Consumer Satisfaction, Consumer-Brand Identification, and Repurchase Intention

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Abstract. This study proposes whether consumers will be loyal to a product with a brand that they have just bought and tried by knowing their repurchase intention. This study unfolds consumer satisfaction and consumer brand identification as the factors which can influence repurchase intention. A total of 177 samples were used. Path analysis in WarpPLS was used to examine the proposed hypotheses. The results showed a positive relationship influence of consumer satisfaction on repurchase intention. The results also showed a positive consumer-brand identification on repurchase intention. However, consumer-brand identification failed to moderate the relationship between customer satisfaction and repurchase intention.

Keywords: Consumer satisfaction, Consumer brand-identification, Repurchase intention.

Abstrak. *Penelitian ini mengkaji apakah konsumen akan loyal terhadap suatu produk dengan merek yang baru dibeli dan dicobanya dengan mengetahui tingkat niat membeli ulang konsumen. Penelitian ini menganalisis kepuasan konsumen dan identifikasi merek konsumen sebagai faktor-faktor yang dapat mempengaruhi niat konsumen membeli ulang. Analisis jalur dengan WarpPLS digunakan untuk menguji hipotesis. Sampel yang digunakan dalam penelitian ini sebanyak 177 responden. Hasil penelitian menunjukkan adanya hubungan positif kepuasan konsumen terhadap niat beli ulang. Hasil penelitian juga menunjukkan identifikasi merek konsumen yang positif terkait dengan niat beli ulang. Namun, identifikasi merek konsumen gagal memoderasi hubungan antara kepuasan pelanggan dan niat membeli kembali.*

Kata kunci: *Consumer satisfaction, Consumer brand-identification, Repurchase intention.*

BACKGROUND

As classical theorists have postulated, economic growth comes from human activities which elaborate inputs (including human capital, technologies) to create outputs (goods and services) offered to market (e.g., Solow, 1956). A company can obtain positive outcomes since it can offer a quality product at a reasonable price and prompt response. Technology makes several changes in marketing activities. In the past, when the competition was less intense, marketers created products and sold them to the market with a guarantee that the market would positively respond to the offered product,

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because consumers did not have a wide variety of choices. Nowadays, consumers can observe many product choices (Sun, 2012). E-commerce and social media platforms, for example, make consumers flooded by too many products and brands worldwide. Small and big companies can easily use the tools for advertising their products. As a result, a newly used brand will be disposed of when perceived as less attractive. Alternatively, a consumer can quickly move to another brand when he/she notices a more attractive brand advertised. A company receives consumer loyalty only when they deliver a (very) high-quality product. Marketers are now concerned about the importance of repurchase intention. Repurchase intention measures the consumer's willingness to rebuy the newly used brand. Extant literature has not been transparent in investigating the intention in the context of a recently purchased brand. In addition, other works have found otherwise (e.g., Dehghan, Alizadeh, & Mirzaei-Alamouti, 2015). They did not confirm that consumer satisfaction could develop repurchase intention. This study proposes that consumer satisfaction and consumer-brand identification will be critical factors influencing the repurchase intention of a recently used (new) brand.

Observing the repurchase intention is essential to newly entering companies or companies that offer new brands, in which they try to enter a new market, persuade the consumers, conquer consumers' attention, and finally retain them to use their products continually. By drawing consumer satisfaction theory this study postulates several linkages among the study variables. First, this study suggests that when high satisfaction is achieved, the consumers are urged to rebuy the brand (Lin, Wei, & Lekhawipat, 2018; Wilson, Keni, & Tan, 2019). Unfortunately, other works found otherwise (e.g., Dehghan et al., 2015), namely, they did not confirm that consumer satisfaction could develop repurchase intention. In brief, the relationship needs further confirmation. Second, this study proposes that consumer-brand identification is a crucial factor to improve repurchase intention because when consumers' intention is high, it might boost the willingness to rebuy the brand. Furthermore, this variable is a moderator, namely, it would strengthen the satisfaction-repurchase intention link (Davvetas & Diamantopoulos, 2017).

THEORETICAL REVIEW

Consumer Satisfaction Theory

Consumer satisfaction theory describes how a consumer judges if he/she is satisfied or not satisfied after the consumption of a product/brand (Yüksel & Yüksel, 2008). The consumer is unsatisfied when the expectation about the quality level of the product is much higher than the reality. The attitude is thus made after the consumer buys and uses the product (Hansemark & Albinsson, 2004). It is suggested in this study that when (at minimum level) the expectation is the same as the reality, the consumer tends to make repurchases. However, it will not happen if other companies offer better benefits than the presently used brand. As such, repurchase intention will be vital if the reality is much higher than expected (Yüksel & Yüksel, 2008). The positive difference (between the reality and the expectation on the recently used brand) will benefit organizational performance, such as increased profitability (Ajao, Ikechukwu, & Olusola, 2012; Bernarto, Wilson, & Suryawan, 2019).

