

THE INFLUENCE OF ADVERTISING AND SERVICE QUALITY OF THE BRAND EQUITY MIDNIGHT SUN IN JAKARTA

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Abstract. This study aimed to analyze the influence of advertising and the quality of service to brand equity in the Midnight Sun in Jakarta. The method used is descriptive quantitative analysis with correlational analysis approach. The model in question is the relationship between the dependent variable with independent variables, using multiple regression models with ordinal data. Ordinal data compiled based on Likert scale. The dependent variable is the brand equity (Y) and the independent variables are advertising (X₁) and quality of service (X₂). Place of this research done in Midnight Sun Jakarta by using a sample of 75 people and the determination of the sample using simple random sampling technique. The results showed that advertising has a significant impact on the brand equity of Midnight Sun. Service quality significantly impacts on the brand equity of Midnight Sun. Service quality is more dominant than advertising on brand equity of Midnight Sun. Based on the results of multiple regression test found the coefficient of determination (R Square) of 0.814. This means that the independent variable (advertising and quality of service) contribute to dependent variable (brand equity) amounted to 81.4% while the remaining 18.6% is influenced by other factors not examined, such as product quality, price policy, the business location and so on.

Keywords: Advertising, Service Quality and Brand Equity.

Background

The development of information technology and business today has an impact on the increasing number of start-up businesses that produce similar goods. This situation raises the level of competition is getting tougher for employers, but on the consumer side, it is an advantage for them because they have a lot of choices of the desired product. The business competition among similar products is triggered every company to implement a variety of strategies and policies in order to attract customers' attention, so they want to buy the products that are offered. This kind of problem also occurs with the product mini martabak from Midnight Sun, a brand that is engaged in culinary efforts that did not escape from the competition. Martabak is an Indonesian traditional snack that is easy to find, therefore it has a lot of competitors. To cope with the competition, Midnight Sun tried to create mini martabak with new sensations, which are in the unique shapes and many flavors. Furthermore, the Midnight Sun is in progress trying to reach consumers as much as possible by building a strong brand of Midnight Sun in the target market.

The management of the Midnight Sun realized that at this time Midnight Sun brand as a brand that produces mini martabak not widely known by the public. Realizing that Midnight Sun seeks to build strong brand equity in the target market. Brand equity is a set of brand assets and liabilities related to a brand, names, and symbols, which increase or decrease the value provided by a product or service to companies and corporate customers. (Aaker, 2009). One of the strategies that are being pursued is to enhance the promotion through advertising. Advertising is all forms of non-personal presentation and promotion of the idea, goods or services performed by a particular sponsor

company. Advertising has special characteristics, namely a general nature, capable of causing widespread and more powerful expression of the consumer.

One form that is implemented by the Midnight Sun in promotional activities is to follow events bazaar held by the event organizer. Promotion through social media like instagram and twitter, through the media of television, newspapers, and magazines. With the various promotions that have been implemented, Midnight Sun expected that more people will recognize and know all the information about Midnight Sun, so that they are who interested and want to buy products mini martabak that are offered. The other factors that can increase brand equity aside from the promotion are the quality of service. The quality of service is the expected level of excellence and control over the level of excellence to meet customer desires. (Wyckof 2007) Service quality is not viewed from the standpoint of the organizers or the service provider but based on public perception (customers) the service recipient. The customer who consumes and feel the services provided are the one who supposed to assess and determine a quality of service.

With the presence of quality of a good service to customers who applied starting from the enterprise management level, cook, cashier, waitress, helper and dishwasher in order to create harmony in the work so as to ensure customer satisfaction. In supporting the service quality Midnight Sun trying to maintain the quality of products such as mini martabak retaining flavors that favored customers, always making new innovations in flavor. Good service quality lead to high customer satisfaction and ultimately brand equity Midnight Sun becomes stronger in the eyes of customers. Implementation of promotional programs is targeted and good quality services can improve customer satisfaction and at the same impact on brand equity becomes stronger in the target market.

