

## BRAND ASSOCIATION ATTRIBUTES FOR INDONESIAN NATIONAL AIRLINE

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### *Abstract*

Brand image, in brief is a series of private values that perceived by company to create identity of its product or service. Brand Association is anything related memory to brand (Tjiptono, 2005). Brand Association is one of assets of brand equity, which shows advantages and differences of a product or service while a person recall the brand of product or service. This paper is a research to discover brand attributes associated in consumers' mind that create brand image of state owned national airline (Garuda Indonesia-GI), and then to discover harmonization between brand identity with brand image. The respondents of this research are passengers of GI airline at Sukarno-Hatta airport. Cochran test is one of methods applied in this paper. The result of this research shows that there are six brand associations which create GI brand image, but brand identity has not yet stuck completely in consumer's mind, although there are three additional brand image perceived by consumers. These show that there is a positive gap which bring advantages to company. Company must also maintain the harmony of built brand image and brand identity to avoid the creation of negative gap.

Keyword: brand association, brand image, brand identity

### *Abstrak*

*Brand image* adalah kumpulan nilai-nilai yang dibentuk oleh perusahaan sebagai identitas dari produk atau jasa. Tjiptono (2005) menjelaskan bahwa *Brand image association* berhubungan dengan semua memori tentang merk. *Brand association* adalah salah satu bagian dari ekuitas merk yang menunjukkan keunggulan dan perbedaan dari produk atau jasa saat konsumen mengingat kembali mengenai produk atau jasa tersebut. Penelitian ini mengungkap asosiasi atribut merk pada benak konsumen yang akan membuat *brand image* dari perusahaan penerbangan nasional (Garuda Indonesia-GI). Responden dari penelitian ini adalah penumpang dari GI di bandara Sukarno-Hatta. Alat statistik yang digunakan adalah *Cochran Test*. Hasil penelitian yang dilakukan menunjukkan ada 6 asosiasi merk yang membangun *brand image* dari GI. Identitas merk tidak sepenuhnya melekat pada benak konsumen walaupun terdapat 3 tambahan *brand image* yang diharapkan oleh konsumen.

Kata kunci: *brand association, brand image, brand identity*

## 1. Background

Nowadays, competition that is getting tight in the market place might push the organization to do various ways in order to be able to market the product and service. In marketing the product and service, various strategies being used by the organization to attract customer's interest toward the goods and service that offered by the organization. However, from the existing organizations, each organization generally apply various and different strategies among one and other organizations. One of the assets in order to achieve that condition is brand.

The strong brand is the intangible asset that is extremely valuable for an organization and the main strategy of marketing device. Strong brand may be capable to achieve premium price and at the end give higher profit to the organization. Many researchers have been conducted related to brand association, among others are Dahlén et al. (2008) who find thematic incongruence could enhance advertising evaluations and produce stronger perceptions of existing brand associations, while Dahlén et al. (2009) a creative media choice (i.e., creatively choosing a novel medium to implicitly communicate the message) produces more persisting brand associations than ad placement in a traditional medium. These researches result are very useful when the attributes associated with the brand are known.

Airline industry in Indonesia is facing interesting phenomena. While the economy of Indonesia faces such a crisis that is peak between the years of 1997-1998 and continuing until recently, the Airline industry seems to have fast growth. It is in opposition towards the general prediction that the decrease in purchasing power will create negative effect toward the domestic airline industry, the accumulative of passengers of domestic flight even keep increasing. This increase is predicted to continue until the year of 2010. This issue cause industry market of airline is getting tight competition.

As the growth of commercial airline industry is getting fast, therefore it creates tough business competition between the existing airline organizations. There is revolution in the competition of commercial airline industry due to trend of "low cost carries" arise in several countries, besides trend move to the "code sharing", Alliance, domination from the global airline organizations. The requirement of safety is still being customer's expectation towards airline industry, beside other aspects such as: service, route options, schedule and flight frequency, and price.

According to the past occurrence, airline association in Indonesia faced several misfortunes such as: accident that had been faced by several airline organizations continually for some periods of time. One of the accidents that are faced by GI on 7<sup>th</sup> March 2007 (Anonymous, 2008) in Yogyakarta where there were many victims involved. GI that is claimed as the safe national airline in Indonesia, even could face such that accident. As the consequence, the perception of GI as the safe airline changes and this issue affects the image of GI to be declining. This dynamical of domestic airline industry makes the other airline organizations decide to make new strategies to win the competition. One of the strategies that were being used is strategy of "branding", where it is

aimed to be put in customer's mind and at the end they may win the customer's loyalty.

