THESIS

THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE TOWARD BRAND EQUITY UNIQLO
(Study Case on Faculty of Economic and Business Universitas Hasanuddin Students)

AHMAD FIKRI RIFQI

MANAGEMENT DEPARTMENT
FACULTY OF ECONOMIC AND BUSINESS
UNIVERSITAS HASANUDDIN
MAKASSAR
2021

THESIS

THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE TOWARD BRAND EQUITY UNIQLO
(Study Case on Faculty of Economic and Business Universitas Hasanuddin Students)

as one of the requirements to obtain
Bachelor of Economics degree

complied and submitted by

AHMAD FIKRI RIFQI
A0211 71 804

submitted to

MANAGEMENT DEPARTMENT
FACULTY OF ECONOMIC AND BUSINESS
UNIVERSITAS HASANUDDIN
MAKASSAR
2021

THESIS

THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE TOWARD BRAND EQUITY UNIQLO
(Study Case on Faculty of Economic and Business Universitas Hasanuddin Students)

compiled and submitted by

AHMAD FIKRI RIFQI
A0211 71 804

has been checked and approved for the seminar

Makassar, June 28th 2021

Supervisor I	**Supervisor II**
Prof. Dr. H. Abdul Rahman Kadir, SE.,M.Si.,CIPM	Dr. Mursalim Nohong, SE.,M.Si.
NIP. 19640205 198810 1 001	NIP. 19710619 200003 1 001

Head of Management Department
The Faculty of Economics and Business
Universitas Hasanuddin

Prof. Dr. Hj. Nur Anggraece Sigit Parawansa, M.Si., Ph.D
NIP. 196204   05 198702 2 001

THESIS

THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE TOWARD BRAND EQUITY UNIQLO
(Study Case on Faculty of Economic and Business Universitas Hasanuddin Students)

complied and submitted by

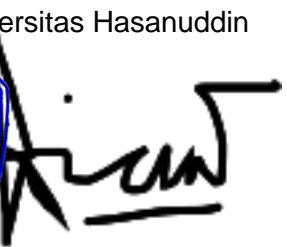**AHMAD FIKRI RIFQI**
A0211 71 804

this thesis has been examined and approved for thesis examination
Makassar, **August 30th 2021** and
are declared to have meet graduation requirement

Approved by,
Supervisory Committee

No	Name	Position	Signature
1.	Prof. Dr. H. Abdul Rahman Kadir, SE.,M.Si.,CIPM	Chairman	1
2.	Dr. Mursalim Nohong, SE.,M.Si	Secretary	2
3.	Prof. Dra. Hj. Dian A.S. Parawansa, M.Si,Ph.D	Member	3
4.	Dr. H. Muhammad Toaha, SE.,MBA	Member	4

Head of Management Department
The Faculty of Economics and Business
Universitas Hasanuddin

Prof. Dra. Hj. Dian Anggraece Sigit Parawansa, M.Si., Ph.D
NIP. 196204   05 198702 2 001

iv

STATEMENT OF AUTHENTICITY

I, the undersigned below,

      Name   : Ahmad Fikri Rifqi

      NIM   : A021171804

      Department : Management

here by truthfully declare that the thesis entitled

**THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE
TOWARD BRAND EQUITY UNIQLO
(Study Case on Faculty of Economic and Business
Universitas Hasanuddin Students)**

is my own research and to the best of my knowledge there is no other scientific works that has been submitted by others to obtain an academic degree in other universities or academic institutions, and there are no works or opinions that have been written or published by others except those cited in the text and mentioned in the bibliography.

If in the future it turns out that it can be proven that there are elements of plagiarism in this text, then I will receive sanctions for the act and proceed according to the applicable laws and regulations (Law No. 20 of 2003, article 25 paragraph 2 and article 70).

Makassar, June 28th 2021

Ahmad Fikri Rifqi

PREFACE

Praise and deep gratitude to Almighty Allah SWT for the abundance of grace and guidance of him given to the writer which made this thesis can be properly in completed. Greetings and Salawat always be dedicated to the Prophet Muhammad SAW. For the grace and blessing, the author finally able to finished the thesis research as the requirement for taking the final examination of the Bachelor of Economics at the Faculty of Economics and Business in Universitas Hasanuddin.

