**IDENTIFYING THE SUCCESS FACTORS OF BRAND EXTENSION
CASE OF AIRBNB EXPERIENCES IN INDONESIAN MARKET**

By

Aurellia Widjaja
11603005

BACHELOR'S DEGREE
in

BUSINESS ADMINISTRATION –
HOTEL AND TOURISM MANAGEMENT CONCENTRATION
FACULTY OF BUSINESS AND COMMUNICATION

SWISS GERMAN UNIVERSITY
The Prominence Tower
Jalan Jalur Sutera Barat No. 15, Alam Sutera
Tangerang, Banten 15143 - Indonesia

July 2020

Revision after Thesis Defense on 17 July 2020

STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

Aurellia Widjaja

_____   _____

Student   Date

Approved by:

Mochammad Riyadh Rizky Adam, S.T., M.S.M.

_____   _____

Thesis Advisor   Date

Dr. Nila Krisnawati Hidayat, S.E., M.M.

_____   _____

Dean of Faculty of Business and Communication   Date

ABSTRACT

IDENTIFYING THE SUCCESS FACTORS OF BRAND EXTENSION
CASE OF AIRBNB EXPERIENCES IN INDONESIAN MARKET

By

Aurellia Widjaja
Mochammad Riyadh Rizky Adam, S.T., M.S.M.

SWISS GERMAN UNIVERSITY

In 2016, *Airbnb* launched an extension of its *Stay* product called *Trip*, which is rebranded and currently known as *Experiences*. *Airbnb Experiences* is aimed to complete *Airbnb*'s "belong anywhere" mission and promotes sustainable travel, which is believed able to solve problems like over-tourism. However, we haven't found any research on *Airbnb Experiences* in Indonesia; it could be subjectively assumed that the company may not have done any further research as there are unconfirmed understanding about the current circumstances. There are also limited researches that have been done on brand extension in tourism marketplaces. Therefore, the aim of this research is to investigate the relationship of parent brand attitude, perceived fit, brand extension attitude and consumer innovativeness towards perceived value of the extension as well as its impact towards purchase intention in the case of *Airbnb Experiences*. Based on the result taken from 210 samples, it is found that parent brand attitude has the most significant positive correlation with brand extension attitude. Then, brand extension attitude correlates positively the most with perceived value of the extension. Perceived value also has positive and significant influence towards purchase intention. On the other hand, it is also found in this study that parent brand attitude does not directly and positively correlate with perceived value.

Keywords: Parent Brand Attitude, Brand Extension Attitude, Perceived Fit, Consumer Innovativeness, Perceived Value, Purchase Intention

DEDICATION

I dedicate this paper to my parents,

Tjandra Widjaja and Shirly Wiranta,

My support system and motivation.

And also to my youth,

Remember,

You've done well.

ACKNOWLEDGEMENTS

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES