The Antecedents of Customer Satisfaction and Customer-Company Identification in Enhancing Halal Restaurant Loyalty: Halal Company Identity Perspective

Ali Mursid
Bank BPD Jateng School of Economics and Business, ali.mursyid14@gmail.com

Cedric Hsi-Jui Wu
National Dong Hwa University, cedric@gms.ndhu.edu.tw

The Antecedents of Customer Satisfaction and Customer-Company Identification in Enhancing Halal Restaurant Loyalty: Halal Company Identity Perspective

Ali Mursid

Bank BPD Jateng School of Economics and Business, Indonesia
ali.mursyid14@gmail.com

Cedric Hsi-Jui Wu

National Dong Hwa University, Taiwan
cedric@gms.ndhu.edu.tw

This study elucidates Halal company identity to predict both customer satisfaction and customer-company identification and the resultant impact on Halal restaurant loyalty. The data analysis used CFA and SEM with a total sample of 347 Halal favourite restaurant customers in Indonesia. The results show that Halal identity similarity insignificantly affects customer satisfaction, while Halal identity distinctiveness and Halal identity prestige positively influence customer satisfaction. Halal identity similarity and Halal identity distinctiveness positively affect customer-company identification, whereas Halal identity prestige does not. Only Halal identity distinctiveness strongly impacts both customer satisfaction and customer-company identification. Customer-company identification positively impacts customer satisfaction and both customer satisfaction and customer-company identification positively affect Halal restaurant loyalty.

Key Words: halal company identity, customer satisfaction, customer-company identification, halal restaurant loyalty

Introduction

The population of Indonesia has reached 267 million people, making it the biggest market for culinary industries among ASEAN countries. With the fast growth of income among the middle-classes and rapid change of their lifestyles, the food business expects to achieve average annual growth of 7.07 percent from 2018 to 2023 (Indonesia Investment, October 11, 2018). According to the Global Islamic Economic Report 2019-2020, Indonesia is included in the top ten countries for Halal industry development, however, Halal food and beverage are not included in this classification. Therefore, the government has to pay attention focusing on this business sector. The Governor of the Bank of Indonesia has estimated the development of Halal food and beverage to be around US$1.8 trillion by the end of 2023 (Global Islamic Index 2019-2020). Moreover, the development of a Halal lifestyle by Muslim and non-Muslims has offered this business sector more potential to progress. Halal is not only related to Islamic teaching but also the quality of products. The opportunity to develop the Halal industry is very positive, since many people desire Halal products both nationally and internationally (Jakarta Post, 2020). As a consequence, exploring Halal restaurant loyalty is crucial for Halal food and beverage development in Indonesia.

Relationship marketing literature acknowledges the critical role of customer satisfaction and customer-company identification in the development of customer outcomes. Related to this, customer satisfaction has become a pivotal element in marketing for various industries (Luo & Homburg, 2007; Szymanski & Henard, 2001). Previous studies have reported the positive effect of customer satisfaction in enhancing customer loyalty toward travel services (Grissemann & Stokburger-Sauer, 2012). Furthermore, customer-company identification has been proposed as a critical factor in enhancing company loyalty (Bhattacharya & Sen, 2003). Thus, customer- company identification is believed to build customer loyalty and word of mouth in the long term - for example, identification has been shown to be important when compared with customer satisfaction for airline services (Haumann, Quaiser, Wieseke, & Rese, 2014). Hence, customer-company identification and customer satisfaction have substantial effects in enhancing loyalty and positive word of mouth (Pop & Woratschek, 2017).

Although scholars have acknowledged the essential roles of customer satisfaction and customer-company identification in enhancing customer loyalty, only a few authors have explored these two constructs in a single framework. Martinez & Bosque (2013) identified aspects of corporate social responsibility and trust to predict customer satisfaction and customer-company identification. Moreover, Su, Swanson, Chinchanachokchai, Hsu, & Chen (2016) studied the effects of corporate reputation on customer satisfaction, customer company identification, and customer commitment in achieving repurchase intentions and word of mouth intentions. Another study by Yang, Chen, & Huang (2017) verified the influence of customer orientation on customer loyalty through the mediating constructs of customer satisfaction and customer-company identification. Unlike the above studies, this current study attempts to fill the gap by exploring the antecedents of both customer satisfaction and customer-company identification from the viewpoint of Halal company identity. In addition, it examines the relationship between customer company identification, customer satisfaction, and Halal restaurant loyalty.

This framework proposes a model focusing on how the antecedents of customer satisfaction and customer-company identification increase Halal restaurant loyalty, while considering the concept of company identity discussed by previous scholars. It was reported that brand identity impacts customer satisfaction (Ashforth & Mael, 1989; Hwang & Han, 2016; Jin, Line, & Markebu, 2016). Brand attributes include the three components of company identity (brand self-similarity, brand distinctiveness, and brand prestige), which successfully determine customer-company identification (Stokburger-Sauer, Ratneshwar & Sen, 2012). Based on the previous findings of Popp & Woratschek (2017) and Martinez & Bosque (2013), we know that customer-company identification impacts customer satisfaction. Moreover, Haumann, Quaiser, Wieseke, & Rese (2014) and Pop & Woratschek (2017) showed that the two constructs of customer satisfaction and customer-company identification strongly affect customer loyalty.

This research model contributes to the theory of customer satisfaction and customer-company identification by studying customer loyalty in the Halal restaurant industry

in Indonesia. More specifically, this study verifies the antecedents of both customer satisfaction and customer-company identification, including Halal identity similarity, Halal identity distinctiveness, and Halal identity prestige. Moreover, it examines the effect of customer-company identification on customer satisfaction. Finally, we examine the influence of customer satisfaction, and customer-company identification on Halal restaurant loyalty. This study discusses the results, theoretical contributions, and managerial implications, and provides recommendations for future research.

