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Building a Sustainable Brand Relationship: Analysis of Brand Functional Value and Customer Emotional Cognition in Using the MyParmad Application

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Abstract

This study examines the impact of brand functional value and customer emotional cognition on sustainable brand relationships between users and the MyParmad application. The results suggest that functional value has a more significant influence on the sustainable brand relationship than the emotional cognition of the customer. Nevertheless, emotional cognition is still an essential factor in promoting sustainable brand relationships based on the functional value of an application. By considering user feedback and implementing innovative ideas, organizations like Universitas Paramadina can improve their applications' functional aspects and strengthen their service concepts. Brand functional value and emotional cognition affect the formation of these relationships, and organizations like Universitas Paramadina can strengthen their service concepts by considering user feedback and implementing innovative ideas. The study used a purposive sampling technique to gather data from 103 Universitas Paramadina students via an electronic questionnaire during February-March 2023. The survey consisted of 28 Likert scale questions based on previous research on brand functional value, customer emotional cognition, and sustainable brand relationships.
Keywords: *brand functional value, customer emotional cognition, sustainable brand relationships*

Introduction

Higher education has an essential role in creating quality human resources and driving the progress of a nation. Therefore, the management of higher education is critical in improving the quality and effectiveness of the higher education system. Improving the quality of higher education management will help create a conducive academic environment, encourage innovation, and increase the ability of graduates to compete in an increasingly competitive job market. Therefore, studying higher education management is crucial in achieving quality education goals and preparing high-quality human resources for the future.

Competition between private tertiary institutions in Jakarta is dynamic and runs tightly. The achievement of the Main Performance Index (IKU) from universities is strongly supported by the involvement of consumers (students) in developing higher education services that are highly competitive so that they can produce outputs in the form of graduates who can be absorbed by industry or create jobs through entrepreneurship.

This condition illustrates that the relationship between universities and their consumers is essential in maintaining sustainability.

Table 1. Types of higher education institutions (LLDIKTI III, 2023)

Institutions Type	Number of Institutions
Academy	79
Polytechnic	17
Higher School	91
Institute	24
University	67

Referring to Table 1, higher education institutions face a significant challenge in the highly competitive market, necessitating their ability to adjust their marketing strategies in response to evolving market demands. Maringe and Gibbs (2009) suggest that higher education institutions must establish their presence and stand out within the industry by offering unique products and services, thus avoiding the risk of closure resulting from an inability to compete. To effectively compete with other universities, they must adapt to changing environments and adopt innovative practices (Gajic, 2012).

Brand is a symbolic meaning that can meet consumer needs, describe consumer desires, interact with consumers, and ultimately influence consumer behavior (Chandler and Owen, 2002). As a brand entity, higher education constantly strives to strengthen its brand equity. Keller (2009) states that the primary goal of brand building is to create positive relationships to maintain customer loyalty. The interaction between consumers and brands can be referred to as a relationship that can be explored further through relationship personification (Lombart and Louis, 2016; Charton-Vachet and Lombart, 2018).

In Social Exchange Theory, interaction in consumer relations with brands does not only occur because of functional benefits but more than that because exchanges are based on returns obtained by consumers and communal relationships based on consumer emotions. Brand relations create added value, so consumers trust a brand (Park et al., 2009). An organization or company that builds brand relationships with consumers can make a difference with its competitors and ultimately form a competency that is difficult to imitate (Sreejesh and Roy, 2015; Ozturk et al., 2016).

In previous research, brand relationships significantly affect trust and loyalty (Zhang et al., 2020). Study from Sreejesh and Roy (2015) indicate that brand relationships can have an impact on attitude loyalty, while other research places much emphasis on building brand equity based on brand relationships from the point of view of brand emotion and brand image (Chekalina, 2018; Chen, 2011), only a few have studied the influence of functional aspects and experience of ongoing brand relationships.

Current technological developments support brand management strategies that lead to increased consumer engagement. Through technology, efforts to build a sustainable relationship can be carried out by improving the quality of services provided to consumers through digital applications that form a brand community. Interactions that are created between consumers and organizations (companies), consumers with brands, and consumers with other consumers can increase when the brand community is well constructed. Digital applications encourage brand communities to become more dynamic and allow for the provision of services tailored to personal needs.

