

The Effect of Brand Awareness on Purchasing Intention at UB Minimarket: A Case Study of Students of the Faculty of Administrative Sciences, Universitas Brawijaya

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Abstract. Consumer behavior has changed from offline purchases between sellers and buyers to online shopping via mobile phones or computers. This change has impacted people's behavior: they prefer to buy things online because it is considered more practical and accessible. This change impacts the behavior of people who tend to make purchases online because it is considered more practical, and the availability of products is more complete. This study looked at how FIA students' shopping intentions at UB Minimarket were impacted by brand awareness. This research uses an explanatory quantitative method. Data is collected using a questionnaire or questionnaire that has been prepared in writing. The study's findings suggest that customers find purchasing value in brand recognition, category-cued brand name recall, and brand recall-boosted recognition. Purchase intention includes several indicators such as product price, quality, and value. The results obtained show that the variables of brand awareness and purchase intention influence each other so the variables have a positive effect.

Keywords: brand awareness, FIA UB students, purchasing intention

1. Introduction

In the modern era, there have been significant changes in consumer purchasing behavior. This can also be influenced by the COVID-19 pandemic, which caused everyone who initially used conventional methods to switch to online methods. Such conditions encourage the rapid development of technology during the pandemic. Technological developments also have an impact on changes in preferences for purchasing activities. Trading activities often carried out face-to-face, where sellers and buyers meet in one place to transact, gradually develop into a more modern model, where buyers and sellers do not need to meet directly in the same place. Currently, modern trading activities are synonymous with the role of social media or *marketplaces*. On social media, marketing content is used to attract buyers. Currently, marketing content is considered significant in increasing brand awareness and buyer interest in a brand or product.

Currently, the majority of buyers who regularly make purchases on social media are the Millennial generation. According to data from and Katadata Insight Center study and Kredivo [11], millennials, or those between the ages of 26 and 35, make up the age group that conducts the most online purchases and sales. This number accounts for 48% of the total buying and

selling transaction activities in *e-commerce*. Followed by the second and third groups with an age range of 18 to 25 years and 36 to 45 years, which are ranked second and third with each contributing 23% of the total *e-commerce* users.

The transfer of sales mechanisms to online systems has received a positive response because this mechanism is considered more efficient and effective than offline/direct transaction mechanisms. This causes changes in consumer behavior when deciding to buy a product. The change in the online sales mechanism also impacts the decline in offline sales intensity at UB Minimarket. The fact that UB students are not well-informed about the existence of the UB Minimarket itself contributes to the lack of visitors to the store.

The lack of popularity of UB Minimarket among UB students is closely related to *brand awareness*. *Brand awareness* is defined as the buyer's ability to identify the company's brand in sufficient detail to persuade them to make a purchase [1]. The lack of *brand awareness* of the existence of UB Minimarket as one of the campus facilities has an impact on the *purchasing intention* of students at UB Minimarket. Research conducted by [2] on the effect of brand awareness on purchase intention mediated by perceived quality and brand loyalty shows a positive influence between brand awareness and purchasing intention. The study states that the higher the awareness of the brand, the consumer's intention to buy the product will increase.

Theoretically, this can be seen through the theory of purchase intention, which refers to the actions of consumers in identifying products/brands that they consider solutions to their needs or wants. It can also be understood as consumer action in determining which products/brands they see as solutions to their needs or desires. In response to this, UB Minimarket can use *brand awareness* as a marketing strategy used by companies to determine the level of brand recognition and awareness in the market.

To be able to test and know the effect of *brand awareness* on *purchasing intention* at UB Minimarket, researchers conducted research on students of the Faculty of Administrative Sciences, Universitas Brawijaya (hereinafter referred to as FIA UB) as the object of research. Researchers chose FIA UB students because according to data from the Badan Pusat Statistik in 2022 [3], the number of FIA UB students was the largest compared to the number of students in other faculties. With the largest number, in this study, FIA UB students have become a representative sample for all students.

These contextual problems then become the basis for the present study.

2. Literature Review

2.1. Theoretical Review

2.1.1. Brand Awareness

The ability of the customer to recognize the company's brand in sufficient detail to persuade them to make a purchase is known as brand awareness [1]. Researchers argue that there are indicators of brand awareness, namely brand *recognition*, *category-cued brand name recall*, and *brand recall-boosted recognition* [4].

2.1.2. Purchase Intention

Purchase intention is a useful indicator of how consumers will make purchases. [5]. The literature shows that a number of indicators, namely price, quality, and perceived value, influence the relationship between product, price, and purchase intention[6] (Zeithaml 1988).

2.2. Empirical Study

The following studies are the references of this present study.