Consumer Satisfaction

Hansemark and Albinsson (2004) define consumer satisfaction as a consumer's reaction toward a product (goods or service) in a particular situation. A low satisfaction may relate to the development of regret, disappointment, sadness, and anger. Contrarily, a high satisfaction can evoke other positive emotions such as fulfillment, happiness, and amusement. A high satisfaction can be felt when a consumer perceives that the product attributes are equivalent or higher than what he/she expects.

Consumer-Brand Identification

Consumer-brand identification is how a brand can better connect with a consumer (Davvetas & Diamantopoulos, 2017). Conscientiously or unconscientiously, a consumer tries to better correspond the self with a brand (Bhattacharya & Sen, 2003). As such, when a consumer finds that a brand is better connected with him/her, therefore the attachment between him/her to the brand will be stronger. This study posits that consumer-brand identification is developed when the brand represents the consumer's self.

Repurchase Intention

Repurchase intention is a consumer's voluntary encouragement to rebuy a product that he/she has bought recently (Hellier, Geursen, Carr, & Rickard, 2003). Therefore, repurchase intention will predominate consumer loyalty (Bernarto et al., 2019; Wilson et al., 2019). From the companies' perspective, this is a good indicator of the brand getting significant acceptance from the target market.

Consumer Satisfaction and Repurchase Intention

Previous work has found that consumer satisfaction positively influenced repurchase intention in cellular users (Rodríguez-Torrico, san martín, & San Jose, 2019). Similar findings were also discovered in website users (Wilson et al., 2019), e-commerce users (Lin et al., 2018), and online retail respondents (Wang, Du, & Olsen, 2018). The findings relate to consumer satisfaction theory which suggests that satisfaction will follow further positive intention. Thus:

Hypothesis 1 (**H1**):   *Consumer satisfaction will be positively associated with repurchase intention.*

Consumer-Brand Identification and Repurchase Intention

A consumer tends to identify the values of a brand and ~~to~~ connect with him/herself (Bhattacharya & Sen, 2003). The relation of the consumer's self and the brand identity is defined as consumer-brand identification (Davvetas & Diamantopoulos, 2017). Consumer-brand identification will promote repurchase intention, based on consumer satisfaction theory because of the high correspondence between the consumer and the brand. The higher the connection, the stronger the intention (Davvetas & Diamantopoulos, 2017). Therefore, the second hypothesis is proposed as follows:

Hypothesis 2 (**H2**):   *Consumer-brand identification will be positively associated with repurchase intention.*

Consumer-Brand Identification as a Moderator

Based on consumer satisfaction theory (Hansemark & Albinsson, 2004; Yüksel & Yüksel, 2008), when a consumer feels that a recently used brand is consistent with the self-identification (Bhattacharya & Sen, 2003), he/she will get more connected with the brand, and thus increasing their willingness to reuse the brand. This study suggests the moderating role of consumer-brand identification on the customer satisfaction-repurchase intention relationship. When the consumer-brand identification is strong, the effect of customer satisfaction on repurchase intention will be strengthened. When the consumer meets the expectation or exceeds it, and the identification is also high, the repurchase intention will be more boosted. The consumer will perceive that the brand does not only offer a good quality, but also connects with self-identification. Thus, the following hypothesis is proposed:

Hypothesis 3 (**H3**): *Consumer-brand identification will moderate the influences of consumer satisfaction on repurchase intention. In a high consumer-brand identification, the influence will be stronger than otherwise.*

Figure 1 shows the proposed research framework based on the discussed hypotheses. The model consists of three main variables. Note that consumer-brand identification is posited as both an independent and moderating variable. In this model, CS is customer satisfaction, CBI is defined as consumer-brand identification, and RI is repurchase intention.
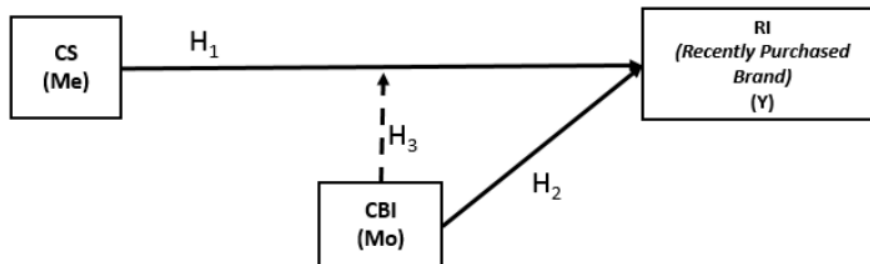

Figure 1. Research Model

RESEARCH METHODS

Purposive sampling was employed. The respondents' criteria are those who have recently consumed a new brand in the last three months. "The latest three months" was chosen because they were presumed to be competent to measure the brand, i.e., they could memorize the brand and their attitude quite well. An Indonesian administration was prepared and distributed online via WhatsApp, Instagram, Facebook. A total of 177 samples were collected. They were complete and useable.

