Role of Brand Awareness on Marketing and Purchase Intention in Service-Based Businesses

Hazliza Haron1*, Nursaadatun Nisak Ahmad2, Izmayani Saa’din3, Hafini Suhana Ithnin4, Rai Rake Setyawan5
* Corresponding author

1 Department of Business and Management, Universiti Teknologi MARA Perak Branch, Malaysia
2 Faculty of Business Management, Universiti Teknologi MARA Puncak Alam Campus, Malaysia
3 Department of Business and Management, Universiti Teknologi MARA Perak Branch, Malaysia
4 Department of Business and Management, Universiti Teknologi MARA Perak Branch, Malaysia
5 Universitas Ahmad Dahlan, Kampus 1, Yogyakarta, Indonesia

Abstract
This research examines the influence of social media marketing, advertising, price, and product on purchase intention with the mediating role of brand awareness. Specifically, the study focuses on the restaurant industry, examining the impact of the post-COVID-19 pandemic. The pandemic has significantly impacted the restaurant industry globally and other industries, generally forcing the industry to address the challenges. We investigate whether the independent variables mentioned earlier still significantly affect purchase intention among restaurantgoers. Using convenience sampling, one hundred twenty-five sample sizes were gathered from restaurant consumers and proceeded with SmartPLS 4.0 for analysis. Results demonstrated that all the variables positively and significantly impacted purchase intention, and brand awareness significantly mediated the relationship. The results provide valuable insight into the actions that restaurants need to take to maintain their sustainability in the industry.

Keywords: Brand awareness; purchase intention; food and beverage; service industries

1.0 Introduction
In the constantly changing business environment, companies must adapt their business models to maintain and obtain more competitive positions in the market (Shahid et al., 2017). Consumer’s increasing awareness prompts them to select products from brands they are familiar with and have a favorable opinion of. Therefore, businesses must cultivate strong consumer attraction to their products and brands to outperform their rivals. Consumers’ purchase decisions can be influenced if a product has higher brand awareness (Minton, 2013). This clarifies why a product with more heightened brand awareness will have a better-quality evaluation and capture a larger market share. According to some research, brand awareness is essential for companies aiming to attain satisfactory performance in the

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Marketing is one of the significant critical functions of any organization. This task is given to the specialists responsible for analyzing, planning, and executing various marketing activities. These tasks include market planning, sales promotion, advertising, pricing, and product packaging (Gautam and Singh, 2011). The marketing mix concept evolved from viewing marketers as creators of ‘marketing ingredients’ where marketers were traditionally tasked with a blend of competitive initiatives known as the marketing mix. This initiative aims to enhance company profits by delivering consumer satisfaction and value (Adcock et al., 2001). Therefore, this research seeks to determine the impact of key marketing variables on purchase intention, precisely four independent variables: social media marketing, advertising, price, and product. We want to know their readiness to effectively face the problem, especially in upgrading their services to a new norm. How can these restaurants consistently deliver the demand, sales, customer loyalty, satisfaction, and services?

2.0 Literature Review

2.1 Social Media Marketing

In the contemporary era, the widespread utilization of social media is on the rise globally. As of 2023, approximately 4.48 billion individuals are actively using social media worldwide (Dean, 2021). Furthermore, social media has ingrained itself as a fundamental aspect of daily existence for numerous individuals. An examination of the meanings attributed to social media usage in everyday life uncovered that it fills vacant time slots, facilitates simple changes, and manages emotions (Bengtsson & Johansson, 2022).

Furthermore, social media has significantly impacted marketing endeavors. Social media marketing uses platforms and websites to endorse products and services, interact with clientele, and access novel target demographics (Karimi & Naghibi, 2015). This practice has evolved into an indispensable element within businesses’ marketing strategies across all scales. Karimi & Naghibi (2015) also outline several advantages of social media marketing that profoundly affect Small and Medium Enterprises (SMEs), including fostering recognition, curtailing marketing expenses, and amplifying brand visibility.