Universitas Paramadina is a private tertiary institution in Jakarta founded in 1998 and has Modern, Islamic, and Indonesian values that form the basis for its education. Universitas Paramadina has experienced fluctuating conditions in new student admissions

in the last four years. However, this data still shows a positive trend, especially when considering the pandemic conditions which have caused a decline in the national economy. This momentum is undoubtedly something that needs attention and can be maintained for the sustainability of the university in the long term.
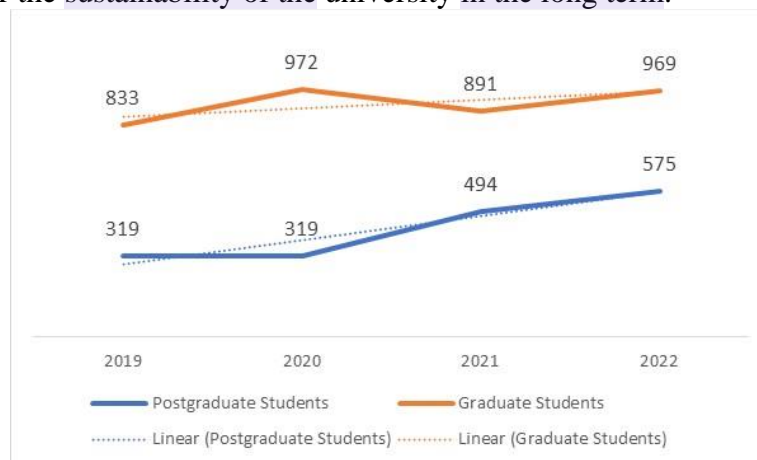

Figure 1. Graph of 2019 - 2022 Student Admissions Data

The MyParmad application was launched in 2018 to provide convenience in integrating various support systems for learning and student activities at Universitas Paramadina. It consists of various features such as lecture schedule features, class attendance, Study Result Cards, SKPI, and hotline services connected to various related directorates, making this application one of the leading platforms accessed by Universitas Paramadina academics. This research will examine the formation of Sustainable Brand Relationships from the elements of Brand Functional Value and Customer Emotional Cognition from the use of the MyParmad application by Universitas Paramadina students. The purpose of this research is to examine the following:
1. Does the brand functional value significantly form a sustainable brand relationship with MyParmad application?
2. Does the customer's emotional cognition significantly form a sustainable brand relationship with MyParmad application?

Literature Review
Brand Functional Values and Sustainable Brand Relationships

The role of brand functional elements is significant in providing value to consumer perceptions (Leek and Christodoulides, 2012). According to Keller (1993) and Kuhn et al. (2008), brand equity consists of functional and experiential components. The functional component relates to the brand's internal, objective, utilitarian, and concrete aspects, while the experiential component reflects the brand's external, abstract, emotional, and subjective aspects (Chen and Myagmarsuren, 2011). Specifically, the functional value of a brand relates to the brand's ability to satisfy consumers' functional needs and desires (Keller, 2001). Through functional brand experiences, quality relationships can be developed and transformed into positive relationships between consumers, products offered, and brands (Chen and Myagmarsuren, 2011).

Service Efficiency and Sustainable Brand Relationships

Boyd et al. (2019) found that mobile applications can increase organizational value, and the functional design of applications plays a vital role in creating that value. MyParmad was developed using the latest technologies, such as the Internet, mobile applications, and cloud computing, and integrates various academic services. MyParmad

is an application with an intelligent operating system with interactive and collaborative features, including chat features between lecturers and students. Lecturers and students can use MyParmad to increase its effectiveness in learning and teaching, with features such as class discussions, class schedules, grades, library catalogs, and e-learning portals.

Service Personalization and Sustainable Brand Relationships

Huang and Dev (2020) propose the concept of the "service brand trinity" consisting of quality, personalization, and relationship as essential factors influencing the growth of service brands. Prahalad and Ramaswamy (2004) recommend value creation through personalized experiences, resource integration, and creating value through customer relationships, communication, and awareness (Ballantyne and Varey, 2006). A higher level of customization can improve brand functionality and experience, thereby helping companies gain opportunities to obtain higher relationship values (Carlson et al., 2019).

Social Interactions and Sustainable Brand Relationships

Ramaswamy and Ozcan (2016) suggest a high level of interaction and distinctive social network characteristics between people on the same platform. Consumers may interact with each other to seek "link value, " which will encourage them to interact with other customers for functional values such as problem-solving, specific inquiries, and brand information searches.

