RESEARCH ARTICLE
EXTENDED BRAND TO INCREASE BRAND PREFERENCE: THE KEY TO COOPERATIVE SURVIVAL DURING PANDEMIC

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Abstract

According to Undang-Undang (UU) No. 25 of 1992, a cooperative is a business entity composed of individuals or cooperative legal entities. Its activities are based on the principle of cooperatives, and the people's economic movement is based on the principle of kinship. In Indonesia, cooperatives have successfully become an organization occupying a special position in the structure of the national economy. The principle of kinship owned by cooperatives is a value adopted by the Indonesian people. In addition, as the formal sector in Indonesia, cooperatives are positively affected by their links with the informal sector; this link helps the formal sector to solve financial, management and technical skills issues (Majundar and Borbora, 2014). The purpose of the study is to determine which variable is affecting brand preference of cooperative application. This could help cooperative application to improve and achieve more in the competitive market. The research method used in this study is non probability sampling on Surabaya and Jombang. The data processing analysis is using simple and multiple regression with SPSS 22.0 software. The results of this data processing will be conducted with an in-depth discussion on the characteristic respondents such as gender both men and women, aged 18-60 years old, member of cooperative, have been shopping through mobile application for the last one year, and usually using internet in daily activities. The results of this study shows that there are four hypotheses which all of the hypotheses were accepted. The accepted hypotheses are brand familiarity has a positive effect on brand preference of extension brand with the coefficient regression is 0.233, brand evaluation has a positive effect on brand preference of extension brand with the coefficient regression is 0.702, brand offering has a positive effect on brand familiarity of extension brand with the coefficient regression is 0.881, and brand offering has a positive effect on brand evaluation of extension brand with the coefficient regression is 0.873.

Introduction:

According to Undang-Undang (UU) No. 25 of 1992, a cooperative is a business entity composed of individuals or cooperative legal entities. Its activities are based on the principle of cooperatives, and the people's economic movement is based on the principle of kinship. The cooperative is composed of many people with the same vision...
and mission to ensure the life of each member. The establishment of a cooperative is not only for profit (profit), but also to provide services that can make members, especially the entire society, prosper. Cooperatives are expected to reduce social inequality in society.

In Indonesia, cooperatives have successfully become an organization occupying a special position in the structure of the national economy. The principle of kinship owned by cooperatives is a value adopted by the Indonesian people. In addition, as the formal sector in Indonesia, cooperatives are positively affected by their links with the informal sector; this link helps the formal sector to solve financial, management and technical skills issues (Majundar and Borbora, 2014). The principles of cooperation, such as mutual assistance, cooperation (gotong royong) and several other moral essences, are also in harmony with the culture and government of the Indonesian nation. In addition, from the beginning, Indonesian cooperatives have been led to the side of the people’s economic interests.

The existence of cooperatives is expected to have various positive effects on the Indonesian economy. Therefore, it is not surprising that cooperatives managed to attract the attention of the government. The law supporting cooperatives, UUD 1945, further strengthened the existence of cooperatives in Indonesia. Pasal 33 UUD 1945 provides an in-depth explanation of cooperatives, especially the first paragraph "The economic structure is based on the principle of blood relationship through joint efforts." Of course, the most suitable blood relationship management entity is the cooperative.

In addition, about 70-90% of some of the community's needs in the food and service sector are also provided by cooperatives. Several cooperatives have also become one of the economic actors who have a considerable influence on people's lives. In the 1970s cooperatives in Indonesia experienced a dilemma where cooperatives were required to stand alone. But on the other hand, cooperatives also compete with several large companies that already have advantages, especially in terms of capital and government policies. Lately, the image of the cooperative itself has begun to dim where people tend to trust banks more. Cooperatives themselves can be said to be starting to be abandoned by the Indonesian people which continues to result in which the performance and contribution of cooperatives to the Indonesian economy also declines. Cooperatives themselves are expected to have a positive impact on the Indonesian economy (Amelia and Ronald, 2018).

From the research (Amelia and Ronald, 2018) that has been done, the results obtained from the six hypotheses proposed prove that four hypotheses are accepted and two hypotheses are rejected. In other words, per capita income, education level and human development index have a positive and significant impact on the number of active cooperatives in Indonesia. In addition, the assumption that per capita expenditure has a significant negative impact on active cooperation is also accepted. These two hypotheses were rejected and had a negative impact, namely unemployment and poverty levels.

