



Factors Influencing Brand Loyalty and Purchase

Intention:

The Case of Fast Fashion Business in Greater Jakarta

UNDERGRADUATE THESIS

**Submitted as one of the requirements to obtain Sarjana
Administrasi Bisnis**

By:

Tira Tifani

ID no 015201600061

FACULTY OF BUSINESS

BUSINESS ADMINISTRATION

CIKARANG

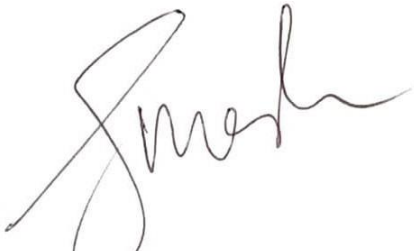
JUNE 2023

**SKRIPSI ADVISER
RECOMMENDATION LETTER**

This skripsi entitled “*Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business in Greater Jakarta*” was prepared and submitted by **Tira Tifani** in partial fulfillment of the requirements for the degree of **BBA – Bachelor** in the faculty of **Business** has been reviewed and found to have satisfied the requirements for a Skripsi fit to be examined. I, therefore, recommend this Skripsi for Oral Defense.

Cikarang, Indonesia, *14th of June 2023*

Acknowledged by,



SURESH KUMAR, ST., M.Si.

**Head, Business Administration
Study Program**

Recommended by,



KUNTHI A. K., BA., MBA.

Advisor

**PANEL OF EXAMINERS
APPROVAL SHEET**

The Panel of Examiners declare that the skripsi entitled "*Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business in Greater Jakarta*" that was submitted by *Tira Tifani* majoring in *Business Administration* from the faculty of *Business* was assessed and approved to has passed the Oral Examinations on *14th of June 2023*.



Dr. Ir. Farida Komalasari, M.Si.

Chair – Panel of Examiners



Ihsan Hadiansah, S.E., M.S.M.

Examiner I

Promoted by,

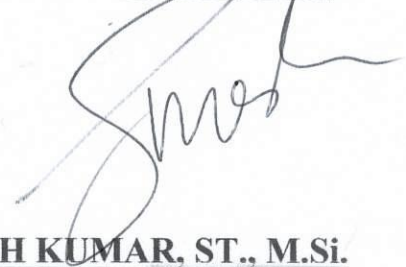
by,



KUNTHI A. K., BA., MBA.

Advisor

Recommended



SURESH KUMAR, ST., M.Si.

Head, Business Administration Study Program

STATEMENT OF ORIGINALITY

In my capacity as an active student at President University and as the author of the thesis stated below:

Name : Tira Tifani
Student ID Number : 015201600061
Study Program : Business Administration
Faculty : Business

I hereby declare that my thesis entitled “Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business in Greater Jakarta” is to the best of my knowledge and belief, an original piece of work based on sound academic principles. If there is any plagiarism detected in this thesis, I am willing to be personally responsible for the consequences of these acts of plagiarism and will accept the sanctions against these acts in accordance with the rules and policies of President University.

I also declare that this work, either in whole or in part, has not been submitted to another university to obtain a degree.

Cikarang, Indonesia, 14th of June 2023



Tira Tifani

ADVISOR APPROVAL FOR INSTITUTION'S REPOSITORY

As an academic community member of the President University, I, the undersigned:

Advisor name : Kunthi A. Kusumawardani, BA., MBA.

Employee ID number : 0429049001

Study program : Business Administration

Faculty : Business

declare that the following thesis :

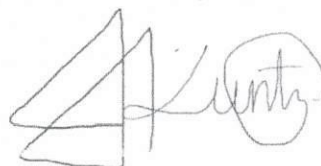
Title of thesis : Factors Influencing Brand Loyalty and Purchase Intention:
The Case of Fast Fashion Business in Greater Jakarta

Thesis author : Tira Tifani

Student ID number : 015201600061

will be published in ~~journal~~ / **institution's repository** / ~~proceeding~~ / ~~unpublish~~.

Nijmegen, 4 June 2023

A handwritten signature in black ink, appearing to read 'Kunthi', enclosed within a circular scribble.