Literature Review and Hypotheses Development

Company identity, customer satisfaction, and customer-company identification

Company identity refers to a customer's information associated with company configuration, including company image, reputation and other perceptions of attributes related to the company (Brown & Dacin, 1997). This study adapted company identity in the context of Halal restaurants considering that Muslim customers select the restaurant based on Islamic teaching. Starting from this point of view this study elucidated the antecedents of customer satisfaction and customer-company identification from Halal company identity perspectives.

Based on the description from Bhattacharya & Sen (2003), company identity consists of identity similarity, identity distinctiveness, and identity prestige. Identity similarity means that customers are attracted to companies that have characteristics similar to their own. The requirements of stability and consistency within customers' senses arises through valuations of congruity or similarity with commercial entities, such as firms or brands (Bhattacharya & Sen, 2003; Escalas & Bettman, 2003). Identity distinctiveness distinguishes an individual from others; this can be achieved through procurement, and utilisation, as well as the recommendation of customer goods to improve social identity (Tian, Bearden & Hunter, 2001). Finally, identity prestige refers to positioning of a company's product in a prestigious or a high status way (McCarthy & Perreault, 1987; Steenkamp *et al*., 2003). Therefore, Halal identity

similarity refers the characteristics of Muslim customers that choose Halal restaurants since the restaurants have similar characteristics with regard to their religion. Moreover, Halal identity distinctiveness can distinguish Muslim customers' social identity from other customers. Halal identity prestige refers to Halal restaurants that have a prestigious position in the eye of customers.

Scholars have proposed several definitions for customer satisfaction and customer-company identification. Customer satisfaction has been defined as a comparison of disconfirmation and customer expectations (Churchill & Surprenant, 1982). Furthermore, customer-company identification refers to customer participation that is dynamic, selective, and volitional and can evoke customer behaviours which are both advantageous and disadvantageous to the company (Bhattacharya & Sen, 2003).

Identity similarity has rarely been considered as an antecedent of customer satisfaction; however, several marketing documents point to this relationship. Brack & Benkenstein (2012) stated that overall similarity impacts the relationship between customers. In addition, overall similarity affects customer attitude towards service. Furthermore, Bekk, Sporrle & Kruse (2016) have testified that tourist destination and personality have significant similarity influences on overall fit and subsequently, overall fit affects tourist satisfaction and behaviour intention. The above discussion leads to the following hypothesis.

H1: Halal identity similarity positively affects customer satisfaction.

Regarding the relationship between identity similarity and customer-company identification, Bhattacharya & Sen (2003) proposed a model of customer-company identification based on company identity. According to their concept, company identity has several factors, including identity similarity, which is shown to be a good predictor of customer-company identification through identity attractiveness. Karaosmanoglu, Bas & Zhang (2011) found identity similarity with other customers affects the emotions of customers and enhances customer-company identification. Wolter & Cronin (2017) recently explored cognitive and affective (CCIcog and CCIaff)

aspects of customer-company identification. Their study found that self-definitions such as identity similarity and in-group ties affect CCIcog; therefore, the following hypothesis is proposed.

H2: Halal identity similarity positively affects customer-company identification.

Previous studies have seldom explored the positive effect of identity distinctiveness on customer satisfaction; however, some findings have pointed to this relationship. Brewer (1991) stated that people tend to accomplish satisfaction through similarity or uniqueness with their social community. Moreover, Hyun & Park (2016) argue that the customers' need for uniqueness is a crucial factor within customer perceptions of company uniqueness and, in turn, perceived company uniqueness positively affects behaviour intention. Shim, Kang, Kim, & Hyun (2017) focused on emotional brand attraction as a means of provoking customer emotion to attract the brand, suggesting that brand distinctiveness significantly affects emotional brand attraction and hence, emotional brand attraction positively influences customer engagement and repurchase intention. Based on the review of the above works, this study proposes the following hypothesis.

H3: Halal identity distinctiveness positively affects customer satisfaction.

Prior empirical studies have recognised the importance of identity distinctiveness in influencing customer behaviour and customer outcome. Hyun & Park (2016) found that perceived firm uniqueness significantly impacts a customer's need for uniqueness and hence, a customer's need for uniqueness significantly affects behaviour intention. A recent study showed that brand distinctiveness directly influences emotional brand attraction and subsequently, emotional brand attraction leads to active customer involvement and repurchase intention (Shim *et al*., 2017).

Concerning the effect of identity distinctiveness on customer company identification, several authors have shown that identity distinctiveness influences customer-company identification. Curras-Perez *et al*. (2009) demonstrated that brand distinctiveness affects customer-company identification through brand attractiveness.

In the same year, Carlson *et al.* (2009) reported that brand distinctiveness was a critical factor in enhancing cognitive identification among members of a team. Likewise, Stokburger-Sauer *et al.* (2012) identified several factors driving customer brand identification. The result revealed that several types of brand identity, including brand distinctiveness, significantly affect customer brand identification; therefore, this study offers the following hypothesis.

H4: Halal identity distinctiveness positively affects customer-company identification.

Marketing studies have seldom investigated the effect of identity prestige on customer satisfaction. Thus, this study aims to verify the relationship between identity prestige and customer satisfaction. Ashforth & Mael (1989) argued that company prestige is a crucial factor in achieving customer satisfaction. Customers tend to identify with prestigious and unique companies, since company prestige can significantly enhance customer satisfaction. Other authors have argued that brand prestige plays an important role in determining social value and customer satisfaction in the casino industry (Hwang & Han, 2016). In addition, Jin *et al.* (2016) examined the effect of brand prestige on customer satisfaction in upscale restaurants, and found that brand prestige has a significant and a direct effect on customer satisfaction; therefore, this study proposes the following hypothesis.

H5: Halal identity prestige positively affects customer satisfaction.

