

Community-Driven Brand Loyalty: The Interplay of Experience, Benefits, and Engagement

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ABSTRACT

The aim of this study is to conduct a comprehensive analysis of the effects of community experience and perceived community benefits on brand loyalty, with brand engagement serving as an intervening variable. Employing a quantitative survey methodology with an associative approach, this research focuses on members of the Sampoerna Retail Community in Area Medan 2, comprising a population of 2,293 individuals. A sample of 180 respondents was selected. Data collection utilized a structured questionnaire, and analytical methods included descriptive analysis and PLS-SEM, ensuring a robust evaluation of the relationships among the key variables. The findings indicate that community experience and the perception of community benefits both exert a positive and statistically significant influence on brand loyalty. While community experience positively influences brand engagement, this relationship does not achieve statistical significance. In contrast, the perception of community benefits significantly affects brand engagement. Furthermore, brand engagement positively impacts member loyalty. Notably, while brand engagement does not mediate the relationship between perceived community benefits and brand loyalty, it does mediate the relationship between community experience and brand loyalty. This research enhances the understanding of the dynamics among these variables within the research context.

INTRODUCTION

Companies inherently prioritize profit generation while striving for sustainability in their operations. To achieve these objectives, it is crucial for organizations to implement effective and efficient marketing strategies that serve as the foundation for their success. In today's rapidly evolving digital landscape, companies are required to innovate and proactively adapt to the changing preferences of their target markets. As modern consumers increasingly favor personalized or individualized approaches, organizations must optimize their resource allocation to effectively address the specific needs of their identified consumer segments.

In this context, brand communities have emerged as a significant mechanism for nurturing deeper relationships between customers and brands. Within these communities, customers engage in exchanging ideas, discussing products, and connecting with others who share similar feelings of ownership, admiration, and affection for specific brands. This interaction not only facilitates connections among consumers but also strengthens the relationship between consumers and brands, fostering mutual benefits. Such dynamics empower brands to effectively discern consumer desires and needs (Coelho & Bairrada, 2019). A brand community is defined as a non-geographic bond centered around a brand, rooted in the social relationships among its enthusiasts (Muniz & O'Guinn, 2001). Noteworthy examples of established brand communities include Apple, Harley Davidson, and Lego, where members cultivate a sense of connection with both the brand and each other. These relationships are nurtured around intangible values associated with the brand—such as uniqueness, freedom, camaraderie, creativity, and imagination—that are perceived as lifestyle components and may even attain quasi-religious significance (Schau & Muniz, 2006).

In recent years, considerable scholarly attention has focused on online brand community engagement (Dessart & Thomas, 2020; Carvalho & Fernandes, 2016; Hollebeek & Macky, 2019; Zhou et al., 2023; Kumar & Nayak, 2019). Contemporary studies consistently explore the dynamics of online brand communities and their capacity to forge strong brand attachments, even in the absence of face-to-face interactions (Jitender & Vikas, 2019). However, a significant gap persists in the literature concerning offline brand community engagement. Research in this area is relatively scarce compared to studies on online brand communities, raising essential questions regarding the role of offline brand community engagement in fostering brand loyalty.

Understanding the significance of offline brand community engagement is vital for companies seeking to develop more effective strategies for cultivating and sustaining customer loyalty. This understanding becomes particularly critical for firms within the Fast-Moving Consumer Goods (FMCG) sector, where a substantial portion of revenue depends on traditional distribution channels, such as general trade retail, including grocery stores. According to DataIndonesia.id, the retail landscape in Indonesia comprises approximately 3.7 million outlets, with grocery stores accounting for 89% of total transactions, estimated at Rp 1,079.9 trillion. Each grocery outlet typically

serves around 70 individuals in its vicinity, highlighting the importance of local connections for brands.

