

## ACKNOWLEDGEMENT

Praise and thanksgiving are offered to God Almighty, Jesus Christ for the many blessings bestowed upon us by Him. Without His endless blessings, guidance, and love, the writer would not be able to complete this final project.

Final project entitled “ **PROMOTING CUSTOMER BRAND ENGAGEMENT AND BRAND LOYALTY THROUGH CUSTOMER BRAND IDENTIFICATION AND VALUE CONGRUITY ON MICROSOFT AS GLOBAL BRAND** ” to fulfil the final academic requirements to obtain the degree of Bachelor in Management

Thanks to my supervisor, Dr. Sidik Budiono, S.E., M.E. who has been generously and patiently shared his knowledge and guided throughout the making of this paper. Without his kindness and support, the author would not be able to finish this paper in time.

The author realizes without any guidance, support, encouragement and prayer from various people, this final paper cannot be completed. Therefore, the author would like to thank profusely to all those who have assisted in the process of completing this final paper, namely to:

1. Dra. Gracia Shinta, S. Ugut, M.B.A, Ph.D. as the Dean of Faculty of Economics and Business.
2. Ms. Vina Christina Nugroho, S.E., M.M. as the Head of Management.
3. Ms. J. Sandra Sembel, S. Pd, SE, MM. as the Head of Business International Concentration.
4. Dr. Sidik Budiono, S.E., M.E. as my thesis paper supervisor.

5. Mr. Danet Arya Patria, S.E., M.B.A. as my academic supervisor.
6. All lecturers at Universitas Pelita Harapan who have taught and shared their expertise with students over the study time.
7. All employees of the Business School who have helped the author in administrative activities.
8. My beloved family who have always been there for me, providing endless prayers, support, and encouragement.
9. Hutama Fajar Saputra, for always giving me big encouragement and listened to my complained about my campus and daily life situation.
10. My best source of laughter and having fun: Anastasya Lucky, Cleo Jiehan Pangesa, David Gunawan, Geraldio Tanjung, Patrick Halim.
10. My thesis mate, Gloria Herliana Gunawan and Joana Clarissa, who are always willing to assist and support each other during good times and bad.
11. To my beloved friends : Calista Amanda Linardi, Evelyn Elicia, Kerstin Claire, Kristy Emilia, Regina Emmanuela Arvy Siregar, Veren Aeriela. Who have been my university buddies for the past three years and have been my best source of fun.
12. To my Senior High School friends. Thank you for being a true friend, for the good and old times, for the encouragement, for the support, and for being there for me when things became tough on campus. I really appreciate all you have done for me.

Finally, the article admits that this study has limitations. As a result, ideas and criticisms are deeply appreciated in order to improve the quality of this paper. The

author hopes that this research work will be useful for a variety of purposes and that the reader will benefit from it.

