

**THE IMPACT OF SOCIAL MEDIA BRAND  
COMMUNICATION ON BRAND AWARENESS AND BRAND  
LOYALTY OF COTTON INK**



BY:  
MARIA JESSICA  
3303013028

INTERNATIONAL BUSINESS MANAGEMENT PROGRAM  
MANAGEMENT DEPARTMENT  
FACULTY OF BUSINESS  
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA  
2017

**THE IMPACT OF SOCIAL MEDIA BRAND  
COMMUNICATION ON BRAND AWARENESS AND BRAND  
LOYALTY OF COTTON INK**

THESIS  
Addressed to  
BUSINESS FACULTY  
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA  
To Fulfill the Requirements  
For the Economy Bachelor Degree  
International Business Management Program

BY:  
MARIA JESSICA  
3303013028

INTERNATIONAL BUSINESS MANAGEMENT PROGRAM  
MANAGEMENT DEPARTMENT  
FACULTY OF BUSINESS  
WIDYA MANDALA CATHOLIC UNIVERSITY SURABAYA  
2017

**AUTHENTICITY STATEMENT AND PUBLICATION APPROVAL  
OF SCIENTIFIC PAPER**

For the sake of knowledge development, I as a student of Widya Mandala Catholic University Surabaya:

Name : Maria Jessica  
NRP : 3303013028  
Title : The Impact Of Social Media Brand  
Communication On Brand Awareness And Brand Loyalty  
of Cotton Ink.

Acknowledge that I authentically write this final assignment report. If it is proven that this paper is a plagiarism, I am ready to receive any sanctions from the Faculty Business of Widya Mandala Catholic University Surabaya. I also approve that this papers to be published in the internet or any other medias (The digital library of Widya Mandala Catholic University Surabaya) for academic importance to the extent of copyright law.

Thereby the authenticity statement and the publication approval of scientific paper that is made sincerely.

Surabaya, July 2017  
Stated by,

  
(Maria Jessica)

**APPROVAL PAGE**

THESIS

THE IMPACT OF SOCIAL MEDIA BRAND COMMUNICATION ON  
BRAND AWARENESS AND BRAND LOYALTY OF COTTON INK

BY:  
MARIA JESSICA  
3303013028

Approved and Accepted  
To be submitted to the Panel Team

Advisor,

A handwritten signature in blue ink, appearing to read 'R. Sigit H.', written over a horizontal line.

Robertus Sigit H., SE., M.Sc.

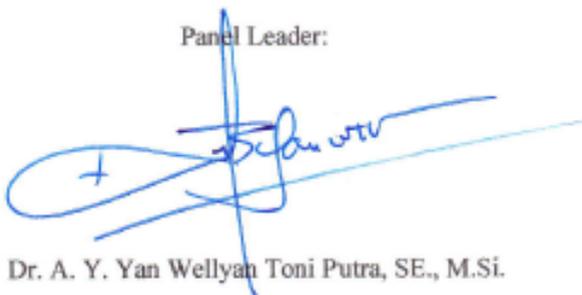
Date:

## RATIFICATION PAGE

Thesis written by: Maria Jessica NRP 3303013028

Has been examined on Friday, 7<sup>th</sup> July 2017 and is accepted to pass by Panel Team.

Panel Leader:

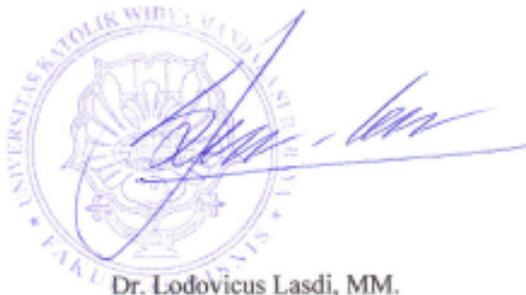


Dr. A. Y. Yan Wellyan Toni Putra, SE., M.Si.

Confirmed by:

Dean,

Head of Department,



Dr. Lodovicus Lasdi, MM.

NIK 321.96.03.70



Robertus Sigit H., SE., M.Sc.