Several marketing studies have reported a positive relationship between identity prestige and customer-company identification. So *et al.* (2017) pointed to the influence of brand prestige on customer brand identification. Their results showed that brand prestige significantly affects customer brand identification through brand attractiveness. Furthermore, Kuenzel & Halliday (2008) used identity theory to elucidate brand identification. Their study revealed that brand prestige has a direct effect on brand identification. Likewise, Hwang & Han (2014) examined the antecedents and consequences of brand prestige among cruise passengers and found that the consequences of brand prestige include customer-company identification. Furthermore,

Wolter & Cronin (2017) explained that organisational prestige has a significant effect on the affective aspect of customer-company identification. Therefore, the following hypothesis is proposed.

H6: Halal identity prestige positively affects customer-company identification.

Customer satisfaction, customer-company identification, and customer loyalty

Customer loyalty has been defined as the active intention of a customer to maintain an attitude of dedication and repeat patronage with the company (Dick & Basu,1994). Moreover, customer loyalty also refers customer behaviour that shows high motivation to maintain a constant and robust relationship with a company (Palmatier *et al.*, 2006). Loyal customers show their intention to repurchase and make recommendations through positive word of mouth (Tsaur, Luoh, & Syue, 2015; Zeithaml, Berry, & Parasuraman, 1996).

Previous studies have argued that customer-company identification affects customer satisfaction and subsequently, customer satisfaction affects customer loyalty. Martinez & Bosque (2013) explained that customer-company identification directly affects customer loyalty. In addition, customer-company identification also affects customer loyalty through customer satisfaction. Developing this further, Popp & Woratschek (2017) reported that customer community identification also affects community loyalty via customer satisfaction with the community; therefore, the following hypothesis is proposed.

H7: Customer-company identification positively impacts customer satisfaction.

Previous studies have identified the direct effect of customer satisfaction on customer loyalty in various settings. Kandampully & Suhartono (2003) described that hotel image and customer satisfaction with service processes and facilities such as housekeeping, reception, food and beverage, and price positively affect customer loyalty. Walsh, Evanschitzky, & Wunderlich (2008) reported that customer satisfaction has a positive effect on customer loyalty. Furthermore, Kim *et al.* (2015)

concluded that customer satisfaction is the key factor that determines both the cognitive and affective aspects of customer loyalty. Other studies reported the direct influence of customer satisfaction on customer loyalty (Wolter *et al*., 2017) and how tourist satisfaction significantly affects destination loyalty (Breiby & Slatten, 2018; Sangpikul, 2018). Therefore, this study proposes the following hypothesis.

H8: Customer satisfaction positively impacts Halal restaurant loyalty.

The concept of customer company identification proposed by Bhattacharya & Sen (2003) identified the critical role of customer company identification in affecting customer loyalty. Kuenzel & Halliday (2008) investigated brand identification to predict word of mouth and brand repurchase and showed that the effects of brand identification on customer word of mouth and brand repurchase are significant. Moreover, Stokburger-Sauer *et al*. (2012) found that customer brand identification directly affects brand loyalty. Another study showed that

cognitive and affective aspects of customer-company identification positively affect attitudinal loyalty (Wolter & Cronin, 2017). Scholars have argued strongly that customer-company identification serves as a determinant factor in enhancing customer loyalty (Haumann *et al*., 2014; Kang *et al*., 2015; Martinez & Bosque, 2013; Yang *et al*., 2017); therefore, this study offers the following hypothesis.

H9: Customer-company identification positively impacts Halal restaurant loyalty.

Methodology

Data and sample collection

This study employed structured questionnaires to collect data from the respondents. All responses of the respondents were measured using a seven-point scale ranging from 1 (strongly disagree) to 7 (strongly agree). This study involves customers at popular restaurants in Semarang, Indonesia as the population. Moreover,

Figure 1: A theoretical framework of Halal company identity and Halal restaurant loyalty
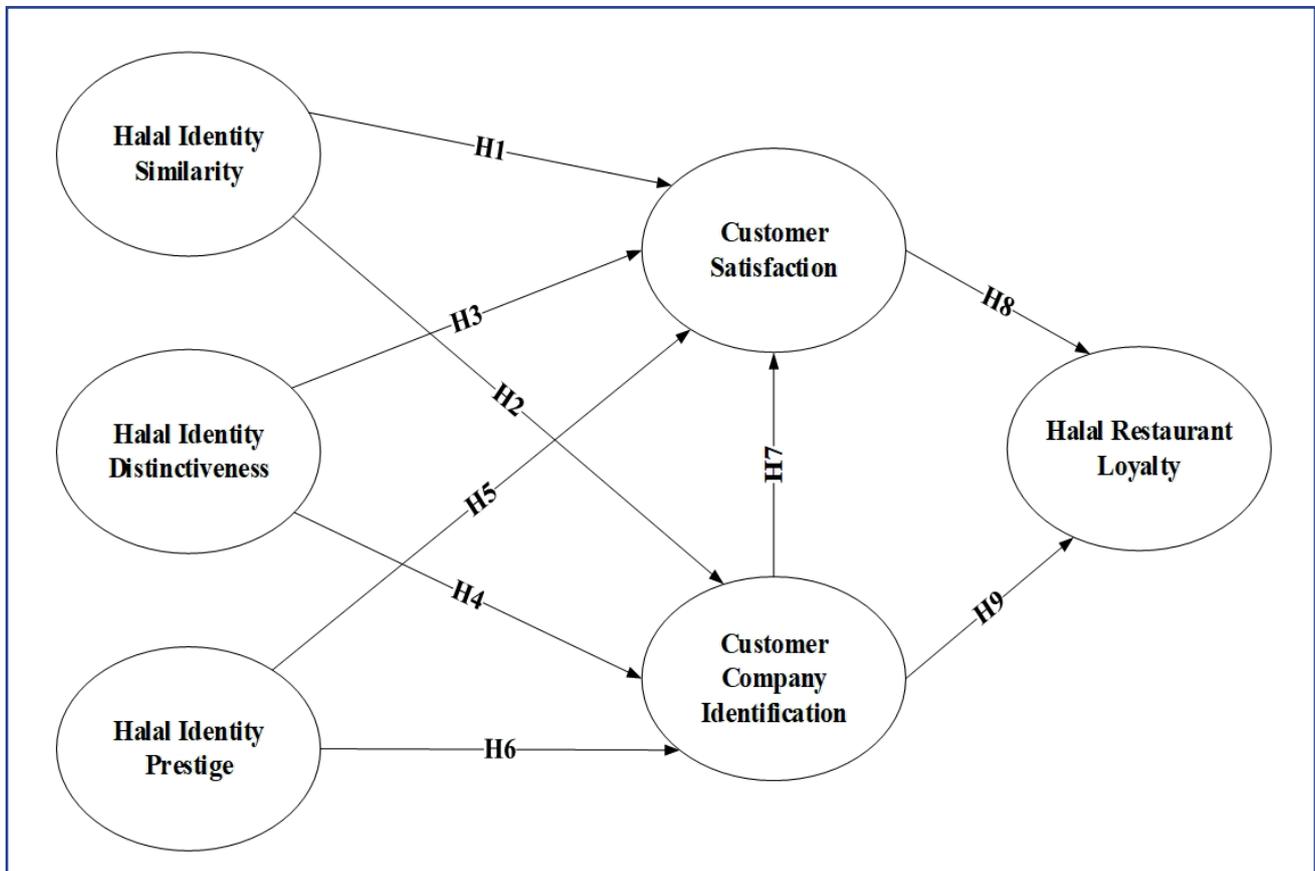
using purposive sampling methods, this survey selected respondents from restaurants employed the following criteria:

