

The Influence of Brand Characteristic on Customer Brand Relationship Through Consumer Engagement as Mediator

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Abstract

KRB.ID a knitwear business located in the Binong Jati knitting industry area, Indonesia. KRB.ID was established at the beginning of the COVID-19 pandemic and witnessed significant growth during this challenging period. Leveraging the expanding popularity of TikTok during the pandemic, KRB.ID used video content to raise brand awareness among TikTok users. Many of their videos gained visibility on TikTok's "For You Page" (FYP), leading to increased recognition and a growing TikTok following. Understanding the importance of engagement on social media platforms, KRB.ID actively interacted with their customers by responding to comments through video replies and various other means. One notable video featured four women wearing KRB.ID's skirt products, showcasing their versatility across different body sizes (ranging from 47kg to 80kg), positioning the brand as inclusive and big-size friendly. The video garnered 3,600,000 views, 61,300 likes, and received 729 comments from TikTok users. Currently, KRB.ID's TikTok account boasts 58,800 followers. However, in mid-2022, a decline in engagement was observed on KRB.ID's TikTok account, prompting the researcher to investigate this phenomenon using theories of brand characteristics, customer brand relationships, and consumer engagement.

Keywords: Brand Characteristics, Consumer Engagement, Customer Brand Relationship, TikTok, KRB.ID

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1. Introduction

Social media is a technological development that has a significant impact on society today, including communication and accessing the latest information [1]. Social media has become a part of everyday life for the Indonesian population, offering numerous benefits but also potential negative effects. Approximately 73.3% of the Indonesian population, or around 204.7 million people, use the internet. Additionally, 370.1 million people use internet-connected mobile phones, and 191.4 million people actively use social media platforms. These data indicate a high level of technology adoption among the Indonesian population, including internet usage, mobile phones, and social media [2].

One popular social media platform is TikTok, which allows users to share videos. TikTok has also gained popularity in Indonesia, with approximately 63.1% of active social media users using TikTok in their daily lives. TikTok offers various attractive features, including the For You Page (FYP) feature, which provides video recommendations based on users' interests and viewing history [3]. This feature can entertain users and provide useful information. TikTok can also be used as a promotional platform for businesses [4]. The FYP feature is often utilized by business owners to increase visibility and disseminate information about their businesses [5]. If a business video or content successfully enters the FYP, it will be seen by many people, and the number of views on TikTok will be high [6].

One active business account on TikTok is KRB.ID, a fashion business specializing in knitted clothing [7]. KRB.ID uses TikTok as a platform to promote their brand to the Indonesian community [8]. They upload various videos, ranging from product explanations to production activities, as well as entertaining content [9]. KRB.ID offers knitted clothing in standard and jumbo sizes, catering to consumers with various body sizes [10].

One TikTok video content from KRB.ID appeared on the FYP and was viewed by 3,600,000 TikTok users, liked by 61,300 TikTok users, received 729 comments from users, and was shared 1154 times. This video content suddenly became popular and attracted the attention of many other TikTok users, resulting in increased likes, comments, and shares. The TikTok account of KRB.ID has grown and gained 58,800 TikTok followers and a total of 319,300 likes from TikTok users. This indicates that the content generated by the account is appealing to TikTok users and has gained good attention [11].

When customers engage with a company's social media initiatives, it can help the company build customer-brand relationships, increase brand loyalty, and enhance positive word-of-mouth among customers [12]. Engagement is crucial on TikTok, and the KRB.ID TikTok account seems to have paid good attention to this. KRB.ID prioritizes responding to user comments on TikTok, regardless of whether their videos receive many views or not [13]. Some comments are even replied to with TikTok videos [14]. KRB.ID's video content consistently appears on the FYP, with many videos having views exceeding

10,000. With an average video view count above 10,000, the KRB.ID TikTok account seems to have created content that is engaging and popular on the TikTok platform. High view counts are usually an indicator that the video is considered interesting by TikTok users and has captured the interest of many people [15].