Other than that, studies conducted by Heskialno et al. (2020) towards the competitiveness of government hospitals compared to domestic and international hospitals agreed that social media marketing has a positive impact on capturing the patients’ intention to become loyal clients and according to Ebrahim (2020), who manages a study on 287 users who follow telecommunication companies on social media, concluded that social media marketing directly influences brand loyalty and indirectly impacts brand equity mediated by brand trust.

2.2 Advertising

Advertising serves as the crucial bridge connecting sellers and buyers. Its purpose extends beyond merely sharing product information; it also strives to sway individuals into acting driven by rationale or sentiment. In essence, advertising goes beyond disseminating facts; it aspires to entice people into specific actions or ways of thinking. Within the marketing framework, advertising is pivotal, working with product, price, distribution, and personal selling to realize marketing objectives (Sawant, 2012).

The impact of advertising on market awareness is substantial. Economic propaganda (in the form of advertising) leverages various communication channels, such as television, radio, newspapers, billboards, the Internet, and more. Through these diverse mediums, enterprises mold consumer perceptions of their brand, circulate information about their identity and offerings, educate the public, establish a distinct brand image, and attain analogous objectives (Domazet et al., 2017).

In addition, advertising in digitalization also significantly has a positive impact on brand awareness. This has been supported by research by Alamsyah et al. (2021) that implemented a survey method to examine 205 consumers who have experiences in accepting digital advertising. The result shows that implementing digital advertising preferences has a beneficial effect on raising consumer brand awareness.

2.3 Product

A product encompasses anything presented for sale or provided to meet a requirement or desire. Per contemporary marketing perspectives, a product embodies tangible and emotional contentment that a purchaser undergoes upon completing a transaction (Miracle, 2015).

The attributes of a product wield substantial influence over market recognition. A study by Lei (2022) indicated that features such as intricacy, symbolism, and contentment linked to a product directly impact how engaged consumers become in brand communities. Establishing a connection between product attributes and consumers’ inclination to engage in communities aids researchers in comprehending the reasons behind certain brands effortlessly employing communities for marketing purposes. In contrast, others struggle (Lei, 2022).

2.4 Price

Price plays a crucial role for consumers when buying a product or service. This is particularly important for everyday essentials like food and beverages, where consumers are highly attentive to the cost involved (Novansa & Ali, 2017). Moreover, the better consumers think a brand is, the more they tend to believe its price is high. Price premium indicates a brand’s capability to charge a higher fee than its
competitors. However, a study conducted by Chattopadhyay et al. (2010) mentioned no relationship between price and brand awareness.

Consumers consider factors like their perception of the item's price when deciding to buy products and services. They can also view the level of brand awareness associated with the company (Tecolau et al., 2021) and within this research on 100 Maybank Finance consumer respondents in Indonesia who had purchased Maybank Finance car loans in 2018-2020 realized that perception of different prices offered might influence the purchase decision and slightly affect brand awareness.

2.5 Brand Awareness

According to Sasmita & Mohd Suki (2015), brand awareness encompasses how consumers link a brand with the specific product they intend to possess. Brand awareness substantially influences consumer decision-making, as consumers often utilize it as a decision shortcut, thereby aiding brand equity management based on customer perceptions (Young et al., 2013).

From research (Innocentius Bernarto et al., 2020), brand awareness can be concluded as the degree to which a consumer can recognize a brand. Plus, Brand awareness is connected to the robustness of brand information, enabling marketers to gauge consumers' capacity to recognize brands in different circumstances.

2.6 Purchase Intention

The intention and aspiration of a customer to buy a product or service are recognized as the purchase intention (Padhy & Sawlkir, 2018). Purchase intention also pertains to forecasting a customer's present and future buying activities (Rizwan, 2021). Two primary viewpoints regarding purchase intention (PI) exist, one originating from current customers and the other from new customers. The purchase intention of new customers provides insights into their curiosity, preferences, and general behavior. On the other hand, the purchase intention of existing customers anticipates their confidence, contentment, and likelihood of making repeated purchases in the future (Santoso & Cahyadi, 2014).