Literature Review

Advertising

Definition of advertising according to Burke (1987:150) is: *"a series of advertising messages devoted to the same idea, concepts, or theme, will be traced from advertising to result in the marketplace"*

Advertising by Bovee and Arens (1986: 5) defined as *"the personal communication ussualy paid for and ussualy persuasive in nature about products, services or ideaas by identified sponsors throught the variuos media"*

Purpose of Advertising

According to Saladin (2003: 129) the purpose of advertising are:

To convey information

For example, to tell the market about how to use the new political advocate for certain products explain the workings of a product, build the company's image.

To persuade

For example, choosing a certain brand, recommends buying a particular brand, changing consumer perceptions about the characteristics of a particular brand, persuade customers to buy.

To remind

For example reminds consumers that the products that may be needed in the near future, reminds consumers that buy the brand, keeping the customer always remember that your product or brand.

For stabilization

Trying to convince the buyer that he made the right choice.

Advertising Strategy

Strategies play a vital role in determining the success of advertising. Advertising strategy is the basis for brand building, strategy of keeping advertising and marketing elements are on the right track and to build a brand personality with a clear and consistent. The strategy represents the soul of a brand and an important element for the success of the (Roman, Maas & Nisenholtz, 2005).

Advertising strategy should be able to answer the basic questions of the design of an advertising campaign that is formulated in 5W + 1H (Suhandang, 2005), namely:

- What: what is the purpose of advertising?
- Who: who the audience will be reached?
- When: when the ad is installed?
- Where: where the ad is installed?
- Why: why should they?
- How: how to form the ad?

Service Quality

Service quality can be defined as the extent to which the difference between reality and expectations of the customer for the services they receive. S can be determined by comparing the perceptions of customers for the services they actually receive.

According to Wyckof (in Tjiptono, 2002: 59) service quality defined as "*the level of excellence expected and control over the level of excellence to meet customer desires*". Service quality is not viewed from the standpoint of the organizers or the service provider, but rather based on customer perception of the service recipient. The customer who consumes and feel the services provided, so that they are supposed to assess and determine quality of service.

Service Quality Dimension

To facilitate the assessment and measurement of service quality developed a measuring tool called the SERVQUAL. SERVQUAL is a multi-item scale that can be used to measure customer perceptions on the quality of services that includes five dimensions (Zeithami, 2004: 440), which is:

- Tangibles, which is the ability of a company to demonstrate its existence to external parties. Appearance and capabilities of physical infrastructure companies and the state of the surrounding environment is clear evidence of the services provided by the company.
- Reliability, the ability to provide the promised service with immediate, accurate and satisfying. Performance should be in accordance with customer expectations, which means punctuality, the same service to all customers without error, sympathetic attitude and high accuracy.
- Responsiveness, which is the ability to help and provide fast and accurate service to customers with clear information delivery. Allowing the customers to wait without any apparent reason causing a negative perception of the quality of service.
- Assurance, the certainty which is knowledge, politeness and the ability of the company's employees to foster a sense of trust of the customer to the service a company that has several components, among others:
- Communication, which is continuously providing information to customers in the language and use words clearly so that customers can easily understand in addition, companies should be fast and responsive in addressing complaints and complaints made by customers.
- Credibility, which instills confidence and provide credibility for the company in the future.
- Security, the existence of a trust from customers for services received. Of course the performance provides a guarantee maximal trust.
- Competence, the skills possessed and needed to be carried out with optimal service.
- Courtesy, in service the existence of a moral value that is owned by the company in providing services to customers. Courtliness guarantees offered to the customer in accordance with the conditions and circumstances.
- Empathy, which is providing a genuine concern and is an individual or individuals that is provided to customers by striving to understand the desires of consumers. Where a company is expected to have the understanding and knowledge of the customer, understanding customer's specific needs, and has the operating time that is convenient for the customer.

Brand Equity

In the face of stiff competition, a strong brand is a clear differentiator, valuable, and continuous, spearheading the company's competitiveness and is helpful in marketing strategy (Susanto 2004). According to Durianto, et al (2004) brand equity is a set of brand assets and liabilities related to a brand, name, symbol, which is able to increase or decrease the value provided by a product or service both on the company and the customer.