The annual report of PT. HM Sampoerna Tbk (2023) indicates that the company holds a market share of 28.7% in Indonesia's cigarette industry, followed closely by PT. Gudang Garam Tbk at 25.3% and PT. Djarum at 16.4%. This competitive landscape among tobacco firms, coupled with increasingly stringent government regulations, necessitates the development of innovative strategies for sustained growth and expansion. For instance, PT. Djarum and PT. Gudang Garam Tbk have implemented partnership programs for select partner outlets through their Djarum Retail Partnership (DRP) and Gudang Garam Strategic Partnership (GGSP) initiatives. These programs encompass physical enhancements to outlets, including product displays, wall paintings, and the installation of promotional materials, with costs periodically covered by the companies, thus reinforcing their community ties.

Recognizing the need for more than just physical dominance, PT. HM Sampoerna Tbk understands that fostering sustainable relationships requires a shift towards relationship-based marketing that cultivates and leverages community networks. This approach is deemed essential for ensuring future business sustainability. Consequently, PT. HM Sampoerna has initiated the establishment of its grocery trader community through the Sampoerna Retail Community (SRC). This initiative serves as a cornerstone for building robust relationships with outlets, which are regarded as one of their primary customer segments. Established in 2008, the Sampoerna Retail Community currently boasts over 240,000 members, all of whom are grocery store owners across 37 provinces in Indonesia. The community comprises approximately 8,200 SRC associations linked to 6,300 SRC partners functioning as wholesalers. However, recent developments concerning the SRC community have arisen, particularly a decline in community membership. The following data elucidates the reasons behind the decrease in SRC membership in Area Medan 2 (Deli Serdang, Medan, Tebing Tinggi).

Table 1: Number of SRC Community Members Over the Last 5 Years (Medan Area 2)

Year	Number of SRC	Percentage
2019	2,434	
2020	2,678	10%
2021	2,578	-4%
2022	2,349	-9%
2023	2,293	-2%

Source: Internal Company Data, processed by the researcher (2024)

As presented in Table 1.1, there has been a notable decline in the membership of the Sampoerna Retail Community (SRC) since 2021, marked by a 4% reduction in SRC membership despite a 10% increase observed during the COVID-19 pandemic in 2020. The most pronounced decline occurred in 2022, with a significant drop of 9%. Interviews conducted by the researcher with SRC

supervisors and several SRC coaches responsible for overseeing the SRC community have identified several contributing factors to this decline. These factors include the closure of store operations, the relocation of store sales locations, varying levels of participation among stores within the SRC community, and the transition of members to competitor programs, such as the Djarum Retail Partnership (DRP) and Gudang Garam Strategic Partnership (GGSP). Notably, when members of the SRC community divert their investments or accept investments from a competitor's program, their SRC membership status is consequently rendered inactive or canceled.

The imperative to enhance member loyalty within the SRC community is underscored by the observed trend of low loyalty levels among its members. The establishment of brand communities is strategically aimed at fostering long-term loyalty to the Sampoerna brand. Several factors are recognized as influential in shaping this loyalty, one of which is community engagement. Empirical evidence indicates that brand community engagement significantly impacts consumer loyalty to the brand (Jitender & Vikas, 2019). Specifically, when members perceive a strong sense of engagement within the brand community, their loyalty tends to increase. Conversely, weak brand community engagement correlates with a decline in member loyalty.

Moreover, community experience emerges as another critical factor influencing member loyalty. A robust community experience can fortify and stimulate positive engagement among members, thereby cultivating a sense of belonging and a strong identity within the community. Research conducted by Yang et al. (2021) suggests that community experience significantly affects brand community engagement; as community experience increases, so too does engagement within the brand community. Additionally, findings by Huangfu et al. (2022) conclude that community experience positively and significantly influences brand loyalty.

In addition to community experience, the perception of community benefits represents another vital variable impacting brand community loyalty. Huang et al. (2022) argue that the perception of community benefits significantly shapes brand community loyalty through community satisfaction. Members who engage in a brand community anticipate deriving benefits from their participation; thus, a greater perceived value leads to heightened loyalty, while a diminished perception of benefits results in decreased loyalty. This perspective aligns with the findings of Huang et al. (2022), which further substantiate the assertion that the perception of community benefits has a positive and significant effect on member loyalty within the community. In light of these insights, the purpose of this study is to analyze the effects of community experience and perception of community benefits on brand loyalty, with brand community engagement serving as an intervening variable, specifically within the Sampoerna Retail Community of Medan Area 2.

