



## RESEARCH ARTICLE

### THE RELATIONSHIP BETWEEN NON COMPARATIVE ADVERTISING TOWARD BRAND LOYALTY THE MEDIATED ROLE OF PRODUCT QUALITY ATRIBUT

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#### ABSTRACT

A negative response to the use of comparative advertising in high-context cultures such as Asian cultures make use of comparative advertising is becoming increasingly unpopular. Including in Indonesia use comparative ads for low involvement products more and more are turning to the use of non-comparative ads. The sampling techniques in this study using purposive sampling technique. The population in this study is that a consumer Luwak White Koffie by the number of respondents was 200. This study tested using SEM (Structural Equation Modeling). Hypothesis test results indicate that the non-comparative ads positive and significant effect on the intrinsic attributes of the product quality. Non-comparative ads positive and significant impact on the quality of extrinsic attributes of the product. The intrinsic attributes of product quality and significant positive effect on brand loyalty. Extrinsic attributes of product quality and significant positive effect on brand loyalty. Non-comparative ads and significant positive effect on brand loyalty. Intrinsic attributes may mediate the effect of non comparative advertising to brand loyalty. And extrinsic attributes of the product quality may mediate the effect of comparative advertising to brand loyalty.

#### INTRODUCTION

Competition on business organization is increasing in the world market, an increase in the use of comparative advertising is inevitable. Studies that examined the comparative advertising in the context of cross-cultural. The study indicates the use of comparative advertising in the context of Asian culture has a negative response. Studies Nye et al., (2008) on comparative advertising in the context of cross-country, the negative attitudes of respondents to comparative advertising are found in countries where comparative advertising has not been widely used. These findings suggest that marketers should be careful in using and executing comparative advertising in the international market, Nye et al., (2008). The shift from the use of comparative advertising formats to non comparative ad format also besides affected by increasingly strict regulations use ad content, but also by the impact of comparative advertising persuasive short term. Excess cognitive comparative advertising will soon be rivaled by cognitive advantages komparatif another ad. Ad builder will encourage brand owners to use the non-comparative ads because of the built in non comparative advertising better in brand building. The shift from the use of comparative advertising for low involvement products into non comparative ad format is currently very interesting to study.

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Almost all manufacturers advertise their products with non-comparative ad format. Penelitian previously concluded that the impact of uncertainty ads komparatif cause increasingly unpopularity of comparative advertising is used in eastern cultures such as Indonesia. Mediation quality of the products selected by the researchers based on the construct of the theory proposed by Fandos and Flavian (2006) which states market growth competitiveness means achieving a series of goals, among others; higher perceived quality, achieve satisfaction, greater commitment, confidence on the part of customers, and the end goal is that it can increase loyalty. Based on the above, the author intends to investigate the effect of non comparative advertising to brand loyalty mediated by the quality attributes of the product on the low involvement of consumer products. Furthermore, the results of this research will be set forth in a thesis titled "Comparative Non Ad Impact on Brand Loyalty is mediated by the Product Quality Attributes" (Studies on Luwak White Koffie Ad). Based on the above background, the formulation of the problem in this research is: Is there any influence of non comparative advertising to attribute intrinsic quality of the product to consumers Luwak White Koffie? Is there a non-comparative advertising affect the extrinsic attributes of the product quality to consumers Luwak White Koffie? Is there any intrinsic attributes influence the quality of products to brand loyalty in consumers Luwak White Koffie? Is there any influence of extrinsic attributes of the product quality to brand loyalty in consumers Luwak White Koffie? Is there a non-comparative influence of advertising on brand loyalty in consumers Luwak White Koffie? Is the quality of the intrinsic

attributes of products may mediate the effect of non comparative advertising to brand loyalty in consumers Luwak White Koffie? Is the extrinsic attributes of the product quality may mediate the effect of non comparative advertising to brand loyalty in consumers Luwak White Koffie?

## THEORETICAL REVIEW

### Advertising

Consumers form the various feelings (affective) and assessment (cognitive) due to the exposure of the ads. Feelings or affective component can be expressed as like or dislike, pleasant or unpleasant, good or bad, and so on. Rate / deliberation or cognitive component that is caused by the experience of an object directly (in this case the ad). Feeling and this assessment will affect consumer attitudes on advertising, Joseph and Afiff (2007). Here is an explanation of the three dimensions of consumer attitudes on advertising, consumer attitudes on the brand and the consumer purchase intentions:

#### Attitude toward the ad

A consumer attitude on advertising has been defined as a preposition to respond in kind and favorable to the stimulus specific ads in specific exposure situations Biehal et al., (1992). Consumer attitude on the ads may contain affective reactions, creating a feeling of happiness, and evaluation of, the credibility of the ad or ad in formativeness. Consumer attitudes on advertising directed at leaving a positive attitude in the minds of consumers after the consumers to process the ad, Shimp (1981).