Additionally, KRB.ID actively interacts with TikTok users through comments and video responses. This demonstrates KRB.ID's attention to interacting with TikTok users. In mid-2022, there was a decrease in views and comments from KRB.ID followers. The video content that used to receive more than 10,000 viewers now only gets below 10,000 viewers, and some content even reaches as low as 500 viewers. There was a decline in views, likes, comments, and shares of KRB.ID video content during November 2022. The highest number of views that KRB.ID obtained from their video content was 5861, which was uploaded on the 26th, while the lowest was 242 on the video content uploaded on the 24th. This continuous decline caught the author's interest in the phenomenon happening on the KRB.ID TikTok account, particularly regarding the uploaded video content. To strengthen this research, the author conducted a questionnaire survey randomly among respondents who have experienced watching or knowing KRB.ID content on the TikTok social media platform. The following are the results of the survey distributed to 30 respondents.

The author inquired how respondents became aware of the knitted clothing brand, KRB.ID. Seventy percent of the 30 respondents answered that they knew about KRB.ID through the TikTok platform. Thirteen point three percent learned about KRB.ID from Instagram, and 10% became aware of the brand through acquaintances/friends/family. The author also asked for respondents' opinions regarding KRB.ID content on TikTok. Sixty-six point seven percent of the 30 respondents answered negatively, 16.7% responded positively, and 13.3% responded neutrally. From the 30 respondents, several keywords were identified that were repeatedly mentioned by multiple respondents. These keywords included opinions that KRB.ID content on TikTok is currently uninteresting, lacks distinctive features compared to KRB.ID's usual content, is difficult to understand, lacks communication between viewers and the brand in the content, and has unclear product presentations [16].

Problem Statement what are the Brand Characteristics of KRB.ID?. How is the Customer Brand Relationship of KRB.ID?. What is the level of Consumer Engagement of KRB.ID?. What is the impact of Brand Characteristics on Consumer Engagement of KRB.ID?. What is the influence of Consumer Engagement on Customer Brand Relationship of KRB.ID?. What is the influence of Brand Characteristics on Customer Brand Relationship through Consumer Engagement of KRB.ID?. Brand Characteristics is much of the current literature on branded social media posts pays particular attention to branded post features that can improve

consumer engagement. These studies suggest that factors such as clarity of brand messages, interactivity, novelty, consistency, and content type can drive consumer engagement with brand messages [17].

Consumer Engagement. Understanding consumer engagement in the social media context is a top priority in academic research programs [18]. This is especially relevant in the case of consumer interactions with brand messages on social media. Branded social media posts include videos, audio, messages, images, contests, news and stories related to the brand, brand-supported causes, reviews brand pricing, online games, and brand-related rewards and virtual tokens [19]. Consumers' attachment to brand messages is demonstrated through activities such as liking, commenting and sharing brand messages. Consumer engagement activities of this type have the potential to develop a positive relationship between consumers and brands [20].

Customer Brand Relationship. The management premise here is that if customers interact with the company's social media initiatives, it can help the company build brand relationships with customers, improve loyalty with customers. brand and increase positive feedback among customers. The relationship between the customer and the brand refers to the types of associations that develop between the customer and the brand, including brand love, self-esteem brand connection and consumer brand identity. Hypotheses H1: There is an influence of Brand Characteristics on Consumer Engagement. H2: There is an influence of Consumer Engagement on Customer Brand Relationship. H3: There is an influence of Brand Characteristics on Customer Brand Relationship through Consumer Engagement. The explanation of the hypothesis put forward above gives instructions for compiling a research model as shown in Figure 1 below.

2. Research Method

To determine the influence of Brand Characteristics on Customer Brand Relationship through Consumer Engagement as a mediator, the researcher employs a quantitative method with a descriptive research objective and utilizes a questionnaire as a data collection tool. Population is a generalized area consisting of objects/subjects that have certain qualities and characteristics that are determined by researchers to be studied and then conclusions drawn. In this study, the population comprises users of the TikTok social media platform who follow the KRB.ID account and content. The sample is part of the number and characteristics possessed by the population. The sample size calculation for this research used the Slovin's formula, resulting in a minimum required sample size of 100 respondents, and after distribution, 200 samples were obtained. The responses from all the respondents regarding the characteristics studied will be measured using a five-point Likert scale (ranging from strongly disagree to strongly agree).

