

# Exploring the Impact of Perception After Rebranding and Customer Satisfaction on Corporate Image

(A Case Study: PT. Darta Media Indonesia Kaskus)

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**Abstract**—Corporate image has emerged as the most discussed topic among companies worldwide in this decade, as it is a key component to the success of the business and corporate sustainability. However, customer perceptions after rebranding believed to be important variables that could affect the corporate image on Kaskus. To achieve these goals, increasing customer satisfaction is also need to be emphasis to improve the impact of the perception after rebranding that will influence of corporate image. The main objective of this study is to determine how perception after rebranding and customer satisfaction affect Kaskus as corporate image especially amongst Indonesian students in Universiti Utara Malaysia. To achieve the objective, quantitative methods were used and data was collected through questionnaires. A total of 108 questionnaires were distributed to Indonesian students in Universiti Utara Malaysia. Data were analyzed using the Statistical Package for Social Sciences version 19.0. Based on the hierarchical regression analysis, there is significance influence of perception after rebranding and customer satisfaction towards Kaskus corporate image. In addition, Customer satisfaction may moderate the effect to strengthen perception after rebranding on Kaskus corporate image. The findings suggest, by giving emphasis on customer satisfaction and create positive consumer perception after rebranding, corporate image can be improved, thus in the end, effectiveness and efficacy might also be improved. Finally, this study contributes both theoretical and managerial implications to achieve better corporate image through an emphasis on strategies to improve customer satisfaction.

**Keywords**—*perception after rebranding; customer satisfaction; corporate image*

## I. INTRODUCTION

Corporate image is one of the critical factors in the assessment of every company [1]. In general, corporate image is considered an asset which gives the company a chance to differentiate itself aiming to maximize the market share, attracting new customers, compete with other competitors and survival in the emergent market [2]. It also essentially is regarded as the heart of a corporate identity that represents the existence of the following companies' product. An image serves to create a certain impression so easily recognized by the costumer mind. A brand is one of the most valued intangible assets for a company [3], thus playing an important

part in strengthening customer relations [4]. The question arises on rebranding, is whether the main stakeholders are aware and accept about the change or not. Because the successful rebranding in some company can be determine through suitable communication process [5]. Rebranding might be beneficial to an organization seeking to change and enhance their image for enticing new consumer and maintaining customer relationship. Company will have a positive image if consumers have faith in the value or profit when they use the service from the company [6]. Since customer satisfaction is measure by the judgments made by the level of satisfaction derived from each service, were found that have an effect on the estimation of the corporate image. Previous study found that the consumers will receive excellence service with a high level will establish a good corporate image and profitable [7].

As a largest Indonesian community in digital industry, Kaskus always strive to continually improve the convenience for the users. In 2012, Kaskus re-use their website addresses from kaskus.us to kaskus.co.id as official site, this is done to re- strengthen the image Kaskus as the site but still have a global vision of Indonesian identity. Kaskus management was forced to change their layout, design, domain, content and navigation setting because previously has technical issues on their website. However, this need to be done because to increase the satisfaction for the user to keep sustaining the services. However, in line with the rise in digital industry, Kaskus existence is quite alarming. In 2013, Kaskus rank in Indonesia has started to drop in Indonesia and there are several competitors were rapidly coming to the digital industry that interfere the existence of Kaskus. Kaskus having bad impact of the rebranding which is the customer relationship management division received almost 1,200 complained cases regarding Kaskus new interface and many of them claimed was uncomfortable when browsed the website. It seen that a successful corporate rebranding will provide an opportunity for improving a significant customer satisfaction but if company fail to do so it will lead to disaster [8].

Improper rebranding strategy of Kaskus causes the company to gain losses of new prospective users. To narrow this gap, this research is an effort to determine the perception after rebranding and customer satisfaction affect Kaskus

corporate image especially amongst Indonesian students in the Universiti Utara Malaysia. As shown in the Fig 1, the research framework is developed on the basis of the conceptual and theoretical discussion.