In conclusion, a well-executed social media marketing strategy, effective advertising campaigns, competitive product offerings, and strategic pricing all contribute positively to brand awareness. When harmoniously integrated, these elements can synergize to enhance a brand's visibility and reputation in the market, ultimately driving success and growth in the ever-evolving business world. Brand awareness is crucial as a mediator, bridging the gap between practical marketing efforts and the consumer's purchase intention. When consumers are familiar with a brand, trust its reputation, and perceive its products or services positively, they are more likely to be inclined to make a purchase. This highlights the interconnected relationship between brand awareness and purchase intention, showcasing its pivotal role in driving business success and customer engagement.

3.0 Research Methodology

The cross-sectional method was used in this study as it allows the researcher to use the literature review of brand awareness, pilot studies, and questionnaires as the primary procedure for obtaining survey data (Sekaran 2014). A purposive sampling method was used in this study as the management could not provide a list of employees due to organizational confidentiality. Therefore, it does not permit the researcher to select respondents using a random method. Besides, the total number of respondents or study samples involved in this research is 125 individuals from Sri Manjung and Kampar, Perak. The researcher also used the Raosoft Calculator method to determine the appropriate sample size for the study. The questionnaire was administered to customers who had purchased food more than once at 21 Grilled Cafe. These customers are frequent patrons who regularly engage with the cafe. The researcher directly handed out the questionnaire forms to customers who were present at that time.

This approach is an effective method to gather data from customers who have direct experience with the cafe. The results of this questionnaire can then be utilized to analyze the perspectives and experiences of customers about 21 Grilled Cafe. The respondents completed and returned all distributed questionnaires, resulting in a 92 percent return rate. The sample size meets the data analysis requirement using inferential statistics (Cresswell 2008; Sekaran & Bougie 2014).

The Partial Least Squares Structural Equation Modelling (PLS-SEM) is employed to assess the validity and reliability of the questionnaires' data and further test the research hypotheses. The main advantage of using this method is that it may deliver latent variable scores, avoid minor sample size problems, estimate complex models with many latent and manifest variables and error terms, and handle both reflective and formative measurement models (Henseler, Ringle & Sinkovics 2009). Besides that, SEM is always followed by the model assessment stage. Model assessment systematically evaluates the hypothesis expressed by the structural model using the gathered data (Hair et al. 2017). In other words, the objective of the model assessment is to test whether the structural model fulfills the quality requirements of the empirical study. The PLS-SEM approach can be used for model assessment by calculating the estimates of model parameters even though it does not provide an established global goodness-of-fit (GoF) criterion (Henseler et al., 2009). However, the PLS-SEM approach can offer a reasonable process for model assessment (Hair et al. 2017). For this study, the research model is assessed using a two-step process: 1) The assessment of the measurement model and 2) the assessment of the structural model. Model validation determines whether measurement and structural models fulfill the quality criteria for empirical work (Hair et al. 2017). The following subsections discuss the guidelines used in this study to assess the measurement and the structural model of this study.
4.0 Results

4.1 Preliminary Analysis
Table 1 shows the level of constructs and the constructs’ multicollinearity test results. The mean value for the study variables ranges from 5.78 to 6.29, which means that all variables, namely social media marketing, advertising, price, product, brand awareness, and intention to purchase, are between the high (4) and very high (7) levels. At the same time, the variance inflation factor (VIF) between independent variables has a low value of 5.0, which means that the data of this study is free from serious multicollinearity problems (Hair et al. 2017). Overall, the results of the constructs analysis confirm that the study constructs meet the validity and reliability standards set.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Min</th>
<th>Standard Deviation</th>
<th>VIF</th>
</tr>
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<tbody>
<tr>
<td>1. Social Media Marketing</td>
<td>5.97</td>
<td>.65</td>
<td>2.2</td>
</tr>
<tr>
<td>2. Advertising</td>
<td>5.98</td>
<td>.68</td>
<td>1.4</td>
</tr>
<tr>
<td>3. Price</td>
<td>6.25</td>
<td>.72</td>
<td>2.3</td>
</tr>
<tr>
<td>4. Product</td>
<td>5.96</td>
<td>.63</td>
<td>3.2</td>
</tr>
<tr>
<td>5. Brand awareness</td>
<td>6.29</td>
<td>.66</td>
<td>2.3</td>
</tr>
<tr>
<td>6. Intention to purchase</td>
<td>5.78</td>
<td>.62</td>
<td>2.4</td>
</tr>
</tbody>
</table>