NIK : 311.11.0678

## FOREWORDS

Tremendous gratitude to God for His blessings and guidance throughout the process of making this final assignment thesis and managed to complete the thesis titled “The Impact of Social Media Brand Communication On Brand Awareness and Brand Loyalty”. This thesis is a requirement in order to obtain a degree in Business Management at the Faculty of Business Management Department of Widya Mandala Catholic Surabaya. During the completion process of this thesis, the author obtained a great deal of help from various sources. Therefore the author would like to express gratitude to:

1. Dr. Lodovicus Lasdi, M.M., as Dean of the Faculty of Business Widya Mandala Catholic University Surabaya.
2. Robertus Sigit H., SE., M.Sc. as the Head of the Department of the Management, Faculty of Business Widya Mandala Catholic University Surabaya. As well as my second Advisor who patiently and sincerely took the time, effort, and mind to guide and counsel the author during the completion process.
3. Dr. Wahyudi Wibowo, ST., MM., as the head of International Business Management Program Widya Mandala Catholic University.
4. Hendro Susanto, SE., MM. as first Advisor, who patiently, and sincerely took the time, effort, and mind to guide and counsel the author in during the completion process.
5. My parents, siblings and family members who I love dearly that morally and materially support, and gives prayers and spirit in order to complete this final thesis.

6. Gladys, Vincent, Vivian, Galatia, Feli, and Benedicta, thank you for the never ending support and help throughout the process of completion this thesis. 4 years together through thick and thin.
7. Ricky Febrian, Yenny Lukman, Aldo Stevanio and students of IBM batch 2 and 4 who can not be named one by one, thank you for your prayers, help and support.
7. All parties who have given spirit and help direct or indirectly that the author cannot mention one by one.

The author has put the a tremendous effort in completion of this final report. The author realizes that in this thesis are still many shortcomings, this is due to limitation in time, knowledge and other factors. Therefore the authors gladly accept constructive criticism and suggestions for improvements are expected this thesis. Hopefully this paper can provide benefits and add insight to those who read it.

Surabaya, July 2017

Researcher

(Maria Jessica)

## TABLE OF CONTENTS

	Page
COVER .....	i
AUTHENTICITY STATEMENT OF SCIENTIFIC PAPER AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER.....	ii
APPROVAL PAGE.....	iii
RATIFICATION PAGE.....	v
FOREWORDS.....	vi
TABLE OF CONTENTS .....	viii
LIST OF TABLES .....	xii
LIST OF FIGURES .....	xiii
LIST OF APPENDIX.....	xiv
ABSTRACT.....	xv
CHAPTER I. INTRODUCTION .....	1
1.1. Background .....	1
1.2. Research Questions .....	6
1.3. Objectives Of The Research .....	6
1.4. Advantage of The Study .....	7
1.4.1. Academic Advantage .....	7
1.4.1. Practical Advantage .....	7
CHAPTER II. LITERATURE REVIEW .....	8
2.1. Previous Research .....	8

2.2. Basic Theory .....	12
2.2.1. Social Media .....	12
2.2.2. Brand Communication .....	13
2.2.3. Social Media Brand Communication.....	13
2.2.4. Brand Awareness .....	16
2.2.5. Brand Loyalty .....	17
2.2.6. Relationship Among Variables .....	18
2.2.6.1. Influence of Firm-created Social Media Communication on Brand Awareness .....	18
2.2.6.2. Influence of User-generated Social Media Communication on Brand Awareness .....	18
2.2.6.3. Influence of Brand Awareness on Brand Loyalty .....	19
2.2.6.4. Influence of Firm-created Social Media Communication on Brand Loyalty .....	20
2.2.6.5. Influence of User-generated Social Media Communication on Brand Loyalty .....	20
2.3. Research Hypotheses .....	21
2.4. Theoretical Framework .....	21
CHAPTER III. RESEARCH METHOD .....	23
3.1. Research Design .....	23
3.2. Identification of Variables .....	23
3.3. Operational Definition .....	24
3.4. Variable Measurement .....	26