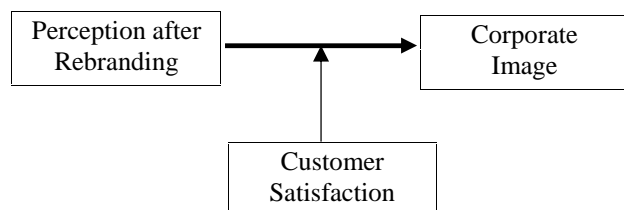


Fig. 1. Research framework.

Drawing upon the research framework from Fig.1, five hypotheses have been formulated, which are to be tested in this study. The five hypotheses are developed in order to clarify the nature of different connections or the impartiality of four factors in a situation as follow:

- H1: There is significance influence of perception after rebranding towards Kaskus corporate image.
- H2: There is significance influence of customer satisfaction towards Kaskus corporate image.
- H3: Customer satisfaction may moderating the effect of perception after rebranding towards Kaskus corporate image.

## II. METHOD

Research design places the main issues in the studies concerning location and type of study, time spent and the unit to study [9]. This study used Hypothesis testing (predictive) design of studies that engage to explain the nature of certain relationship of several factors in some phenomenon. This study utilized a research based quantitative research model. Why used quantitative study is because this research aims to examine some phenomenon or problems in the form of quantities. The study used correlational study because the researcher is interested in outlining the significant variables linked with the problem. This research wanted to know that attempts are sometimes made to establish cause and effect relationship through certain types of regression analyses. The unit of analysis is individual which is Indonesia Student who is pursue degree in Universiti Utara Malaysia. The researcher chooses the student level as respondent, because target audience in Kaskus website is mostly came from junior high school until university students. The researcher choosing Indonesian student in UUM because Kaskus user is all Indonesia citizen as the website is mostly come with Bahasa Indonesia.

Simple random sampling techniques were used in this study because every element in the population has a known and equal chance of being selected as a subject [9]. The total population of 150 with a total sample size of 108. then, this research uses a sample size of 108 in order to obtain accurate study results that satisfy the objectives of the research. In order to achieve the research objectives, the survey method was adopted in full through a structured survey questions

(questionnaire) which was adopted by previous research. A questionnaire was pre- formulated written set of questions to the respondents to record their answers [10]. Data were fully analyzed using Statistical Package for Social Science (SPSS) version 19.0 mainly regression analysis to obtain the research results and conclusions of the research.

### A. Measurement of Variables

A questionnaire is a structured technique that consists of a number of written and oral questions to be answered by respondents to the data [11]. As mentioned previously, this research uses a set of survey questions, which are fully adapted from previous research, from questionnaire is the main tool used to collect data from respondents. This study used Likert scale to examine how strongly subjects agree or disagree with statements in a point a five-point scale. Likert scales are generally treated as ordinal scales [9]. The study used questionnaires because the study involved prediction of attitudes and intentions behavior.

Based on table 1, the operationalization of customer perceptions towards the brand after rebranding was adapted from the existent literature based on the three dimensions which is brand image, brand association, and brand attitude [12]. Measurement of customer perception after rebranding process has been adapted from previous studied [12]. Nine items adapted involving of three characteristics which is strength of brand associations, brand attitude and brand image were described in measuring how customers perceive the brand. Brand image that were assessed via three items adapted from previous studies [13]. Brand associations were measured by three items adapted from the study of Aaker [14]. The measurement scale of brand attitudes were adopted from previous study, in which three items were developed in an effort to capture cognitive elements [15].

