The Effect of Rebranding Lay's to Customer Loyalty with Brand Image as A Mediation Variable

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ABSTRACT

PT Indofood CBP announced the launch of Chitato Lite, which is a form of rebranding of Lay's products by changing the logo and packaging. The purpose of this study is to determine whether there is an effect of rebranding, brand image and customer loyalty and to find out whether brand image mediates the effect of rebranding Lay's on customer loyalty. This study uses quantitative methods with the type of explanatory research and uses survey methods. The data was obtained by distributing questionnaires to 219 followers of the Instagram accounts @Lay'sindonesia and @mychitato who were aware of the Lay's rebranding. The type of sampling used is non-probably sampling with a purposive sampling technique. Hypotheses were tested using normality, correlation, and linearity tests. The results of this study indicate that there is a significant influence between rebranding on customer loyalty directly and indirectly, while the direct effect is 29.3% and the indirect effect of rebranding on customer loyalty through brand image is 43.3%. This shows that Lay's' rebranding is considered relevant to product changes.

Keywords: brand image, customer loyalty, rebranding.

ABSTRAK

PT Indofood CBP mengumumkan peluncuran Chitato Lite yang merupakan bentuk rebranding dari produk Lay's dengan mengubah logo dan kemasan. Tujuan dari penelitian ini adalah untuk mengetahui apakah terdapat pengaruh Rebranding, Brand Image dan Loyalitas Pelanggan serta untuk mengetahui apakah Brand Image memediasi pengaruh Rebranding Lay's terhadap Loyalitas Pelanggan. Penelitian ini menggunakan metode kuantitatif dengan jenis penelitian eksplanatif dan menggunakan metode survei. Data diperoleh melalui penyebaran kuesioner kepada 219 pengikut akun instagram @Lay'sindonesia dan @mychitato yang mengetahui adanya rebranding Lay's. Jenis pengambilan sampel yang digunakan adalah non-probably sampling dengan teknik purposive sampling. Hipotesis diuji dengan menggunakan uji normalitas, korelasi, dan linearitas. Hasil dari penelitian ini menunjukkan terdapat pengaruh signifikan antara rebranding terhadap loyalitas pelanggan secara langsung dan tidak langsung, adapun besar pengaruh secara langsung sebesar 29,3% dan pengaruh tidak langsung rebranding terhadap loyalitas pelanggan melalui brand image sebesar 43,3%. Hal ini menunjukkan rebranding Lay's dianggap relevan dengan perubahan produk.

Kata Kunci: brand image, loyalitas pelanggan, rebranding.

INTRODUCTION

For companies, branding activities are important things that need to be done to form an image and establish positive relationships with customers. Branding itself can be defined as the activity of giving brand power to products and services. Branding is done to create a mental structure that can help customers to organize their knowledge about the company's products and services according to Kotler and Keller (2016). Rosilawati (2008) stated that the branding strategy is a form of marketing communication that emphasizes more on the brand. Over time, a brand often does rebranding to adapt to market conditions. Muzellec and Lambkin (2006) define rebranding as a strategy to create a new position in influencing the views of stakeholders and competitors, through changes in name, design, and slogan.

One of the snack brands that is very popular in the community is Lay's. However, in recent months, rumours have circulated that since February 2021, Lay's from PT. Indofood Fritolay Makmur will stop its marketing, sales and distribution in Indonesia on September 1, 2021. The main reason for Lay's' termination of production in Indonesia is the termination of the license agreement of PT. Indofood Fritolay Makmur with PepsiCo. This is quite surprising for the Indonesian people, because Lay's is a snack that is favoured by many people with the fourth rank in the world, whose sales reach 19 billion packs per year (Jen, 2021).