In writing the thsis, the author has received abundant support in the form of guidance, information, both physically and emotionally support. Therefore, in this occasion, the author would express the deepest gratitude to:

1. Prof. Dr. H. Abdul Rahman Kadir, SE.,M.Si.,CIPM and Dr. Mursalim Nohong, SE.,M.Si as a supervisor for the time that has been spent to guide, provide input, provide advice, and provide motivation, as well as discussions that have been carried out.

2. Prof. Dra. Hj. Dian A.S. Parawansa, M.Si,Ph.D and Dr. H. Muhammad Toaha, SE.,MBA as examiners, thank you for the advice and input in the process of completing this thesis.

3. To my beloved family Bapak H. Bustamin and Mama Hj. A. Kasmawati, also my dear siblings Renita, Refi, and Sultan, as the author parents who raised their child. Until now, always gives the best support and prayers to the author. And also thanks to Teh Elsa, Lintang, and Angkasa for being my siblings too.

4. To Ukthi & Akhi (Raay, Fila, Yolanda, Ainun, Kiko, Rafli), who are always there. It started when we became a volunteer in AIESEC, but we became

close to each other. Thank you for always being my support system during college and always being a place for all the complaints and stories during my campus life. You have all taught me the things I could not previously know. Thank you for having a healthy circle of friendship and all of your ambition. It really helped me move forward. I would not be at this point without your support.—all my best prayers and wishes for us.

5. All 2017 International Classes, especially those majoring in Management. Thank you for your support and appreciation during our four years of our roller coaster. Thank you for the passion and for struggling with countless assignments or projects and even presentations.

6. To all teams I had been in AIESEC in Unhas, especially Greeneration 10.0. Thanks for the journey. I hope we can really see our kids (mangrove) as soon as possible.

7. Big thanks to Durian Runtuh team (Eshin and Shinta) as Talent Acquisition and Retention AIESEC in Unhas. Thanks for your understanding, your support, and your bubble gum cake. Love you guys.

8. To all my friends in UKM Seni Tari Unhas, especially from Pakarena 9. Its good to know you guys from recruitment day until now. Sorry if I cannot be a good friend for you guys, but all of you are the best for me.

9. Thanks are given to students of Faculty of Economic and Business Universitas Hasanuddin for being willing to be respondents in this study so that this thesis can be completed. Hopefully the assistance provided by all parties get a reply from God.

10. I also want to say thank you to JKT48, IZ*ONE, Taylor Swift, Tulus, Rex Orange Country, BlackPink, Raisa, and Tompi for your amazing song. Sounds like masterpiece.

11. Finally, to some people who have stopped in the life of researchers, making the days of researchers colorful, thank you for motivating researchers to become better personalities and to anyone who knows researchers and helps researchers in completing this work, thank you very much and beg sorry for not being able to be called one by one.

Makassar, June 28th 2021

Ahmad Fikri Rifqi

ABSTRACT

THE EFFECT OF BRAND AWARENESS AND BRAND IMAGE TOWARD BRAND EQUITY UNIQLO (Study Case on Faculty of Economic and Business Universitas Hasanuddin Students)

Ahmad Fikri Rifqi
Abdul Rahman Kadir
Mursalim Nohong

This study aims to determine the effect of brand awareness and brand image on UNIQLO's brand equity. This research was conducted from April to June 2021 at the Faculty of Economics and Business, Universitas Hasanuddin. The population in this study were students of the Faculty of Economics and Business batch 2017-2019 with a sample of 100 respondents. Sampling using nonprobability sampling technique. Data collection by using a questionnaire. Hypothesis testing is done by using the Chi-Square Test and Wald Test. The results showed that brand awareness and brand image had an effect on UNIQLO's brand equity.

Keywords: Brand Awareness, Brand Image, Brand Equity

TABLE OF CONTENT

LIST OF FIGURES

LIST OF TABLES

APPENDIX LIST

CHAPTER I

INTRODUCTION

1.1 Research Background

The increasingly fierce business competition requires each company to meet the needs of its consumers by increasing product excellence and creating products that are different from competitors. One of them is by forming a strong product identity through brand competition. Brands with good perceptions usually attract potential customers to buy because they consider the brand to be of high quality and can be trusted. Therefore, the brand is a crucial company asset in the business world.

A brand is a name or symbol that is distinguishing and can be a characteristic of goods or services produced by competitors (Aaker, 1997). A brand can be the identity of a product. Therefore sellers and buyers can distinguish the identity of the product from other similar products. The existence of this differentiator can simplify the product search stage by potential consumers. It can be imagined that consumers will be confused in choosing the products they will use if each product does not have a brand (Setiagraha et al., 2015).