3.5. Type and Sources of the Data .....	26
3.6. Tools and Data Collection Methods .....	27
3.7. Population, Sample and Sampling Technique .....	27
3.8. Data Analysis Technique .....	28
3.8.1. Normality Test Data .....	28
3.8.2. Validity Test .....	29
3.8.3. Reliability Test .....	29
3.8.4. Overall Model Matching Test .....	30
3.8.5. Structural Model Test Matches .....	31
3.8.6. Hypothesis Testing .....	32
CHAPTER IV. ANALYSIS AND DISCUSSION .....	33
4.1. Respondent Characteristic .....	33
4.2. Descriptive Statistic Variable Research .....	34
4.2.1. Descriptive Statistic of Firm-created Social Media Communication .....	35
4.2.2. Descriptive Statistic of User-generated Social Media Communication .....	36
4.2.3. Descriptive Statistic of Brand Awareness.....	37
4.2.4. Descriptive Statistic of Brand Loyalty .....	38
4.3. SEM Assumption Test .....	39
4.3.1. Normality Test .....	39
4.3.2. Validity Test .....	41
4.3.3. Reliability Test .....	42

4.4. Structural Equation .....	45
4.5. Overall Model Matching Test .....	47
4.6. Hypothesis Test .....	48
4.7. Discussions .....	49
4.7.1. Firm-created Social Media Communication Impacts on Brand Awareness .....	49
4.7.2. User-generated Social Media Communication Impacts on Brand Awareness .....	51
4.7.3. Brand Awareness Impacts on Brand Loyalty.....	52
4.7.4. Firm-created Social Media Communication Impacts on Brand Loyalty .....	53
4.7.5. Firm-created Social Media Communication Impacts on Brand Loyalty .....	54
4.7.5. Indirect Effect .....	55
CHAPTER V. CONCLUSION AND SUGGESTION .....	56
5.1. Conclusion .....	56
5.2. Limitations of The Research .....	57
5.3. Suggestion .....	57
5.3.1. Suggestion for Academic .....	57
5.3.1. Suggestion for Practical .....	58
REFERENCES .....	60
APPENDIX	

## LIST OF TABLES

	Page
Table 2.1. The Differences between Previous Studies to be Conducted on social media communication .....	10
Table 3.1. Overall Model Matching Test .....	31
Table 4.1. Respondent Characteristic (Consumer Demographics)....	33
Table 4.2. Interval Mean Score.....	35
Table 4.3. Descriptive Statistic of Firm-created Social Media Communication (X1).....	36
Table 4.4. Descriptive Statistic of User-generated Social Media Communication (X2).....	37
Table 4.5. Descriptive Statistic of Brand Awareness (Y1).....	38
Table 4.6. Descriptive Statistic of Brand Loyalty (Y2) .....	39
Table 4.7. Test Univariate Normality for Continuous Variables.....	40
Table 4.8. Test of Multivariate Normality for Continuous Variables...	41
Table 4.9. Validity Test Result.....	42
Table 4.10. Result Test of Firm-created Social Media Communication Variable (X1).....	43
Table 4.11. Result Test of User-generated Social Media Communication Variable (X2).....	44
Table 4.12. Result Test of Brand Awareness Variable (Y1).....	44
Table 4.13. Result Test of Brand Awareness Variable (Y2).....	45
Table 4.14. Overall Model Matching Test.....	47
Table 4.15. Hypothesis Test.....	48

## LIST OF FIGURES

	Page
Figure 2.1. Theoretical Framework .....	22

## **LIST OF APPENDIX**

- Appendix 1. Questionnaire
- Appendix 2. Result of Respondent
- Appendix 3. Characteristics of Respondent
- Appendix 4. Descriptive Statistics Variable Research
- Appendix 5. Normality Test
- Appendix 6. Validity Test
- Appendix 7. Reliability Test
- Appendix 8. Output LISREL
- Appendix 9. Estimate's Diagram
- Appendix 10. Standardized Solution's Diagram
- Appendix 11. T-Value's Diagram

## ABSTRACT

This research was conducted to examine the impact of social media brand communication on brand awareness and brand loyalty. This research is objected to research on Cotton Ink's followers and consumers in Instagram social media to analyze their social media brand communication significant and positively influence their followers and consumers brand awareness and brand loyalty.

The results in this research and discussion that is used in accordance with the hypothesis that the purpose of the analysis performed using Structural Equation Modeling (SEM), can be concluded that the Firm-created Social Media Communication and User-generated Social Media Communication increases, Brand Awareness and Brand Loyalty increases; and vice versa. It is imperative to Cotton Ink that social media is one of key mediums of reaching brand communication to create an image to the target market to achieve consumer's brand awareness and brand loyalty.

**Keywords:** Firm-created Social Media Brand Communication, User generated Social Media Brand Communication, Brand Awareness, Brand Loyalty