The measurement of the Brand Characteristic variable refers to the dimensions of interactivity, novelty, and consistency. The measurement of the Customer Brand Relationship variable refers to the dimensions of brand love and customer identification. The measurement of the Consumer Engagement variable refers to the dimensions of like, share, and comment.

The validity of a measuring instrument is the level of accuracy and accuracy of a measuring instrument in carrying out its measuring function. Validity describes how accurately a measuring instrument performs its measurement function or, in other words, how the questionnaire truly measures what it intends to measure. Before the complete distribution, 30 samples were collected and evaluated through a validity test. Once the validity is established, the questionnaire is distributed to the entire population, and the collected questionnaire data is subjected to descriptive analysis to understand the background of the respondents. Subsequently, the Smart-PLS program is used to test hypotheses and mediations.

3. Result and Discussion

The first stage of the testing process involves analyzing the respondents' profiles, which are described based on gender, age, occupation, and monthly income. This is done to obtain an overview of the respondents' backgrounds. Females dominate with a percentage of 89% in terms of gender. In terms of age, consumers aged 26-30 years old dominate with a percentage of 33%. In terms of occupation, private employees dominate with a percentage of 31.5%. Regarding monthly income, consumers earning Rp.3,000,001-Rp.5,000,000 per month dominate with a percentage of 52.5%. These results indicate that the respondents who follow and are aware of KRB.ID content on TikTok are predominantly female, aged 26-30 years old, working as private employees, and have an average monthly income of Rp.3,000,001-Rp.5,000,000.

Direct and Indirect Testing. The Smart-PLS program is utilized in this study to analyze hypothesis testing and mediation analysis. This analytical approach is employed to assess the influence and explanatory factors of Brand Characteristics on Customer Brand Relationship through the mediation of Consumer Engagement. The research data is analyzed using the SmartPLS software, employing two model forms: the outer model and the inner model. The purpose of the outer model is to ascertain the existence of relationships between variables, while the inner model assesses the results of the relationships between latent constructs.

Outer Model Evaluation. The evaluation of this model aims to determine the presence of relationships between variables based on the validity and reliability assessment of the data obtained from respondents' answers. Convergent validity and discriminant validity are tested, and composite reliability is used to assess reliability. A loading factor should exceed 0.7, and the average variance extracted (AVE) should be greater

than 0.5 for a measurement instrument to be considered valid. A filling factor of 0.5 to 0.6 is still deemed sufficient for the preliminary stage of scale development. Convergent validity is tested using the SmartPLS software to calculate the construct and item values. Discriminant validity is a method of comparing the square root of the average variance extracted (AVE) for each construct with the correlation between other constructs in the model. Discriminant validity is considered good when the square root of the average variance extracted (AVE) for a construct is greater than the correlation with other constructs.

Reliability testing is conducted to establish the consistency, accuracy, and precision of the instrument in measuring constructs. There are two methods for measuring the reliability of constructs with reflective indicators in PLS-SEM: Cronbach's Alpha and Composite Reliability. Data analysis is performed using the SmartPLS software, and reliability is deemed acceptable if the values of both composite reliability and Cronbach's Alpha are above 0.70. The inner model measures the relationships between latent variables (structural model). The evaluation of the inner model involves analyzing R-Square, Q-Square, and Path Coefficients.

R-Square (R²) analysis measures the goodness-of-fit of a structural model and assesses the extent of the influence of specific independent latent variables on dependent latent variables. The SmartPLS application is used for the analysis, and R-Square values of 0.75, 0.50, and 0.25 indicate a strong, moderate, or weak model, respectively. Prediction relevance (Q²) is performed to validate the predictive capability of the model. It measures the observed values obtained through Q-Square. The SmartPLS application is employed for prediction relevancetesting, and a Q-Square value above 0 indicates that the independent latent variables can effectively predict the dependent variables.