The results of this study are important in the current Covid 19 pandemic because with the conditions of communities, especially rural areas, per capita income and human development index decline, education levels decline due to the community's inability to pay tuition fees, unemployment and poverty levels The increase will lead to a decrease in the number of active cooperatives.

Therefore, from the very beginning, Indonesian cooperatives have been guided to the economic interests of the people, especially the economic interests of the weak. Therefore, cooperatives are expected to become the pillars or pillars of the national economy, economic movement institutions, and the balancer of other economic activities. Breadwinner. This is why in the current COVID-19 pandemic era, the role of cooperatives should become more important because the main impact of the current pandemic is especially the impact on the poor.

And this is proven by the decreasing number of active cooperatives from early 2020 to 2021 at this time. According to the records of the Ministry of Cooperatives and Small and Medium Enterprises (UKM), the total Indonesian population involved in cooperatives is only about 8.4 percent or about 22.4 million people out of a total of 267 million inhabitants. The average global community involvement in cooperatives in a country has reached 16.3 percent of the total population.

The application of technological developments in cooperatives can be aimed at the business development of cooperatives in encouraging the Indonesian economy. Amid rapid technological developments, it is very helpful for various economic actors to establish communication quickly and cheaply. Conditions like this create a level of
competition that is quite tight so that for cooperatives to remain competitive, technological developments are needed. The application of technology in a cooperative can create brand extensions. The brand extension itself is the condition of a brand that already exists in the market (has a physical store) and expands its market share to the online realm (Amelia, 2014). The situation and condition of the COVID-19 pandemic itself strongly support the existence of technology for economic players where expansion to the online market share can be a big enough opportunity. This happens due to various appeals from the government to carry out the majority of activities from home. Most people have switched to online market share where almost all products needed by the community can be found in the marketplace. In the end, this study aims to determine what variables can affect brand preference from the application of technological developments in cooperatives.

**Literature Review:-**

**Brand Preference:-**

Helier et al. (2003) defines brand preference as the degree to which customers like the services provided by the company they use compared to the services provided by other companies in the customer preference list. This statement shows that preference is always related to more than one thing being compared. Chomvilailuk and Buthcer (2010) define brand preference as "the relative preference for choosing and using a brand".

**Brand Familiarity:-**

Keller (1993) defines brand familiarity as some product-related experiences accumulated by customers (through the use of products, advertisements, etc.). Baker et al. (1986) defines brand familiarity as a one-dimensional structure directly related to the amount of time spent processing brand information, ignoring types or including processed brands. In the research of Sääksjärvi and Samiee (2007), brand awareness is the same as brand familiarity. Regarding online brands and extended brands, the research results of Sääksjärvi and Samiee (2007) show that the impact of familiarity on online brands is different from the impact of brands on the Internet (extended brands). Aaker and Keller (1990) stated that the brand familiarity of online brands is relatively new and the preference for online brands is very important. In contrast, in the case of an extended brand, the customer hopes that the parent brand of the extended brand can use the positive assets that already exist in the familiar relationship. Therefore, we tested the following hypotheses:

*H1: Brand familiarity has a positive effect on brand preference of extension brand*

**Brand Evaluation:-**

Du Han et al. (2006) pointed out that brand evaluation is defined as customers' perception of brand quality. Assael (2001) said that brand evaluation is an emotional component, representing all customer evaluations of the brand. According to Suwito (2007), emotional understanding is a response to the feelings and attributes of an object. Under this understanding, brand evaluation is obviously related to customers' feelings and judgments about online brands. If the judgment given by the customer in the evaluation state is affirmative, then the customer is likely to choose the online brand. Otherwise, if the judgment result is negative, customers will tend not to choose an online brand. La Roche et al. (1996) found that self-confidence in brand evaluation is one of the determinants of customers' willingness to buy a brand. This shows that brand evaluation will affect customers' brand preferences. Similar statements by Sääksjärvi and Samiee (2007) and Hoek et al. (2000) said that a positive evaluation of a brand's tent will lead to a preference for that brand. We can make the following hypotheses:

*H2: Brand evaluation has a positive effect on brand preference of extension brand*

**Brand Offering:-**

Sääksjärvi and Samiee (2007) defined the term provided by a brand as "the choice it must provide" in their research. In the relationship with online brands, brand offering is the choice of things that online brands provide to customers. Similarly, Shim et al. (2001) Describes brand offering as a choice of things offered by online brands. Sääksjärvi and Samiee (2007) said: “Brand offerings may also affect consumers’ familiarity with the brand. Consumers notice the more choices offered by certain retail brands and can reasonably expect them to be. The brand is more familiar”.