However, last August, PT Indofood CBP announced the launch of Chitato Lite, which is a rebranding of Lay's products. Rebranding itself has the benefit of retaining or attracting new consumers through a new identity, concept, and image according to Muzellec and Lambkin (2003). Chitato Lite products will have the same price and taste as Lay's products, only the name and packaging will change (Angga, 2021). This is a new challenge for PT. Indofood Makmur CBP in ensuring that Chitato Lite is the result of Lay's' rebranding. Under these conditions, consumers' views of the Chitato Lite brand will be different and will create new perceptions. In rebranding the company, it will refresh the brand image according to Tjiptono and Gregorius (2017). Rebranding activities are not just for someone to know about the renewal of the product, but how a product can provide the same comfort and enjoyment as the previous brand. Lay's brand as International chip brand have a strong image as luxury potato chip and same level quality with international version of Lay's. With rebrand as Chitato Lite, Chitato want to continue the positioning and image of Lay's itself.

Chitato is currently a fairly well-known original potato-based snack in Indonesia produced by PT. Indofood Fritolay prospered in 1990 - 1992. The results of the survey "Top Brand Award" Chitato is the brand index of processed potato chips with the largest sales level with a percentage of 43.6% in 2020. This has proven that a person's level of awareness of the Chitato brand is very high. With this Chitato Lite has a good opportunity to increase new customers and retain existing customers. The packaging created by Chitato Lite is not much different from the visuals of the Lay's packaging, and does not lose its identical characteristics. With this it can be concluded that the brand can influence the mind-set of consumers in remembering a product being marketed. Sudarti and Dila (2020) define that the brand is the most important thing in shaping the brand image as a marketing tool. A good brand image will make it easier for the product to achieve marketing goals, such as brand loyalty. In addition, brands with attractive packaging can create a person's first impression and appeal to create a positive response to a product (Sari, 2013). This proves that rebranding can affect the image of a brand by being mediated by brand image.

Therefore, the researcher wants to know whether Lay's customers have the same loyalty to Chitato Lite after rebranding. But loyalty is not directly affected by rebranding. Therefore, researchers will use the mediating variable brand image, where the rebranding variable has an influence on brand image, and brand image has an influence on customer loyalty (Poluan, 2021). Based on this explanation, then the questions in this study are: 1) Does Lay's' rebranding affect the product's brand image for Lay's customers. 2) Does Lay's' rebranding affect customer loyalty? 3) Does the brand image of the Chitato Lite product affect Lay's customer loyalty? 4) Does rebranding affect Lay's customer loyalty with brand image as a mediating variable?

In accordance with the questions that have been formulated, the objectives of this research are to find out whether there is an effect of Rebranding, Brand Image and Customer Loyalty and To find out whether Brand Image mediates the effect of Rebranding on Customer Loyalty.

Rebranding

To adapt to changing market conditions that are always developing, companies need to make new strategies so that products become fresher. A good strategy in overcoming this is by using a rebranding strategy. According to Merrilees and Yakimova (2013) rebranding is a brand revitalization which emphasizes that companies need to strengthen their brand position to get through difficult times in market competition. Kapferer (2008) said that brand revitalization is indeed needed for companies to revive brands that have been forgotten by the public and increase awareness of the existence of these brands. Rebranding activities are not far from changing in terms of logo, name, packaging, targets, and positioning. Muzellec dan Lambkin (2006) in Ilviendri and Sari (2021), say that rebranding activities as a strategy to create a new position in influencing the views of stakeholders and competitors, through changing names, designs, and slogans.

Muzellec and Lambkin (2003) state that rebranding has a role for companies to provide information and communicate to interested parties that there is a change in strategy within the company. Therefore, the act of rebranding is due to decisions, events, or events that occur within the company so as to create changes in the structure and performance of the company, so that a redefinition of the company's identity is needed. According to Muzellec and Lambkin (2003) in Thomas (2016) there are four dimensions that are said to be a rebranding mix, namely:

1. Brand Repositioning

In this process the company needs a goal to form a new position in the minds of stakeholders, competitors, and consumers. This process is considered to have a dynamic nature because the company needs adjustments in time, because the company must be prepared with changing market trends that continue to develop in order to compete with competitors.