Jakarta, 14 December, 2021

Author



## TABLE OF CONTENTS

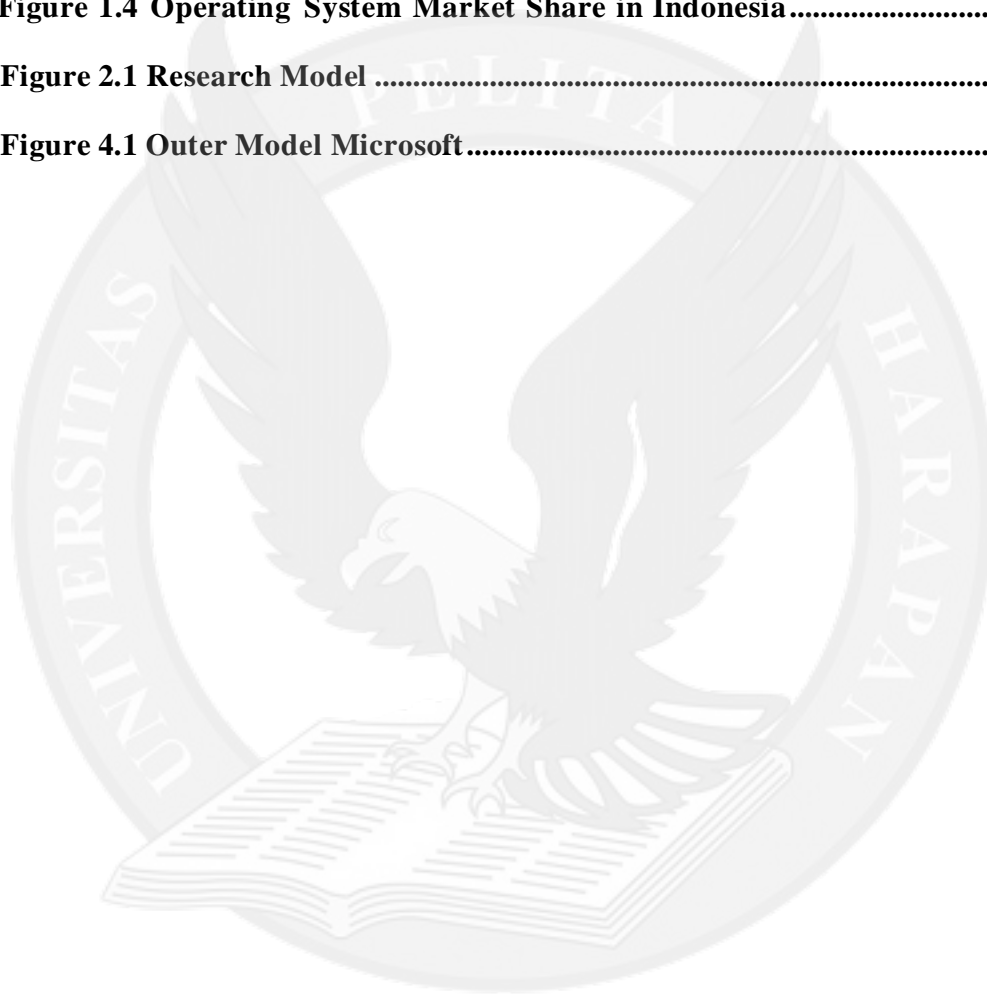
COVER	
FINAL ASIGNMENT STATEMENT AND UPLOAD AGREEMENT	
THESIS APPROVAL	
THESIS DEFENSE COMMITTEE	
ABSTRACT .....	v
ACKNOWLEDGEMENT .....	vi
TABLE OF CONTENTS .....	ix
LIST OF FIGURES .....	xii
LIST OF TABLES .....	xiii
LIST OF APPENDICES .....	xv
CHAPTER I.....	1
1.1 <i>Background</i> .....	1
1.2 <i>Research Problem</i> .....	5
1.3 <i>Research Questions</i> .....	5
1.4 <i>Research Objective</i> .....	6
1.5 <i>Research Scope</i> .....	7
1.6 <i>Thesis Outline</i> .....	7
CHAPTER II .....	9
2.1 <i>Concept Variable and Description</i> .....	9
2.1.1 <i>Global Brand</i> .....	9
2.1.2 <i>Social Identity</i> .....	10
2.1.3 <i>Brand Loyalty</i> .....	11
2.1.4 <i>Value Congruity</i> .....	11
2.1.5 <i>Customer Brand Identification</i> .....	12
2.1.6 <i>Customer Brand Engagement</i> .....	12
2.1.7 <i>Affective Brand Commitment</i> .....	13
2.2 <i>Relationship among Variables</i> .....	14
2.2.1 <i>Value Congruity and Customer Brand Identification</i> .....	14
2.2.2 <i>Value Congruity and Customer Brand Engagement</i> .....	14
2.2.3 <i>Value Congruity and Affective Brand Commitment</i> .....	15
2.2.4 <i>Customer Brand Identification and Customer Brand Engagement</i>	