The study of Szymanski and Hise (2000) found that the availability of multiple products improves customer service information that customers can choose, which may reduce risk perception and increase purchase intentions. Gong et al. (2002) said that as the availability of different products or versions is a way to increase revenue, use product differentiation and price segmentation to provide certain market segments. Wolfinbarger and Gilly (2001) show that customers want a brand to provide comprehensive or complete products, which will increase customers' willingness to buy in a few days. Sääksjärvi and Samiee (2007) also found that brand offerings have a positive impact on the brand evaluation of retail brands. From these statements, we can make the following hypotheses:
Research Issue and Methodology:

Research Issue:
The data collection for this study was conducted through literature research and questionnaire surveys. Literature refers to the research of previous research to support the realization of the research goals. The literature sources used in this research come from books, journals, articles, government reports, research results and other relevant data. The target of population were people who live in Surabaya and Jombang, with characteristics as follow: men and women, aged 18-60 years old, a cooperative member, have been shopping through mobile application for the last one year, and usually using internet in daily activities. Questionnaire distribution was conducted via online (google forms). In the study, 150 questionnaires were spread to the people who live in Surabaya and Jombang cooperative. From all the questionnaires spread, there were 150 questionnaires were collected.

Methodology:
Areas which were used within this research were level measurement. Type of scale used was Likert Scale, a statement which has a range from 1=strongly disagree to 5=strongly agree, the scale represent the respondents opinion for the questions regarding the objects being studied. In which the higher the score or number selected indicating the higher of ratings, and vice versa.

Findings and Discussion:

Findings:
This study used simple and multiple regression in testing between variables. Statistical analysis tool used to answer the problem formulation of this research is SPSS version 22.0. Once the questionnaires were returned, the next step that must be conducted is descriptive statistic analysis.

Based on the results from data processing in Table 1 shows that the average score of the mean for overall indicator is 4.16225. This shows that all indicators of variables that tested can be perceived by all respondents. In addition, the standard deviation is 0.7265 shows that the answers given by respondents are homogeneous or relatively the same. It is known that the highest mean average is Brand Offering, that is 4.241. This may indicate that the indicators of are best perceived by respondents than other variables. Brand Familiarity has the highest score for standard deviation, that is 0.759. This may include that the respondents give answers for least homogeneous compared with other variables.
Table 1: Descriptive statistic.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Offering</td>
<td>4.241</td>
<td>0.710</td>
</tr>
<tr>
<td>Brand Familiarity</td>
<td>4.140</td>
<td>0.759</td>
</tr>
<tr>
<td>Brand Evaluation</td>
<td>4.167</td>
<td>0.704</td>
</tr>
<tr>
<td>Brand Preference</td>
<td>4.101</td>
<td>0.733</td>
</tr>
</tbody>
</table>

**Source:** Data, compiled by researcher (2021)

Before going for Simple and Multiple Regression testing, first steps that must be conducted is the testing of the validity and reliability to prove that the data from the questionnaire is valid, reliable, and able to be used for the next analysis.

**Validity test**

The criteria for the test is the value of the factor loading is higher than 0.160, then the statement is considered valid, however, if the value of the factor loading is less than 0.160, then the statement is considered invalid or failed. Based on the test of data validity, it is proved that all indicators used to estimate each variable is valid, since the value of the factor loading for every question are more than 0.160. The data that was used in this validity test is from pre-sampling from 150 respondents in Surabaya.