2. Brand Renaming

This process only focuses on changing one's perception of the brand image, because the name defines the identity of the product and its image. Name changes occur due to new strategies and activities or changes in ownership.

3. Brand Redesign

In the redesign process, the company will redesign a product, in terms of name, slogan, logo, style and message which aims to create a new brand image. Redesign becomes a very important thing because the appearance of the brand acts as a reflection of the company philosophy that is offered in a symbol.

4. Relaunch

At this stage the company will publish or launch a new brand into the company's internal and external. Publication activities will find out how consumers and stakeholders perceive the new appearance of a product.

Customer Lovalty

Tjiptono and Diana (2015) define customer loyalty as a commitment based on a very positive attitude and consistent repeat purchases of a brand, store, or supplier. Customer loyalty has become an important factor in determining the success of a product in the industry because customers who are loyal to a product tend to repurchase the same product and are not interested in what competitors have to offer. Therefore, loyalty has a commitment held by consumers to repurchase or support a preferred product or service, but in the future there will be situational influences that can have a declining marketing impact because it causes switching consumer behaviour (Kotler and Keller, 2016). Hermawan (2012) added that the response to the brand is also a measure of a customer's loyalty to a brand. (Griffin 2005, p. 31-34), there are four dimensions of customer loyalty, namely:

1. Make a repeat purchase

A person is considered a loyal customer by showing non-random buying behaviour and having a specific awareness of the goods or services to be purchased.

2. Shows the attractiveness of competitors

Loyal consumers will buy other types of goods or services offered by the company.

3. Recommend the product to others

Loyal customers will recommend others to participate in using the goods or services of the company used

4. Willing to pay higher if the quality is better

In this dimension, customers feel very comfortable with the goods or services of the company because the goods or services used are in accordance with their needs and desires.

Brand Image

According to Ardianto (2013), image is the impression, feeling, and image that the public has about the company. This impression is created intentionally from an object, individual, or organization. Keller and Swaminathan (2020) explain that brand image talks about the perceptions and preferences that consumers have about a brand which is measured through various brand associations in their minds. Then according to Aaker (2011), brand image is formed because of the consumer's experience in using a product or service so as to form associations. Brand image is one of the most important aspects in branding because the influence of brand image can shape consumer perceptions of a product. Moreover, the image that a company conveys to consumers depends on the actions of the industry. Where, the company's actions or activities in the market can determine whether the company has a positive or negative impact on the image in the minds of consumers or the public (Zhang, 2015). Clow and Baack (2018), where one of the benefits of having a good brand image is increasing consumer loyalty.

Keller (2013) says that brand image is a way for customers to think about a brand that is not actual but abstract, for example acknowledging the quality, uniqueness, and enjoyment that are different from other brands. There are 3 dimensions of brand image according to Keller (2013) namely:

1. Strength

The product can be said to be strong depending on the information conveyed by the company can be remembered by the customer and how the message can be received, so that this becomes part of the brand image. There are two factors that can strengthen a brand, namely brand attributes and brand benefits. Brand attributes are descriptive descriptions of the characteristics of goods or services. Compared to brand benefits, it is an assessment from customers regarding goods or services (Keller, 2013).

2. Favourability

Customers have a positive view of a brand because of the customer's belief in goods or services that have attributes that match customer needs.

3. Uniqueness

Attracting the attention of customers must have a unique or attractive difference from the goods or services, which are competitive and sustainable. Uniqueness is one of the reasons why customers buy these goods. Goods or services must have its own uniqueness to be different from competitors. The uniqueness of goods can be distinguished from the service and physical appearance of an item.