GI is an organization that runs in airline service industry. In order to survive in market share that is getting competitive, GI needs to keep their brand and make sure to put their brand inside the customer's mind and also to measure how far their attribute brand association is in the customer's mind. By the strong brand association, it creates strong interest from the customers to keep using their service. Meanwhile, this research has several objectives:

- a) To find out attributes of Brand Association that stay in customers' mind which build up a brand image of GI Airline.
- b) To determine whether there is any similarity between brand equity that is generated by GI with brand image which is perceived by the customer of GI Airline.

## 2. Literature Review

Durianto et al., (2004a: 2) stated brand can be defined as a name, media, mark, symbol, plan, or the combination of those to identify goods or service rendered by someone or a group of seller and to differentiate one's good or services from competitors'. Brand can be tangible or intangible which is represented by trademark that could produced an individual impact in the market if it is rightly processed.

Brand holds critical functions; one of them is to act as a media that build a bridge for the delivery of promise by an organization to reach up customers' expectation. In relation to that, it is known that there is an existence of emotional relationship between the customer and the producer (organization) through brand. Competitors could offer a similar product, but they will not be able to deliver the same emotional promise. The functions of a brand in customers' point of view are as follow:

- a) To simplify a product identification for in-need goods and to give meaning to one product.
- b) To reduce time and energy consumed through multiple purchase of similar product and loyalty.
- c) To act as a guarantee for customer in providing a standardized quality for purchase conducted in different time and place.
- d) Satisfaction can be developed through familiarity and intimacy from the brand that is consumed.
- e) Satisfaction is closely related to the attraction that is produced by the logo of the brand created and how it is communicated to the market.

Brand Association is all about things could be remembered by customers, and associated with a brand. In addition, various associations that are remembered might form a brand image in customers' mind. In simplicity, understanding a brand image is a group of brand association that is formed in customers' mind which can be surely developed through market communication, word of mouth from customers themselves or based on individual experience that have experienced the brand itself. Tjiptono (2005: 40)

In general, the value of brand association is how far the meaning of the particular association to customer is. There are few types of associations that

can give good value to organization or customers individually. There are several values that can be delivered through brand association, which are (Rangkuti, 2004: 43): a) To assist in the process of structuring the information; b) Differentiation or Positioning; c) Reason to buy; d) Create positive attitude; e) The basic of brand expansion.

If an organization wants to measure brand association of a product, for example instant noodle of brand X, so the way to measure it is by raising a question to a group of respondent who has consumed that particular product previously. Do not ask those who have not tried, as they might not know the characteristic of the product in detail. (Rangkuti, 2004: 44-45).

Attributes of Brand Association defined by Durianto et al., (2004b: 9-15 and 38-43) as Perceived value, Brand personality, and Organizational association. Brand image was formed by the contributions of all associations of a brand. The creation of a positive and strong association depends on the marketing program and other factors, which influence the experience of the customer in trying that particular brand. A brand image is formed through creating an image. In simplicity, a brand image is a group of brand association that was created in a customers' mind. A customer who is used to a particular brand will tend to be consistent in forming a brand image, or usually it is called brand personality.

Gelder (2005: 35) and Susanto and Wijanarko (2004: 79) stated brand identity is a set of personality values which is perceived by an organization to develop a product identity. The similarity between brand image and brand identity should always be maintained to avoid the gap that could destroy the brand identity which is formed by an organization. However, if the gap was created, then an organization should execute introspection to specific unfulfilled brand identity of that organization, so that the values must be abolished. But, if an organization still wishes to maintain the values, then it should try to make it real.

### 3. Research Design

This research aims to describe brand association into two types of research which are descriptive and comparative. The unit analyses are individual and organization-individual, with cross section time horizon. Table 1 shows detail of research design.

**Table 1. Research Design**

Aim of Observation	Research Design		
	Research Type	Analysis Unit	Time Horizon
T-1	Descriptive	Individual	Cross section
T-2	Comparative	Organization-individual	Cross section

Description:

T-1: To know the attributes of brand association which stay in customers' mind, hence, forming the brand image.

T-2: To know the similarity between brand identity that was formed by GI and brand image that was perceived by the customers of GI Airline.

### 3.1. Operation of Variables of Observation

Type of data that are used for the observations is qualitative data from questionnaire filled by respondent, which will later on be transformed to quantitative data so that it can be processed by SPSS (Statistical Program for Social Science) version 13. The questionnaire is developed based on the indicators as in Table 2.