TABLE I. MEASUREMENT ITEM FOR PERCEPTION AFTER REBRANDING

Measurement Item for Perception After Rebranding	
1.	I would be prouder to own a product of this brand than I would have before
2.	This brand has a stronger brand image than it did before
3.	The image of this brand is improved over time
4.	I feel that the brand is improve than before
5.	I would be more likely to try this brand today than I would have a few years ago
6.	My overall opinion of the brand is now more favorable than it used to be
7.	This brand offers more personality to me than it did before
8.	This brand is more interesting than it used to be
9.	I now admire the corporation that makes this brand more than before

Based on Table 2, the customer satisfaction on website seems to be an essential notion for the purposes as it looks like to be a requirement for enhance corporate image [16]. In this study researcher used definition of customer satisfaction on website as an affective consumer condition towards the web site that results from an evaluation of all the aspects that make up the consumer relationship [16]. Furthermore, the measurement of customer satisfaction in using website is follow previous study that recommend web site trust develops

through the online user's satisfaction based on their experiences [16].

TABLE II. MEASUREMENT ITEM FOR CUSTOMER SATISFACTION

Measurement Item for Customer Satisfaction
1. I think that I made the correct decision to use Kaskus Website
2. The experience that u has had with kaskus website has been satisfactory
3. In general terms, I am satisfied with the way kaskus website functions
4. In general, I am satisfied with the service I have received from the kaskus website

Customers who used repeated service encounters have a favorable image of the company and this image helps form an emotional connection with the customer [17]. The operationalized of corporate image used in this study defined as overall corporate and image perceived by customers, including corporate reputation compared to other companies. Measures for corporate image were adapted from previous study [18]. It shown Table 3, measurement item for corporate image.

TABLE III. MEASUREMENT ITEM FOR CORPORATE IMAGE

Measurement Item for Corporate Image
1. The image of Kaskus was very favorable
2. In general, your friends or relatives say that the kaskus image is very favorable
3. Compared to other digital media available to you, the image of kaskus website you used was much more favorable.
4. The overall perceptions about kaskus website it is very favorable

### B. Validity

The reliability analysis done in this research is need to be done for knowing that the questionnaire is reliable to use as the instrument to determine the perception after rebranding and customer satisfaction affect Kaskus corporate image especially amongst Indonesian students in the Universiti Utara Malaysia. The pilot test began with reliability test through Cronbach's Alpha. Reliability is the extent to which measures are error free. Hence, consistent and similar results can be obtained across circumstances and in excess of time [19]. By taking 30 respondents from Kaskus users in Universiti Utara Malaysia for pilot study, a questionnaire is said to reliable if respondent's answers on the questions are consistent or stable over time.

TABLE IV. RELIABILITY ANALYSIS

Variables	No. of items	Cronbach Alpha
Corporate Image	4	0.714
Perception After Rebranding	9	0.768
Customer Satisfaction	4	0.710

The results from table 4 that the Cronbach alpha for perception after rebranding is 0.768, Cronbach alpha for customer satisfaction is 0.710 and Cronbach alpha for corporate image is 0.714. However, those in the range of over 0.80 are considered acceptable. Thus, this questionnaire is considered reliable and consistent for this study.

## III. RESULTS AND DISCUSSION

Research hypotheses in this study are tested partially and compute by hierarchical regression analysis with the objective of measuring the amount and the connection between dependent and independent variables. Hierarchical regression explains that the independent variables are not entered into the regression simultaneously, but in steps. As presented in Table 5, in this test researcher compute a hierarchical regression in which three distinct steps are stipulated. Corporate image as dependent variable, customer satisfaction as second predictor and the interaction term between perception after rebranding and customer satisfaction as the third predictor.

TABLE V. RESULT OF HIERARCHAL REGRESSION ANALYSIS

Model	Unstandardized Coefficients	Standardized Coefficients
	<i>B</i>	<i>Beta</i>
(Constant)	2.013	
Perception after rebranding	0.569	0.463
Customer satisfaction	0.221	0.226
Perception after rebranding X Customer Satisfaction	0.245	1.472

Dependent Variable: Corporate Image

Predictors: (Constant), Perception after rebranding, customer satisfaction, perception after rebranding x customer satisfaction (rbxcs)

