

THE INFLUENCE OF CUSTOMER EXPERIENCE AND BRAND AWARENESS ON CUSTOMER LOYALTY MEDIATED BY CUSTOMER SATISFACTION (EMPIRICAL STUDY: YOSHINOYA RESTAURANT CUSTOMERS IN DKI JAKARTA)

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ABSTRACT: Objective of research is to investigate the effect of customer experience and brand awareness on customer loyalty among Yoshinoya restaurant customers in DKI Jakarta, both directly and indirectly with mediation of customer satisfaction. This study use quantitative approach. A survey was conducted with 171 respondents who had consumed products of Yoshinoya restaurants in DKI Jakarta. Data analysis was performed using Structural Equation Model with AMOS program. The research findings indicate that the customer experience provided by Yoshinoya restaurants does not have a strong and significant relationship with customer loyalty of Yoshinoya restaurant customers in DKI Jakarta. However, it was found that brand awareness has a strong and significant influence on customer loyalty of Yoshinoya restaurant customers in DKI Jakarta. When mediated by customer satisfaction, turns out customer experience does have a strong and significant relationship with customer loyalty. Enhanced, when brand awareness mediated by customer satisfaction, has a stronger and more significant influence on customer loyalty of Yoshinoya restaurant customers in DKI Jakarta. The implications of this research suggest that companies can enhance customer loyalty by improving customer experience, brand awareness, and customer satisfaction. This can be achieved through the provision of high-quality food, efficient service in terms of speed, a strong brand, and most importantly ensuring customer satisfaction. Customer satisfaction is crucial in transforming a negative into a more positive one.

Keywords: customer experience, brand awareness, customer satisfaction, customer loyalty, yoshinoya indonesia, and food & beverage.

INTRODUCTION

In the technology era, consumers of food & beverage products are easily provided with information about food choices in a restaurant or another. Oftenly this situation is make consumers (including researcher as consumers) feels it's easy to provide various food options. Consumers easily choose and switch to different types or brands of food, which raises questions about consumer loyalty. However, Isaac Tandoh (2020) states that customer loyalty is the consumer's attitude towards product or brand preferences they have used before and their experience with a product. Therefore, if a consumer chooses a different type or brand of food, it does not necessarily mean that the consumer is disloyal to a particular food. It may be influenced by factors such as mood, feelings, or the consumer's desire to eat a certain type of food. So, when discussing loyalty, the focus should be on the consumer's preference for a specific food when compared to similar foods.

The food consumption culture in urban Indonesia has also shifted towards preferring ready-to-eat and fast-food options due to the modern lifestyle that emphasizes convenience and speed (kompas.com, 2021). Restaurants that provide fast-food options are commonly known as fast-food restaurants, and one of the fast-food restaurant in Indonesia is Yoshinoya. Yoshinoya has many restaurants in Indonesia, and DKI Jakarta as the city with most restaurants.

Additionally, considering the researcher's residence is in DKI Jakarta and the researcher is also an employee at Yoshinoya Indonesia, this research focuses on Yoshinoya restaurant consumers in DKI Jakarta.

The aim of this study is to examine the influence of customer experience and brand awareness on customer loyalty, mediated by customer satisfaction, among Yoshinoya restaurant consumers in DKI Jakarta. More specifically, the research objectives are (1) to explain customer experience in the food & beverage industry in DKI Jakarta, (2) to explain brand awareness in the food & beverage industry in DKI Jakarta, (3) to explain customer satisfaction in the food & beverage industry in DKI Jakarta, (4) to explain customer loyalty in the food & beverage industry in DKI Jakarta, (5) to explain the direct and indirect effects of customer experience and brand awareness on customer loyalty, with customer satisfaction playing a mediating role, and (6) to determine which factor most significantly influences customer loyalty. In addition, five (5) research hypotheses have been proposed.

THEORETICAL FRAMEWORK

Customer Experience

According to Makudza (2020), *customer experience* is a customer's perception of how the company treats them. Customer *experience* is defined as the cognitive and affective outcome of what is provided to customers, or interactions with, the company's people,

325 | The Influence of Customer Experience and Brand Awareness on Customer Loyalty Mediated by Customer Satisfaction (Empirical Study: Yoshinoya Restaurant Customers in DKI Jakarta)

processes, technology, products, services, and other outputs. Researchers define it more easily that *customer experience* is what customers feel when trying or/and using something than what is provided by the company.

H₁ : *Customer experience* has a positive and significant influence on *customer satisfaction*

H₄ : *Customer experience* has a positive and significant influence on *customer loyalty*

Brand Awareness

According to Isaac Tandoh (2020), *brand awareness* is the ability of consumers to identify, recognize and re-mention a brand in different situations. In addition, it also means that *brand awareness* consists of brand recall and brand recognition. *Brand recall* means that when consumers see a product category, they can name the brand accordingly, and *brand recognition* means consumers have the ability to identify a brand when there is a brand cue (color, logo or similarity of names).