Kunthi A. Kusumawardani, MBA.

SCIENTIFIC PUBLICATION APPROVAL FOR ACADEMIC INTEREST

As an academic community member of the President University, I, the undersigned:

Name : Tira Tifani

Student ID number : 015201600061

Study program : Business Administration

for the purpose of the development of science and technology, certify, and approve, to give President University a non-exclusive royalty-free right upon my final report with the title:

Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business in Greater Jakarta

With this non-exclusive royalty-free right, President University is entitled to converse, to covert, to manage in a database, to maintain, and to publish my final report. There are to be done with the obligation from President University to mention my name as the copyright owner of my final report.

This statement I made in truth.

Cikarang, *14th of June 2023*




Tira Tifani

CONSENT FOR INTELLECTUAL PROPERTY RIGHT

Title of <i>Skripsi</i>	Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business in Greater Jakarta
--------------------------------	---

1. The Author hereby assigns to President University the copyright to the contribution named above whereby the university shall have the exclusive right to publish the contribution and translations of it wholly or in part throughout the world during the full term of copyright including renewals and extensions and all subsidiary rights.
2. The Author retains the right to re-publish the preprint version of the contribution without charge and subject only to notify the University of the intent to do so and to ensure that the publication by the University is properly credited and that the relevant copyright notice is repeated verbatim.
3. The Author retains moral and all proprietary rights other than copyright, such as patent and trademark rights to any process or procedure described in the contribution.
4. The Author guarantees that the contribution is original, has not been published previously, is not under consideration for publication elsewhere, and that any necessary permission to quote or reproduce illustrations from another source has been obtained (a copy of any such permission should be sent with this form).
5. The Author guarantees that the contribution contains no violation of any existing copyright or other third-party right or material of an obscene, indecent, libellous, or otherwise unlawful nature and will indemnify the University against all claims arising from any breach of this warranty.

6. The Author declares that any named person as co-author of the contribution is aware of this agreement and has also agreed to the above warranties.

Name:	Tira Tifani
Day, Date:	14 th of June 2023
Signature:	

PLAGIARISM REPORT

Tira Tifani - Factors Influencing Brand Loyalty and Purchase Intention: The Case of Fast Fashion Business

ORIGINALITY REPORT

15%

SIMILARITY INDEX

8%

INTERNET SOURCES

6%

PUBLICATIONS

8%

STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to President University Student Paper	4%
2	repository.president.ac.id Internet Source	2%
3	Submitted to Iqra University, Gulshan Student Paper	1%
4	Submitted to School of Business and Management ITB Student Paper	1%
5	Jia En Lee, Mei Ling Goh, Mohd Nazri Bin Mohd Noor. "Understanding purchase intention of university students towards skin care products", PSU Research Review, 2019 Publication	<1%
6	Jin Su, Aihwa Chang. "Factors affecting college students' brand loyalty toward fast fashion", International Journal of Retail & Distribution Management, 2017 Publication	<1%

Stats

Average Perplexity Score: 3101.604

A document's perplexity is a measurement of the randomness of the text

Burstiness Score: 21702.988

A document's burstiness is a measurement of the variation in perplexity

Your sentence with the highest perplexity, "*Brand Personality8*", has a perplexity of: 216866

ABSTRACT

Purpose – This study aims to investigate the brand loyalty and purchase intention behaviour of young fast fashion customers i.e. the working age of Gen Z and Millennials in Greater Jakarta, Indonesia through Customer-Based Brand Equity factors.

Design/ methodology/ approach – Quantitative research method is chosen to examine the data using Structural Equation Modelling analysis. By collecting 201 responses using purposive sampling, this study was tested using PLS-SEM method in SmartPLS (v. 3.2.9).

Findings – Customer-Based Brand Equity factors namely brand awareness, brand uniqueness, perceived value, and satisfaction are confirmed to be the factors that influence brand loyalty among young fast fashion customers (Gen Z and Millennials). Their brand loyalty then results in purchase intention. Brand attitude, on the other hand, is reported to not have a significant influence on brand loyalty. However, this factor still influences the purchase intention of young fast fashion consumers. Some factors also do not affect the brand loyalty of Gen Z and Millennials, namely organizational associations, perceived quality, and surprisingly, brand personality.