Brand behavior and user actions in social interactions can help spread word of mouth, increasing the value of brand relationships (Colicev et al., 2016). Court et al. (2017) emphasized that the social-oriented features of brand platforms allow customers to participate in the whole process by posting comments or reading other people's comments at any time. This can help customers manage their identities through social interaction in applications and establish stronger brand relationships (Boyd et al., 2019).

Carlson et al. (2019) show that customer engagement and creating brand value can be directly transformed into customer-brand relationships. Therefore, companies can design brand apps with multiple functions to increase customer value and engagement. Furthermore, this interaction and participation can help companies retain existing customers (Kim et al., 2015).

Based on these concepts, the researcher proposes the following hypothesis:

H1: There is an influence of brand functional value on the sustainability of brand relationships.

Customer Emotional Cognition and Sustainable Brand Relationships.

The concept of relationship value has roots in business and service marketing, and the measurement of relationship value is essential for organizational development in a service environment (Chen & Myagmarsuren, 2011). Research by Leek and Christodoulides (2012), in line with this, that brand value and relationship value are conceptually different, and relationship value is closely related to consumers' emotional needs.

Value consistency helps to ensure the quality and outcome of long-term relationships between consumers and service brands, including trust, emotional commitment, and loyalty (Zhang and Bloemer, 2008). Value consistency, organizational identity, and positive word-of-mouth have a theoretical and management impact on brands. When a company and brand community members adopt the same collaborative practices, shared value creation will be successful, and vice versa (Lou et al., 2015).

Brand image is a prerequisite for value and loyalty (Liu et al., 2015). According to Smith et al. (2010), brand image is considered an intangible asset related to value. The image, trust, and reputation provided through the company's website can positively impact stakeholder perceptions of the brand and company (Trueman et al., 2012). From these concepts, researchers seek to determine the effect of emotional cognition on the sustainability of brand relationships by submitting the following hypotheses:

H2: There is an influence of emotional cognition on the sustainability of the brand relationship.
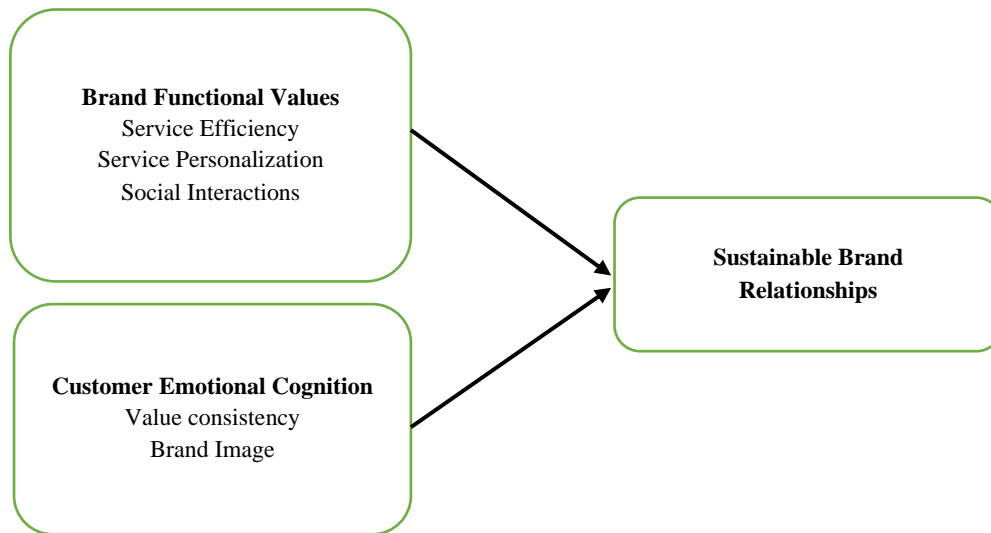
Figure 2: Research Framework

Table 1 describes this study's primary variables, definitions, and references.