LITERATURE REVIEW

Social Identity

Social identity theory posits that individuals tend to categorize themselves and others into distinct social groups. This inclination leads them to

naturally congregate or associate with individuals who share similar connections. In the context of preferred brands and companies, individuals are inclined to establish community networks that facilitate engagement, discussion, and active participation within these communities. This phenomenon establishes community identity as a specific manifestation of social identity, serving as a prerequisite for individuals to engage and seek interactions with others who share their affinity for the same brands and companies (Huangfu et al., 2022).

Community identification refers to the degree to which members perceive themselves as integral to the community. Within brand communities, individuals can express their identities and forge connections with fellow members through the shared identity fostered by the brand. A positive relationship between the company or brand and its community members significantly influences the level of engagement exhibited by these members with the brand (Moura et al., 2023).

Brand Loyalty

According to Griffin (2003), loyalty can be defined as a profound commitment to consistently repurchase or resubscribe to selected products or services in the future, despite potential situational influences and marketing efforts that may induce behavioral changes. This concept is primarily associated with consumer behavior rather than mere attitude; once an individual establishes loyalty, they become characterized as a routine buyer over time, contingent upon their purchasing actions exceeding two instances.

As the understanding of loyalty has evolved, particularly in response to the growing trend of consumer disloyalty towards specific brands, Kotler and Keller (2016) further elaborate that loyalty represents a deep-seated commitment that serves as both a reliable basis for repurchase and a benchmark for products or services intended for future acquisition, despite the potential for situational influences and marketing initiatives to alter established consumer habits.

In this competitive landscape, Jitender and Vikas (2019) assert that brand loyalty emerges from a business's aspiration to foster repeat purchases. This is echoed by Coelho and Bairrada (2018), who underscore that consumers exhibiting loyalty to a brand are often willing to pay a premium for its products, even surpassing their initial expectations. Such willingness stems from the trust they have developed in the brand, which leads them to prioritize its products and services while exhibiting a diminished intention to abandon the brand. Furthermore, Jitender and Vikas (2019) highlight that the dimensions of brand loyalty within brand communities include the repurchase of primary products and other offerings from the brand, the recommendation of both the brand and the community, and active advocacy among members.

Brand Community Engagement

As social beings, humans have forged relationships within community structures for millennia, highlighting the intrinsic need for connection and

interaction. According to the Indonesian Dictionary, a community is defined as a group of organisms (including humans) that coexist and engage with one another within a designated area. Building on this definition, Kotler and Keller (2016) further delineate a brand community as a specialized collective that comprises consumers and employees who not only identify with but also actively engage in activities centered around a particular brand.

Within this context, brand community engagement is characterized by participation in the brand community and includes various actions that serve as strong predictors of the relationship between the community and the brand. This engagement ultimately leads to mutual satisfaction with both entities, as articulated by Wirtz et al. (2013). Such active engagement is critical for the success of brand communities established by organizations, as it fosters a sense of belonging and connection among members.

Research conducted by Jitender and Vikas (2019) further underscores this point, demonstrating that brand community engagement significantly influences brand loyalty. Specifically, active participation and collaboration with the brand cultivate enhanced loyalty among community members. Moreover, community commitment plays a pivotal role as a mediating variable in the relationship between brand community engagement and brand loyalty, emphasizing the interconnectedness of these concepts. In this regard, Moura et al. (2023) identify three dimensions pertinent to brand community engagement: Behavioral, Cognitive, and Emotional, which collectively contribute to a deeper understanding of how individuals engage with brands and each other within the community.

Community Experience

Community experience encompasses the interactions and engagements between an organization, company, or brand and its associated community. This concept is not limited to the company's direct interactions but also extends to how it engages with the surrounding society at local, national, or global levels. Through these interactions, the overarching goal is to foster positive relationships, promote sustainability, and generate a beneficial impact within the community.