Study Instruments

Consumer Satisfaction. A five-item scale was used to measure consumer satisfaction (from strongly disagree to strongly agree). Three items were taken and adapted from Hsu, Chang, and Chuang (2015). A sample item is "I feel good regarding my decision to purchase this new brand product." The remaining two items were taken from Lin and Lekhawipat (2016). A sample item is "I feel satisfied with this new brand product."

Consumer-Brand Identification. This variable was measured with a five-item scale. This scale was adapted from Stokburger-Sauer, Ratneshwar, and Sen (2012). A sample item is "I feel a strong sense of belonging to this brand."

Repurchase Intention. Repurchase intention was measured with a three-item scale. This scale was adapted from Hsu, et al. (2015).

Control Variables. A total of four control variables, i.e., gender (male =1, female = 2), age (<17 = 1, >17-20 = 2, >20-25 = 3, >25-30 = 4, and >30 = 5), highest education acquired (junior high school = 1, senior high school = 2, associate's degree = 3, bachelor's degree = 4, and graduate's degree = 5), and income (in Indonesian currency (million Rupiahs, until 1 = 1, >1-3 = 2, >3-5 = 3. >5-7 = 4, and >7 = 5).

RESUTS AND DISCUSSIONS

Respondents' Characteristics

Of the 177 respondents, 95.5% (169) reported they have just bought and consumed new brand goods, and the remaining (8 respondents) have bought new brand services. In terms of gender, 73.4% of respondents were women. The primary age interval was >20-25 years (75.1% or 135 respondents). The significant respondents hold their undergraduate degrees (57.6% or 102 respondents). Based on income, 37.7% of respondents reported that they had an income interval >1-3 million Rupiahs per month. For students, the income referred to their stipend per month.

Factor Analysis for the Study Variables

A confirmatory factor analysis was conducted to evaluate the validity degree of each item in all variables. The threshold value for an item is 0.50, related to the number of respondents analyzed (Hair, Black, Babin, & Anderson, 2010). As shown in Table 1, all items received satisfactory loadings, thus valid. In addition, all items were grouped into the designated constructs, thus the discriminant validity for the study variables was achieved. The Cronbach's alpha was used to measure the reliability level of each variable. The threshold value for the alpha is 0.70 (Hair et al., 2010). Also, all alphas were relatively high, thus reliable.

Table 1. Discriminant Validity and Reliability Assessment

Variable	Item	Loadings Component 1	Loadings Component 2	Loadings Component 3	Cronbach's Alpha
Consumer Satisfaction	CS1	0.804			0.897
	CS2	0.802			
	CS3	0.657			
	CS4	0.802			
	CS5	0.678			

Consumer-Brand Identification	BI1		0.790		0.860
	BI2		0.804		
	BI3		0.737		
Repurchase Intention	RI1			0.803	0.870
	RI2			0.845	
	RI3			0.731	

Fitness Testing

According to Kock (2010), there are three leading model fit indices measured by WarpPLS, namely APC (Average Path Coefficient), ARS (Average R-Squared), and AFVIF (Average variance Inflation Factor). APC the absolute values of the path coefficients in the model (p-value should be less than 0.05). ARS is the R-squared value in the model (p-value should be less than 0.05). Finally, AFVIF represents the variance inflation factors in the model (the value should not be higher than 5, or ideally, 3.3). As expected, p-value for APC was <0,001 (Table 2). P-value for ARS was also <0,001. Finally, the p-value for AFVIF was 1.575. Therefore, all model fit indices were achieved. The fitness between the data used and the proposed model was demonstrated.

Table 2. *Goodness-of Fit Model*

| Index	Criterion	Result	Status
APC	<0.05	<0.001	Model accepted
ARS	<0.05	<0.001	Model accepted
AFVIF	≤5	1.575	Model accepted

Path Analysis Results

A path analysis was conducted to examine the postulated hypotheses (H1, H2, and H3). WarpPLS 7.0 was employed. A significance level of 0.01 was used to evaluate if a path coefficient was significant. Figure 2 shows the path coefficient results. Hypotheses 1 expected that consumer satisfaction is positively associated with repurchase intention. As expected, the consumer satisfaction-repurchase intention link coefficient was 0.45 (p < 0.01). Hypothesis 1 was supported. Consumers' satisfaction can encourage their willingness to rebuy.