Table 2. Variables and Definitions

Variable	Definition	Source
Service Efficiency	The MyParmad application allows customers to obtain information and perform tasks more effectively, which increases service accuracy.	Chen and Chen (2011)
Service Personalization	The MyParmad application provides personalized service functions based on relationships, further enhancing the consumer brand experience.	Huang and Dev (2020).
Social Interactions	Customers can interact with each other on the MyParmad application and search for "link value" to obtain the required functional value.	De Vries and Carlson (2014).
Value Consistency	Brand value consistency is the similarity between consumers' personal values and service brand values.	Brangule-Vlagsma et al. (2002)
Brand Image	Brand image is a subjective perception, which refers to understanding functional and non-functional information resulting from brand-related activities.	Park et al., 1986; Aakers, 2009

Variable	Definition	Source
Brand Relationships	Strong and loyal relationship between customers and brands.	Keller (2009)

Research Methods
Research Sample

Sampling was carried out using a purposive sampling technique for Universitas Paramadina students. The data in this study were obtained by distributing electronic questionnaires via Google Forms. During the research period, which took place from February to March 2023, a sample of 103 students was obtained. The following table describes the description of respondents, which consists of three aspects: study program, gender, and class.

Table 3. Description of Respondents

Variable	Attribute	Percentage
Study program	Visual Communication Design	1.9%
	Philosophy and Religion	3.9%
	International Relations Science	2.9%
	Communication	52.4%
	Management	26.2%
	Psychology	10.7%
	Master of Communication	1.9%
Gender	Male	40.8%
	Female	59.2%
Entry Year	2018	1.9%
	2020	10.7%
	2021	43.7%
	2022	43.7%

Measurement

The questionnaire used in this study was prepared based on previous research, consists of 28 items and is measured using a Likert scale.

Tests in this study were carried out to answer the research hypotheses that had been proposed. To ensure that the instruments in the study can measure the influence between variables, the validity and reliability tests of the instruments were carried out. Research data analysis was carried out descriptively through the mean test and explanatory through multiple regression tests. The research data was processed using the IBM SPSS version 23 application.

Table 4. Variable Measurement

Variable	Dimensions	Indicator	Source
Brand Functional Values	Service Efficiency	1. The Lecture Schedule feature in MyParmad makes lectures more efficient. (X_{111}) 2. The presence feature in MyParmad makes lectures more efficient. (X_{112})	Boyd et al. (2019)

Variable	Dimensions	Indicator	Source
		3. The Financial feature in MyParmad makes lectures more efficient. (X_{113})	
		4. The Submission of a Certificate of Companion Certificate (SKPI) feature in MyParmad makes lectures more efficient. (X_{114})	
		5. The Study Result Card (KHS) feature in MyParmad makes lectures more efficient. (X_{115})	
		6. The Transcript feature in MyParmad makes lectures more efficient. (X_{116})	
		7. The Elearning feature in MyParmad makes lectures more efficient. (X_{117})	
		8. The Chat feature in MyParmad makes lectures more efficient. (X_{118})	
		9. The Library feature in MyParmad makes lectures more efficient. (X_{119})	
		10. The Hotline feature in MyParmad makes lectures more efficient. (X_{1110})	
		11. The MyParmad application is easy to operate, so I can easily find the information I need. (X_{1111})	
	Service Personalization	12. I can set the interface on the MyParmad application according to the functions I use frequently. (X_{121})	Boyd et al. (2019)
		13. MyParmad application will arrange specific recommendations for me according to my habits in using this platform. (X_{122})	
		14. The MyParmad application can provide services according to my needs so that I feel very valued. (X_{123})	

Variable	Dimensions	Indicator	Source
	Social Interactions	15. I can interact with other students through the MyParmad application. (X_{131}) 16. I can interact with lecturers through the MyParmad application. (X_{132}) 17. I can interact with Universitas Paramadina Management/Managers through the MyParmad application. (X_{133}) 18. I can convey needs and provide input through the MyParmad application. (X_{134}) 19. I am happy to be able to provide constructive input to Universitas Paramadina through the MyParmad application. (X_{135})	Carlson et al. (2019)
Emotional Customers Cognition	Value Consistency	20. The MyParmad application shows the excellent service provided by Universitas Paramadina. (X_{211}) 21. The services provided through the MyParmad application align with the promise when I registered at Universitas Paramadina. (X_{212})	Wei et al. (2011)
	Brand Image	22. The more I know a company/organization, the more I trust the services provided. (X_{221}) 23. The higher the reputation of a company/organization, the more I trust the services provided. (X_{222})	Liu et al. (2015).
Sustainable Brand Relationships	Sustainable Brand Relationships	24. The MyParmad application builds a good relationship between me and Universitas Paramadina. (Y_1) 25. MyParmad application helps me to maintain a good relationship with Universitas Paramadina. (Y_2) 26. MyParmad application increases my feeling of belonging to Universitas Paramadina. (Y_3) 27. MyParmad application increases my loyalty to Universitas Paramadina. (Y_4) 28. I will recommend MyParmad app to people around me. (Y_5)	Carlson et al. (2019) and Zhang et al. (2016)

