

ABSTRACT

The contemporary interest in customer loyalty to brand has resulted in a variety of research of it conducted in many areas. Our investigation indicates that there are a few researches which address the relationship between personal self-congruence and customer loyalty to specific luxury brand. This research is conducted to examine the influence of actual self-congruence and ideal self-congruence on customer love and customer loyalty to two luxury brands. In order to give an expected explanation, this study constructs a conceptual and theoretical model based on Self-Congruity Theory (Sirgy, 1982).

This research was conducted by using quantitative approach. Specifically, the research applied a survey method to finding and collecting data. Based on the sample random sampling technique, this research collected 214 data through self-administrative survey from 250 respondents of two luxury handbag brands in Surabaya and Jakarta, the two largest city of Indonesia. A Structural Equation Modeling is used in analyzing the collected data.

The finding reveals that the there are two direct relationships are not significantly related to one another. Otherwise, there are three indirect relationships are significantly related to one another. The results also indicate something similar and contrary to previous researches of customer loyalty. Results of the previous researches show that there are significant relationship between *actual self-congruence* with customer loyalty to brand and between *actual self-congruence* with customer love to brand, which by this study could not be proved. Same with previous researches, this study proved that there are significant relationships between *ideal self-congruence* with customer love to brand, between *ideal self-congruence* with customer loyalty to brand, and between customer love with customer loyalty to brand.

Relating to the mediation relationship constructed, the result of the study also indicated that the relationship between actual self-congruence, brand love, and brand loyalty is not significant. Otherwise, the relationship between ideal self-congruence and brand loyalty mediated by brand love is significant. On the theoretical level, this research contributes to a better understanding of how to create customer loyalty to brand through tracking the self-congruence construct and the customer love to brand. On the managerial level, this research intends to provide a very useful actionable guidance to loyalty program managers on how to create luxury brand which incorporates customer self-congruence and simultaneously arises a strong emotional bonding to brand.

Key words: luxury brand, self-congruence, brand love, brand loyalty