

Abstract

Objectives – This research seeks to demonstrate the linear correlation of public relations perception towards customer loyalty and the moderating effect of brand image towards that relation, specifically in cigarette market in Jakarta.

Method – One way ANOVA is used to assess control variables, while Cronbach Alpha and Confirmatory Factor analysis are used to conduct the reliability and validity analysis respectively. Linear regression is used to demonstrate linear correlation between PRP and customer loyalty. Split-group test and linear regression is used to demonstrate the moderating impact of brand image towards the relation of PRP and customer loyalty.

Results – PRP does not positively correlate towards customer loyalty. Although the relation remains positive, it does not demonstrate any statistical significance. Brand image does not moderate the relation between PRP and customer loyalty, although favorable brand image pronounces the relation and unfavorable brand image detracts the relation. Split group test indicates that customers with favorable brand image demonstrate stronger PRP-Customer Loyalty correlation rather than those with unfavorable brand image.

Conclusions – The results indicate that companies should focus more on re-enforcing its brand image rather than building stronger public relations perception (pushed message).

Keywords Marketing, Public Relations, Brand Image, Customer Loyalty, Tobacco