

ABSTRACT

The growth of the culinary sector in Indonesia reaches 7 to 14 percent per year from 2009 to 2016 even today. This caused the number of cafes and restaurants in Indonesia also increased from 2,704 units in 2009, to reach 5,675 units by the end of 2016. Based on a survey by the Creative Economy Agency, the culinary industry contributed 41.69 percent, beating four other creative industries such as fashion, craft / craft, television and radio and publishing. The growth of the culinary industry is mainly located in the areas of major cities and regions that become tourist destinations namely the city of Bandung. Since the colonial era in this city there are many restaurants or cafes that have advantages and attractions. The restaurant and cafe business is one of the choices for the entrepreneurs both coming from the city of Bandung and investment from outside the city of Bandung, so the number is very much reached 396 cafes and restaurants in 2017. Currently many cafes are established by these young entrepreneurs who have has a brand that is widely known, one of which is Warunk Upnormal. The middle class segment of young age is the main target, because of its large and potential amount. Warunk Upnormal as the object of this research has a strong brand base. There is increasing competition among brands operating in the market, only products with strong brand equity that will be able to stay competitive, seize, and dominate the market. Thus, it serves as a challenge for Warunk Upnormal to survive.

This research was conducted with the aim to know the responses of respondents to brand equity, customer satisfaction and brand loyalty of Warunk Upnormal and to determine the influence between brand equity and customer satisfaction against brand loyalty.

The research method used is quantitative. The primary data in this study was taken through the spreading of questionnaires to 385 people Warunk Upnormal consumers with simple random sampling technique and secondary data obtained from a number of literature and documents relevant to this research. Data that have been collected and then processed by using the concept of Structural Equation Modeling (SEM) with LISREL.

Based on the result of research, it is found that the influence of brand equity on Warunk Upnormal brand is in Physical Quality has no significant effect on Customer Satisfaction, Behavior Staff has significant effect to Customer Satisfaction, Ideal Self-congruence has significant effect to Customer Satisfaction, Brand Identification has no significant effect to Customer Satisfaction, and Lifestyle-congruence have no significant effect on Customer Satisfaction. Given that consumer perceptions of Brand Identification and Ideal Self-congruence is still not good then the authors provide recommendations for Warunk Upnormal more attention and improve the two things. Consumer perceptions of Behavior Staff owned Warunk Upnormal is very good. Behavior staff have the highest influence on Brand Loyalty Warunk Upnormal therefore consumer perceptions of Behavior Staff should still be improved.

Keywords: Brand Equity, Customer Satisfaction, Brand Loyalty, SEM, and LISREL