.....	16
<b>2.2.5 Customer Brand Identification and Brand Loyalty .....</b>	<b>16</b>
<b>2.2.6 Customer Brand Identification and Affective Brand Commitment .....</b>	<b>17</b>
<b>2.2.7 Affective Brand Commitment and Brand Loyalty .....</b>	<b>17</b>
<b>2.2.8 Customer Brand Engagement and Brand Loyalty .....</b>	<b>18</b>
<b>2.3 Research Model.....</b>	<b>19</b>
<b>2.4 Previous Study.....</b>	<b>19</b>
<b>CHAPTER III.....</b>	<b>21</b>
<b>3.1 Object of analysis .....</b>	<b>21</b>
<b>3.2 Unit of analysis.....</b>	<b>21</b>
<b>3.3 Research analysis.....</b>	<b>22</b>
<b>3.4 Type of variables .....</b>	<b>22</b>
<b>3.5 Conceptual and operational definitions.....</b>	<b>23</b>
<b>3.6 Measurement of variables.....</b>	<b>26</b>
<b>3.7 Population and Sample.....</b>	<b>26</b>
<b>3.8 Methods in data analysis .....</b>	<b>27</b>
<b>3.9 Descriptive statistics .....</b>	<b>27</b>
<b>3.10 Inferential statistics.....</b>	<b>29</b>
<b>3.11 Goodness of the Data.....</b>	<b>30</b>
<b>3.12 Validity .....</b>	<b>30</b>
<b>3.13 Reliability.....</b>	<b>31</b>
<b>3.14 Structural Equation Modelling (SEM).....</b>	<b>31</b>
<b>3.15 Partial Least Square (PLS) .....</b>	<b>32</b>
<b>CHAPTER IV .....</b>	<b>36</b>
<b>4.1 Preliminary Test.....</b>	<b>36</b>
<b>4.1.1 Preliminary test Microsoft .....</b>	<b>37</b>
<b>4.1.2 Convergent Validity Pre-Test .....</b>	<b>37</b>
<b>4.1.3 Discriminant Validity Pre-Test.....</b>	<b>42</b>
<b>4.1.4 Reliability Pre-Test.....</b>	<b>47</b>
<b>4.1.5 Hypothesis testing – Pre Test .....</b>	<b>49</b>
<b>4.2 Actual Test .....</b>	<b>50</b>
<b>4.3 Respondent Profile.....</b>	<b>50</b>
<b>4.4 Gender.....</b>	<b>51</b>

4.5 Age .....	51
4.6 Monthly Income .....	52
4.7 Descriptive Statistics .....	53
4.8 Inferential Statistics.....	55
4.9 Convergent Validity Test - Actual Test (I) .....	56
4.10 Discriminant Validity Test - Actual Test (I) .....	58
4.11 Convergent Validity Test - Actual Test (II).....	60
4.12 Discriminant Validity Test – Actual Test (II) .....	61
4.13 Outer Model.....	65
4.14 Common Method Biases Test .....	66
4.15 Goodness of Fit .....	68
4.16 R-Square .....	71
4.17 Predictive Relevance.....	73
4.18 Hypothesis Testing.....	74
<b>CHAPTER V.....</b>	<b>80</b>
5.1 Conclusion .....	80
5.2 Theoretical Implication .....	81
5.3 Managerial Implication.....	82
5.4 Limitations .....	84
5.5 Recommendation for Future Research .....	84
<b>REFERENCES .....</b>	<b>86</b>
<b>APPENDICES</b>	

## LIST OF FIGURES

<b>Figure 1.1 OS Market Share in 2020 (in percent) .....</b>	<b>3</b>
<b>Figure 1.2 Number of Office 365 monthly active user growth since November 2015 (in million) .....</b>	<b>4</b>
<b>Figure 1.3 Teams daily active users from 2019 .....</b>	<b>4</b>
<b>Figure 1.4 Operating System Market Share in Indonesia .....</b>	<b>7</b>
<b>Figure 2.1 Research Model .....</b>	<b>19</b>
<b>Figure 4.1 Outer Model Microsoft .....</b>	<b>65</b>