1) the popular restaurants were located in Semarang city;

2) they provide good service and quality of foods,

3) they have a famous brand from the viewpoint of consumers.

Ten restaurants fulfilled these criteria and a total of 347 customers of these restaurants participated in the survey.

Measurement items

This framework adopted measurement scales from previous studies with high reliability and validity for all constructs. The construct of identity similarity was adapted from Escalas & Bettman (2003), identity distinctiveness was derived from Curras-Perez *et al.* (2009), and identity prestige was taken from Mael & Ashforth (1992). Customer satisfaction was adapted from Gremler & Gwinner (2000) and customer company identification was borrowed from Mael & Ashforth (1992), while customer loyalty was adapted from the

measurement scale of Zeithaml *et al.* (1996). All the items of each construct exceeded the Cronbach alpha .70. The values of Cronbach alpha fell between .795 and .936, indicating reliability and validity. Table 1 displays the items scale and the Cronbach alpha of each construct.

Descriptive statistics of respondents

The description of respondents' profiles consists of gender, age, marital status, education background, average monthly income and frequency of visits to the popular restaurants. There were more female participants of this survey than male ones, with 55 % female and 45% male respondents. The respondents aged between 20 and 27 years dominated this survey, reaching 80.4%, and, thus, only 19.6% of the respondents were above 27 years old. The majority of the participants, 80.4 %, were single. As for the education background of the respondents, 68.9% had pursued master's degrees, while 27.4% of the participants finished their undergraduate degrees. Regarding the monthly income of the respondents, 86.5% had an income of less than IDR 5.000.000, following by 12.7% who received an income between IDR 5.000.000 and IDR 7.500.000. The frequencies of visits to these

Table 1: Item-scale of each construct		
Dimension	Measurement	Cronbach alpha
Halal Identity Similarity	This Halal restaurant reflects who I am	.936
	I could use this Halal restaurant to communicate who I am to other people	
	I think this Halal restaurant could help me become the type of person I want to be	
	I consider this Halal restaurant to be 'me' it reflects who I consider myself to be or the way that I want to present myself to others	
Halal Identity Distinctiveness	This Halal restaurant is different from the other restaurants in the sector	.887
	This Halal restaurant is different from the rest of its competitors	
	This Halal restaurant stands out from its competitors	
Halal Identity Prestige	People in this city think highly of this Halal restaurant	.886
	It is considered prestigious to visit this Halal restaurant	
	This Halal restaurant is considered one of the best	
	A customer who has visited this Halal restaurant would be proud	
Customer Satisfaction	Based on all of my experience with this Halal restaurant, I am satisfied with the service it provides	.804
	I decide to choose this Halal restaurant and it is as I expected	
	I think, this is an ideal Halal restaurant, this is why I decided to choose it	
Customer Company Identification	When someone criticises this Halal restaurant, it feels like a personal insult	.919
	When I talk about this Halal restaurant, I usually say 'we' rather than 'they'	
	When someone compliments this restaurant, it feels like a personal compliment.	
Halal Restaurant Loyalty	I say positive things about this Halal restaurant to other people	.795
	I encourage friends and relatives to visit this Halal restaurant	
	I consider this Halal restaurant as my first choice to visit.	

Table 2: Socio-demographics profile of the respondents		N	Percentage (%)	Cumulative Percentage (%)
Gender	Male	156	45	45
	Female	191	55	100
Age	20~27 years old	279	80.4	80.4
	28~35 years old	28	8.1	88.5
	36~43 years old	21	6.1	94.5
	44~51 years old	12	3.5	98.0
	>50 years old	7	2.0	100.0
Marital Status	Single	285	82.1	82.1
	Married	56	16.1	98.3
	Other	6	1.7	100.0
Education Background	Senior High School	2	.6	.6
	Undergraduate	95	27.4	28.0
	Master	239	68.9	96.8
	Doctor	11	3.2	100.0
Monthly Income	< IDR 5.000.000	300	86.5	86.5
	IDR 5.000.000 - < IDR 7.500.000	44	12.7	99.1
	>IDR 7.500.000	3	.9	100.0
Visiting Frequency	1 time	8	2.3	2,3
	2 - 3 times	63	18.2	20.5
	4 – 5 times	147	42.4	62.8
	>5 times	129	37.2	100.0

restaurants were between 4 and 5 times (42.4%), while the second largest group of respondents had visited the preferred restaurants more than 5 times (37.2%). Details related to the socio-demographic profiles of the respondents are displayed in Table 2.