Practical implications – the examinations of the young fast fashion customers' behaviour towards fast fashion brands can be applied to future business strategies.

Originality/ value – This study is the first study that combines the Customer-Based Brand Equity factors i.e. Brand Awareness, Brand Uniqueness, Brand Personality, Brand Attitude, Perceived Value, Perceived Quality, and Organizational Association to examine the brand loyalty and purchase intention

behaviour of the young fast fashion consumers, particularly the working age of Gen Z and Millennials, in Indonesia.

Keywords: Gen Z, Millennials, Fast Fashion, Brand Awareness, Brand Uniqueness, Brand Personality, Brand Attitude, Perceived Value, Perceived Quality, Organizational Association, Brand Loyalty, Purchase Intention.

ACKNOWLEDGEMENT

I wish to express my greatest gratitude to the people who have been supporting me in the process of my thesis completion. I would not be able to be where I am right now without your support and for that I am grateful.

First of all, I would like to thank my thesis advisor as well as lecturer, Mrs. Kunthi Afrilinda Kusumawardani BA., MBA. who guided and encouraged me to keep going even when the road got tough. I am so grateful for the opportunity to be guided by her. It truly is a privilege.

I would also like to thank Mr. Suresh Kumar, ST, M.Si., Mr. Rendika Nugraha, M.BA, everyone at the Academic Administration Bureau Department, as well as Business Administration Study Program for giving me a helping hand when needed.

I wish to also express my gratitude to my father and biological mother who consistently supported me throughout my study journey. Without their support, I would not be able to be where I am right now.

I would also like to extend my greatest gratitude to my partner Stef and his family who have been giving me endless support. I consider myself lucky to be supported by such kind and compassionate people in my life. I am forever thankful for them.

I am also thankful for my friends who stay by my side, especially Prames who constantly checked up on and cared for me. I am deeply indebted to her.

My thanks also go to everyone that I met in university, especially my classmates. Everybody was so inspiring and I am grateful for all the time we spent together.

The completion of this thesis, aside from my hard work, is achievable because I was surrounded by all these supportive people. Thank you for believing in my potential.

TABLE OF CONTENTS

ACKNOWLEDGEMENT	ii
PLAGIARISM REPORT	iii
SKRIPSI ADVISER RECOMMENDATION LETTER	iv
PANEL OF EXAMINERS APPROVAL SHEET	v
STATEMENT OF ORIGINALITY	vi
ADVISOR APPROVAL FOR INSTITUTION'S REPOSITORY	vii
SCIENTIFIC PUBLICATION APPROVAL FOR ACADEMIC INTEREST ...	viii
CONSENT FOR INTELLECTUAL PROPERTY RIGHT	ix
TABLE OF CONTENTS	xi
LIST OF TABLES	xv
LIST OF FIGURES	xv
ABSTRACT	xvi
CHAPTER I INTRODUCTION	1
1.1. Background	1
1.2. Problem Statement	4
1.3. Research Questions	5
1.4. Research Objectives	6
1.5. Outline of the Research	6
CHAPTER II LITERATURE REVIEW	7
2.1. Review of Literature	7
2.1.1. Brand Awareness	7
2.1.2 Brand Uniqueness	7
2.1.3. Brand Personality	8
2.1.4. Brand Attitude	8
2.1.5. Perceived Value	9
2.1.6. Perceived Quality	9
2.1.7. Organizational Association	10