RESEARCH METHODS

This research uses quantitative methods with explanatory research and survey methods about social media. Social media is now used for more than just self-promotion (Soekiman et al., 2021). It has developed into a crucial tool for connecting corporations and enterprises with responders and potential responders (Susilo, 2021). Instagram was one of the social media platforms that had a substantial impact on the dare to be bare campaign's brand image, with a degree of impact of 60.2% (Octaviana & Susilo, 2021), As one of the social media sites with a fast expanding user base, Instagram is thought to have an impact on its users (Michelle & Susilo, 2021). One business that makes use of social media for advertising, marketing, and customer service is Instagram (Susilo et al., 2021). Instagram as popular social media being important medium to accelerate the Rebranding position of Lay's

The data was obtained by distributing questionnaires to 219 followers, with margin of error 3% and purposive sampling of the Instagram accounts @Lay'sindonesia and @mychitato who were aware of the Lay's rebranding. The type of sampling used is non-probably sampling with

purposive sampling technique. Hypothesis testing uses normality, correlation, and linearity tests. Then this study uses a simple linear regression test and path analysis. According to Ghozali (2018) path analysis is carried out to test a theory of the causal relationship between three or more variables to determine the pattern of the relationship. The path analysis chosen is an analysis that has 1 independent variable (X), 1 intervening variable (Z), and 1 dependent variable (Y). The variables consist of X Rebranding Lay's, Z Brand Image, and Y Customer Loyalty.

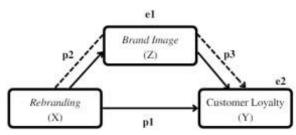


Figure 1: Path Analysis Model Source: Ghozali (2018)

RESULT AND DISCUSSION

The results of the study were used to determine the effect of Lay's rebranding on customer loyalty with brand image as a mediating variable. The data was obtained through a questionnaire distributed to respondents who are followers of Instagram @Lay'sIndonesia and @mychitato. The questionnaire was distributed from March 26, 2022 to May 27, 2022 via Instagram direct messages and obtained 219 respondents.

Normality Test

The results of the data show the significance value of the Kolmogorov-Smirnov normality test on the Rebranding variable (X) on the Brand Image (Z) variable which has a value of 0.200, and on the Rebranding (X) and Brand Image (Z) variables on the Customer Loyalty variable (Y). whose value reaches 0.200. Both significance values are greater than 0.05 so that it can be stated that the data is normally distributed.

Correlation Coefficient Test

This study conducted a correlation test to measure the relationship between the Rebranding variable and Customer Loyalty which was mediated by the Brand Image variable. The following are the results of the correlation coefficient test conducted in this study:

Table 1
Correlation Coefficient Test
Correlations

		Х	Υ	Z
Х	Pearson Correlation	1	.541**	.510**
	Sig. (2-tailed)		.000	.000
	N	207	207	207
Υ	Pearson Correlation	.541**	1	.610**
	Sig. (2-tailed)	.000		.000
	N	207	207	207
Z	Pearson Correlation	.510**	.610**	1
	Sig. (2-tailed)	.000	.000	
	N	207	207	207

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Based on table 1, it can be concluded that:

a) In the first relationship, namely Rebranding (X) and Brand Image (Z) which proves that the correlation coefficient value is 0.510 and the significance value is 0.000 0.05. This shows that

there is a moderate and significant relationship between the Rebranding and Brand Image variables.

- b) In the second relationship, namely Rebranding (X) and Customer Loyalty (Y) which proves that the correlation coefficient value is 0.541 and the significance value is 0.000 0.05. This shows that there is a moderate and significant relationship between the Rebranding and Customer Loyalty variables.
- c) In the third relationship, namely Brand Image (Z) and Customer Loyalty (Y) which proves that the correlation coefficient value is 0.610 and the significance value is 0.000 0.05. This shows that there is a strong and significant relationship between the Brand Image and Customer Loyalty variables.