**Table 2:** Validity test result.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Indicator</th>
<th>Indicator</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>BO</td>
<td>BE</td>
<td>BF</td>
<td>BP</td>
</tr>
<tr>
<td>BO1</td>
<td>.844</td>
<td>.775</td>
<td>.737</td>
</tr>
<tr>
<td>BO2</td>
<td>.824</td>
<td>.762</td>
<td>.868</td>
</tr>
<tr>
<td>BO3</td>
<td>.836</td>
<td>.718</td>
<td>.837</td>
</tr>
<tr>
<td>BO4</td>
<td>.772</td>
<td>.747</td>
<td>.748</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Data, compiled by researcher (2021)

**Reliability test**

Reliability test is performed by comparing Cronbach’s alpha value, if the value is higher than 0.6, then the statement is considered reliable. From the result, the data that was collected is considered reliable. From the result, the data can prove that the variables of brand offering, brand familiarity, brand evaluation, and brand preference, all resulting the value of Cronbach alpha higher than 0.60. So, it can be concluded that the variables developed in the statements can be said to be consistent/reliable and can be used for further analysis. The data that was used in this validity test is from pre-sampling from 150 respondents in Surabaya.

**Table 3:** Reliability test result.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>BO</td>
<td>.922</td>
</tr>
<tr>
<td>BE</td>
<td>.886</td>
</tr>
<tr>
<td>BF</td>
<td>.922</td>
</tr>
<tr>
<td>BP</td>
<td>.927</td>
</tr>
</tbody>
</table>

**Source:** Data, compiled by researcher (2021)

Results of Normality test, Heteroskedasticity test, and Multicollinearity test,

**Normality test**

The results below is showing the p-plot of normality test. Based on figure 2 it can be seen that the variable has a normal distribution, this can be shown by the data which is not far from the diagonal line. The data that was used in this normality test is from pre-sampling from 150 respondents in Surabaya.
Figure 2: P-plot for Brand Preference normality test.

The results below is showing the p-plot of normality test. Based on figure 3 it can be seen that the variable has a normal distribution, this can be shown by the data which is not far from the diagonal line. The data that was used in this normality test is from pre-sampling from 150 respondents in Surabaya.

Figure 3: P-plot for Brand Familiarity normality test.

Source: Data, compiled by researcher (2021).
The results below is showing the p-plot of normality test. Based on figure 4 it can be seen that the variable has a normal distribution, this can be shown by the data which is not far from the diagonal line. The data that was used in this normality test is from pre-sampling from 150 respondents in Surabaya.

**Figure 4:** P-plot for Brand Evaluation normality test.

**Normal P-P Plot of Regression Standardized Residual**

![Normal P-P Plot](image)

Source: Data, compiled by researcher (2021)

**Heteroskedasticity test**

The results below is showing the scatterplot of heteroskedasticity test. Based on figure 5, 6 and 7 it can be seen that the results of the analysis of the heteroscedasticity test can be seen in the graph where the basis of the analysis is if there is no clear pattern, and the points spread above and below the number 0 on the Y axis, it can be concluded that there is no heteroscedasticity. The data that was used in this heteroskedasticity test is from pre-sampling from 150 respondents in Surabaya.
Figure 5: Scatterplot for Brand Preference heteroskedasticity test.

Scatterplot
Dependent Variable: BP

Source: Data, compiled by researcher (2021)

Figure 6: Scatterplot for Brand Familiarity heteroskedasticity test.

Scatterplot
Dependent Variable: BF

Source: Data, compiled by researcher (2021)
Multicollinearity Test
From Table 4, it can be seen that there is no correlation among the independent variables since the tolerance value is higher than 0.1 and the VIF value is less than 10. The data that was used in this multicollinearity test is from pre-sampling from 150 respondents in Surabaya.

<table>
<thead>
<tr>
<th>Regression</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>BF → BP</td>
<td>.358</td>
<td>2.797</td>
</tr>
<tr>
<td>BE → BP</td>
<td>.358</td>
<td>2.797</td>
</tr>
<tr>
<td>BO → BF</td>
<td>1.000</td>
<td>1.000</td>
</tr>
<tr>
<td>BO → BE</td>
<td>1.000</td>
<td>1.000</td>
</tr>
</tbody>
</table>

Source: Data, compiled by researcher (2021)