Hypothesis 2 expected that consumer-brand identification will be positively associated with repurchase intention. As expected, the consumer-brand identification-repurchase intention link was 0.31 (p < 0.01). Hypothesis 2 was also supported. Consumer-brand identification can also encourage the willingness to repurchase. Lastly, Hypothesis 3 expected that consumer-brand identification would moderate the influences of consumer satisfaction on repurchase intention so that in a high consumer-brand identification, the influence will be stronger than otherwise. Unfortunately, the moderating coefficient was insignificant (0.04 at p < 0.30). Hypothesis 3 was not confirmed. In this study, the strength of consumer-brand identification cannot promote the magnitude of the relationship.

Finally, using a significance level of 95%, it was found that gender (β = 0.11, p = 0.06) and education (-0.13, p = 0.04) were significant to repurchase intention. The

findings suggest that women, rather than men, had a higher level of repurchase intention. In terms of education, higher education was less in repurchase intention.
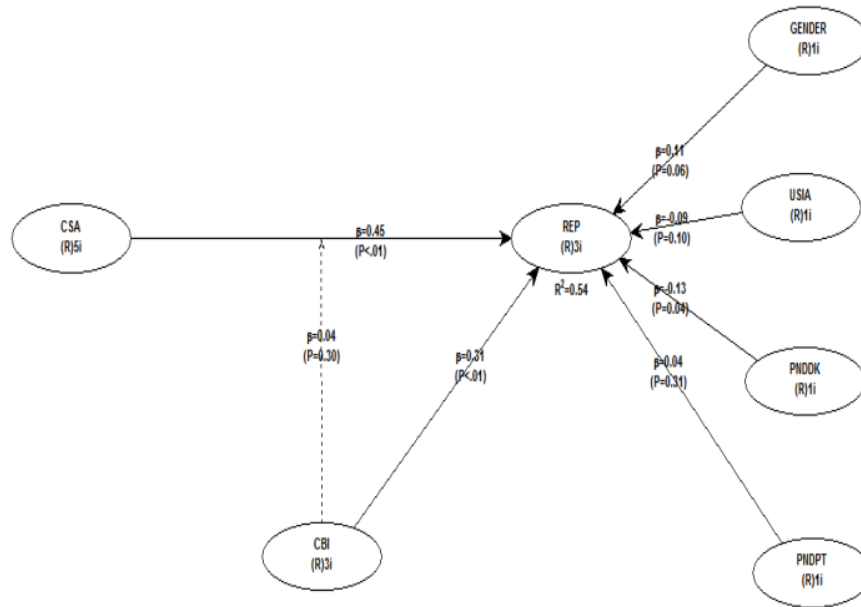
Figure 2. Path Analysis Results

Discussion

First, the findings confirm the importance of consumer satisfaction to enhancing repurchase intention. The findings are consistent with previous works investigating the relationships (Lin & Lekhawipat, 2016; Lin et al., 2018; Rodríguez-Torrico et al., 2019; Wang et al., 2018; Wilson et al., 2019). The findings also confirm the importance of consumer-brand identification to enhance repurchase intention. If the consumers see that their self-identification is highly matched with the brand identification, they are more encouraged to repurchase. The findings show that consumer-brand identification cannot moderate the satisfaction-repurchase intention link. A reasonable description is that the respondents need more time to evaluate if the brand is consistent with their self-identification.

CONCLUSIONS AND RECOMMENDATIONS

To conclude, the current study suggests two critical understandings for theory, (1) consumer satisfaction may increase repurchase intention, specifically for new brand products and (2) consumer-brand identification may also increase repurchase intention. This study offers some implication to practice. Marketers ought to focus on achieving higher satisfaction with their newly released products, as it is essential because it can

maintain consumers intention to rebuy. More specifically, when a new brand product is only one of many alternatives in the marketplace, consumers can quickly move to more profitable brands. Product designs and marketers must focus on the other marketing aspects, such as exciting offers, promoting and educating the target market more effectively. Perception of consumer-brand identification may be developed when marketers use appropriate message designs when communicating with their target markets. Suitable logos, colors, words, and sound should be catchy to their target audiences.

Limitations and Future Directions

Some limitations shall be addressed. The survey shows that almost all respondents reported new goods brands as the objects evaluated for this study. Only a small number of respondents reported new service brands. The survey was conducted within the high peak of the Covid-19 pandemic (in July-August of 2019). Thus, the respondents were restricted to visiting service sites due to the nature of service encounters that commonly need high consumer involvement (Lovelock & Wirtz, 2004; Wijaya, 2016). Moreover, the respondents omitted to the Government's suggestion to limit outdoor activities, including visiting service sites. They were reluctant to try new service brands. Future research can accommodate this shortcoming by incorporating personal attribute factors such as self-construal. Future research can study if independent-selves are more open-minded to the offered new brand as opposed to interdependent-selves (Wijaya, 2016). Future research can replicate the finding by employing a time-lagged survey, i.e., multiple-time survey. Another possible reason is that the bought brands were newly released and have not received a strong image yet. Therefore, the respondents found it challenging to relate the brand with their identifications.

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