**Table 2. Operation of Variables of Observation**

Variable/Sub Variable	Variable Concept	Indicator
Brand Association Durianto et al., (2004a)	Concept of judging brand associations which creates the brand image	
Perceived Value (X1)		a) Dimension of product quality b) Dimension of price c) Dimension of service quality d) Dimension of emotional e) Dimension of convenience
Brand Personality (X2)		a) User or Customer type b) Demographic c) Lifestyle d) Personality behavior e) Advertisement f) Tagline (slogan)
Organization Association (X3)		a) Orientation to community / public b) Quality of perception c) Innovation d) Attentive to customers e) Status and success f) Local VS global

In this observation, observer uses the technique of non probability sampling as the method for selecting a sample. The type of non probability sampling that was used is accidental sampling.

### 3.2. Technique of Sample Processing

Due to the unknown population size, the following assumptions were use in determining the sample size for this study:

$$n = \frac{Z\alpha^2 p \times Q}{e^2} \quad n = \frac{1.96^2 \times 0.25}{0.1^2}$$

n = 97 sample

e = Size of toleration / diameter interval (0.1)

p.q = Population spread (0.25)

Z<sub>α</sub> (0.05) = 1.96

Therefore, the minimal number of respondent that should be selected as a sample for this study is 97 respondents. However, 150 respondents were selected as a sample to represent population for the purpose of this observation. Cochran Test was used to test the significance of a relationship between each association that exists in one particular brand. An association that stays in connection will form a brand image from that associated brand. Cochran Test is used for the data with a nominal measurement scale or for two-way information (dichotomy), i.e. information that involves a yes or no. The use of this test is to find out the relationship status of few variables. For quantitative analysis, the answer for the distributed questionnaire will be scored as follows:

For a yes answer = 1, and for a no answer = 0.

### 3.3. The Plan of Hypothesis Testing

The hypothesis testing was planned to use Cochran test. Based on the result of data analysis from Cochran Test, it starts from the testing of all of the associations. According to the result of analysis through the comparison between the values of Q with  $\chi^2$ . If the results is  $Q > \chi^2$ , so  $H_0$  will be rejected, which means that all associations tested stayed in-connection to form a brand image from a particular brand. If the outcome is  $Q < \chi^2$ , it can be concluded that there is no sufficient evidence to reject the null hypothesis, hence, not all associations are equal and analysis will be continued to the next level in order to find out which associations are in different and can be excluded from the associations for the formation of brand image from a particular brand.

$H_0$  : All associations do not stay stayed back-to-back to form a brand image of GI.

$H_a$  : All associations back-to-back to form a brand image of GI.

Validation and Reliability Test on Perceived Value, Brand Personality, and Organizational Associations are carried out and resulted in 8 questions on Perceived Value, 6 on Brand Personality, and 8 on Organizational Associations are valid and reliable to be processed further.

### 3.4. Analysis of Brand Association that Creates a Brand Image

Several associations that were analyzed to form the brand image of GI Airline are as follow:

- a) Affordable air ticket fare.
- b) Air ticket fare that is in line with its quality.
- c) Punctual departure and arrival time.
- d) The delivery of service to customers as promised.
- e) The feeling of security and safety throughout the journey.
- f) Pleasant flight.
- g) Overall satisfaction on the facilities provided.
- h) Complete trust was given by customers to GI.
- i) Attractive advertisement.
- j) Simple and comprehensible advertisement.
- k) Memorable advertisement.

- l) Unique Slogan.
- m) Slogan that is easily remembered.
- n) Unforgettable Slogan.
- o) Good reputation.
- p) GI always gives the best to its Customers.
- q) Organization that place an important value in social welfare.
- r) GI has a better quality as compared to the other airlines.
- s) Continuous Innovation.
- t) Organization that is positioned in international level.
- u) Create a confidence to customers who chose GI.
- v) GI has able to compete successfully with the other airlines in a different market.

Various associations listed above will be analyzed using the Cochran Test to explore which association that is able to form a link. The more of associations that were use to create the link, the stronger the brand image which is developed by GI, hence, Customers are able to identify and differentiate the brand of GI based on the associations that were link each to the other.

There are 15 testing process of each association carried out until the  $H_0$  rejected, Test 1 and 15 are shown below:

Test 1: P1, P2, P3, P4, P5, P6, P7, P8, B1, B2, B3, B4, B5, B6, O1, O2, O3, O4, O5, O6, O7, O8.

Where the first character represents the question of related indicator; P for Perceived value, B for Brand Personality, and O for Organizational Associations.

With  $\alpha = 0.05$ , degree of freedom (df) = k-1. Q tab (0.05; df) is achieved from Chi Square Distribution Table. Df = 22-1 = 21, and  $\chi^2_{table(0,05;21)} = 32.671$ ; Therefore Q calculated >  $\chi^2$  and  $H_0$  accepted.  $390.080 > 32.671$  and  $H_0$  rejected. It can be concluded that there is no relationship.