H₂ : *Brand awareness* has a positive and significant influence on *customer satisfaction*

H₅ : *Brand awareness* has a positive and significant influence on *customer loyalty*

Customer Satisfaction

According to Dewi (2020), *customer satisfaction* is influenced by 3 indicators, namely core quality, relationship quality and direct profit

value. The company's ability to win the competition does not only lie in the products offered (core quality), because consumers sometimes also choose companies by considering the capability of providing a fast response, high level of friendliness, trust and no time limit in providing services (quality of relationship). According to Pramudita et al. (2022), customer satisfaction is a feeling of joy or frustration in a person after comparing expectations with accepted reality.

H₃ : *Customer satisfaction* has a positive and significant influence on *customer loyalty*

Customer Loyalty

According to Isaac Tandoh (2020), *customer loyalty* is a consumer's attitude towards brand preferences that have been used before and the experience of a product, and it can be measured from the level of repurchase of the same brand. Where in a simple sense *customer loyalty* is an attitude or / and feeling on a product that has been used and the purchase and / or reuse of the same product.

RESEARCH METHOD

This study uses a hypothesis testing method with quantitative survey research that is causal. Data was collected from respondents who were consumers of Yoshinoya restaurant in DKI Jakarta. There are four main variables in this study, namely customer

experience, brand awareness, customer satisfaction, and customer loyalty. The data collection instrument is a questionnaire with Likert scale. This study used Structural Equation Model (SEM) analysis to test the hypothesis. In addition, validity and reliability tests will be carried out on research instruments. The results of data analysis will be used to test hypotheses and answer the formulation of this research problem with a significance level of 95%.

RESULT AND DISCUSSION

Respondents Profile

Based on table 1 below, the majority of respondents are domiciled in DKI Jakarta (77.08%), male (53.13%), aged 18 – 26 years (50.52%), working as private sector employees (65.63%), more than 1 time consuming Yoshinoya products (92.19%), and consuming Yoshinoya products within DKI Jakarta (78.13%).

Table 1. Characteristics of Respondents

No	Characteristic	Frequency	Presentage
1	Domicile	DKI Jakarta	148 77,08%
		Banten, Jabar, Jateng and Jatim	42 21,88%
		Kalimantan	1 0,52%
		Out of Indonesia	1 0,52%
2	Sex	Male	102 53,13%
		Female	90 46,88%
3	Age	18 - 26 year	97 50,52%
		27 - 42 year	71 36,98%
		43 - 58 year	23 11,98%
		≥ 59 year	1 0,52%
4	Occupation	Private Sector Employee	126 65,63%
		Student	27 14,06%
		Enterpreneur	23 11,98%
		Tidak Bekerja	9 4,69%
		Government Employee	5 2,60%
		Professional (Doctor, Pilot, est)	2 1,04%
5	Yoshinoya product consumption	One (1) Time	15 7,81%
		More Than One (1) Times	177 92,19%
6	Place of consumption	Inside DKI Jakarta	150 78,13%
		Outside DKI Jakarta	21 10,94%
		Inside and Outside DKI Jakarta	21 10,94%

Source: Author’s Calculation (2023)

Test Instruments: Validity and Reliability

Figure 1 shows the CFA assay for exogenous (independent) and

endogenous (dependent) variables using the AMOS program.

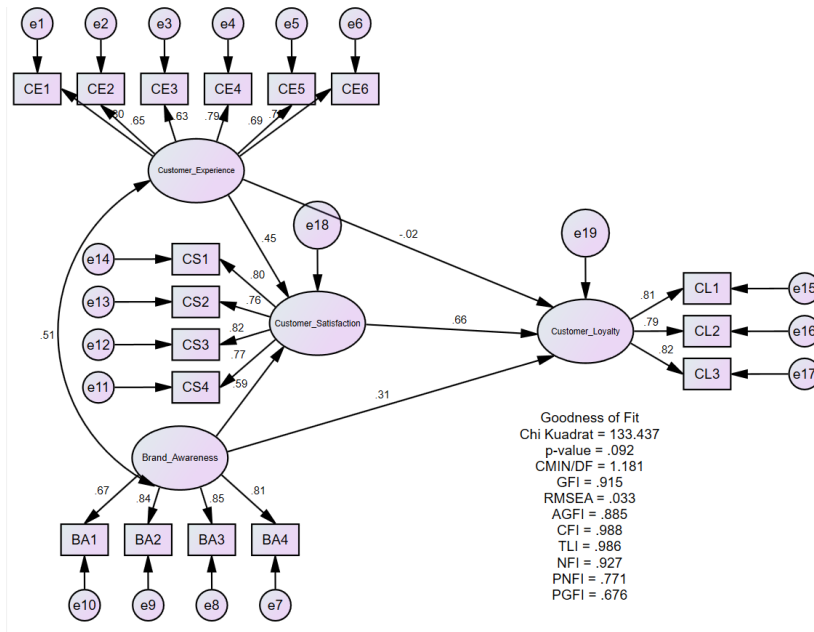


Figure 1. Complete SEM Model
 Source: Author's Calculation (2023)