Results and Discussion
Instrument Validity and Reliability Test

From the results, all items for the Brand Functional Value are valid (KMO value=0,872), Brand Emotional Cognition are valid (KMO value=0,698), and Brand Relationship are valid (KMO value=0,832). The data processing shows that the

Cronbach's Alpha value for the research instrument are reliable: Brand Functional Value (α=0,944); Brand Emotional Cognition (α=0,835); and Brand Relationship (α=0,895).

Means Test

On the Brand Functional Value variable (X1), the Service Efficiency dimension has the highest mean value, while the Social Interaction dimension has the lowest. Whereas in the Customer Emotional Cognition variable (X2), the Brand Image dimension obtains the highest mean.

Each indicator also shows interesting results to discuss on variables X1 for the Service Efficiency dimension, the indicator "The Lecture Schedule feature in MyParmad makes lectures more efficient," obtaining the highest average score. The Service Personalization dimension shows that the indicator "the MyParmad application can provide services according to my needs so that I feel very valued" gets the highest mean value. The indicator "I am pleased to be able to provide constructive input to Universitas Paramadina through the MyParmad Application" in the Social Interaction dimension gets the highest mean value.

In variable X2, two dimensions, Value Consistency and Brand Image, produce the two most vital indicators, "The MyParmad application shows excellent service provided by Universitas Paramadina" and "The more I know a company/organization, the more I trust the services provided" for each dimension.

Table 5. Mean Test Results

Variable	Dimensions	Indicator	Means	Mean Dimensions	Variable Means
Brand Functional Value (X1)	Service Efficiency	X_{111}	**3,60**	3,46	3,23
		X_{112}	3,59		
		X_{113}	3,50		
		X_{114}	3,42		
		X_{115}	3,48		
		X_{116}	3,47		
		X_{117}	3,48		
		X_{118}	3,45		
		X_{119}	**3,27**		
		X_{1110}	3,37		
		X_{1111}	3,43		
	Service Personalization	X_{121}	3,09	3,14	
		X_{122}	**3,01**		
		X_{123}	**3,33**		
	Social Interactions	X_{131}	3,11	3,09	
		X_{132}	3,15		
		X_{133}	**2,92**		
		X_{134}	3,00		
		X_{135}	**3,26**		
		X_{211}	**3,31**	3,26	3,32

Variable	Dimensions	Indicator	Means	Mean Dimensions	Variable Means
Brand Emotional Cognition (X2)	Value Consistency	X_{212}	3,20		
	Brand Image	X_{221}	**3,41**	3,39	
		X_{222}	3,37		
Brand Relationships (Y)	Brand Relationships	Y_1	**3,47**	3,31	3,31
		Y_2	3,41		
		Y_3	3,26		
		Y_4	3,25		
		Y_5	3,16		

In variable X_2, two dimensions, Value Consistency and Brand Image, produce the two most vital indicators, namely "The MyParmad application shows excellent service provided by Universitas Paramadina" and "The more I know a company/organization, the more I trust the services provided" for each dimension.

Correlation of Brand Functional Value and Sustainable Brand Relationship

The results of the research data analysis show that there is a significant positive correlation between Brand Functional Value and Brand Relationship. The correlation coefficient between these two variables is 0,733 with a p-value of 0,000, which indicates that the relationship between the two is powerful.

Coefficient of Determination of Variable Brand Functional Value in Sustainable Brand Relationship

The data processing results show that the coefficient of determination or the value of R Square is 0,537. This means that 53.7% of the variation or change in the Brand Relationship variable can be explained or influenced by the Brand Functional Value variable.

The t-test shows how much influence the Brand Functional Value variable has on the variable Brand Relationships and formulated the first hypothesis in this study, as follows:

H_1: There is an influence of brand functional value on sustainable brand relationships.

From t – table distribution with a significance level of α of 5%, obtained a t-table value of 1,660. The results shown, the calculated t-value for the Brand Functional Value variable is 10,815, with a significance value of 0,000. It shows that the H1 is accepted, with an estimated simple regression equation as follows: **$Y = 3,372 + 0,209X$**.