Analysis and results

Measurement model

The analysis of the measurement model followed the recommendation of Anderson & Gerbing (1988) with a two-step approach comprised of confirmatory factor analysis (CFA) and structural equation modelling (SEM). The results of the CFA analysis showed that the measurement model achieved good model fit, with $\chi^2/$ (df = 151) = 327.865, (p <.001), good fit index (GFI) = .915; comparative fit index (CFI) = .965, incremental fit index (IFI) = .965, Tucker Lewis index (TLI) = .955, normed fit index (NFI) = .937, and root mean square error of approximation (RMSEA) = .058. The values of CFI, GFI, IFI, and TLI, all surpassed .90 and the values of RMSEA and Standard RMR (.038) were lower than .8 (Hu & Bentler, 1998).

Based on the CFA evaluation, the psychometric properties of each factor were measured by a reflective scale (Bagozzi & Yi, 1988). Moreover, composite reliability (CR) exceeded .70 and average variance extracted (AVE) was above .50, indicating convergent validity (Hair Jr, Black, Babin, Anderson & Tatham, 2010). The results of CFA showed values of CR between .795 and .933 and values of AVE from .564 to .792. Table 3 shows the results of factor loading, CR, and AVE, revealing that the model fulfilled convergent validity.

Regarding the evidence of discriminant validity, Fornell & Larcker (1981) suggest that the value of the square root of the average of variance extracted (AVE) in each construct should be higher than the relationship coefficients of the particular construct with other constructs. Our findings showed that the square root of AVE was higher than the correlation of each construct, indicating the research model achieved adequate discriminant validity. Table 4 shows the correlation matrix of discriminant validity.

Table 3: The result of CFA model				
Construct	Factor loading	Error Variance	Composite reliability (CR)	Average variance extracted (AVE)
Halal Identity Similarity				
HS1	.832	.308	.933	.776
HS2	.910	.172		
HS3	.895	.199		
HS4	.884	.219		
Halal Identity Distinctiveness				
HD1	.802	.357	.889	.728
HD2	.902	.186		
HD3	.853	.272		
Halal Identity Prestige				
HP1	.819	.329	.900	.692
HP2	.847	.283		
HP3	.822	.324		
HP4	.839	.296		
Customer Satisfaction				
CS1	.821	.326	.829	.619
CS2	.783	.387		
CS3	.754	.431		
Customer Company Identification				
CCI1	.870	.243	.920	.792
CCI2	.900	.190		
CCI3	.900	.190		
Halal Restaurant Loyalty				
HL1	.779	.393	.795	.564
HL2	.721	.480		
HL3	.751	.436		
Note: χ^2= 327.865; χ^2/ (df = 151)= 2.171 (p<.001); RMSEA= .058; NFI= .937; RFI= .920; IFI= .965; TLI= .955; CFI= .965; RMR= .056; GFI= .915; AGFI= .882; PGFI= .658; SRMR=.0389, and PNFI= .744.				

Table 4. Correlation matrix of discriminant validity						
Construct	HS	HD	HP	CS	CCI	HL
HS	**.881**					
HD	*.165*	**.853**				
HP	*.327*	*.358*	**.832**			
CS	*.181*	*.437*	*.332*	**.786**		
CCI	*.371*	*.156*	*.169*	*.299*	**.890**	
HL	*.150*	*.266*	*.280*	*.506*	*.440*	**.751**

Structural model

Following Anderson & Gerbing (1988), the second step of analysis of the structural model was to validate the significance of the hypotheses. The results showed χ^2= 339.285; χ^2/ (df = 154) = 2.203, (p<.001); RMSEA (root mean square error of approximation) = .059; GFI (good fit index) = .912; NFI (normed fit index) = .934;

IFI (incremental fit index) = .963; TLI (Tucker Lewis index) = .954; and CFI (comparative fit index) = .963. Hu & Bentler (1998) recommend that values of CFI, IFI, TLI, and NFI with good model fit should be close to 1.00 and higher than .90. Thus the results in this study showed excellent model fit. Furthermore, the RMSEA value in the range between .04 and .08 indicate fit value, while SRMR (Standardised RMR) = .041, also leads to adequate model fit.

The validation of the hypotheses focused on the antecedents of customer satisfaction and customer-company identification found that identity similarity insignificantly affects customer satisfaction (Hypothesis 1). Furthermore, identity distinctiveness (Hypothesis 2; β = .340; p < .001) and identity prestige (Hypothesis 3; β = .196; p < .001) positively affect customer satisfaction. The precursors of customer-company identification showed that identity similarity (Hypothesis 4; β = .538;

Hypothesis	Relationship	Estimate	S.E.	C.R	Result
	Table 5: Details of the hypotheses results				
H1	Halal Identity Similarity → Customer Satisfaction	-.063	.041	-1.547	Not Supported
H2	Halal Identity Distinctiveness → Customer Satisfaction	.340***	.052	6.565	Supported
H3	Halal Identity Prestige → Customer Satisfaction	.196***	.052	3.748	Supported
H4	Halal Identity Similarity → Customer-Company Identification	.538***	.064	8.475	Supported
H5	Halal Identity Distinctiveness → Customer-Company Identification	.233***	.083	2.815	Supported
H6	Halal Identity Prestige → Customer-Company Identification	.005	.089	.053	Not Supported
H7	Customer-Company Identification → Customer Satisfaction	.207***	.038	5.417	Supported
H8	Customer Satisfaction → Halal Restaurant Loyalty	.586***	.080	7.336	Supported
H9	Customer-Company Identification → Halal Restaurant Loyalty	.257***	.042	6.049	Supported
Note: *p≤ .1 ** p≤ .05 and ***p≤ .001.					