Brand management can be done by forming a brand platform through strong brand equity, to develop brand presence in long-term competition (Durianto et al., 2004). Brand equity is a set of brand assets and liabilities relating to brands, names and symbols, which can increase or decrease the value provided by a product or service to a company or customer (Aaker, 1997). Brand equity can be reflected in the way customers think, feel, and act in relation to the brand, price, market share, and profitability of a given brand of the company (Amelia, 2018). The stronger the brand equity of a product, the stronger the attraction for consumers to buy the product, which in turn will provide increased profits for the company (Durianto et al., 2004).

In the concept of brand equity put forward by Keller, brand equity is more based on the perspective of consumer behaviour. Keller developed a customer-based brand equity model. The primary assumption in this model is that the advantage of a brand lies in what consumers learn, feel, see, and hear about the brand from time to time (Keller, 2003). According to Keller, brand knowledge is key to creating brand equity, which includes brand awareness and brand image. Therefore, brand equity can only form when customers have high brand awareness and familiarity and have strong, positive and unique brand associations in their memory.

Brand equity consists of several dimensions. In this study, the dimensions of brand equity used are brand awareness and brand image. Brand awareness is the key to brand equity, or could be say the opening key of other elements. If brand awareness is low, it can be ascertained that the brand equity is also common (Durianto et al., 2004). Brand awareness plays a certain role in building strong brand equity, and depends on the level of awareness acquired in the minds of consumers (Muzaqqi et al., 2016). Consumers in general will buy products from brands they know because they feel safe with something they are familiar with.

Brand image represents the overall perception of the brand and is formed from information and consumer experiences with the brand. A strong brand image is related to consumer beliefs and attitudes towards brand preferences, thereby increasing the company's brand equity (Setiadi, 2003). In facing an increasingly fierce competitive environment considering that current competition is not only limited to the functional attributes of the product, but has also been associated with a brand that can provide a special image to the wearer, companies are required to make various efforts to gain the largest market share.

If a company already has a good brand image and has formed a brand image in the minds of consumers, then the company does not need to bother finding out who its consumers are. By having a good brand image, consumers will be sure of the products of the brand and use them (Permana, Slamet & Oktavian Haryanto, 2014)

Clothing is one of the most important needs. Clothing also plays an essential role in daily life because it is a person's identity and improves appearance performance. Many young people combine their clothes, ranging from colours, shapes, models, to trends. Various types of clothing brands on the market today make consumers have multiple choices according to their needs. One of the clothing brand is UNIQLO.

There are many competitors for UNIQLO in the field of clothing brands, especially those from outside Asia. According to data released by Brand Finance regarding the top 50 clothing brands, UNIQLO is the only fashion brand from Asia that is able to compete globally even though it has not yet been ranked number one in the world.

Table 1.1 Top 10 Most Valuable Apparel Brands 2019

2019 Rank	2018 Rank	Brand Name	Country	2019 Brand Value	2018 Brand Value	Brand Value Change
1	1	Nike	United States	$32,421	$28,030	+15.7%
2	3	Zara	Spain	$18,424	$17,453	+5.6%
3	4	Adidas	Germany	$16,669	$14,295	+16.6%
4	2	H&M	Sweden	$15,876	$18,959	-16.3%
5	7	Cartier	France	$13,642	$9,805	+39.1%
6	6	Louis Vuitton	France	$13,576	$10,487	+29.5%
7	9	UNIQLO	Japan	$11,991	$8,099	+48.1%
8	5	Hermes	France	$10,920	$11,333	-3.6%
9	8	Gucci	Italy	$10,192	$8,594	+18.6%
10	10	Rolex	Switzerland	$8,047	$6,360	+26.5%

Source: Brand Finance (2019)

Table 1.1 shows that UNIQLO is a fashion brand with the fastest growth in the Top 10 Most Valuable Brands, where the value of the UNIQLO brand

increased by 48.1% from 2018 of USD 8,099 to USD 11,991 in 2019. Even so, UNIQLO still cannot fully competes with other fashion brands such as Nike, Zara, Adidas, and H&M.