Simple Linear Regression Test between Variables

This study uses a simple regression test to determine the effect and how big the influence is between the variables Rebranding (X) and Brand Image (Z), Rebranding (X) and Customer Loyalty (Y), as well as Brand Image (Z) and Customer Loyalty (Y). The formula for the simple linear regression equation is:

Z = a1 + b1X Y = a2 + b2XY = a3 + b3X

Table 2

Model Summary							
Variable	Model Summary (R Square)	Anova (Sig)	Coefficients	Constant			
X – Z	0,260	0,000	0,411	13,965			
Z – Y X – Y	0,372 0,293	0,000 0,000	0,596 0,457	8,083 9,478			

The results of the Model Summary from table 2 show that the R Square value is 0.260 which means that rebranding (X) has a contribution of 26% influence on brand image (Z), and the remaining 74% is the influence of other variables not examined in this study. The ANOVA results show that the significance value of the rebranding variable (X) on brand image (Z) is 0.000 < 0.05, which proves that there is an influence between rebranding on brand image. The results of the Coefficients show that the regression coefficient of the rebranding variable (X) and brand image (Z) is 0.441 and the constant value is 13.965, so the simple linear regression equation is: Z = 13.965 + 0.441X

The results of the Model Summary from table 2 show that the R Square value is 0.372 which means that brand image (Z) has a 37.2% contribution to customer loyalty (Y), and the remaining 62.8% is the influence of other variables not examined. in this research. The ANOVA show the significance value of the brand image variable (Z) on Customer Loyalty (Y) is 0.000 < 0.05 which proves the influence of Brand Image on Customer Loyalty. The results of the Coefficients show that the regression coefficient of the brand image (Z) and customer loyalty (Y) variables is 0.596 and the constant value is 0.83, so the simple linear regression equation is: 0.596

The results of the Model Summary from table 2 show that the R Square value is 0.293, which means that rebranding (X) has an influence contribution of 29.3% on customer loyalty (Y), and the remaining 70.7% is the influence of other variables that are not investigated in this study. The ANOVA results show the significance value of the rebranding variable (X) on customer loyalty (Y) is 0.000 <0.05, which proves that there is an influence between rebranding on customer loyalty. The results of the Coefficients show that the regression coefficient of the rebranding variable (X) and customer loyalty (Y) is 0.457 and the constant value is 9.478, so the simple linear regression equation is:

Z = 9.478 + 0.457X

Path Analysis Test

This study conducted a path analysis test to determine the relationship between rebranding (X) as an independent variable on customer loyalty (Y) as a dependent through brand image (Z) as an intervening variable. In testing the path analysis, two equation tests were carried out, namely:

YB1 = p2 + e1

YCL = p1 + p3 + e2

To find out the residual value (e) then use the following formula: $e = \sqrt{1 - R Square}$

Table 3
Path Analysis Test

Variable	Coefficients (sig)	Standardized Coefficients	Model Summary (R Square)
X – Z	0,000	0,510	0,260
Z – Y	0,000	0,451	-
X – Y	0,000	0,311	-
X & Z - Y	0,000		0,443

In the first equation path analysis test, the significance value of the rebranding variable (X) on brand image (Z) is 0.000 0.05. Then it can be stated that the rebranding variable (X) has a significant influence on the brand image variable (Z). The coefficient value of the rebranding path and brand image (p2) is seen from the Standardized Coefficients section, which is 0.510. The R Square value of the first equation is 0.260. This shows that the rebranding variable contributes 26% to the brand image variable and the remaining 74% is the influence of other variables not examined in this research. Then the residual value of the first equation or e1 is $\sqrt{1-0.260}$ = 0,860 The calculation of the first equation is as follows:

YB1 = p2 + e1

YB1 = 0.510 + 0.860

The second equation path analysis test, the significance value of the rebranding variable (X) on customer loyalty (Y) is 0.000 0.05. So it can be stated that the rebranding variable (X) has a significant influence on the customer loyalty variable (Y). Then. The significance value of the brand image variable (Z) on Customer Loyalty (Y) is 0.000 0.05, this proves that there is a significant effect. The coefficient value of the rebranding path and customer loyalty (p1) is seen from the Standardized Coefficients section, which is 0.311. Then the value of the path coefficient of brand image and customer loyalty (p3) is seen from the Standardized Coefficients section, which is 0.451. The R Square value of the first equation is 0.443. This shows that rebranding and brand image variables contribute 44.3% to the customer loyalty variable and the remaining 55.7% is the influence of other variables not examined in this study. Then the residual value of the first equation or e2 is $e = \sqrt{1-0.443} = 0.746$.