#### Attitude toward the brand

Consumers' attitude towards the brand is an approach that tries to influence brand choice by consumer attitudes spawned gains against the advertised brand, Shimp (1981). This is done by structuring an ad to affect consumer confidence and favorable evaluation of the consequences of the use of the brand. How that is done as suppression specific product attributes and benefits are emphasized. If done successfully, will form a favorable attitude, with the chances of a repeat purchase. The attitude of the brand is the approach that is guided by the implicit assumption of rational consumers, and consumers' systematic decision, Shimp (1981).

#### Buying intention

Consumers may intend to buy a particular brand because they assume that the brand offers the right features, quality, or performance in line with the expected benefits. High quality perception may be closely associated with differentiation and superiority of a particular brand and thus encourage them to choose a brand that is more than just competing brands, Lee and Kim (2008). Simply put, every two other aspects of the same brand, consumers can buy the brand with higher quality. While consumers can choose a particular brand based on quality, purchasing their brands increasingly driven by their emotional needs as well. Because of the emotional value is closely related to positive feelings from using the brand and increase consumer intentions to repurchase the brand, Lee and

Kim (2008). In other words, consumers are emotionally satisfied with the purchase of a brand tend to re-purchase the brand even when given the choice of other brands. Lee and Kim (2008) found that the emotional benefits desired by consumers of the brand have a bigger impact on the intentions and actual behavior, e.g., brand choice than brand attitude.

### Brand Loyalty

Measuring just one facet that is the attitude on the behavioral aspects in brand loyalty would basically result in attitude measurement fake that attitude is not stable which does not affect the subsequent behavior or the behavior of false-positives internal behavior of unstable and unpredictable, Kim et al., (2008). For this reason Kim et al., (2008) recently suggested the need to understand the difference between true loyalty (true loyalty) and spurious loyalty (spurious loyalty). They argue that the true meaning of the aspects of brand loyalty attitude has been lost in traditional studies brand loyalty, Kim et al., (2008). Kim et al., (2008) assumes that the repurchase the same brand under conditions of strong differences between perceived brands is the hallmark of the brand loyalty. In the conceptualization of perceived differences between different brands as brand sensitivity, and found a sensitivity level of brand loyalty is as distinct from the actual (true loyalty) and spurious loyalty (spurious loyalty), Kim et al., (2008).

### Product Quality Attributes

When consumers form a value judgment on their quality perception, it becomes necessary to divide the concept of quality into two major groups, namely intrinsic and extrinsic attributes, Fandos and Flavian (2006):

- The intrinsic attribute is an objective measurement of product quality. Intrinsic quality in products related function and physical aspects of the product. According Fandos and Flavian (2006), intrinsic attributes specifically contained in each product, characterized by missing just when consumed, and can not be changed without changing the nature of the product itself.
- Extrinsic attributes are aspects associated with the product but not physically part of the product, such as a name or brand image. Extrinsic attributes are also known as variable image. Fandos and Flavian (2006), argues that the image of variables including brand, price, and regional tastes. Extrinsic attributes different from the product itself but strongly associated with the product and should be considered in the evaluation of characteristics.

## RESEARCH METHODS

In this study using quantitative analysis methods. This study is the descriptive study associative. This study was conducted in April 2016 with research sites in the village Tirtonirmolo, Kasihan, Bantul, Yogyakarta Special Province. Subjects in this study is that consumers Luwak White Koffie in the village Tirtonirmolo. The object of this study was the effectiveness of advertising Luwak White Koffie, performance attributes Luwak White Koffie product quality and brand loyalty in consumers Luwak White Koffie in the village Tirtonirmolo.

The population in this study is a consumer product Luwak White Koffie in the village Tirtonirmolo, Kasihan, Bantul, Yogyakarta Special Region Provisnsi. The sampling technique that the author is using purposive sampling technique. In consideration of the suitability factor of the number of samples that the sample size used in this study is 200 samples. Data collection techniques in this study was conducted using questionnaires. This study tested by using SEM (Structural Equation Modeling).