Test 15 : P2, P5, P6, O1, O4, O7 → B4, B6, B3, B5, O5, B1, P3, P7, O3, O8, B2, O2, O6, P4, P8, P1 eliminated.

With  $\alpha = 0.05$ , degree of freedom (df) = k-1. Hence Q tab (0.05; df) is obtained from Chi Square Distribution Table. Df = 6-1 = 5,  $\chi^2_{table(0,05;5)} = 11.07$ ; Conclusion : Q calculated <  $\chi^2$  and rejected  $H_0$ .  $7.417 < 11.070$  and  $H_0$  rejected. It can be concluded that there is a relationship between P2, P5, P6, O1, O4, and O7.

Based on the outcome of hypothesis testing conducted above, it is known that from 22 associations, 16 of them were eliminated. After conducting 15 testing, only 6 associations can be related with the brand of GI, those associations are P2, P5, P6, O1, O4, and O7. Therefore, it can be said that brand associations that form a brand image for GI Airline which stays in customer's mind are:

- a) Air ticket fare that is in line with quality.
- b) The feeling of security and safety throughout the journey.
- c) Pleasant flight.
- d) Good reputation.

- e) GI has a better quality as compared to the other airlines.
- f) Create a confidence to customers who chose GI.

The following relates to a brand identity that is developed by an organization:

- a) Air ticket fare that is in line with quality.
- b) Punctuality in flight schedule.
- c) Providing a professional service.
- d) Customer feels comfortable during the flight.
- e) Having good facilities in the plane as well as airport.
- f) Advertisement that stays in customers' mind.
- g) Slogan that resides in customers' mind.
- h) GI provides a better quality than the other airlines (in Indonesia).
- i) Covers domestic and international routes.

There are six brand images that are created and stays in customers' mind and affect consumer behavior:

- a) Air ticket fare that is in line with quality.
- b) The feeling of security and safety throughout the journey.
- c) Pleasant flight.
- d) Good reputation.
- e) GI has a better quality as compared to the other airlines.
- f) Create a confidence to customers who chose GI.

Based on the above, there are 3 brand identities of an organization that have a similarity with brand images formed by the customers:

- a) Air ticket fare that is in line with quality.
- b) Pleasant flight.
- c) GI has a better quality as compared to the other airlines (in Indonesia).

Hence, it can be concluded that brand identities that are formed by organization have not able to attract their market customer completely. Out of 9 brand identities, only 3 attracted customers. While the other 6 of created brand identities have not successfully reached the customers' mind. This shows that there is a positive gap between brand image that was perceived by Garuda's customers and brand identity that was tried to be formed by an organization. That gap was said to be positive because not only a similarity between brand image and brand identity that matters, but a perception towards a brand image of GI also plays an important role in creating the gap. The perceptions that are built by the customers are pleasant flight, good reputation of an organization, and confidence that was built by the customers who chose GI.

#### **4. Conclusions and Recommendations**

The results of observation on brand association show that brand associations, forming the brand image of GI, are air ticket fare is in line with the quality, pleasant flight, good reputation, GI provides a better quality than the other airlines (in Indonesia), and creates a confidence in the customers who chose GI. Brand images that an organization want have not reach the market customers completely. Out of 9 brand images that an organization wants, only 3 stay in customers' mind. However, there are 3 additional brand images that reside in customers' mind / perceived by customers.

There is a positive gap between brand images that are perceived by customer and brand identities that are formed by an organization. This gap is said to be positive because there is a perception of brand image that exceeds a brand identity that is created by an organization. The perceptions are pleasant flight, good reputation, and build a confidence in customers who choose GI. There are 3 brand images that stay in customers' mind which are in line with the brand identities that are created by an organization, such as air ticket fare is in line with the quality, pleasant flight and GI provides a better quality than other airlines in Indonesia. Knowing the attributes associated with its Brand, GI airlines could use these findings to focus its branding to strengthen its brand and gain loyalty from its customers.

An organization should heed the brand images that stay in customers' mind so that those brand images are well maintained and be additional values of that organization. An organization should maintain a similarity between brand image and brand identity that was created by maintaining a good quality and continuing in creating a comfortable environment to the customers during the flight with GI.

An organization should sustain the brand image consistently by maintaining a good reputation and giving the best. This is to avoid customers' disappointment and disloyalty. An organization should conduct a regular introspection to the brand identity that has been formed because there are some identities that has not reached or fulfilled the customers. This can be done by placing a value of punctuality in flight schedule that often delayed, creating a unique advertisement and slogan to attract customers, and providing a better service.

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