Results of coefficient determination:-
From Table 5, coefficient determinant/R-square (R2) for model 1 generated value as high as 0.776 which means that the variations of variable of brand offering can explain the variation of variable of brand familiarity by 77.6%, while the rest 22.4% is explained by other variables beyond the model which is not yet observed. Furthermore, coefficient determinant/R-square (R2) for model 2 generated value as high as 0.762 which means that the variations of variable of brand offering can explain the variation of variable of brand evaluation by 76.2%, while the rest 23.8% is explained by other variables beyond the model which is not yet observed. Table 2 also shows that the result of coefficient determination for model 3 is 0.829. Its means that the variations of variable of brand familiarity and brand evaluation together can explain the variation of variable of brand preference by 82.9%, while the rest 17.1% is explained by other variables beyond the model which is not yet observed. The data that was used in this coefficient determination is for hypothesis testing from 150 respondents in Jombang.
Table 5: Coefficient determination.

<table>
<thead>
<tr>
<th>Model</th>
<th>R Square</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Standard error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>0.776</td>
<td>0.881</td>
<td>0.776</td>
<td>0.774</td>
<td>0.3607</td>
</tr>
<tr>
<td>Model 2</td>
<td>0.762</td>
<td>0.873</td>
<td>0.762</td>
<td>0.760</td>
<td>0.3448</td>
</tr>
<tr>
<td>Model 3</td>
<td>0.829</td>
<td>0.912</td>
<td>0.831</td>
<td>0.829</td>
<td>0.3034</td>
</tr>
</tbody>
</table>

Model 1: a. Predictors: (Constant), Brand Offering; Dependent Variable: Brand Familiarity
Model 2: a. Predictors: (Constant), Brand Offering; Dependent Variable: Brand Evaluation
Model 3: a. Predictors: (Constant), Brand Familiarity, Brand Evaluation; Dependent Variable: Brand Preference

Source: Data, compiled by researcher (2021)

Results of simple regression:
From Table 6, the regression equation can be written as follows:

Model 1:
\[
BF = b1.BO \\
BF = 0.881.BO
\]

Model 2:
\[
BE = b2.BO \\
BE = 0.873.BO
\]

Based on Table 3, all the independent variables have positively influence towards dependent variable. Brand offering has the greatest regression coefficient towards brand familiarity which is 0.881 than brand offering towards brand evaluation which is 0.873. The data that was used in this simple regression is for hypothesis testing from 150 respondents in Jombang.

Table 6: Simple Regression.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient regression</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td></td>
</tr>
<tr>
<td>Brand Offering</td>
<td>0.881</td>
</tr>
<tr>
<td>Model 2</td>
<td></td>
</tr>
<tr>
<td>Brand Offering</td>
<td>0.873</td>
</tr>
</tbody>
</table>

Source: Data, compiled by researcher (2021)

Results of multiple regression
From Table 7, the regression equation can be written as follows:

Model 3:
\[
BP = b3.BF + b4.BE \\
BP = 0.233.BF + 0.702.BE
\]

Based on Table 7, all the independent variables have positively influence towards dependent variable. Brand evaluation has the greatest regression compare to other variables, that is 0.702. Brand familiarity has smaller influence on brand preference, it is because brand familiarity has the lower regression coefficient compared to brand evaluation, which is equal 0.233. The data that was used in this multiple regression is for hypothesis testing from 150 respondents in Jombang.

Table 7: Multiple Regression.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient regression</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 3</td>
<td></td>
</tr>
<tr>
<td>Brand Preference</td>
<td>0.233</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data, compiled by researcher (2021)
F-test
The data that was used in this F-test is for hypothesis testing from 150 respondents in Jombang. Based on the SPSS calculation, the significance of F-test value in the model 1 is 0.000, this mean H0 is rejected, so it can be concluded that brand offering influences brand familiarity significantly. This mean, the hypothesis which declared that brand offering influences brand familiarity is accepted. The result of SPSS’s calculation also shows that the significance of F-test value in the model 2 is 0.000. This means that H0 is rejected and brand offering is significantly influence brand evaluation. Furthermore, the significance of F-test value in the model 3 is 0.000, this mean H0 is rejected, so it can be concluded that brand familiarity and brand evaluation jointly influence brand preference.

T-test
The t-test used to determine whether the independent variables of brand offering, brand familiarity and brand evaluation partially (independently) have significance influence on brand preference. If the value of t-test is below 0.05, than it can be stated that the variable is significantly influenced by partially. The data that was used in this T-test is for hypothesis testing from 150 respondents in Jombang.