Table 2. Reliability Test Result

Numb	Variable	Cronbach's Alpha	Decision
1	Customer Experience	0,865	Reliable
2	Brand Awareness	0,859	Reliable
3	Customer Satisfaction	0,866	Reliable
4	Customer Loyalty	0,845	Reliable

Source: Author's Calculation (2023)

Validity is decided by the Confirmatory Factor Analysis (CFA) test, in figure 1 shows all loading factor values of each indicator > 0.5 and means that all indicators are valid.

Reliability is determined by looking at Cronbach's alpha values, in table 2 shows all Cronbach's alpha values > 0.6 and means that all variables are reliable.

Table 3. Goodness of Fit Test Results

Goodness of Fit Index	Model Evaluation
Chi – square	Good Fit
Degree of Freedom	Good Fit
Significant probability	Good Fit
CMIN/DF	Good Fit

GFI	Good Fit
RMSEA	Good Fit
RMR	Good Fit
AGFI	Marginal Fit
CFI	Good Fit
IFI	Good Fit
TLI	Good Fit
NFI	Good Fit
PNFI	Good Fit
PGFI	Good Fit
PCFI	Good Fit

Source: Author's Calculation (2023)

Based on the research model in Table 3, the results of the Goodness of Fit test were obtained, where this research model has fourteen (14) fit model evaluations and one (1) marginal

one, so that it can be concluded that the research model is fit and can be continued for the hypothesis analysis process.

Test Hypothesis Research

Table 4. Results of the Direct Influence Hypothesis

Hypothesis	Independent Variable	Dependent Variable	Result
H ₁	Customer Experience	Customer Satisfaction	Accepted
H ₂	Brand Awareness	Customer Satisfaction	Accepted
H ₃	Customer Satisfaction	Customer Loyalty	Accepted
H ₄	Customer Experience	Customer Loyalty	Rejected
H ₅	Brand Awareness	Customer Loyalty	Accepted

Source: Author's Calculation (2023)

Table 5. Results of the Indirect Influence Hypothesis

Independent Variable	Mediate Variable	Dependent Variable	Result
Customer Experience	Customer Satisfaction	Customer Loyalty	Accepted
Brand Awareness			Accepted

Source: Author's Calculation (2023)

Table 6. Comparison of Direct and Indirect Influences

Variabel Independen	Variabel Mediasi	Variabel Dependen	Most Influence Order		
			Direct	Indirect	Simultaneous
Customer Experience	Customer Satisfaction	Customer Loyalty	3	1	2
Brand Awareness			3	2	1

Source: Author's Calculation (2023)

In table 6, numbers one, two, and three show the order from number one with the greatest influence to number three with the least influence. The influence of customer experience on customer loyalty mediated by customer satisfaction has the greatest influence with mediation (indirect influence), followed by simultaneous influence (direct and indirect) and finally direct influence that has the least influence. Then the influence of brand awareness on customer loyalty mediated by customer satisfaction has the greatest influence if done simultaneously (direct and indirect influences), followed by indirect influences and finally the smallest influence is the direct influence.

CONCLUSION

The results showed that in the context of Yoshinoya restaurant consumers in DKI Jakarta, customer experience did not have a significant effect on customer loyalty. This is made possible by the many bad experiences that make customers reluctant to remain loyal to this restaurant. On the contrary,

brand awareness has a strong and positive influence on customer loyalty, this is possible because the Yoshinoya brand has been viewed well in the eyes of respondents. However, when customer experience is mediated by customer satisfaction, the effect on customer loyalty becomes positive and significant. This underscores that customer satisfaction is key in turning customer experience into loyalty. Brand awareness remains the largest contributor to customer loyalty, which can be increased through broader marketing strategies to increase brand awareness. On the other hand, customer experience can be improved through improved service in restaurants. This research underscores the importance of customer satisfaction as the main mediator between customer experience and brand awareness of customer loyalty in the food and beverage industry, guiding companies to increase customer loyalty. Managerial advice includes improving services and marketing strategies to increase brand awareness, as well as focusing on

meeting customer needs and expectations to increase customer satisfaction. In addition, regulators in the food and beverage sector may consider integrating these aspects in their policies to support the growth of the food & beverage industry and consumer protection. Although the study provides valuable insights, it should be noted that the results are limited to DKI Jakarta and the number of respondents is limited, so the generalizability of the results may be limited.

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331 | The Influence of Customer Experience and Brand Awareness on Customer Loyalty Mediated by Customer Satisfaction (Empirical Study: Yoshinoya Restaurant Customers in DKI Jakarta)

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