Table 1.2 Top 10 Most Valuable Apparel Brands 2021

2021 Rank	2020 Rank	Brand Name	Country	2021 Brand Value	2020 Brand Value	Brand Value Change
1	1	Nike	United States	$30,443	$34,792	-12.5%
2	2	Gucci	Italy	$15,599	$17,630	-11.5%
3	4	Louis Vuitton	France	$14,858	$16,479	-9.8%
4	3	Adidas	Germany	$14,342	$16,481	-13.0%
5	8	Chanel	France	$13,240	$13,705	-3.4%
6	6	Zara	Spain	$13,156	$14,582	-9.8%
7	9	UNIQLO	Japan	$13,071	$12,878	+1.5%
8	7	H&M	Sweden	$12,368	$13,860	-10.8%
9	5	Cartier	France	$12,087	$15,015	-19.5%
10	10	Hermes	France	$11,656	$11,909	-2.1%

Source: Brand Finance (2021)

Table 1.2 shows UNIQLO still not ranked number one. But, UNIQLO is the only brand that has increased its brand value change, while others decreased. Where the value of UNIQLO increased by 1.5% from USD 12,878 to USD 13,071.

UNIQLO carries the LifeWear concept, which means clothes that make it easier for the wearer, can be used daily and on various occasions, but still comfortable to wear. This concept is UNIQLO's trademark and strength among other clothing brands, which is quite simple but universal so that consumers are free to create their own styles. Moreover, compared to other clothing brands, products from UNIQLO are quite affordable, so they cover all walks of life.

Based on the background of this problem, this study analyses the influence of "**The Effect Of Brand Awareness and Brand Image Towards Brand Equity UNIQLO (Case Study On Faculty of Economic and Business Hasanuddin University Students)".**

1.2 Research Questions

1. Does brand awareness affect UNIQLO brand equity?

2. Does brand image affect UNIQLO brand equity?

1.3 Research Objectives

1. To know the effect of brand awareness on UNIQLO brand equity**.**

2. To know the effect of brand image on UNIQLO brand equity.

1.4 Significance of The Study

1. Theoretically, this research can be used as a reference for further expansion of research. It can be used as a source of information to increase knowledge and insight about the effect of brand awareness and brand image towards brand equity.

2. Practically, this research is expected to provide information and evaluation material for companies to determine how effectual brand awareness and brand image towards brand equity.

1.5 Structure of Research

The systematic design of writing presented in the discussion of this thesis is described into five chapters, namely:

Chapter I: Introduction discusses the background, formulation of the problem, research objectives, significant of the study and writing systematics.

Chapter II: Literature review which discusses the theories related to the variables studied, previous research related to the research under study, the research conceptual framework and hypotheses.

Chapter III: Research methods that discuss research design, location, time, population and sample, types of data sources, data collection techniques, research variables, and operational definitions and data analysis methods.

Chapter IV: Research results and discussion contains an overview of the object of research, research results and discussion.

Chapter V: Closing contains the conclusions of the research results and research suggestions to related parties regarding the results of the research carried out by the researcher.

CHAPTER II

LITERATURE REVIEW

2.1   Grand Theory

2.1.1 Marketing Theory

The journey of a business is very dependent on the expertise of marketing managers in making business decisions. In order for a business to survive with a long life, it needs to be supported by good marketing activities as well. Marketing engages customers and manage profitable customer relationships. On that point, two steps of marketing process already attract new customers by promise unpleasant values by deliver satisfaction (Kotler & Keller, 2016).

Generally, every business process wanted to satisfy better than any competitors by building their marketing concept. A planning process is to create, promote, and deliver goods or services to consumers. Marketing identifying and meeting human and social needs (Kotler & Armstrong, 2018). In summary, one brief definition of marketing is pleasantly meeting needs. Create a set of activities in the total system of business activities that design a plan, determines prices, promote and distribute goods. Marketing offers value for customer needs. As the first stage in the marketing process, the business must fully understand customer preferences.

In carrying out marketing activities, the company combines four variables that are very supportive in determining marketing strategies, the combination of these four variables is known as the marketing mix which consists of products product, price, place and promotion. Marketing mix is elements of an organization controls used to satisfy or communicate with consumers (Zeithaml, 2009). In addition, major marketing has classified into four groups called four 4Ps such as:

(1) Products an object or idea made available for consumer use. It can be offered to a market to satisfy the desire or needs, divided into options, quality, design, features, and packaging. Further products and brands positioned based on current trends.

(2) Price point are a result that elasticity is similar to place and promotion, which includes list price, marked price, discounts, shipping costs, and competitors prices.

(3) Place makes products accessible to potential buyers and their purchase influence. To list the location includes retail, digital, phone, chat, fax, other options includes distribution channels, platforms, websites, and other online presence, physical sites, inventory, and delivery.