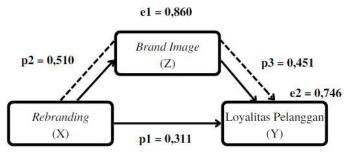


Figure 2: Path analysis

Based on the figure 2, path analysis shows that the rebranding variable (X) has a direct effect on the customer loyalty variable (Y) of 0.311. Meanwhile, to determine the indirect effect of the

rebranding variable on the customer loyalty variable through the brand image variable, by multiplying the indirect coefficient, namely:

$$0.510 \times 0.451 = 0.230$$

Then to calculate the total effect of rebranding on the customer loyalty variable is to add the value of the direct influence to the value of the indirect effect, namely:

0.311 + 0.230 = 0.541

Table 4. Simple Regression Anova Variable Z to Y

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	807.312	1	807.312	72.123	.000 ^b
	Residual	2294.688	205	11.194		
	Total	3102.000	206			

a. Dependent Variable: Z

b. Predictors: (Constant), X

Table 5
Simple Regression Anova Variable Z to Y

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1101.731	1	1101.731	121.188	.000 ^b
	Residual	1863.670	205	9.091		
	Total	2965.401	206			

a. Dependent Variable: Y

b. Predictors: (Constant), Z

Source: Research Processed Data, 2022

Table 6. Simple Regression ANOVA of Variable X to Y

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	868.430	1	868.430	84.898	.000b
	Residual	2096.971	205	10.229		
	Total	2965.401	206			

a. Dependent Variable: Y

b. Predictors: (Constant), X

Source: Research Processed Data, 2022

Table 7. Anova Rebranding Path Analysis (X) and Brand Image Variable (Z) to Customer Loyalty Variable (Y)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1314.171	2	657.085	81.179	.000 ^b
	Residual	1651.230	204	8.094		
	Total	2965.401	206			

- a. Dependent Variable: Y
- b. Predictors: (Constant), Z, X

Source: Research Processed Data, 2022

Hypothesis Testing

Hypothesis testing was conducted to determine whether each hypothesis in this study was acceptable or not. A simple linear regression test was conducted to see whether there was an influence between the variables that became the hypothesis in the study. Hence the results obtained:

- a) Table 4 shows the results of the significance value of the rebranding variable (X) on the brand image variable (Z) is 0.000 <0.05 which can be stated that there is an influence between rebranding (X) on brand image (Z). It can be concluded that H1 is accepted and H0 is rejected.
- b) Table 5 shows the significance value of the brand image variable (Z) on the customer loyalty variable (Y) is 0.000 <0.05 which can be stated that there is an influence of brand image on customer loyalty. It can be concluded that H2 is accepted and H0 is rejected.
- c) In table 6 shows the results of the significance value of the rebranding variable (X) on the customer loyalty variable (Y) is 0.000 <0.05 which can be stated that there is an effect of rebranding on customer loyalty. It can be concluded that H3 is accepted and H0 is rejected.
- d) In the table at 7 shows the results of the significance value of the rebranding variable (X) and the brand image variable (Z) on customer loyalty (Y) is 0.000 < 0.05 which can be stated that there is an influence between the rebranding variable and brand image on customer loyalty which proves the path of the second equation is significant. It can be concluded that there is an influence between rebranding on customer loyalty which is mediated by brand image, so H4 is accepted and H0 is rejected.