Hypothesis testing is conducted to determine whether independent variables have a partial influence on dependent variables using path coefficient and specific indirect effect tests. The inner model's path coefficient, indicated by the t-statistic value, must exceed 1.96 for a two-tailed hypothesis and 1.64 for a one-tailed hypothesis at a significance level of 5% and a power of 80%. The acceptance and rejection criteria for hypotheses are as follows.

Analysis indicate that all indicators in this study meet the convergent validity test and are suitable for research purposes and further analysis. The variable "consumer engagement" has an AVE value of 0.853, and the variable customer brand relationship has a value of 0.762. It can be observed that all indicators from each variable have values exceeding 0.5. Therefore, it can be said that the values from the cross-loading table and AVE meet the criteria for convergent validity.

Based on the Discriminant Validity Analysis, it is known that each indicator in the research variables has the highest cross-loading value on the variable it forms compared to the cross-loading value on other variables. Based on the obtained results, it can be stated that the indicators used in this study have good discriminant validity in constructing their respective variables. Based on the data analysis results, all indicators from the AVE2 table for each construct are greater than the correlation between constructs in the model, indicating good discriminant validity. Thus, the discriminant validity analysis has met the criteria. The results of the reliability test in this study show that all indicators have values above 0.7 for Cronbach's alpha and composite reliability, indicating that the reliability test analysis has met the criteria.

The results of the Predictive Relevance Model Analysis show that the R-Square value for the "consumer engagement" variable is 0.813, while for the "customer brand relationship" variable it is 0.090. Thus, the latent variable strongly influences consumer engagement with a value of 81.3%, but the influence of the latent variable on customer brand relationship is categorized as weak with a value of 0.090. The Q2 values are 0.682 for consumer engagement and 0.067 for customer brand relationship, indicating that both variables fall within the criteria. Consumer engagement has a strong predictive relevance with a percentage of 68%, while the predictive relevance for the customer brand relationship is weak with a percentage of 6.7%.

Based on the Testing The Direct Effect Hypothesis, a t-statistic value of 5.224 and a p-value of 0.000 were obtained, indicating that the t-statistic is larger than the p-value. The results of the relationship between the "brand characteristic" variable and the "consumer engagement" variable indicate a positive and significant influence between them, with a t-statistic value of 60.429 and a p-value of 0.000. The t-statistic value is larger than the p-value. Furthermore, the results of the influence between the brand characteristic variable and the customer brand relationship variable with consumer engagement as a mediating variable show a t-statistic of 5.194 and a p-value of 0.000. With "consumer engagement" as a mediating variable, there is a positive and significant influence between the "brand characteristic" variable and the "customer brand relationship" variable, as the t-statistic value is larger than the p-value.

4. Conclusion

In this study, the Brand Characteristic and Consumer Engagement variables were found to have a negative evaluation from the respondents. Both variables received low scores and were categorized as not good overall. The dimensions of Brand Characteristic, including Interactivity, Novelty, and Consistency, as well as the indicators of Consumer Engagement, such as likes, shares, and comments, received low scores from all respondents. However, the Customer Brand Relationship variable received a positive evaluation,

with high scores in Customer Brand Loyalty indicators like brand love and customer identification.

The hypothesis testing revealed a significant and positive influence between Consumer Engagement and Customer Brand Relationship. Similarly, a positive and significant influence was found between Brand Characteristic and Consumer Engagement, with Consumer Engagement acting as an intervening variable. KRB.ID is advised to focus on meeting consumer needs, improving brand characteristic, and enhancing consumer engagement for better ratings. The company should provide training for employees on TikTok account management, reconsider brand characteristic strategies, and continue innovating to maintain a positive relationship with consumers.

Future researchers are encouraged to explore factors beyond Brand Characteristic and Consumer Engagement that contribute to Customer Brand Relationship. They can utilize different indicators and relevant theories to expand the literature. Conducting comparative studies on similar fashion companies using the same variables would also be valuable.

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