(4) Promotion has the last part of the marketing mix either content communications through message a persuades an audience.

2.1.2 Brand

Brand is the most valuable asset for every company because brand is one of the factors that consumers consider when choosing a product. With so many brands on the market, consumers have many choices in choosing the products to buy, starting from considerations of price, design, quality, function and the brand itself. A brand is not only a logo or company name, but also a person's image or opinion on a product or company.

The American Marketing Association defines a brand as "a name, term, logo, symbol or design or a combination thereof, designed to identify the goods or services of one or a group of sellers and distinguish them from those of competitors." Therefore, a brand is a product or service whose size is somewhat different from other products or services designed to meet the exact needs.

These differences may be functional, reasonable or tangible-related to the brand's product performance. They may also be more symbolic, emotional or intangible, and are related to what the brand represents or represents in a more abstract sense (Kotler & Keller, 2016).

Other brand definitions are signs in the form of images, names, words, letters, numbers, colour arrangements or a combination of those elements that have distinctive power and used in trade in goods or services (Tjiptono, 2005).

A brand is a complex symbol that explains six levels of understanding (Kotler, 2005), namely:

(1) Attributes. Brand provides memory for specific product attributes. These attributes are able to form a unique impression on the product.

(2) Benefits. Product attributes that can be remembered through the brand must be translated into good, functional and emotional benefits.

(3) Value. Brand can also reflect the value that the product manufacturer has. This value perceives product superiority. This value can reflect a particular culture.

(4) Culture. It can be the country of origin of the product, and potential consumers will form their own views on products produced from that country.

(5) Personality. A good brand will give a positive impression to those who use it.

(6) Users. Brands can classify the types of consumers who buy or consume products. In this case, the brand can form its own segmentation for its consumers.

The brand identifies the product's manufacturer and allows consumers to assign responsibility for product performance to the manufacturer or distributor.

Brands have many functions for consumers and companies (Kotler & Keller, 2016).

(1)   Brand's Role for Consumers

    a. The brand is the promise between the company and the consumer. This is a means to establish consumer expectations and reduce their risk. In return for customer loyalty, the company promises to reliably provide predictable positive experiences and a series of ideal benefits through its products and services. If that is what consumers expect, a brand may even be "unpredictable", but the key is that it can meet or exceed customers' expectations of meeting their needs and wants.

    b. Consumers may have different brand evaluations of the same product. They learn about brands through their previous experience with products and their marketing plans, and find out which brands meet their needs and which ones do not. As consumers' lives become more rushed and complicated, the ability of brands to simplify decision-making and reduce risk becomes invaluable.

    c. Brands can also bring personal meaning to consumers and become an important part of their identity. They can express who the consumer is or who they want to be. For some consumers, brand can even take on human-like characteristics. Like any relationship, brand relationships are not static, and marketers must be sensitive to all words and actions that may strengthen or weaken consumer relationships.

(2)   Brand's Role for Companies

    a. They simplify product handling by helping organize inventory and accounting records.

b. The brand also provides strong legal protection for the unique features or aspects of the product. Brand names can be protected by registered trademarks, production processes can be protected by patents, and packaging can be protected by copyright and proprietary designs. These intellectual property rights ensure that the company can safely invest in the brand and reap the benefits of valuable assets.

c. A trusted brand represents a certain level of quality, so satisfied buyers can easily choose the product again. Although competitors may repeat the manufacturing process and product design, due to years of good product experience and marketing activities, they cannot easily compare with personal and organizational impressions. In this sense, brand promotion can be a powerful means to ensure competitive advantage.

2.1.3 Brand Awareness

Brand awareness is the first step in building a product brand. The most important aspect of brand awareness is the form of information that appears first in the consumer's memory which at least involves identifying the brand name or a structure developed from detailed information. A brand that is unique and easy to remember for consumers is a brand that has successfully entered the minds of consumers so that it has succeeded in showing its existence as a product that is known to consumers. Then in the minds of consumers appears brand awareness of a product.

Brand awareness includes the process from not knowing the brand at all to believing that the brand is the only one in a particular product or service category. In this case, if a brand can occupy a permanent position in the minds of consumers, it will be difficult for that brand to be replaced by another brand. So,

even though consumers every day get marketing messages from different brands, consumers still remember brands that have been used before.