Dimension of Brand Equity

According to Aaker (2009), brand equity can be grouped into five dimensions, which is:

- Brand awareness
Demonstrate the ability of a potential buyer to recognize or recall that a brand is a part of a particular product category.
- Brand association
Reflecting a brand image to a certain impression in relation to habits, lifestyle, benefits, product attributes, geography, prices, competitors, celebrities, and others.
- Perceived quality
Reflecting the overall customer perception of quality / excellence of a product or service with respect to the expected purpose.
- Brand loyalty
Reflects the level of consumer engagement with a brand.
- Other proprietary brand assets (assets other brands).
The four elements of brand equity outside assets other brands known as the main elements of brand equity. The fifth element of brand equity will be directly affected by the quality of the four main elements. The concept of brand equity shows that brand equity creates value for the company or the customer on the basis of the categories mentioned.

Research Methodology

The method that is used in this research is descriptive quantitative analysis with correlational analysis approach. The model referred in this research is the relationship between the dependent variable with independent variables, using multiple regression models with ordinal data. Ordinal data compiled based on Likert scale. The dependent variable is the brand equity (Y) and the independent variables are advertising campaigns (X_1) and quality of service (X_2).

Population and Sample

According to Juanda (2009: 110) population is complete collections of objects of observation as the center of attention research. This observation object can be a person, company, shops, banks, hospitals, and other areas according to the characteristics that were examined in the study. Arikunto (2006: 134) states that if the subject is less than 100, it is better taken all that research is the study population. But if the subject is large, it can be between 10-15% or 20-25%, while the population in this study is all customers who buy products Midnight Sun.

The sampling technique that used in this research is a simple random sampling technique. It is said to be simple because of taking a sample of the members of the population was randomly without regard to strata that exist in the population (Sugiyono, 2011: 64). Samples were taken as many as 75 people

Research Instrument

The instrument used in this study was a questionnaire, which is based on the Likert scale model of the preparation of sentence statement that will produce positive and negative things associated with the three variables of the study. In the measurement instruments used Likert scale, which is a format that can be used to identify or determine the value of these three variables. Application of the instruments used are: 1) Strongly Agree 2) Agree, 3) Less Agree, 4) Disagree and 5) Strongly Disagree. Then determine the relative importances of the five answers, which can affect the

perception of the respondents, are: Strongly Agree (5) Agree (4), Less Agree (3) Disagree (2) Strongly Disagree (1).

Table 3.1. The Latticework of Research Instruments

Variable	Indicator	Item of Statement
Advertising	Informative	1, 2
	Persuasive	3, 4
	Reminder	5, 6
	Consolidation	7, 8
Service Quality	<i>Tangibles</i>	1, 2
	<i>Reliability</i>	3, 4
	<i>Responsiveness</i>	5, 6
	<i>Assurance</i>	7, 8
	<i>Empathy</i>	9, 10
Brand Equity	<i>Brand awareness</i>	1, 2
	<i>Brand association</i>	3, 4
	<i>Perceived quality</i>	5, 6
	<i>Brand loyalty</i>	7, 8
	<i>Other proprietary brand assets</i>	9, 10

Analysis Technique

To analyze the effect of advertising and the quality of service to brand equity in the Midnight Sun in Jakarta use multiple regression analysis and multiple correlation using SPSS version 17.

Hyphotesis

Hyphotesis is temporary conclusion or assumption as requirement that the truth should be tested whether the statement is true or false. Based on the research instruments were made before, in this study the hyphoteses can be formulated as follows:

H₁ : There is an influence of advertising to the brand equity of Midnight Sun in Jakarta

H₂ : There is an influence of service quality to the brand equity of Midnight Sun in Jakarta

H₃ : There is an influence of advertising and service quality simultaneously to the brand equity of Midnight Sun in Jakarta.

Findings

Advertising

Based on the "t" test result, the writer gained $t_{cal} = 4,408 > t_{tab} = 1,993$ then Ho is rejected and Ha accepted, which means there is significant influence between the advertising (X₁) to brand equity (Y) with a regression coefficient of 0.429.

For the company, advertising is an important thing because it can attract customers by providing complete information either about an interesting shape, has a wide variety of flavor, tenderness texture of food, outstanding service, a hygiene place and on, so the advertising carried out this influence consumers to want to try and buy mini martabak Midnight Sun. Advertising is done repeatedly by the company will always remind consumers about the products offered so that it can influence the Brand Equity brands Midnight Sun in the eyes of consumers.