$p < .001$) and identity distinctiveness (hypothesis 5; $\beta = .233$; $p < .001$) positively impacts customer-company identification, while identity prestige (Hypothesis 6) cannot affect customer-company identification. Lastly, customer-company identification positively affects customer satisfaction (Hypothesis 7; $\beta = .207$; $p < .001$) and both customer satisfaction (Hypothesis 8; $\beta = .586$; $p < .001$) and customer company identification (Hypothesis 9; $\beta = .257$; $p < .001$) positively affect customer loyalty. Table 5 shows the results of each of the hypotheses.

Discussion

The insignificant effect of identity similarity on customer satisfaction does not agree with previous findings about this relationship. Based on the guidance from a previous study conducted by Brack & Benkenstein (2012) on how overall similarity affects the relationship between customers and customers' attitudes towards service, this study did not that show that similarity impacts customer satisfaction. Moreover, the results of Bekk *et al*. (2016) reported that personality similarity of tourists significantly influences overall fit, and in turn, overall fit affects tourist satisfaction and behaviour intention. This could provide an explanation for the insignificant effect in our findings. The relationship between identity similarity and customer satisfaction could potentially serve as a mediating construct. Thus, examining the emergence of a mediating construct such as perceived value or perceived benefits in this relationship would become more effective.

The significant results of identity similarity and customer-company identification corroborate the proposed model from Bhattacharya & Sen (2003) empirically. Similarly, the results of this study support the findings of Stokburger-Sauer *et al*. (2012) that reported brand self-similarity affects customer-brand identification. This finding is also relevant to the research conducted by Wolter & Cronin (2017) which stated that self-definition factors such as identity similarity and in-group ties affect the cognitive aspects of customer-company identification.

The results of this study explore identity distinctiveness as the antecedent of customer satisfaction, showing a significant effect. Based on the research direction proposed by Brewer (1991) which revealed that people tend to achieve satisfaction either through similarity or uniqueness, the findings of this study confirm the significant effect of identity distinctiveness on customer satisfaction. This leads to a new insight that identity distinctiveness, which is commonly used in predicting customer-company identification, is also involved in the accomplishment of customer satisfaction.

This framework also confirms the significant effect of identity distinctiveness on customer-company identification. Unlike Curras-Perez *et al*. (2009) who found that brand distinctiveness affects customer-company identification through brand attractiveness, this study shows the direct effect of identity distinctiveness on customer company identification. This agrees with Carlson *et al*. (2009), who confirmed that brand distinctiveness is a critical factor in determining cognitive identification and Stokburger-Sauer *et al*. (2012), who showed that brand distinctiveness significantly impacts customer brand identification.

The aspect of company identity, namely identity prestige, successfully affected customer satisfaction. This supports the argument built by Ashforth & Mael (1989) that company prestige is an essential aspect of enhancing customer satisfaction. The above study proved that customers are likely to identify with prestigious firms and that this identification significantly increases customer satisfaction. This finding also agrees with studies showing that brand prestige determines customer satisfaction in the casino industry (Hwang & Han, 2016) and at favourite restaurants (Jin *et al*, 2016).

Although some marketing studies have discussed the effects of identity prestige on customer brand identification and customer-company identification (Kuenzel & Halliday, 2008; Hwang & Han, 2014; Wolter & Cronin, 2017), interestingly, this study agrees with previous results showing that identity prestige insignificantly impacts customer-company identification. To validate the results of So *et al* (2017) demonstrating that brand prestige affects customer brand identification via brand attractiveness, one possible explanation is that in the context of popular restaurants, a mediating construct such as identity attractiveness is required to measure the influence of identity prestige on customer-company identification.

Concerning the relationship between customer-company identification, customer satisfaction, and customer loyalty, this study shows a significant effect among them. This study found a strong relationship between customer-company identification and customer satisfaction. This result confirms previous research reporting that customer company identification affects customer satisfaction (Martinez & Bosque, 2013; Popp & Woratschek, 2017). Moreover, the significant effects of customer satisfaction and customer loyalty also further confirm the findings of many previous studies (Kandampully & Suhartono, 2003; Kim *et al*., 2015; Walsh *et al*., 2008; Wolter *et al*., 2017). Finally, the results of this study revealing the significant effects of customer-company identification and customer loyalty also support the findings of prior scholars (Haumann *et al*., 2014; Kang *et al*., 2015; Stokburger-Sauer *et al*., 2012; Martinez & Bosque, 2013; Wolter & Cronin, 2016; Yang *et al*., 2017).

Managerial implication

The results of this study can guide managers of service firms, particularly favourite restaurants, to implement some relevant policies. First, identity distinctiveness and identity prestige are crucial factors in enhancing customer satisfaction. Based on this study, managers can develop distinctiveness and prestige so that customers can experience service that is unique and prestigious. The perceptions of the customers will encourage their satisfaction. Such distinctiveness and prestige can be created by building an attractive location, designing creative physical environments, and providing delicious and unique menus.

Based on the finding that identity similarity and distinctiveness encourage customer-company identification, managers of service firms, e.g. favourite restaurants, should consider these two constructs. Providing identity similarity with favourite customers, for instance, can be built by creating locations, servicescapes, products and overall brands that match favourite customer characteristics and favourite lifestyles. Managers should emphasise distinctiveness in particular, since this construct affects both satisfaction and customer-company identification. Promoting uniqueness in all sectors of service firms can encourage customer satisfaction and customer-company identification, and thus increase competitive advantage.

Finally, the results show that customer satisfaction and customer-company identification strongly affect customer loyalty. Managers of service firms should make continuous efforts to enhance customer-company identification and customer satisfaction, since these are key factors in building loyal customer. Efforts to increase customer-company identification and customer satisfaction such as promoting the quality of company identity would be beneficial.

Limitations and future research

This study focused on popular restaurants in Indonesia; therefore, the result cannot be generalised. Exploring customer satisfaction, customer-company identification and customer loyalty by expanding the sample size to include hotel customers, tour agencies or spreading

the sample across countries would generate more representative results. Furthermore, our recommendation for future research is to propose mediating variables emerging in the relationships between identity similarity and customer satisfaction, and identity prestige and customer-company identification. This would provide a clearer understanding of the interaction among these constructs. Another suggestion is to explore the antecedents of customer-company identification and customer satisfaction from the perspectives of the company, customer, product or brand.