Brand awareness is a condition where how far consumers know a brand in a product category. Increasing brand familiarity through repeated exposure can create and also increase brand awareness, thereby making consumers feel familiar with the brand. Awareness describes the presence of a brand in the minds of consumers that can play a role, which in turn can determine various categories that generally have a crucial role in brand equity. Raising awareness is a mechanism for expanding the brand market. Brand awareness is the key to brand equity, or could be say the opening key of other elements. If brand awareness is low, then it can be ascertained that the brand equity is also low (Durianto et al., 2004).

Brand awareness is defined as the ability of consumers to identify a brand in different conditions, which can be achieved through brand recognition and recollection of a particular brand (Suciningtyas, 2012). So, consumers who already have an awareness of a brand can naturally describe the elements of the brand without any help.

Brand awareness is consumer awareness of the existence of a brand name when thinking about a product category (recognition) and is also the name they remember most for that category (recall) (Ferrinadewi, 2008). In cooperation, both are important things in maintaining brand equity where the main objective is to build a strong brand image with a long-term relationship.

Brand awareness is a brand's ability that appears in the minds of consumers when considering a product and how easily the product appears (Hasbun & Ruswanty, 2016). From the statement, it can be concluded that brand awareness is the ability of consumers to remember or recognize a brand.

Brand awareness has benefits to consumers and companies. Brand awareness makes consumers always remember that the brand is a benefit for the company. As for consumers, they can provide recommendations to friends as a result of company brand recognition (Anwar et al., 2018).

Brand awareness can be separated into four levels, which is known as The Awareness Pyramid (Aaker, 1991). These four levels help to set up brand awareness about brand between consumers.

Figures 2.1 The Awareness Pyramid

Source: (Aaker, 1991)

The explanation of the brand awareness pyramid from the lowest level to the highest level is as follows:

(1) Unaware of brand is the lowest level in the brand awareness pyramid, where consumers are not aware of a brand.

(2) Brand recognition is the minimum level of brand awareness, where a brand appears again after a recall is done. This can be done by asking questions that are assisted by mentioning the characteristics of the brand's product (aided question).

(3) Brand recall is a recall of a brand without any assistance (unaided recall). Brand recall reflects the collection of brands that respondents remember, after mentioning the brand that was first mentioned..

(4) Top of mind is a brand that is first mentioned by consumers or that appears in the minds of consumers. In other words, the brand is the main brand that consumers have in mind in one product category.

In understanding how a brand is assisted by the role of brand awareness, it can be seen by examining how brand awareness can create value.

Figures 2.2 Brand Awareness Values
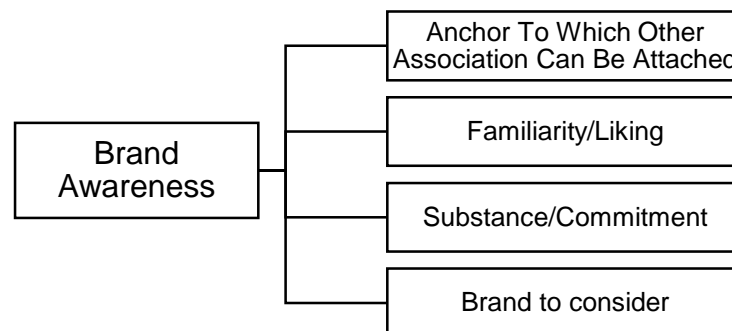
Source: (Durianto et al., 2004)

(1) Anchor To Which Other Association Can Be Attached, mean a brand that has high awareness, will help to have an association attached to the brand so that it has a positive effect on different products due to high browsing power in the minds of consumers.

(2) Familiarity/Liking, mean that by getting to know a brand, over time it will turn into a habit which in turn triggers a sense of liking to the brand. Which sometimes can be a driving force in making decisions.

(3) Substance/Commitment, mean that brand awareness can show the existence, commitment, and core which is very important for a company.

Therefore, if brand awareness is high, the existence of the brand can be felt by consumers. Brands with high consumer awareness are usually caused by several factors, including broad publicity, a time-tested existence, wide distribution reach, and good brand management. Therefore, if the product quality of two different brands is the same, then brand awareness will be a determining factor in consumer purchasing decisions..

(4) Brand To Consider. The first step in the buying process is to choose from a set of brands known to consumers to consider in deciding which brand to buy. The brand with the highest top of mind has high score. If a brand is not stored in the consumer's memory, the brand will generally not be considered in purchasing decisions. Usually the brands that are left in the minds of consumers are brands that are liked and hated.