## RESULTS AND DISCUSSION

Ad Luwak White Koffie got a lot of attention and discussion from the public, even before they released. Is based on many conversations and public attention to these ads, the researchers memustuskan to take these ads as research objects. Questionnaires distributed directly in this study as many as 200 questionnaires. In less than 2 months questionnaires were returned had as many as 200 questionnaires. See tables above it can be concluded that most drinkers Luwak White Koffie exist among men.

**Table 1. Gender Respondents**

Gender	Frequency	Percentage (%)
Men	132	66%
Woman	68	34%

Source: Primary data are processed, 2016

**Table 2. Job Type Respondents**

Job	Frequency	Percentage (%)
Student	43	21,5%
State Civil Apparatus	20	10%
Private venture	106	53%
Farmer/laborers	24	12%
Etc	7	3,5%

Source: Primary data are processed, 2016

**Table 3. Age classification Respondents**

Age	Frequency	Percentage (%)
18-34 years	116	58%
35-54 years	77	38.5%
>55 years	7	3.5%

Source: Primary data are processed, 2016

With a percentage of 66%, and the remaining 34% by women. According to the category of jobs, many drinkers Luwak White Koffie are those who work in the private sector, with the percentage figure of 53%. And according to the age category most drink the Luwak White Koffie there at the age of 18-34 years with a percentage of 58%. This may imply that the market share of products Luwak White Koffie is on young people, and in the productive ages. Evaluate the suitability of the model is done to make sure how far the hypothesized model according to the sample data. Evaluate the suitability of the model refers to the following criteria.

Looking at the results in the table above shows that the suitability of the model is still not good enough, although it has been carried out measures to improve the model. It can be concluded that this research model is less good, though still falls within the criteria of fit model.

**H1:** There is a positive influence between non-comparative ads to the intrinsic attributes of the product quality.

Parameter estimation of the relationship between both variables was obtained for 0.696. Tests showed significant results with values  $c.r = 11.864$  with probability  $<0.001$  on a probability value (P). Thus the first hypothesis is accepted which means that comparative advertising positive and significant effect on the intrinsic attributes of the product quality. The results of this study indicate that non-comparative ads positive and significant effect on the intrinsic attributes of the product quality. The results of this study reinforce the theory expressed by Zeithaml (1988); Steemkamp (1997) cited Fandos and Flavian (2006). Consumers form a value judgment on their quality perception; it becomes necessary to divide the concept of quality into two major groups, namely intrinsic and extrinsic attributes. In theory Kotler and Keller (2009: 538), mentions the primacy of the use of advertising is to build such extrinsic product quality brand image. Advertising is an effective way to spread the message, and to build brand preference. In this study proves that the non-comparative advertising positively affects the intrinsic attributes of the product quality.

**H2:** There is a positive influence between non-comparative ads against extrinsic attributes of the product quality.

Parameter estimation of the relationship between both variables was obtained for 0.727. Tests showed significant results with values  $c.r = 11.276$  with probability  $<0.001$  on a probability value (P). Thus Hypothesis 2 received, which means non-comparative ads positive and significant impact on the quality of extrinsic attributes of the product.

The results of this study indicate that non-comparative ads positive and significant impact on the quality of extrinsic attributes of the product. The results of this study confirmed the theory put forward Kotler and Keller (2009: 538) which states the primacy of the use of advertising is to build such extrinsic product quality brand image. Advertising is an effective way to spread the message, and to build brand preference.

**H3:** There is a positive influence between attributes intrinsic quality of the product to brand loyalty.

Parameter estimation of the relationship between both variables was obtained for 0.297. Tests showed significant results with values  $c.r = 2.874$  with a probability of 0.004 on a probability value (P). Hypothesis 3 thus received, which means the intrinsic attributes of the product quality and significant positive effect on brand loyalty.

The results of this study indicate that the intrinsic attributes of the product quality and significant positive effect on brand loyalty. The results of this study different from the results of research conducted by Fandos and Flavian (2006) entitled Intrinsic and Extrinsic Quality Attributes, Loyalty, and Buying Intention: An Analysis for a PDO product. In the study the intrinsic attributes of product quality is not positive and significant effect on brand loyalty. Within the research object Fandos and Flavian take raw meat on the market, which can concluded on the market that the role of extrinsic attributes (name, price, image) is greater than the role of intrinsic attributes (color, flavor, texture, taste, aroma). In contrast to the object in this study were products from processed materials industries. And it can be concluded that the role of intrinsic attribute is greater than the role of extrinsic attributes that affect brand loyalty.

