must >0.7	1,000, acceptable if ≥ 0.7	Good Fit

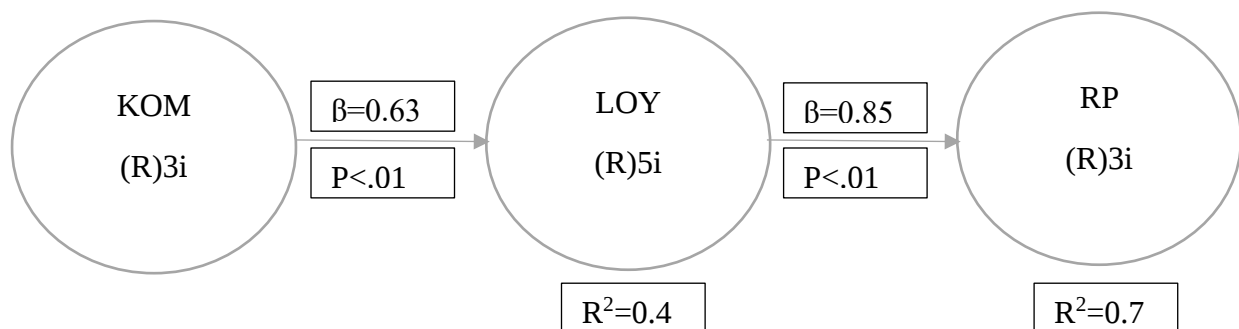


Figure 1 Research

Figure 1 shows the hypothesis testing result: (1) community has positive influence to loyalty ($\beta=0.63$, $p<0.05$) and (2) Loyalty has positive influence to repurchase intention ($\beta=0.85$, $p<0.05$). Individuals who have a community will tend to have loyalty which always increases if the community embraces one another. The community on this brand will benefit because this has a positive impact on their loyalty. If loyalty is higher, repurchase intention for this brand will grow more frequently.

Conclusion

The organizational community can be thought of as a place where individuals are aware of each other's needs and support one another. Loyalty that is most commonly cited by Jacoby and Chestnut (1978) can potentially change behavior or four dimensions (cognitive, affective, conative, action) is a commitment to a favorite company. Conative loyalty is determined as a customer's behavioral intention to repurchase a company product and its commitment to a favorite company (Evanschitzky & Wunderlich, 2016).

Based on the results of research and discussion, the results of the community's influence on customer loyalty to increase repurchase intention tend to be positive. This can be seen from the research results, which show that feedback from the average questionnaire respondent knows and has an interest in Compass shoes. According to the results of the study,

it was briefly concluded that each community variable, customer loyalty, and purchase intention that was tested was able to explain factors, were interconnected with each other and were reliable or reliable so that with a community among individuals it would increase their loyalty and impact positive and the higher the repurchase intention.

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