Based on the table 5, it was discovered that the regression coefficient of perception after rebranding is positive (0.569) which means that perception after rebranding is in the same direction or positive influence on Kaskus corporate image. Therefore, if perception after rebranding positively rises the worth of Kaskus corporate image will also improve; conversely the decline of perception after rebranding would reduce the Kaskus corporate image. The regression coefficient of customer satisfaction is also positive (0.221), meaning that customer satisfaction is in the same direction and positive influence on Kaskus corporate image level. It shows that if the customer satisfaction is increases then the customer will see improvement on Kaskus corporate image. Conversely if the customer satisfaction is decreased then then Kaskus corporate image is decreased. Moreover, the regression coefficient of moderation interpretation is positive (0.245) meaning that the strengthen association between customer satisfaction and perception after rebranding will lead to positive Kaskus corporate image among the users. It shows that if the more customer is more satisfied with the website and will strengthen the perception of rebranding that lead to increases the Kaskus corporate image. The Beta column is to find which the beta value is the largest when comparing the contribution of each variables, however as the result above the largest beta is 1.472

in customer satisfaction moderate perception after rebranding to the most contribute to predict dependent variable.

The result of the partial test based on Table 5 presented that standardized coefficient variable of perception after rebranding with T-value is  $5.383 > t\text{-table } 1.646$  and significant value is 0.000. It means that perception after rebranding has significant influence on Kaskus corporate image at confidence level 95%, Therefore H1 is accepted. Next, based on table 4.6 it is presented that the customer satisfaction variable has t-value  $2.634 > t\text{-table } 1.646$  and the significant value is 0.010, meaning that customer satisfaction has significant influence towards Kaskus corporate image at confidence level of 95%. Therefore, H2 was accepted and it was concluded that there was a significant influence of customer satisfaction on Kaskus corporate image. Another hypothesis testing based on Table 4.6 it showed that the moderating effect customer satisfaction to support perception after rebranding have t-value is  $2.352 > t\text{-table } 1.646$  and the significant value is 0.039, meaning that Customer satisfaction may significant influence for moderating the effect of perception after rebranding on Kaskus corporate image at confidence level of 95%, Therefore H3 was accepted.

#### A. Perception after rebranding on Kaskus Corporate Image

In general, the first hypothesis result indicates that the perception after rebranding have significant influence towards Kaskus corporate image. This result is support with the findings from that rebranding can be beneficial to the company that looking for to adjustment and improve their image for some reasons rather than just attracting new customers [20]. This finding suggests that user perception after rebranding is play important role to make the corporate image better in the future. The brand of Kaskus itself is having been embedded to the customer mind that takes place of being their second to find everything customer need. By joining Kaskus the member is ready to search for information, knowledge, joining new communities that represent Indonesia ideologies. When Kaskus make certain changes, and rebranding on the website and replaced with new management from PT Djarum will create different perception in customer mind. This can occur because corporate image is associated with the overall corporate and image perceived by customers, including corporate reputation and design that would have a direct influence towards the level of Kaskus corporate image. Thus, it seems that customer perception after rebranding is compulsory to take as important role because merely to increase corporate image.

#### B. Customer Satisfaction on Kaskus Corporate Image

The second hypothesis indicated that the customer satisfaction has significant influence towards Kaskus corporate image. One plausible explanation for this result is that the customer satisfaction is more directly associated to an evaluation of all the aspects that make up the costumer relationship to have direct impact on Kaskus corporate image. This result is consistent with the Blackberry costumer research, where there is influence of customer satisfaction on corporate image [21]. In this study suggests that the higher costumer satisfaction perceived by Blackberry, it will improve the image of the company. This finding also support with

other finding that mention about positive relationship between customer satisfaction and corporate image [22]. In addition, if customers favor the corporate image, they will possibly grow a positive level of satisfaction. In general, respondents were satisfied with the services that given by Kaskus. The attributes that have the most powerful effect and can be used as indicators of Kaskus user satisfaction are attributes suitability of the information with the purpose, function private message, interactivity features to achieve the goal, the projected image that accordance with the site, and security of transactions.