Table 4. The results of goodness of fit test

Goodness of fit index	Cut of value	Result Analysis	Model Evaluation
Chi-square	$\chi^2$ diharapkan lebih kecil dari Chi-square tabel: 157.610	469,438	Not Good
$X^2$ – significance probability	$\geq 0,05$	0,00	Not Good
Relative $X^2$ (CMIN/DF)	$\leq 2,00$	3,612	Not Good
GFI (Goodness of Fit Index)	$\geq 0,90$	0,767	Not Good
Adjusted Goodness of Fit Index (AGFI)	$\geq 0,90$	0,694	Not Good
Tucker-Lewis Index (TLI)	$\geq 0,90$	0,889	Not Good
Comparative Fit Index (CFI)	$\geq 0,90$	0,906	Good
Comparative Fit Index (NFI)	$\geq 0,90$	0,889	Not Good
Root Mean square Error of Approximation (RMSEA)	$\leq 0,08$	0,121	Not Good

Source: Primary data are processed, 2016

Table 5. The results of hypothesis Testing

		Estimate	S.E.	C.R.	P
Non Comparative Ad	→ Extrinsic Attributes	.727	.064	11.276	***
Non Comparative Ad	→ Intrinsic Attributes	.696	.059	11.864	***
Non Comparative Ad	→ Brand Loyalty	.230	.111	2.076	.038
Intrinsic Attributes	→ Brand Loyalty	.297	.103	2.874	.004
Extrinsic Attributes	→ Brand Loyalty	.210	.088	2.393	.017

Source: Primary data are processed, 2016

**H4:** There is a positive influence between extrinsic attributes of the product quality to brand loyalty.

Parameter estimation of the relationship between both variables was obtained for 0.210. Tests showed significant results with values  $c.r = 2,393$  with probability 0,017 on a probability value (P). Thus Hypothesis 4 accepted meaning extrinsic attributes of the product quality and significant positive effect on brand loyalty. The results of this study indicate that extrinsic attributes of the product quality and significant positive effect on brand loyalty. The results of this study corroborate the results of research conducted by Fandos and Flavian (2006) entitled Intrinsic and Extrinsic Quality Attributes, Loyalty, and Buying Intention: An Analysis for a PDO product. In the study the extrinsic attributes of the product quality and significant positive effect on brand loyalty. The results of this study confirmed the theory Kotler and Keller, the theory is illustrated loyalty awoke from use of the medium of television as an advertising and product development as builders variable customer interactions that ultimately affect loyalty, Kotler and Keller (2012: 163)

**H5:** There is a positive influence between non comparative advertising to brand loyalty.

Parameter estimation of the relationship between both variables was obtained for 0.230. Tests showed significant results with values  $c.r = 2.076$  with a probability of 0.038 on the probability value (P). Thus Hypothesis 5 received, which means non-comparative ads and significant positive effect on brand loyalty. The results of this study indicate that non-comparative ads and significant positive effect on brand loyalty. This confirms the theory of Kotler and Keller, who mentions in building long-term growth required efficiency and effectiveness of marketing activity, Kotler and Keller (2009: 70). Ads included in the marketing activities must remain efficient. Remains inefficient advertising activities means improving the competitiveness strategy of market growth is achieving a series of goals, among others: the perceived quality is higher, achieve satisfaction, greater commitment, confidence on the part of customers, and the end goal which can increase loyalty, Fandos and Flavian (2006).

**H6:** Attributes intrinsic quality of the product may mediate the effect of non comparative advertising to brand loyalty.

Parameter estimation of the relationship between both variables was obtained for 0.230. Tests showed significant results with values  $c.r = 2.076$  with a probability of 0.038 on the probability value (P). Then the effect of non comparative advertising direct influence on the intrinsic attributes of the product quality 0.823. And the direct influence of the intrinsic attributes of the product quality to brand loyalty 0.309. So that the direct effect of non comparative advertising to brand loyalty through the mediating variable attributes intrinsic quality of the products 0.254. And the indirect effect of non comparative advertising to brand loyalty 0.360. Comparison between direct and indirect influence of  $0.360 > 0.254$ , which means that attributes intrinsic quality of the product may mediate the effect of non comparative advertising to brand loyalty. Thus Hypothesis 6 is received, which means there is positive influence between non comparative advertising to brand loyalty mediated by the intrinsic attributes of the product quality.