Conclusion

This study confirms that Halal identity prestige and Halal identity distinctiveness positively and significantly impact customer satisfaction, while Halal identity similarity does not. On the other hand, Halal identity similarity and Halal identity distinctiveness positively and significantly affect customer-company identification, meanwhile Halal identity prestige does not. Finally, customer-company identification positively and significantly affects customer satisfaction, and both customer satisfaction and customer-company identification significantly and positively affect Halal restaurant loyalty.

References

Anderson, J.C. & Gerbing, D.W. (1988) Structural equation modelling in practice: A review and recommended two-step approach, *Psychological Bulletin*, Vol. 103 No.3, pp. 411.

Ashforth, B.E. & Mael, F. (1989) Social identity theory and the organization, *Academy of Management Review*, Vol. 14 No.1, pp. 20-39.

Bagozzi, R.P., & Yi, Y. (1988) On the evaluation of structural equation models, *Journal of the Academy of Marketing Science*, Vol. 16 No. 1, pp. 74-94.

Bekk, M., Spörrle, M. & Kruse, J. (2016) The benefits of similarity between tourist and destination personality, *Journal of Travel Research*, Vol. 55 No. 8, pp. 1008-1021.

Bhattacharya, C.B. & Sen, S. (2003) Consumer-company identification: A framework for understanding consumers' relationships with companies, *Journal of Marketing*, Vol. 67 No. 2, pp. 76-88.

Brack, A.D., & Benkenstein, M. (2012) The effects of overall similarity regarding the customer-to-customer-relationship in a service context, *Journal of Retailing and Consumer Services*, Vol. 19 No. 5, pp. 501-509.

Breiby, M.A., & Slatten, T. (2018) The role of aethethic experiential qualities for tourist satisfaction and loyalty, *International Journal of Culture, Tourism and Hospitality Research,* Vol. 12 No. 1, pp 1-14.

Brewer, M.B. (1991).,' The social self: On being the same and different at the same time, *Personality and social Psychology Bulletin*, Vol. 17 No. 5, pp. 475-482.

Brown, T.J., & Dacin, P. A. (1997) The company and the product: Corporate associations and consumer product responses, *Journal of Marketing*, Vol. 61 No. 1, pp., 68-84.

Carlson, B.D., Todd Donavan, D. & Cumiskey, K.J. (2009) Consumer-brand relationships in sport: brand personality and identification, *International Journal of Retail & Distribution Management*, Vol. 37 No. 4, pp. 370-384.

Churchill Jr, G.A. & Surprenant, C. (1982) An investigation into the determinants of customer satisfaction, *Journal of Marketing Research*, Vol. 19 No. 4, pp. 491-504.

Currás-Pérez, R., Bigné-Alcañiz, E. & Alvarado-Herrera, A. (2009) The role of self-definitional principles in consumer identification with a socially responsible company, Journal *of Business Ethics*, Vol. 89 No. 4, pp.547.

Dick, A.S. & Basu, K. (1994) Customer loyalty: toward an integrated conceptual framework, *Journal of the Academy of Marketing Science*, Vol. 22 No. 2, pp 99-113.

Escalas, J.E., & Bettman, J.R. (2003) You are what they eat: The influence of reference groups on consumers' connections to brands, *Journal of Consumer Psychology*, Vol. 13 No. 3, pp. 339-348.

Fornell, C. & Larcker, D.F. (1981) Evaluating structural equation models with unobservable variables and measurement error, *Journal of Marketing Research*, Vol. 18 No. 1, pp. 39-50.

Gremler, D.D. & Gwinner, K.P. (2000) Customer-employee rapport in service relationships, *Journal of Service Research*, Vol. 3 No. 1, pp. 82-104.

Grissemann, U.S. & Stokburger-Sauer, N.E. (2012) Customer co-creation of travel services: The role of company support and customer satisfaction with the co-creation performance, *Tourism Management*, Vol. 33 No. 6, pp. 1483-1492.

Hair Jr, J.F., Black, W.C., Babin, B.J., Anderson, R.E. & Tatham, R.L. (2010) *SEM: An introduction. Multivariate Data Analysis:* A global Perspective, pp. 629-686.

Halal food industry to rearch US $ 1.8tn by 2023. *Global Islamic Economy Report 2019/2020*. Retrieved from https://en.tempo.co/read/1272179/bank-indonesia-Halal-food-industry-to-reach-us1-8tn-by-2023

Haumann, T., Quaiser, B., Wieseke, J. & Rese, M. (2014) Footprints in the sands of time: A comparative analysis of the effectiveness of customer satisfaction and customer–company identification over time, *Journal of Marketing*, Vol. 78 No. 6, pp. 78-102.

Hu, L.T. & Bentler, P.M. (1998) Fit indices in covariance structure modeling: Sensitivity to underparameterized model misspecification, *Psychological Methods*, Vol. 3 No. 4, pp. 424.

Hwang, J. & Han, H. (2014) Examining strategies for maximizing and utilizing brand prestige in the favourite cruise industry, *Tourism Management*, Vol. 40, pp. 244-259.

Hwang, J. & Han, H. (2016) A model of brand prestige formation in the casino industry, *Journal of Travel & Tourism Marketing*, Vol. 33 No. 8, pp. 1106-1123.

Hyun, S.S. & Park, S.H. (2016) The antecedents and consequences of travelers' need for uniqueness: An empirical study of restaurant experiences, *Asia Pacific Journal of Tourism Research*, Vol. 21 No. 6, pp. 596-623.

Jin, N., Line, N.D. & Merkebu, J. (2016) The impact of brand prestige on trust, perceived risk, satisfaction & loyalty in upscale restaurants, *Journal of Hospitality Marketing & Management*, Vol. 25 No. 5, pp. 523-546.

