

BINUS INTERNATIONAL
BINUS UNIVERSITY

Marketing Major
Sarjana Ekonomi Thesis
Semester: Even, Year: 2014/2015

**THESIS TITLE - THE EFFECTS OF COUNTRY IMAGES TOWARDS BRAND LOYALTY OF
LUXURY FASHION BRAND IN JAKARTA**

Levina 1501198953

Abstract

Objectives – The objective of this research is to investigate the dimensionalities of country images that affect brand awareness along with the perceived quality and brand loyalty of luxury fashion brand in Jakarta. By comparing two luxury fashion brands from different countries, this study demonstrates the relevant country image impacts on luxury fashion brand resonance between generation X and generation Y samples.

Method – An offline survey was conducted to 150 respondents in Jakarta, Indonesia. There were 2 sets of questionnaire of two-represent brand, which equally distributed to 75 generation X and 75 generation Y. The data gathered were analyzed using Simple linear regression, multiple linear regression, cronbach alpha, confirmatory factor analysis (CFA), and T-test to compare two independent groups.

Results - The result shows that fashion equity and technology advancement have positive relationship with brand awareness along with the perceived quality and brand loyalty. The comparison between generation X and generation Y indicates that each generational cohort considers different elements of country image. The result of this research provides the theoretical insight and knowledge that can be used by marketers or producers of luxury fashion brand to create marketing mix strategy in order to compete with another luxury brand.

Conclusion – Compare to technology advancement, Fashion equity is proven to have the bigger impact to luxury fashion brand awareness. It means that the customer's perception of fashion equity of a country such as fashion designer, famous luxury brand and fashionable celebrities positively influences customer's brand awareness. Meanwhile, for technology advancement, industrialization, technical level and technology innovation positively influences customer's brand awareness. On comparison of generational cohorts, it is shown that generation X are more attracted to cultural assets even though it does not have positive relationship with brand resonance, while generation Y are more attracted to technology advancement of a country.

Keywords – Country Images, Consumer Behavior, Brand Resonance, Jakarta, Indonesia