Within this framework, community experience represents a unique emotional response that consumers develop in a specific communal context. This emotional response emerges from the interplay of usage, interaction, and creative habits, which occur both directly and indirectly in relation to the organization (Huangfu et al., 2022). Consequently, understanding these dynamics allows organizations to enhance their engagement strategies. Furthermore, various dimensions of community experience have been identified, including Information Experience, Entertainment Experience, and Interactive Experience, each contributing to the overall consumer engagement within the community.

Perceived Community Benefits

Individuals who join a community inherently anticipate deriving certain advantages from their membership, as such expectations shape their

engagement within the group. In their research, Huang et al. (2022) examine the relationship between Community Benefits and loyalty, concluding that these benefits significantly enhance brand loyalty. They assert that when a community collectively perceives these benefits as an essential aspect of its identity, it creates a framework in which organizations are similarly obligated to act as relationship builders within that community. This interdependence highlights the importance of organizations not only recognizing but also fulfilling their role in fostering community benefits. To this end, the authors propose three dimensions of perceived community benefits that notably influence brand loyalty: special treatment, social influence, and sense of membership, each contributing to a more profound commitment among community members to the brand.

Based on the analysis of the relationships among community experience, perceived community benefits, brand community engagement, and brand loyalty, the following hypotheses are proposed:

- H1: Community experience positively and significantly influences brand loyalty.**
- H2: Perceived community benefits positively and significantly influence brand loyalty.**
- H3: Community experience positively and significantly influences brand community engagement.**
- H4: Perceived community benefits positively and significantly influence brand community engagement.**
- H5: Brand community engagement positively and significantly influences brand loyalty.**
- H6: Brand community engagement mediates the relationship between community experience and brand loyalty.**
- H7: Brand community engagement mediates the relationship between perceived community benefits and brand loyalty.**

METHODOLOGY

This study employs a quantitative survey methodology, specifically utilizing an associative approach. As delineated by Sugiyono (2019), associative research focuses on formulating research questions that explore the relationships between two or more variables. The indicators of the research variables are measured using a Likert scale, which involves constructing questions or statements wherein each item is assigned a score within the framework of the Likert scale. This scale serves as an effective tool for assessing the attitudes, opinions, and perceptions of individuals or groups concerning various social phenomena.

The population for this research comprises the Sampoerna Retail Community located in the Medan 2 area, totaling 2,293 members, from which a sample of 180 respondents has been drawn. The study relies on primary data, which is collected directly from original sources to adequately address the research questions posed. Data collection techniques are primarily centered around the use of questionnaires. Analytical methods employed include

descriptive analysis and path analysis through Partial Least Squares Structural Equation Modeling (PLS-SEM). Data processing is facilitated by Smart-PLS version 4.

RESEARCH RESULT

Measurement model

This section provides an overview of the measurement model results, including the loading factors, composite reliability (CR), and average variance extracted (AVE) for each construct in the study. This comprehensive evaluation offers insights into the validity and reliability of the constructs related to community experience, perceived community benefits, brand community engagement, and brand loyalty, as detailed in Table 2.

Table 2: Measurement Model Results

Constructs	Items	Loading factors	CR	AVE
Community Experience			0.934	0.611
	PK1	0.706		
	PK2	0.803		
	PK3	0.847		
	PK4	0.779		
	PK5	0.781		
	PK6	0.860		
	PK7	0.772		
	PK8	0.724		
	PK9	0.751		
Perceived Community Benefits			0.931	0.601
	PKK1	0.713		
	PKK2	0.755		
	PKK3	0.746		
	PKK4	0.705		
	PKK5	0.732		
	PKK6	0.799		
	PKK7	0.835		
	PKK8	0.814		
	PKK9	0.864		
Brand Community Engagement			0.943	0.650
	KKM1	0.851		
	KKM2	0.826		
	KKM3	0.870		
	KKM4	0.842		
	KKM5	0.815		
	KKM6	0.861		
	KKM7	0.732		
	KKM8	0.731		
	KKM9	0.710		
Brand Loyalty			0.938	0.629
	LM1	0.860		
	LM2	0.833		

	LM3	0.832		
	LM4	0.826		
	LM5	0.766		
	LM6	0.834		
	LM7	0.701		
	LM8	0.757		
	LM9	0.709		

Table 2 presents the measurement model results, encompassing four key constructs: Community Experience, Perceived Community Benefits, Brand Community Engagement, and Brand Loyalty. Each construct is evaluated through its indicators, which are detailed in terms of loading factors, composite reliability (CR), and average variance extracted (AVE).