## LIST OF TABLES

<b>Table 3.1 Conceptual and Operational Definitions of Variables .....</b>	<b>24</b>
<b>Table 3.2 Descriptive Statistic .....</b>	<b>28</b>
<b>Table 3.3 Table of Inferential Statistics .....</b>	<b>29</b>
<b>Table 4.1 Convergent Validity Pre-Test Result (Microsoft Brand Loyalty) .</b>	<b>38</b>
<b>Table 4.2 Convergent Validity Pre-Test Result (Microsoft Value Congruity) .....</b>	<b>38</b>
<b>Table 4.3 Convergent Validity Pre-Test Result (Microsoft Customer Brand Identification).....</b>	<b>39</b>
<b>Table 4.4 Convergent Validity Pre-Test Result (Microsoft Customer Brand Engagement) .....</b>	<b>40</b>
<b>Table 4.5 Convergent Validity Pre-Test Result (Microsoft Affective Brand Commitment) .....</b>	<b>40</b>
<b>Table 4.6 Convergent Validity AVE Pre-Test Result Microsoft.....</b>	<b>41</b>
<b>Table 4.7 Discriminant Validity Pre-Test Result (Microsoft Brand Loyalty)</b>	<b>42</b>
<b>Table 4.8 Discriminant Validity Pre-Test Result (Microsoft Value Congruity) .....</b>	<b>43</b>
<b>Table 4.9 Discriminant Validity Pre-Test Result (Microsoft Customer Brand Identification) .....</b>	<b>44</b>
<b>Table 4.10 Discriminant Validity Pre-Test Result (Microsoft Customer Brand Engagement) .....</b>	<b>45</b>
<b>Table 4.11 Discriminant Validity Pre-Test Result (Microsoft Affective Brand Commitment) .....</b>	<b>45</b>
<b>Table 4.12 Heterotrait-Monotrait Ratio (HTMT) For Pre-Test Result of Microsoft.....</b>	<b>47</b>
<b>Table 4.13 Cronbach's Reliability Pre-Test Result of Microsoft .....</b>	<b>48</b>
<b>Table 4.14 Composite Reliability Pre-Test Result.....</b>	<b>48</b>
<b>Table 4.15 Path Coefficients Pre-Test Result.....</b>	<b>49</b>



<b>Table 4.16 Gender Percentage.....</b>	<b>51</b>
<b>Table 4.17 Age Percentage.....</b>	<b>51</b>
<b>Table 4.18 Monthly Income Percentage.....</b>	<b>52</b>
<b>Table 4.19 Descriptive Statistics.....</b>	<b>53</b>
<b>Table 4.20 Convergent Validity - Actual Test (I) .....</b>	<b>56</b>
<b>Table 4.21 Convergent Validity - AVE Actual Test (I).....</b>	<b>58</b>
<b>Table 4.22 Discriminant Validity - Actual Test (I).....</b>	<b>58</b>
<b>Table 4.23 Convergent Validity - Actual Test (II).....</b>	<b>60</b>
<b>Table 4.24 Convergent Validity - AVE Actual Test (II).....</b>	<b>61</b>
<b>Table 4.25 Discriminant Validity - Actual Test (II) .....</b>	<b>62</b>
<b>Table 4.26 Heterotrait-Monotrait Ratio (HTMT) for Actual Test of Microsoft .....</b>	<b>64</b>
<b>Table 4.27 Reliability of Cronbach’s Alpha and Composite Reliability for Actual Test.....</b>	<b>64</b>
<b>Table 4.28 Outer Variance Inflation Factor.....</b>	<b>66</b>
<b>Table 4.29 Variance Inflation Factor (VIF) .....</b>	<b>68</b>
<b>Table 4.30 Goodness of Fit Index Calculation .....</b>	<b>68</b>
<b>Table 4.31 Summary Fit Model.....</b>	<b>71</b>
<b>Table 4.32 R-Square Value .....</b>	<b>71</b>
<b>Table 4.33 R-Square Adjusted Value .....</b>	<b>73</b>
<b>Table 4.34 Q-square Predictive Relevance .....</b>	<b>74</b>
<b>Table 4.35 Hypothesis Testing Result.....</b>	<b>75</b>

## LIST OF APPENDICES

<b>APPENDIX A</b> QUESTIONNAIRE .....	<b>A-1</b>
<b>APPENDIX B</b> PRELIMINARY TEST MODEL .....	<b>A-2</b>
<b>APPENDIX C</b> PRELIMINARY TEST MEASUREMENT MODEL.....	<b>A-3</b>
<b>APPENDIX D</b> ACTUAL TEST DATA .....	<b>A-4</b>
<b>APPENDIX E</b> ACTUAL TEST MEASUREMENT MODEL .....	<b>A-5</b>
<b>APPENDIX F</b> ACTUAL TEST STRUCTURAL MODEL .....	<b>A-6</b>
<b>APPENDIX G</b> ACTUAL TEST PREDICTIVE RELEVANCE .....	<b>A-7</b>