2.1.4 Brand Image

Prospective consumers who decide to buy will see from various aspects. One aspect that consumers usually refer to before buying is the brand image itself. Brand image is a set of beliefs, ideas, and a person's impression about a brand (Simamora, 2004). Brand image is an essential requirement for a strong brand. Brand reputation affects a person's perception of a product provided by a manufacturer.

Brand image is a psychological representation of the brand based on individual consumers' beliefs, ideas, and impressions (Kotler, 2001). Image is not printed like printing goods at a factory, but an impression gained from understanding something. Image is formed by how companies carry out operational activities based primarily on the service side (Basid et al., 2015).

Brand image is a representation of all views of the brand, which is formed by various information and knowledge about the brand. The stronger the relationship between brands depends on the experience and information obtained (Sukiarti et al., 2016).

Brand can be described by humans as positive and negative descriptions of certain characteristics. If the brand description is more positive, the brand image will be stronger which will increase the opportunities for brand growth and development.

There are 3 components in a brand image, namely (Simamora, 2004):

(1) Corporate Image is a group of associations owned by consumers regarding companies that produce products or services.

(2) User Image is a set of associations that consumers associate with users who use a product or service, which includes users, lifestyle / personality and society.

(3) Product Image Product Image is a set of associations that consumers have on a product, including product attributes, benefits for consumers, their use, and guarantees provided.

2.1.5 Brand Equity

A product must have a brand to distinguish it from other products. The brand will clearly identify its product, because in that brand there is something called brand equity, specifically the value of the brand which is intangible.

Brand equity is the added value given to products and services by consumers. It may be reflected in the way consumers think, feel and behave about the brand, as well as the price, market share and profitability they require

(Kotler & Keller, 2016). With the help of brand equity, it will help consumers define, process and store information about a product or brand. Brand equity can also create value for consumers and companies.

Brand equity is a set of brand assets and liabilities related to brands, names, and symbols, which can increase or decrease the value given to a product or service by a company or customer (Aaker, 1997). The stronger the brand equity of a product, the more attractive it is for consumers to consume the product, which in turn will cause the company to gain profits from time to time.

There are three main sets of brand equity drivers (Kotler & Keller, 2016):

(1) The initial selection of brand elements or logos that constitute the brand (brand name, URL, logo, symbol, character, spokesperson, slogan, jingle, packaging and signs.

(2) Products and services and all accompanying marketing activities and supporting marketing plans.

(3) Indirectly transfer to other associations of the brand by linking the brand with other entities (people, places or things).

Managing brand equity can increase a company's competitive advantage. Of course, with a strong brand, brand awareness and brand image are also high. Brand equity also provides value for the company (Durianto et al., 2004). Some of the brand equity values for the company are:

(1) Strong brand equity can help the company's efforts to attract potential customers and establish good relationships with consumers, and can eliminate consumers' doubts about the quality of the brand.

(2) All aspects of brand equity will influence consumer purchasing decisions, because strong brand equity will reduce consumers' desire to switch to other brands.

(3) Consumers who have a high level of brand loyalty will not easily switch to competing brands even though competitors make product innovations.

(4) Brand association is useful for corporate decisions in evaluating brand extension strategies.

There are three key ingredients of customer-based brand equity (Kotler & Keller, 2016):

(1) Brand equity arises from differences in consumer response. If no differences occur, the brand-name product is essentially a commodity, and competition will probably be based on price.

(2) Differences in response are a result of consumers' brand knowledge, all the thoughts, feelings, images, experiences, and beliefs associated with the brand. Brands must create strong, favorable, and unique brand associations with customers.

(3) Brand equity is reflected in perceptions, preferences, and behavior related to all aspects of the marketing of a brand. Stronger brands earn greater revenue.

One of model from customer based brand equity is brand resonance model. From bottom to top: (1) ensuring customers identify the brand and associate it with a specific product class or need; (2) firmly establishing the brand meaning in customers' minds by strategically linking a host of tangible and intangible brand associations; (3) eliciting the proper customer responses in terms of brand-related judgment and feelings; and (4) converting customers' brand responses to intense, active loyalty.