The analysis reveals that all indicators exhibit loading factors exceeding the critical threshold of 0.5, which is consistent with the criteria established by Ghozali (2016). He posits that loading factor values ranging between 0.5 and 0.6 are deemed adequate for confirming convergent validity. For example, the Community Experience construct demonstrates loading factor values from 0.706 to 0.860 across its indicators (PK1 to PK9), thereby affirming that all these indicators are suitable for inclusion in the research.

Moreover, the reported composite reliability (CR) values further substantiate the robustness of the constructs, with all showing values above the recommended threshold of 0.7. Specifically, Community Experience achieves a CR of 0.934, Perceived Community Benefits reaches 0.931, Brand Community Engagement attains 0.943, and Brand Loyalty records a CR of 0.938. These findings indicate a strong level of reliability for each construct, as suggested by Ghozali and Latan (2015).

In addition, the average variance extracted (AVE) for each construct, also presented in the table, reveals that all constructs exceed the threshold of 0.5. Community Experience has an AVE of 0.611, Perceived Community Benefits reports 0.601, Brand Community Engagement achieves 0.650, and Brand Loyalty shows an AVE of 0.629. According to Hair et al. (2010), AVE values greater than 0.5 confirm that the model satisfies the criteria for convergent validity.

In summary, the results displayed in Table 2 collectively demonstrate that all constructs meet the necessary thresholds for loading factors, composite reliability, and average variance extracted. This comprehensive evidence reinforces the conclusion that the measurement model is both valid and reliable, providing a robust foundation for further analysis.

Structural model

The predictive power of the constructs examined in this study is illustrated through the R-square values for Brand Community Engagement and Brand Loyalty. These values provide insights into the extent to which the independent variables explain the variance in each dependent variable. The R-square values are presented in Table 3.

Table 3. Predictive power

Construct	R-square
Brand Community Engagement	0.687
Brand Loyalty	0.620

Table 3 illustrates the predictive power of the constructs under investigation by presenting the R-square values for Brand Community Engagement and Brand Loyalty. The R-square value indicates the proportion of variance in the dependent variable that can be explained by the independent variables. Specifically, an R-square value of 0.687 for Brand Community Engagement suggests that approximately 68.7% of the variance in this construct is accounted for by the model, indicating strong predictive capability. Generally, R-square values above 0.5 are considered good, while values exceeding 0.7 indicate excellent explanatory power (Hair et al., 2010).

In comparison, the R-square value for Brand Loyalty is 0.620, which means that about 62% of the variance in Brand Loyalty can be explained by the independent variables in the model. This value is also regarded as good, as it surpasses the commonly accepted threshold of 0.5 for adequate predictive power. Overall, both R-square values suggest that the model demonstrates a robust ability to predict these constructs, affirming the relevance of the independent variables in explaining the variations observed in Brand Community Engagement and Brand Loyalty.

Table 4: Path Coefficients (Direct and Indirect Effect)

Path	Effect Type	β	M	SD	t statistics	Sig. (< 0.05)	Decision
Community Experience → Brand Loyalty	Direct	0.485	0.484	0.071	6.806	0.000	Accepted
Perceived Community Benefits → Brand Loyalty	Direct	0.200	0.197	0.089	2.253	0.025	Accepted
Community Experience → Brand Community Engagement	Direct	0.068	0.063	0.042	1.638	0.102	Rejected
Perceived Community Benefits → Brand Community Engagement	Direct	0.791	0.797	0.034	23.205	0.000	Accepted
Brand Community Engagement → Brand Loyalty	Direct	0.234	0.239	0.097	2.413	0.016	Accepted
Community Experience → Brand Community Engagement → Brand Loyalty	Indirect	0.016	0.014	0.013	1.239	0.216	Rejected
Perceived Community Benefits	Indirect	0.185	0.186	0.075	2.475	0.014	Accepted