Relationship between Rebranding (X) and Brand Image (Z)

In conducting the correlation test, the data obtained showed a strong relationship between Rebranding and Brand Image with a correlation coefficient of 0.510 or 51% and a significance value of $0.000\,0.05$, which means the relationship between variables is significant. The contribution of the influence given by the Rebranding variable (X) to the Brand Image (Z) can be seen from the R Square value, which is 26%. while the remaining 74% is the influence of other variables not examined in this study. Through path analysis test, obtained a value of 0.510 as the path coefficient of the first equation with a residual value of 0.860. Based on the two data from the path analysis, the equation of the first model is obtained, namely YB1 = $0.510\,+\,0.860$. This equation shows that there is a positive relationship between the Rebranding variable (X) and Brand Image (Z). The influence of rebranding on brand image is also strengthened by the results of research from Poluan (2021) which states that rebranding can lead to an increase in product brand image.

Relationship between Brand Image (Z) and Customer Loyalty (Y)

In conducting the correlation test, the data obtained showed a strong relationship between Brand Image and Customer Loyalty with a correlation coefficient of 0.610 or 61% and a significance value of 0.000 0.05, which means the relationship between variables is significant.

The contribution of the influence given by the Brand Image (Z) variable to Customer Loyalty (Y) can be seen from the R Square value of 37.2%. while the remaining 62.8% is the influence of other variables not examined in this study. The influence of Brand Image on Customer Loyalty is also reinforced by the research findings of Winata and Andjarwati (2019) which states that there is a positive relationship between Brand Image (Z) and Customer Loyalty (Y). These results prove that if the Brand Image increases, then Customer Loyalty will also increase.

Relationship between Rebranding (X) and Customer Loyalty (Y)

In conducting the correlation test, the data obtained showed a strong relationship between Rebranding and Customer Loyalty, with a correlation coefficient of 0.541 or 54.1% and a significance value of 0.000 0.05, which means the relationship between variables is significant. The contribution of the influence given by the Rebranding variable (X) to Customer Loyalty (Y) can be seen from the R Square value of 29.3%. while the remaining 70.7% is the influence of other variables not examined in this study. The influence of Rebranding on Customer Loyalty is also strengthened by the research findings of Poluan (2021) which states that there is a positive relationship between Rebranding and Customer Loyalty.

The relationship between Rebranding (X) and Customer Loyalty (Y) mediated by Brand Image (Z)

In conducting the second equation path coefficient test, the direct effect of the Rebranding variable on customer loyalty is 0.311. Then the way to find out the indirect effect of the Rebranding variable on the Customer Loyalty variable is by multiplying the indirect coefficient, namely $p2 \times p3 = 0.510 \times 0.451 = 0.230$. Then, to find out the total effect of the Rebranding variable on Customer Loyalty which is mediated by Brand Image is to add the value of direct and indirect influence, namely 0.311 + 0.230 = 0.541.

From the results of the calculations that have been done, the value of the indirect influence is 0.230 which is smaller than the direct effect of 0.311 on the Rebranding variable on Customer Loyalty. This shows that the Brand Image variable has a direct influence. In contrast to the results shown from the second equation YCL = p1 + p2 + p3 = 0.311 + 0.451 + 0.746, these results show that if the independent variable increases, the dependent variable will also increase by 0.311. Likewise, when the mediating variable increases, the dependent variable will increase by 0.451. Then the R Square value which shows the effect of the Rebranding variable on Customer Loyalty mediated by Brand Image is 0.433 or 43.3% which proves there is a significant influence. It can be concluded that the significant presence of the independent variable X on the dependent Y there is a mediating role in variable Z (Neuman, 2014).

According to Tjiptono and Gregorius (2017), the reason companies carry out rebranding is to refresh or improve brand image. The results of this study support this statement, where the results of the correlation test and simple linear regression conducted show that Lay's rebranding has a positive influence and relationship on Brand Image with a correlation coefficient of 0.510 or 51%. That is, the more the rebranding variable increases, the brand image variable will also increase. This is also supported by Poluan (2021) which states that rebranding can lead to an increase in product brand image. The rebranding of Lay's to Chitato Lite is proven to influence brand image, where the resulting effect is 26%. Thus, the rebranding action taken by Lay's to refresh and improve the brand image can be said to be successful.