#### C. Customer Satisfaction moderating effect of perception after rebranding on Kaskus Corporate Image

In this study also found that customer satisfaction is moderating the effect of perception after rebranding towards Kaskus corporate image. This finding suggests that one of the ways to improve the corporate image is through fulfilling the customer satisfaction to support the customer perception after rebranding that have direct impact on strengthen Kaskus corporate Image. This study is support the study that found that rebranding and service quality are moderated by the customer satisfaction to online corporate image [23]. Lastly, perception after rebranding and customer satisfaction is hardly being separated. Both of these variables are now an instrument for increased Kaskus corporate image, which cannot be separated from the competitive perspective. However, by keep maintaining the customer satisfaction and create rebranding awareness to customer, Kaskus will create greater corporate image in the future. Besides customer satisfaction is moderating the effect of perception after rebranding towards Kaskus corporate image. Furthermore, it proves that by giving emphasis on customer satisfaction and create positive costumer perception after rebranding, corporate image can be improved, thus in the end, effectiveness and efficacy might also be improved.

### IV. CONCLUSION

In summary, the result of findings is answered all the research question and achieved the objectives that researcher need to finds in this study. The finding suggests that user perception after rebranding is play important role to make the corporate image better in the future. Because the Kaskus brand is having been embedded to the customer mind that takes place of being their second to find everything customer need. In addition, customer satisfactions have significant influence towards Kaskus corporate image because customer satisfaction is more directly associated to an evaluation of all the aspects that make up the costumer relationship to have direct impact on Kaskus corporate image.

One of the basic implications in this study is that it validated the initial hypothesis of perception after rebranding and customer satisfaction that influence towards customer satisfaction in digital industry. The study confirmed that both of this dimension has influence on corporate image. It is proven by the study that the customer satisfaction can be moderating effect to perception of rebranding in attaining positive corporate image. In contribution to the theoretical implication, this study recommends that customer perception after rebranding and customer satisfaction should be treated when indicating observations associated with corporate image.

In giving interpretations on perception after rebranding are based on multiple dimensions and by giving emphasize on every role of each dimension is important it can give more understanding towards defining the term about rebranding.

Therefore, there are several recommendations from study that must be implemented in enhancing Kaskus corporate image. First of all, in the website engine aspect the managerial implications are proposed to the Kaskus management is to occasionally update site creativeness and innovativeness to compete in the digital industry. Kaskus currently the site is using vBulletin Version 3.6.8 that every renewal of the repairs of patches or updates are performed by the provider script. In addition, Kaskus content of the promotional banner also need to be fixed. The Kaskus management needs to use software to be able to block banner ads that slow down the speed of loading site. The use software will help speed up the loading site for banner ads are not displayed on the browser. The Kaskus management may consider image based advertising rather than advertising based flash animation, thus the speed of loading site can be more quickly.

Secondly, in a complementary feature for Kaskus to have better perception after rebranding, Kaskus must create several outdoor activities such as talk show, exhibition, quiz, sport carnival or meet and greets in school to participating Kaskuser throughout the world to give contribution to Indonesia. Since Kaskus member is young age, Kaskus should have effective promotion and several ways to keep inspire the youngsters to keep innovative. Besides, Kaskus need to be more active in participating corporate social responsibility in doing their business. Since, the Kaskus is take over by PT. Djarum that have line business in tobacco which will created negative impact on costumer mind. Perhaps, Kaskus need to be more active in participating the corporate social responsibility activity that participated from the Kaskus members to create positive perception after rebranding of Kaskus.

Lastly to increase customer satisfaction by giving world class customer service, Kaskus administrator or moderator has the important role that fraud can be minimized. Rapid and precise explanation is expected by the member in the event of complaints experienced by the member concerned. Therefore, admin or moderator can correct posture and how to explain properly to members who really need quick and accurate answers.

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