→ Brand Community Engagement → Brand Loyalty							
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Table 4 presents the path coefficients for both direct and indirect effects in the structural model. The table provides insights into the relationships between community experience, perceived community benefits, brand community engagement, and brand loyalty. The direct effect of Community Experience on Brand Loyalty shows a path coefficient (β) of 0.485, which indicates a significant positive influence, as evidenced by a t-statistic of 6.806 and a p-value of 0.000. This result demonstrates that the more consumers experience the community, the more loyal they tend to be to the brand. Similarly, the direct effect of Perceived Community Benefits on Brand Loyalty is also significant, with a β of 0.200, a t-statistic of 2.253, and a p-value of 0.025. This finding suggests that consumers' perceptions of the benefits gained from the community positively influence their loyalty to the brand.

For the effect of Community Experience on Brand Community Engagement, the path coefficient (β) is 0.068 with a t-statistic of 1.638, which does not reach significance ($p = 0.102$). Therefore, the data do not support the notion that community experience directly enhances brand community engagement. Conversely, the direct effect of Perceived Community Benefits on Brand Community Engagement is highly significant, with a β of 0.791, a t-statistic of 23.205, and a p-value of 0.000. This suggests that when consumers perceive greater benefits from the community, they are much more likely to be involved in the brand community.

Moreover, the path from Brand Community Engagement to Brand Loyalty is significant, with a β of 0.234, a t-statistic of 2.413, and a p-value of 0.016. This indicates that engagement in the brand community positively impacts brand loyalty. Regarding the indirect effects, Community Experience's indirect effect on Brand Loyalty through Brand Community Engagement is not significant ($\beta = 0.016, p = 0.216$). This implies that although there is a positive relationship between community experience and brand loyalty, brand community engagement does not act as a significant mediator in this relationship. On the other hand, Perceived Community Benefits have a significant indirect effect on Brand Loyalty through Brand Community Engagement, with a β of 0.185, a t-statistic of 2.490, and a p-value of 0.014. This result highlights that brand community engagement serves as an important mediator in the relationship between perceived community benefits and brand loyalty.

DISCUSSION

The analysis reveals that community experience significantly and positively impacts brand loyalty among members of the Sampoerna Retail Community in the Medan 2 area. The statistical test shows a path coefficient of 0.485 with a significance value of 0.000, which is below 0.05, confirming the acceptance of Hypothesis 1. This indicates that the more positive the

experiences members have in their interactions with both the community and the brand, the stronger their loyalty becomes. These results align with prior studies by Jitender and Vikas (2019) and Ardyan et al. (2017), which identified community experience as a key driver of brand loyalty. A positive experience fosters a sense of engagement, togetherness, and appreciation among members, thereby strengthening their emotional connection to the brand.

In a similar vein, perceived community benefits also have a significant positive effect on brand loyalty. The analysis reports a path coefficient of 0.200 and a significance value of 0.025, which is below 0.05, thus confirming Hypothesis 2. This hypothesis suggests that perceived community benefits significantly influence brand loyalty, with these benefits regarded as long-term investments in the relationship between the brand and its consumers. As highlighted by Novianti and Balqiah (2023), consistent emotional and functional benefits foster customer loyalty. Therefore, maintaining the relevance of perceived community benefits and regularly updating incentives are crucial strategies for ensuring long-term engagement between members and the brand.

Conversely, the analysis indicates that community experience does not significantly influence brand community engagement. The path coefficient is 0.068 with a significance value of 0.102, which exceeds 0.05, leading to the rejection of Hypothesis 3. This hypothesis suggested that community experience would positively affect brand community engagement. While previous studies, such as those by Wang et al. (2022), have linked community experience with increased engagement in community activities, the results of this analysis do not support that connection in this case. Positive community experiences generally promote greater participation in activities; however, the findings here diverge from those of Astiningsih and Hamonangan (2023), who noted that a good community experience can motivate members to become more active in brand community activities.