Figures 2.3 Brand Resonance Model
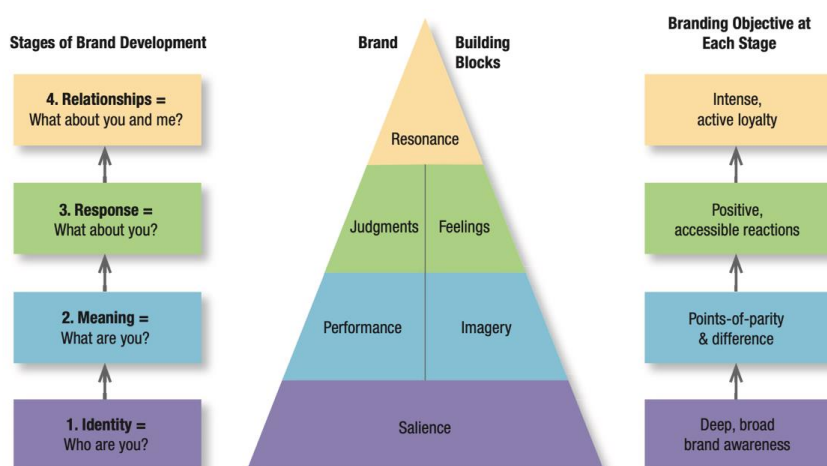
Source: (Kotler & Keller, 2016)

2.2   Previous Researches

### Table 2.1 Previous Research List

Researchers	Research Titles	Research Results
Fransiska Hesty (2018)	The Influence of Brand Awareness, Brand Image and Brand Relationship on Brand Equity of Oppo Smartphone	Brand awareness, brand image, and brand association simultaneously and partially influence the brand equity of Oppo Smartphone.
Dika Setiagraha, Zakaria Wahab, & Welly Nailis (2015)	Analysis of the Influence of Brand Image and Brand Awareness on Brand Equity of Herbal Medicine Skin Extract "Mastin"	(1) Simultaneously, brand image and brand awareness affect brand equity. (2) Brand image significant positive effect to brand equity, while brand awareness not significant positive effect to brand equity.
Yosef Andre Sucahyo (2017)	The Influence of Brand Association, Brand Loyalty, Brand Awareness, and Brand Image on Brand Equity in the Happy Baby Brand	This study found a brand association, brand awareness, and brand image did not give significant impacts to a brand equity. On the other hand, a brand loyalty significantly affected a brand equity.
Priska Amanda Muliani (2019)	The Influence Of Brand Awareness, Brand Image, and Brand Relationship Towards Brand Equity Of Vans Shoes	The result of this study showed that brand awareness, brand image, and brand association simultaneously or partially had an influence towards brand equity of Vans Shoes.
Juliana (2019)	The Influence of Brand Awareness, Brand Image and Brand Loyalty on Brand Equity of Nike Shoe Users in	The result of this study is brand awareness, brand image and brand loyalty has positive impact to brand equity.

	Jakarta	
Retno Muslikah (2019)	The Influence of Brand Association, Brand Awareness, Brand Image, and Brand Loyalty to Nature Republic's Brand Equity in Millennial Generation	The results of this study is brand association, brand image and brand loyalty had a significant effect on brand equity nature republic while brand awareness did not significantly influence the brand equity nature republic.
Mega Melina Dewi (2017)	The Influence of Brand Awareness, Perceived Quality Of Brand, Brand Association, Brand Loyalty, and Brand Image Against Erigo's Brand Equity According to Students in Surabaya	Based from test results , it was found that all variables have positive and significant impact on brand equity.

2.3   Conceptual Framework

Based on the background, the research questions, the objectives, and the theoretical bases stated above, the proposed research framework is as follows:

Figures 2.4 Research Framework
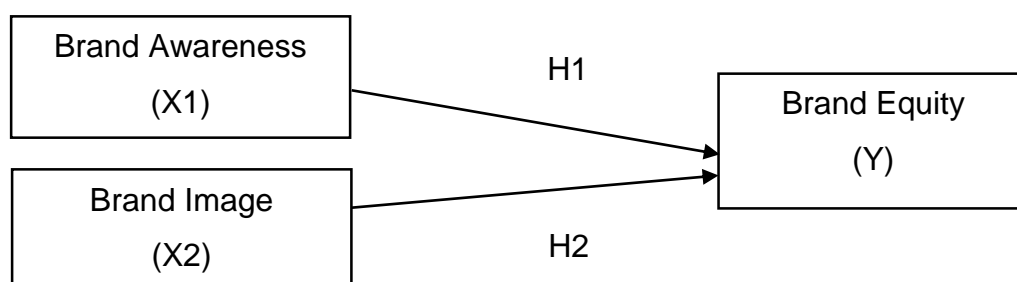
Source: (Researcher, 2020)

2.4   Hypothesis

H1:   Brand awareness have significant effect to brand equity.

H2:   Brand image have significant effect to brand equity.