Correlation of Customer Emotional Cognition and Sustainable Brand Relationship

Data analysis shows a significant correlation between Customer Emotional Cognition and Sustainable Brand Relationships. The correlation coefficient between these two variables is 0,690 with a p-value of 0,000. The higher the Customer's Emotional Cognition value, the stronger the relationship with the Sustainable Brand Relationship.

Coefficient of Determination of Customer Emotional Cognition Variable in Sustainable Brand Relationship

Based on research data analysis, it was found that the coefficient of determination or R Square was 0,476. This value indicates that the Customer Emotional Cognition variable can explain or influence approximately 47.6% of the variation or change in the Sustainable Brand Relationship variable.

A t-test was also carried out to answer the second hypothesis formulated in this study:

H$_2$: There is an influence of emotional cognition on the sustainability of the brand relationship.

The t-test shows that the calculated t-value is 9,571 and a significance value of 0,000. It can be concluded that Customer Emotional Cognition significantly influences the formation of Sustainable Brand Relationships with simple regression equation can be formulated as follows: **Y = 4,996 + 0,501X**.

Discussion

This study has theoretically explored that the functional value of the brand from the MyParmad application shapes the sustainable consumer relationship. Previous research also aligns with this research, where the interaction between brand functions and consumer emotional cognition, such as application functions, is significant for creating brand value (Boyd, 2019).

The effect of functional value of the MyParmad application has a more significant impact than the emotional cognition of its consumers. This result shows that consumers give more value to functions that enhance their relationship with organizations. This finding is theoretically in line with the results of Zhang's research (2021) which found that service efficiency, service personalization, and social interaction from using an application not only help strengthen the consistency of the brand value and brand image, but also contribute to building sustainable brand relationships. As the brand owner, the company will benefit from the consistency of consumer values and brand image, which facilitates building sustainable brand relationships with customers. This research also shows that consumers' emotional cognition plays an active role in promoting sustainable brand relationships based on the functional value of an application.

This study indicates that on the Brand Functional Value variable, a digital application is expected to increase social interaction as well, as when services are provided directly. The features that provide direct interaction with service providers and provide opportunities for users to convey their personal needs are expected to be improved in the MyParmad application. This functional aspect is expected to encourage the continued use of this application and will ultimately create a stronger relationship between users in the long term.

The respondents of this research are described as having formed perceptions of value consistency and brand image as represented by the Emotional Cognition variable. Factors of service efficiency, personalization services, and social interaction of an application will form a special relationship with consumers. Through the MyParmad application, the brand image is shown to have been well-perceived by respondents. This result shows that users have given good trust in the services provided by Universitas Paramadina. However, this certainly needs to be further strengthened by the consistency of the value provided to users. The results of this study indicate that as the functional aspects provided in the MyParmad application increase, the user's perception of the excellent service successfully delivered by Universitas Paramadina is improving.

Conclusion, Implications, and Suggestions

Brand Functional Value and Customer Emotional Cognition have been shown to influence the formation of sustainable brand relationships. From the results of this study, Universitas Paramadina, as a brand entity, can strengthen the concept of services provided by considering the various inputs provided by users. The interactive impact of the functional dimension, namely service efficiency, service personalization, and social interaction in a digital service application such as MyParmad can optimize the value of user perceptions and evaluations of a brand. Innovation can also be increasingly carried out in the context of the MyParmad application to provide an increasingly valuable experience for its users.

The unique and valuable experience consumers feel will increase the emotional cognition of users of digital service applications such as MyParmad. The brand promise promoted at the beginning of the relationship with consumers can be continuously maintained by updating the brand image, which can positively contribute to the formation of sustainable brand relationships with consumers.

The limitations in this study are related to the characteristics of the sample industry, which is still focused on the higher education service industry, which of course, causes this research to have certain limitations. Nevertheless, the results of this study still have great potential to primarily focus research on the relationship between digital service applications and sustainable brand relationships in various industries. The dimensions in this study have not added other dimensions in the independent variable. The Brand Functional Value dimensions of entertainment, rewards, discounts, and search are expected to be used in further research. Whereas in Customer Emotional Cognition dimensions such as hedonic, belonging, and other emotional dimensions can be added to strengthen research findings. The suggestion can be extended to analyze samples from different industries or to take into account the cultural characteristics of different consumers.