In contrast, the analysis shows that perceived community benefits significantly influence brand community engagement. The hypothesis test results yield a path coefficient of 0.791 and a significance value of 0.000, indicating strong support for Hypothesis 4. This hypothesis states that perceived community benefits have a significant effect on brand community engagement. The more benefits community members perceive, the more engaged they are likely to become in community activities. Perceived community benefits serve as powerful motivators for participation, as noted by Jitender and Vikas (2019). These benefits may include access to exclusive information, business support, or social connections that enrich members' overall community experience and drive their active engagement.

Moreover, the analysis confirms that brand community engagement has a significant positive impact on brand loyalty among members of the Sampoerna Retail Community. The path coefficient of 0.613, coupled with a significance value of 0.000, supports Hypothesis 5, which posits that greater engagement in the brand community leads to higher brand loyalty. This finding aligns with theories from Muniz and O'Guinn (2001) and Laroche et al. (2012), suggesting that active engagement in a brand community strengthens the

emotional bond between consumers and the brand, fostering long-term loyalty. Brand community engagement encompasses various forms of active participation, such as attending community events, providing feedback, and interacting with other community members.

In assessing Hypothesis 6, which states that community experience does not significantly influence brand loyalty through brand community engagement, the analysis leads to a rejection of this hypothesis. The path coefficient of 0.016 and a significance value of 0.216 indicate that brand community engagement does not mediate the relationship between community experience and brand loyalty. This result suggests that brand community engagement does not serve as a strong link to enhance the impact of community experience on brand loyalty within the context of this study.

Conversely, Hypothesis 7 posits that perceived community benefits positively and significantly influence brand loyalty through brand community engagement. This hypothesis is accepted, as the analysis reveals a path coefficient of 0.185 and a significance value of 0.014. This indicates that brand community engagement effectively mediates the relationship between perceived community benefits and brand loyalty. The findings suggest that the benefits perceived by community members significantly impact their engagement, which, in turn, strengthens their loyalty to the brand. Thus, the results of this study reveal that brand community engagement plays a crucial role in mediating the relationship between perceived community benefits and brand loyalty, while community experience does not exert the same influence.

CONCLUSIONS AND RECOMMENDATIONS

The findings of this study reveal that community experience has a significant and positive effect on brand loyalty among members of the Sampoerna Retail Community in Medan 2. Similarly, perceived community benefits exert a considerable positive influence on brand loyalty within this group. In contrast, while community experience positively affects brand community engagement, this relationship lacks statistical significance. Conversely, perceived community benefits significantly enhance brand community engagement. Furthermore, brand community engagement positively and significantly impacts brand loyalty among members of the Sampoerna Retail Community in Medan 2. It is crucial to emphasize that brand community engagement does not mediate the relationship between perceived community benefits and brand loyalty for these members; however, it does serve as a mediator in the relationship between perceived community benefits and brand loyalty.

Given these findings, several recommendations are proposed for PT. Sampoerna. First, the company should actively promote and encourage members to foster positive experiences and attract new participants to the Sampoerna Retail Community. It is advisable for Sampoerna to assess and enhance strategies that cultivate positive interactions, thereby establishing a supportive environment within the community. Additionally, Sampoerna should motivate community members to take a more proactive stance in

enriching the overall community experience. Moreover, the company should prioritize delivering prompt and efficient service to address any challenges faced by community members. For future researchers, it is suggested that they expand the scope of inquiry to obtain more comprehensive insights regarding other factors or variables that were not examined in this research.

ADVANCED RESEARCH

In writing this article the researcher realizes that there are still many shortcomings in terms of language, writing, and form of presentation considering the limited knowledge and abilities of the researchers themselves. Therefore, for the perfection of the article, the researcher expects constructive criticism and suggestions from various parties.

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