Service Quality

Based in the "t" test result, the writer gained $t_{cal} = 9,878 > t_{tab} = 1,993$ then H_0 is rejected and H_a is accepted, which means there is significant influence between service quality (X_2) to brand equity (Y) with a regression coefficient of 0,798.

Service quality is important in order to attract and retain customers. The company already has a quality standard of service to be performed by the employee, but if employees can serve customers exceed the standards set, then this will affect the level of customer satisfaction. Emotional attachment that is owned customers triggered by high consumer satisfaction both in terms of product quality and service quality as offered in advertising. This condition will affect brand equity of Midnight Sun gets better in the eyes of customers.

From the overall research result which is based on F test, shows $F_{cal} = 157,704 > F_{tab} = 3,124$ then H_0 is rejected and H_a is received. It can be concluded that each of variables namely advertising and service quality simultaneously have significant influence on brand equity.

According to multiple regression result, found the coefficient of determination (R square) of 0.814. This means the independent variables (advertising and service quality) contribute to dependent variable (brand equity) as much 81.4% while 18.6% influence by others factor that not examined, such as product quality, price policy, business location, etc.

Conclusion and Recommendation

Based on the result of research and the discussion in the previous chapters about the influence on advertising and quality of service toward brand equity of Midnight Sun in Jakarta can put forward some conclusions as follows:

Based on the T test result, it obtained the value of $T_{count} = 4.408 > T_{table} = 1.993$, therefore H_0 is rejected and H_a accepted, which means there is a significant influence between the variables X_1 (advertising) to variable Y (brand equity) with a regression coefficient of 0.429.

Advertising for the company is an important thing because it can attract customers by providing complete information either about an interesting shape, a wide variety of flavor, tenderness texture of the food, outstanding service, a hygienes and so forth, so that the advertising carried out this influence consumers to want to try and buy mini martabak of Midnight Sun. Advertising is done repeatedly by the company will always remind consumers about the products offered so that it can affect brand equity of Midnight Sun in the eyes of consumers.

Based on the T test result obtained the value of $T_{count} = 9.878 > T_{table} = 1,993$, therefore H_0 is rejected and H_a is accepted, which means there is a significant influence between X_2 variable (service quality) toward Y variable (brand equity) with a regression coefficient of 0.798.

The quality of service is an important issue in attracting and retaining the consumers. The company already has a standard quality of service that have to be performed by the employee, but if employees can serve customers more than the predetermined standard, it will bring a positive impact on customer satisfaction. The emotional attachment will arise due to high customer satisfaction both in terms of product quality and service quality as offered in the advertising. This condition will give an impact to the brand equity of Midnight Sun to be better in the eyes of the customer.

From the overall result of the research which is based on the F test it shows that $F_{count} = 157.704 > F_{table} = 3.124$, then H_0 is rejected and H_a is accepted so it can be concluded that each advertising variable and service quality has a significant influence towards brand equity.

Based on the result of multiple regression tests is found the determination coefficient (*R square*) of 0.814. It means that the independent variable (advertising and service quality) contribute to

dependent variable (brand equity) amounted to 81.4% while the remaining 18.6% is influenced by other factors not examined, such as product quality, pricing policies, and business location others.

Recommendation

Based on the result and conclusion of the research it can be argued some suggestions which are expected to be useful for the Midnight Sun in Jakarta, as follows:

In relation to the significant influence of advertising on the brand equity of the Midnight Sun, the company should retain the advertising that has been implemented over the years. The Midnight Sun can also increase advertising in an effort to provide more detailed information about mini martabak, in terms of new flavors, the interesting and appropriate toppings, great quality, in addition the frequency of ad impressions more often so customers will always remember about mini martabak, media advertising also increased, presenting the public figure and others.

The quality of service also have a significant impact on brand equity of the Midnight Sun, because of that the company should retain and further enhance the service that has been done so far. The efforts taken is to remind all employees about the importance of quality of service, attention to the needs and desires of customers, respond to any complaints of customers with friendly, prioritize customer comes first, to maintain cleanliness, neatness clothes, remind the customer to re-shopped at the Midnight Sun and others.

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