Kandampully, J. & Suhartanto, D. (2003) The role of customer satisfaction and image in gaining customer loyalty in the hotel industry, *Journal of Hospitality & Leisure Marketing*, Vol. 10 No. 1-2, pp. 3-25.

Kang, J., Alejandro, T.B. & Groza, M.D. (2015) Customer–company identification and the effectiveness of loyalty programs, *Journal of Business Research*, Vol. 68 No. 2, pp. 464-471.

Karaosmanoğlu, E., Banu Elmadağ Baş, A. & Zhang, J. (2011) The role of other customer effect in corporate marketing: its impact on corporate image and consumer-company identification, *European Journal of Marketing*, Vol. 45 No. 9/10, pp. 1416-1445.

Kim, M., Vogt, C.A. & Knutson, B.J. (2015) Relationships among customer satisfaction, delight & loyalty in the hospitality industry, *Journal of Hospitality & Tourism Research*, Vol. 39 No. 2, pp. 170-197.

Kuenzel, S. & Vaux Halliday, S. (2008) Investigating antecedents and consequences of brand identification, *Journal of Product & Brand Management*, Vol. 17 No. 5, pp. 293-304.

Luo, X. & Homburg, C. (2007) Neglected outcomes of customer satisfaction, *Journal of Marketing*, Vol. 71 No. 2, pp. 133-149.

Mael, F. & Ashforth, B.E. (1992) Alumni and their alma mater: A partial test of the reformulated model of organizational identification, *Journal of Organizational Behaviour*, Vol. 13 No. 2, pp. 103-123.

Martínez, P. & del Bosque, I.R. (2013),'CSR and customer loyalty: The roles of trust, customer identification with the company and satisfaction, *International Journal of Hospitality Management*, Vol. *35*, pp. 89-99.

McCarthy, E.J. & Perrault, W.D. (1987) *Basic Marketing, a Managerial Approach,* 9th ed., Richard D. Irwin, Inc., Homewood, II.

Outlook on the food service industry in Indonesia (2018, October 11). Retrieved from https://www.indonesia-investments.com/business/business-columns/outlook-on-the-food-service-industry-in-indonesia/item9001

Palmatier, R.W., Dant, R.P., Grewal, D. & Evans, K.R. (2006) Factors influencing the effectiveness of relationship marketing: a meta-analysis, *Journal of Marketing*, Vol. 70 No. 4, pp. 136-153.

Popp, B., & Woratschek, H. (2017) Consumers' relationships with brands and brand communities–The multifaceted roles of identification and satisfaction, *Journal of Retailing and Consumer Services*, No.35, pp. 46-56.

Sangpikul, A., (2018) The effects of travel experience dimensions on tourist satisfaction and destination loyalty: the case of an island destination. *International Journal of Culture, Tourism and Hospitality Research,* Vol 12 No. 1, pp. 106-123.

Shim, C., Kang, S., Kim, I. & Hyun, S.S. (2017) Favourite-cruise travellers' brand community perception and its consequences, *Current Issues in Tourism*, Vol. 20 No. 14, pp. 1489-1509.

So, K.K.F., King, C., Hudson, S. & Meng, F. (2017) The missing link in building customer brand identification: The role of brand attractiveness, *Tourism Management*, Vol. 59, pp. 640-651.

Steenkamp, J.B.E., Batra, R. & Alden, D. L. (2003) How perceived brand globalness creates brand value, *Journal of International Business Studies*, Vol. 34 No. 1, pp. 53-65.

Stokburger-Sauer, N., Ratneshwar, S. & Sen, S. (2012) Drivers of consumer–brand identification, *International Journal of Research in Marketing*, Vol. 29 No. 4, pp. 406-418.

Su, L., Swanson, S.R., Chinchanachokchai, S., Hsu, M.K. & Chen, X. (2016) Reputation and intentions: The role of satisfaction, identification & commitment, *Journal of Business Research*, Vol. 69 No. 9, pp. 3261-3269.

Szymanski, D.M. & Henard, D.H. (2001) Customer satisfaction: A meta-analysis of the empirical evidence, *Journal of the Academy of Marketing Science*, Vol. 29 No. 1, pp. 16-35.

Tian, K.T., Bearden, W.O. & Hunter, G.L. (2001) Consumers' need for uniqueness: Scale development and validation, *Journal of Consumer Research*, Vol. 28 No. 1, pp. 50–66.

Tsaur, S.H., Luoh, H.F. & Syue, S.S. (2015) Positive emotions and behavioural intentions of customers in full-service restaurants: does aesthetic labor matter?, *International Journal of Hospitality Management*, Vol. 51, pp. 115-126.

Turning Indonesia into major Halal holiday destination. Available at https://www.thejakartapost.com/academia/2020/02/06/turning-indonesia-into-major-Halal-holiday-destination.html

Walsh, G., Evanschitzky, H. & Wunderlich, M. (2008) Identification and analysis of moderator variables: investigating the customer satisfaction-loyalty link, *European Journal of Marketing*, Vol. 42 No. 9/10, pp. 977-1004.

Wolter, J.S. & Cronin Jr, J.J. (2017) Unique influences of cognitive and affective customer-company identification, *Journal of Business Research*, Vol. 78, pp. 172-179.

Wolter, J.S., Bock, D., Smith, J.S. & Cronin Jr, J.J. (2017) Creating ultimate customer loyalty through loyalty conviction and customer-company identification, *Journal of Retailing*, Vol. 93 No. 4, pp. 458-476.

Yang, A.J.F., Chen, Y.J. & Huang, Y.C. (2017) Enhancing customer loyalty in tourism services: the role of customer-company identification and customer participation, *Asia Pacific Journal of Tourism Research*, Vol. 22 No. 7, pp. 735-746.

Zeithaml, V.A., Berry, L.L. & Parasuraman, A. (1996) The behavioural consequences of service quality, *Journal of Marketing*, Vol. 60 No. 2, pp. 31-46.