Subsequent findings in this study indicate that brand image has a strong and positive relationship with customer loyalty with a correlation coefficient of 0.61 or 61%. That is, the more the brand image variable increases, the customer loyalty variable will also increase. This is in line with research conducted by Winata and Andjarwati (2019) which states that Brand Image (Z) has a positive relationship with Customer Loyalty (Y). The brand image is proven to have an effect of 37.2% on customer loyalty. Thus, it can be concluded that this study is able to prove the statement of Clow & Baack (2018), where one of the benefits of having a good brand image is increasing consumer loyalty.

Previous research conducted by Nyambane and Ezekiel (2013) stated that rebranding has a positive and significant effect on customer loyalty. This is in line with the results in this study,

where rebranding is proven to have a strong and positive relationship with customer loyalty with a correlation coefficient of 0.541 or 54.1%. The resulting effect is 29.3%.

As described previously, the reason companies carry out rebranding is to refresh or improve their brand image (Tjiptono & Gregorius, 2017). A good brand image can lead to an increase in customer loyalty (Clow & Baack, 2018). Therefore, it can be concluded that rebranding can affect customer loyalty if mediated by brand image. The results in this study show the equation YCL = p1 + p2 + p3 = 0.311 + 0.451 + 0.746 which means that if the independent variable increases, the dependent variable will also increase by 0.311. Likewise, when the mediating variable increases, the dependent variable will increase by 0.451. Thus, it can be said that this study proves that customer loyalty can increase if the rebranding and brand image variables have increased. The big influence of rebranding on customer loyalty mediated by Brand Image is 0.433 or 43.3%. It can be concluded that the significant presence of the independent variable X on the dependent Y there is a mediating role in variable Z (Neuman, 2014).

CONCLUSION

This study was conducted to determine whether there is an effect of Lay's rebranding on customer loyalty with brand image as a mediating variable. Based on the results of the research that has been done, there are several conclusions that can be concluded to answer the research questions that have been concluded previously.

- 1. There is an influence between the rebranding of Lay's (X) on the brand image of Chitato (Z). This is evidenced by the results of a simple linear regression test which shows a significance value of 0.000 so that the significance value is smaller than 0.05 or 0.000 <0.05, which means that there is an influence between the rebranding variable (X) and the brand image (Z). Rebranding Lay's has an influence of 26% on brand image. While the remaining 74% is the influence of other variables not examined in this study.
- 2. There is an influence between Lay's (X) rebranding on Lay's (Y) customer loyalty. This is evidenced by the results of a simple linear regression test which shows a significance value of 0.000 so that the significance value is smaller than 0.05 or 0.000 < 0.05, which means that there is an influence between the rebranding variable (X) on customer loyalty (Y). Lay's rebranding gives an effect of 0.293 or 29.3% and the remaining 70.7% which is the influence of other variables not examined in this study.
- 3. There is an influence between Chitato brand image (Z) on customer loyalty (Y). This is evidenced by a simple linear regression test which shows a significance value of 0.000 so that the significance value is smaller than 0.05 or 0.000 < 0.05 which means that there is an influence between the brand image variable (Z) on customer loyalty (Y). Chitato's brand image has an effect of 0.372 or 37.2% and the remaining 62.8% which is the influence of other variables not examined in this study.
- 4. There is an effect of rebranding Lay's (X) on customer loyalty Lay's (Y) mediated by brand image Chitato (Z). This is evidenced by the path analysis test which shows a significance value of 0.000 so that the significance value is smaller than 0.05 or 0.000 <0.05 which means that there is an influence between rebranding (X) on customer loyalty (Y) mediated by brand image. (Z). Rebranding and brand image contributed 0.443 or 44.3% to the customer loyalty variable and the remaining 55.7% which was the influence of other variables not examined in this study. It is also known that the indirect effect of Lay's rebranding on customer loyalty is higher than the direct effect, so that the brand image variable in this study has a fairly strong role.

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