The results of this study indicate that the intrinsic attributes of quality products successfully mediate the association between non-comparative ads with brand loyalty. This confirms the theory of Kotler and Keller (2009: 70), which states in building long-term growth required efficiency and effectiveness of marketing activities. Ads included in the marketing activities must remain efficient. Remains inefficient advertising activities means improving the competitiveness strategy of market growth is achieving a series of goals, among others: the perceived quality is higher, achieve satisfaction, greater commitment, confidence on the part of customers, and the end goal which can increase loyalty, Fandos and Flavian (2006). In this study it was found that two indicators of product quality attributes, attributes intrinsic quality product successfully mediate.

**H7:** extrinsic attributes of product quality may mediate the effect of non comparative advertising to brand loyalty.

Parameter estimation of the relationship between both variables was obtained for 0.230. Tests showed significant results with

values  $c.r = 2.076$  with a probability of 0.038 on the probability value (P). Then the effect of non comparative advertising direct influence on the extrinsic attributes of the product quality 0.783. And extrinsic attributes directly influence product quality to brand loyalty 0.240. So that the direct effect of non comparative advertising to brand loyalty through the mediating variables extrinsic attributes of the product quality 0.188. And the indirect effect of non comparative advertising to brand loyalty 0.360. Comparison between direct and indirect influence of  $0.360 > 0.188$ , which means the extrinsic attributes of the product quality may mediate the effect of non comparative advertising to brand loyalty. Thus Hypothesis 7 is received, which means there is positive influence between non comparative advertising to brand loyalty mediated by extrinsic attributes of the product quality.

The results of this study indicate that extrinsic attributes of quality products successfully mediate the association between non-comparative ads with brand loyalty. This confirms the theory of Kotler and Keller (2009: 70), which states in building long-term growth required efficiency and effectiveness of marketing activities. Ads included in the marketing activities must remain efficient. Remains inefficient advertising activities means improving the competitiveness strategy of market growth is achieving a series of goals, among others: the perceived quality is higher, achieve satisfaction, greater commitment, confidence on the part of customers, and the end goal which can increase loyalty, Fandos and Flavian (2006). In this study it was found that two indicators of product quality attributes, attributes intrinsic and extrinsic quality products successfully mediate.

## Conclusion

The first hypothesis test results show that the non-comparative ads positive and significant effect on the intrinsic attributes of the product quality. This means that the non-comparative ad format on advertising Luwak White Koffie edition of Lee Min Ho may influence the perception of consumers on product intrinsic Luwak White Koffie. The second hypothesis test results show that the non-comparative ads positive and significant impact on the quality of extrinsic attributes of the product. This means that non ad format comparison to ads Luwak White Koffie edition of Lee Min Ho extrinsic influence consumer perception on the product Luwak White Koffie. The third hypothesis test results show that the intrinsic attributes of the product quality and significant positive effect on brand loyalty Luwak White Koffie. That is intrinsic quality of the product (color, flavor, texture, taste, aroma) Luwak White Koffie positive effect on brand loyalty Luwak White Koffie.

The fourth hypothesis test results showed that the extrinsic attributes of the product quality and significant positive effect on brand loyalty Luwak White Koffie. This means that the quality of products extrinsic factors (name, price, image) Luwak White Koffie positive effect on brand loyalty Luwak White Koffie. The fifth hypothesis test results show that the non-comparative ads and significant positive effect on brand loyalty. This means that non-comparative advertising formats in ads Luwak White Koffie edition of Lee Min Ho has positive effect on brand loyalty Luwak White Koffie.

The sixth hypothesis test results show that the intrinsic attributes of quality products successfully mediate the association between non-comparative advertising to brand loyalty. This means that the intrinsic quality of the product attributes (color, flavor, texture, taste, aroma) may mediate the relationship between non-comparative advertising to brand loyalty Luwak White Koffie. Seventh hypothesis test results showed that the extrinsic attributes of quality products successfully mediate the association between non-comparative advertising to brand loyalty. This means that the product quality of extrinsic attributes (name, price, image) may mediate the relationship between non-comparative advertising to brand loyalty Luwak White Koffie.

## Suggestion

This study was only done for one type of product. To be able to take a broader conclusions, the findings should be tested on more than one product. The type of product that is used in this study belong to the low involvement product. It would be interesting to conduct further research to analyze the product high involvement product. The relationship between the variables intrinsic quality of the product to brand loyalty still needs to be researched more broadly, there is little reference and literatur which discusses the relationship between the two variables. While extrinsic attributes variable correlation product quality has a lot to be a reference, one theory expressed by Kotler and Keller.

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