From Table 8, it can be explained that the variables of brand offering has a significant influence towards brand familiarity and brand evaluation of cooperative. The result on Table 8 also show that both brand evaluation and brand familiarity have significant influence towards brand preference of cooperative.

Table 8: Result of t-test.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Sig.</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Offering</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td><strong>Model 2</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Offering</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td><strong>Model 3</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Familiarity</td>
<td>0.001</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand Evaluation</td>
<td>0.000</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: Data, compiled by researcher (2021)

Discussion:-
The result of this studies showed that brand offering has positive effects on both brand familiarity and brand evaluation. The results of the studies also show that both brand familiarity and brand evaluation has significant effect towards brand preference. It can be concluded that from four proposed hypotheses, all of them are supported.

The first hypothesis stating that brand familiarity has a positive effect on brand preference is supported, because the t-test value is 0.001, below 0.05. This shows the consistency results of this study with the research of Sääksjärvi and Samiee (2007), Aaker and Keller (1990) that explained that the influence of familiarity to the cyber brands was different compared to the influence to brand brought to the internet (extension brand) and brand familiarity had a positive effect on brand preference of extension brand.

The second hypothesis stating that brand evaluation has a positive effect on brand preference of extension brand is supported. The second hypothesis is supported because the t-test value is 0.000, below 0.05. This shows the consistency results of this study with the research of Laroche et al. (1996), Sääksjärvi and Samiee (2007) and Hoek et al. (2000), which explained that brand evaluation had a positive effect on brand preference of extension brand.

The third hypothesis stating that brand offering has a positive effect on brand familiarity of extension brand is supported because the t-test value is 0.000, below 0.05. This result shows a consistency with the previous study by Sääksjärvi and Samiee (2007), which explained that brand offering had a positive effect on brand familiarity of extension brand.

The fourth hypothesis stating that brand offering has a positive effect on brand evaluation of extension brand is supported because the t-test value is 0.000, below 0.05. This shows a consistency with the previous study by Sääksjärvi and Samiee (2007) who explained brand offering had a positive effect on brand evaluation of extension brand.
Conclusion, Limitation and Research Extension:

Conclusion:

From the research and discussion that have been done, this study successfully extends brand preference to the context of extension brand by adding three variables (brand offering, brand familiarity and brand evaluation). As the result of this research, both brand familiarity and brand evaluation have a positive and significant effect on brand preference of cooperative application (extension brand). In addition, the result of this research also shows that brand offering has a positive and significant effect on brand familiarity also shows that brand offering has a positive and significant effect on brand evaluation of the cooperative application (extension brand).

Brand familiarity has a positive and significant effect on the brand preference of cooperative application because the users already know about the cooperative before and also the cooperative does have physical form both for store or office. So that the users become more familiar with the cooperative application.

The results of the study also show that brand evaluation has a positive and significant effect on the brand preference of cooperative application. This happened because the cooperative application is still new to the digital market where the majority of people are likely to think that cooperative is an office and did not use technological aspects. But with the application of technology in a cooperative, could help the cooperative to grow and also survive amid intense competition in the market.

Brand offering has a positive and significant effect on brand familiarity of cooperative application because of the cooperative offering various products from the micro, small and medium enterprises (MSME) with the various brand. The cooperative also offers various services such as savings and loans, insurance, and many more depending on the cooperatives types.

Brand offering also has a positive and significant effect on brand evaluation of the cooperative application. This happened because the cooperative application also offers complete services like physical cooperative usually does. Besides that, the cooperative application also helps out a group of people who are afraid to go outside the house, by using the cooperative application, people could access to save their money at cooperation easier or apply for a loan.

Limitation and Research Extension:

There are several limitation within this research, first this research did not examine the moderating variables, and only use limited sample in people who live in Surabaya and Jombang. It also can be concluded that researchers and strategists need to consider other issues relating to brand offering. In further research, it is expected to increase the sample used in order for the data to be more generalized. Secondly, the moderating variables can also be used to strengthen the research. Third, it is to consider other issues such as socio-demographic factors in the relationship with brand preference. Further research is expected to be able to examine more specifically about the Technology Acceptance Model variables or theories related to the Relative Advantage variables so as to be able to find out the variables that shape the desire to use the online application.

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