- a. Eliasari & Sukaatmadja (2017) [2] on the effect of brand awareness on purchase intention mediated by perceived quality and brand loyalty. This study shows that brand awareness highly influences purchase intention, with consumers more inclined to purchase goods if they are familiar with the brand.
- b. Shahid, Husain, and Zafar Fareeha (2017) [7], in their research entitled “The Impact of Brand Awareness on Consumers' Purchase Intention” stated that customers will choose to purchase goods from brands they are familiar with.
- c. Research conducted by DwiYanti et al. (2018) [8] on the effect of the perception of brand name quality and brand awareness on purchasing decisions shows an influence between the existence of *brand awareness* on purchasing decisions made by someone with the perception of the quality of the brand name.
- d. Vitor Azzari and Anderson Pelissari (2020) [9], in their research entitled “Does Brand Awareness Influence Purchase Intention? The Mediation Role of Brand Equity Dimensions,” show that brand awareness has no direct effect on purchase intention.

3. Research Methods

This study uses explanatory quantitative research. An approach for describing the link between the variables under investigation and their various placements is the explanatory quantitative research method [10]. Research is used to examine a theory or hypothesis to establish or refute an existing theory or research hypothesis. Using the Slovin formula, the sample size for this study consisted of 98 individuals. This study's data-gathering method involved the use of a written questionnaire or written questionnaire techniques. Researchers use this kind of explanatory research to examine the degree to which students in the Faculty of Administrative Sciences at Universitas Brawijaya are influenced by Brand Awareness on Purchase Intention at UB Minimarket.

4. Results and Discussion

Table 1: Results

R Square adjusted	GoF	Path Coefficient	T-Statistic
0.231	0.231	0.487	6.216

The study's findings suggest that brand awareness positively impacts purchase intention. The corrected R-Square coefficient value of 23.1% and the Goodness of Fit of 0.231 demonstrate this influence, indicating that brand awareness affects purchase intention. The calculation results of the path coefficient show a value of 0.487, which shows that brand awareness significantly positively affects purchasing intention by 48.7%. The test in the table shows that the variable in the hypothesis has an original sample (path coefficient) value of 0.487, and a T-Statistic value of 6.216. These results show that the T-Statistic > 1.96 so the brand awareness variable on purchasing intention has a positive and significant effect.

From these results, it is known that brand awareness is needed to create purchase intentions in consumers. Awareness of a brand includes brand recognition, category-cued brand name recalls, and brand recall-boosted recognition. Brand recognition includes reach and memory of the brand, category-cued brand name recall includes reconsideration of making a purchase, and brand recall-boosted recognition includes purchase preferences. Purchase intention includes several determining indicators such as product price, quality, and value. The results of this study show that the two variables influence each other, so the variables have a positive influence.

The findings of researchers in this study, the manager of UB Minimarket is expected to pay attention to brand awareness of UB Minimarket. UB Minimarket can increase purchase intention by implementing several activities that are included in the items tested in this study. The items of activity on brand awareness include the ease of reaching UB Mini Market, the ease of remembering UB Minimarket, the inclusion of UB Minimarket in consideration when making purchases, and the inclusion of UB Minimarket in preferences when making purchases. In addition to items on brand awareness, UB Minimarket managers can also implement activities on purchase intention items, which include setting actual prices in accordance with consumer preferences, maintaining product quality, and ensuring product prices in accordance with product quality. It is hoped that with the application of items from variable indicators in this study, in accordance with the results we get, brand awareness positively influences purchase intention.

5. Conclusion

The COVID-19 pandemic has changed consumer behavior, especially among millennials, who tend to shift to online transactions. Increased online transaction efficiency is what's causing this shift. This has resulted in a decrease in shopping intensity and offline sales at UB Minimarket. Brand awareness has a significant impact on buying intention. The consumer's intention to acquire the product is positively correlated with brand awareness. This research was conducted with a sample of FIA UB students who shop at UB Minimarket using the explanatory quantitative method to analyze the effect of brand awareness on purchase intention.

Testing the validity and reliability of the research model was carried out. Two criteria were used, namely Convergent Validity and Discriminant Validity. After the analysis, all indicators in the research model have met the established validity and reliability criteria. The structural model is evaluated to determine how much the independent factors affect the dependent variable. The R-square result shows that brand knowledge influences purchase intention by 26.4%, with factors outside the scope of this study influencing the remaining percentage. In addition, Goodness of Fit (GoF) also produces a value that is in accordance with this study. Thus, the measurement and structural models in this study are valid and reliable, and brand awareness significantly influences purchasing intention in FIA UB students. However, other characteristics not included in this study account for the majority of the heterogeneity in purchasing intention.

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