4.2 Results of the Measurement Model

Figure 4.1 in the diagram above illustrates the relationship between the independent and dependent variables of the study. All the items or questions in each variable are retained, where the measurement analysis results show that all item values in each variable meet the criteria, namely that the outer loading values exceed 0.6 and above (Hair et al. 2017). The diagram also explains a positive relationship between prediction variables such as social media marketing, advertising, price, project, brand awareness, and intention to purchase in this study. Further explanation regarding the structural model will be discussed in the following sections (Hair et al. 2017).

The measurement model was tested based on the item reliability test, internal consistency reliability, discriminant validity, and convergence validity (Straub, Boudreau & Gefen 2004). The measurement model in this study has four latent variables: social media marketing, advertising, price, and brand awareness. Table 2 below shows each construct's weighting factor value and composite reliability. All items representing each construct have a weighting value of more than 0.70, which means that all study constructs meet the convergent validity standards (Fornell & Lacker 1981; Gefen & Straub 2005) as required. Moreover, the analysis shows that all items representing each construct have a composite reliability value of more than 0.80, which means that all study constructs meet a high internal consistency standard (Chua 2006; Henseler et al. 2015). The AVE value for each construct ranges from 0.716 to 0.808, which also exceeds the required critical value of 0.50 (Chin 2010; Hair et al. 2012).
Lastly, this is in line with past studies indicating that brand awareness is essential in the relationships between social media marketing, advertising, price, product, and purchase intention. After the above hypotheses testing, a predictive relevance test using the Stone-Geisser’s test to test the R² square values is predetermined. The test results show that R² square values are between 0.545 and 0.447 (Hair et al. 2017). The values are above the standard larger than zero (Henseler et al. 2015). Therefore, the findings support the predictive relevance of the SmartPLS path model used in this study.

### 5.0 Discussion and Recommendations

Results presented earlier indicate that all the independent variables positively influence consumers’ intention to purchase. Moreover, brand awareness is essential in the relationships between social media marketing, advertising, price, product, and purchase intention. This is in line with past studies (for example (Machi, L., Nemavhidi, P., Chuchu, T., Nyagadza, B. & de Viloers, M.V., (2022); Hien, N.N. & Nhu, T.N.H. (2022). As brand awareness was proven to mediate consumers’ purchase intention, companies must ensure that activities...
are carried out that could enhance their brand to the consumers. For example, rigorous marketing practices via social media platforms such as Instagram, TikTok, Facebook, and Twitter could enhance the brand’s visibility to consumers and increase intention to purchase. A specific administrator should be assigned to focus on the task and help with consumer engagement towards the brand. The COVID-19 outbreak has severely impacted businesses worldwide; the global restaurant industry, including Malaysia, experienced substantial disruptions due to the pandemic. As the pandemic spreads globally, business leaders should innovate and develop new business approaches to navigate this health crisis (Muhyiddin, 2020). According to Muhyiddin (2020), even though consumers are familiar with and willing to buy a product, brand awareness remains crucial in shaping purchase decisions. Thus, companies must focus on understanding and researching their consumers to develop better products and marketing strategies to fascinate consumers’ attention and purchase intention. Brand awareness being the mediator in this study, future studies could examine the different impacts of brand awareness on other social media marketing platforms. A deeper investigation into the types of social media platforms impacted the most by brand awareness concerning purchase intention could be explored. The limited number of samples in this study is noted. Hence, future research could improve the sample size.

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Paper Contribution to Related Field of Study
This paper contributes to the consumer behavior body of service industry knowledge.

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