2.1.8. Satisfaction.....	10
2.1.9. Brand Loyalty	11
2.1.10. Purchase Intention.....	11
2.2. Hypothesis Development	12
2.2.1. Brand Awareness and Brand Loyalty	12
2.2.2. Brand Uniqueness and Brand Loyalty	12
2.2.3. Brand Personality and Brand Loyalty	13
2.2.4. Brand Attitude and Brand Loyalty.....	13
2.2.5. Brand Attitude and Purchase Intention	14
2.2.6. Perceived Value and Brand Loyalty	14
2.2.7. Perceived Quality and Brand Loyalty	14
2.2.8. Organizational Association and Brand Loyalty.....	15
2.2.9. Satisfaction and Brand Loyalty	15
2.2.10. Brand Loyalty and Purchase Intention.....	16
CHAPTER III METHODOLOGY	18
3.1. Research Design.....	18
3.2. Sampling Plan	19
3.2.1 Population	19
3.2.2. Sampling Method.....	20
3.3. Instrument and Operational Definitions	20
3.4. Data Collection Design	21
3.5. Data Analysis Design	22
CHAPTER IV ANALYSIS AND DISCUSSION	25
4.1. Respondents' Profile	25
4.1.1. Respondents by Gender	25
4.1.2. Respondents by Age	25
4.1.3. Respondents by Occupation.....	26
4.1.4. Respondents by Yearly Expenditure on Clothes.....	26
4.1.5. Respondents by Fast Fashion Stores that are Mostly Visited	27
4.1.6. Respondents by Favorite Fast Fashion Brands	27
4.1.7. Items that are Usually Bought from Fast Fashion Stores	28

4.1.8. Reasons to Buy from Fast Fashion Stores	28
4.2. Descriptive Analysis	29
4.2.1. Brand Awareness	29
4.2.2. Brand Uniqueness	29
4.2.3. Brand Personality	30
4.2.4. Brand Attitude.....	31
4.2.5. Perceived Value	31
4.2.6. Perceived Quality	32
4.2.7. Organizational Association	33
4.2.8. Satisfaction.....	33
4.2.9. Brand Loyalty	34
4.2.10. Purchase Intention	34
4.3. Inferential Analysis	35
4.3.1. Validity, Reliability, and Discriminant Validity Test.....	36
4.3.2. Hypothesis Testing and R-Square.....	38
4.4. Discussion	40
CHAPTER V CONCLUSION.....	44
5.1. Hypothesis Answer	44
5.2. Implications.....	45
5.2.1. Theoretical Implication	45
5.2.2. Managerial Implications	45
5.2.3. Limitations and Future Directions	48
REFERENCE.....	50
Appendix.....	77
A. List of Tables	77
B. List of Figures	90

LIST OF TABLES

Table 3.1. Operation Definition of Variables	77
Table 4.1. Respondents by Gender	82
Table 4.2. Respondents by Age	82
Table 4.3. Respondents by Occupation.....	82
Table 4.4. Respondents by Yearly Expenditure on Clothes	83
Table 4.5. Respondents by Fast Fashion that are Mostly Visited.....	83
Table 4.6. Respondents by Favorite Fast Fashion Brands	84
Table 4.7. Items that are usually Bought from Fast Fashion Stores	84
Table 4.8. Reasons to Buy from Fast Fashion Stores	84
Table 4.9. Brand Awareness Descriptive Analysis.....	85
Table 4.10. Brand Uniqueness Descriptive Analysis.....	85
Table 4.11. Brand Personality Descriptive Analysis	85
Table 4.12. Brand Attitude Descriptive Analysis	86
Table 4.13. Perceived Value Descriptive Analysis.....	86
Table 4.14. Perceived Quality Descriptive Analysis	87
Table 4.15. Organizational Association Descriptive Analysis	87
Table 4.16. Satisfaction Descriptive Analysis	87
Table 4.17. Brand Loyalty Descriptive Analysis.....	88
Table 4.18. Purchase Intention Descriptive Analysis	88
Table 4.19. Validity Test	88
Table 4.20. Reliability Test.....	89
Table 4.21. Discriminant Validity Test.....	89
Table 4.22. Hypothesis Testing	89
Table 4.23. R-Square	90

LIST OF FIGURES

Figure 1.1 Fashion revenue in global scale between 2017-2021 (in trillion U.S. dollars)	90
Figure 2.1 Theoretical Framework.....	91
Figure 3.1 Questionnaire.....	91