

## **CHAPTER II**

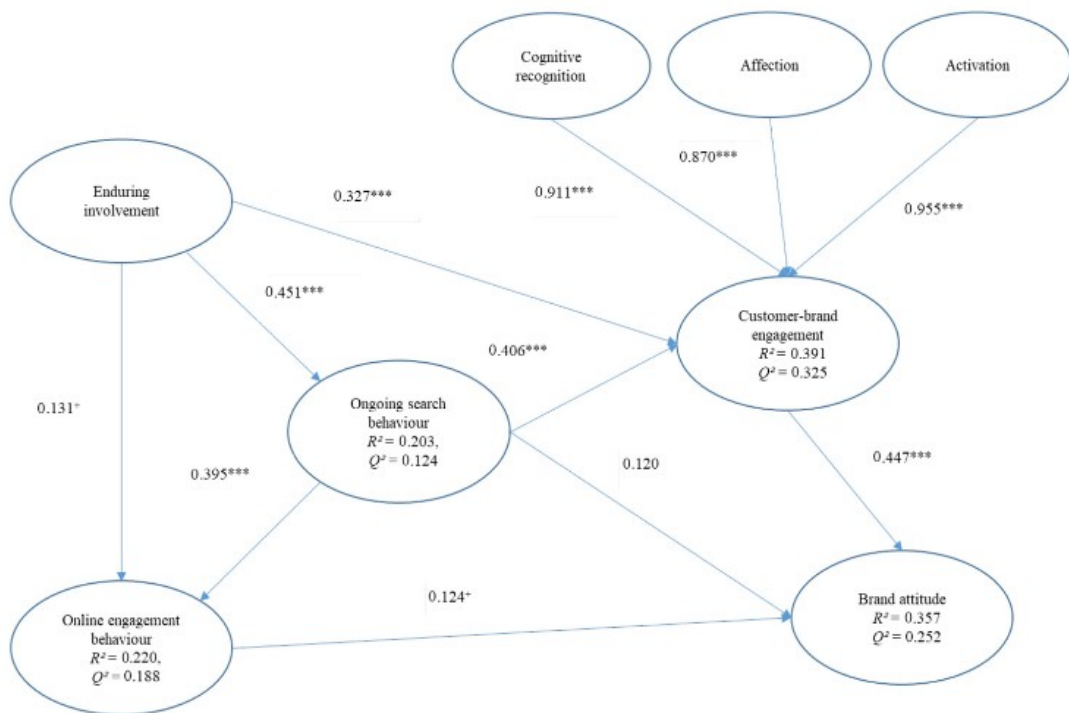
### **LITERATURE REVIEW**

#### **2.1 Previous Research**

In carrying out this research, a theoretical basis is needed to support the theory to be proposed, this can also be one of the references as research material. So it is hoped that the author can develop the theory proposed earlier to carry out his research.

##### **2.1.1 Cheung et al. (2021)**

The sampling method used is primary data obtained by questionnaire survey. The number of samples in this study were 302 respondents. The results of this study indicate that, Enduring involvement significantly positively affects consumer brand engagement, Enduring involvement significantly positively affects ongoing search behavior, Ongoing search behavior significantly positively affects consumer brand engagement, Enduring involvement significantly positively affects online engagement behavior, Ongoing search behavior significantly positively affects online engagement behavior, Ongoing search behavior significantly positively affects brand attitude, Consumer brand engagement significantly positively affects brand attitude, Online engagement behavior significantly positively affects brand attitude. The following framework is prepared to test the hypothesis in research conducted by Cheung et al. (2021) which is depicted in the framework of Figure 2.1.



Source: Cheung et al. (2021)

Figure 2.1  
Research Framework Cheung et al. (2021)

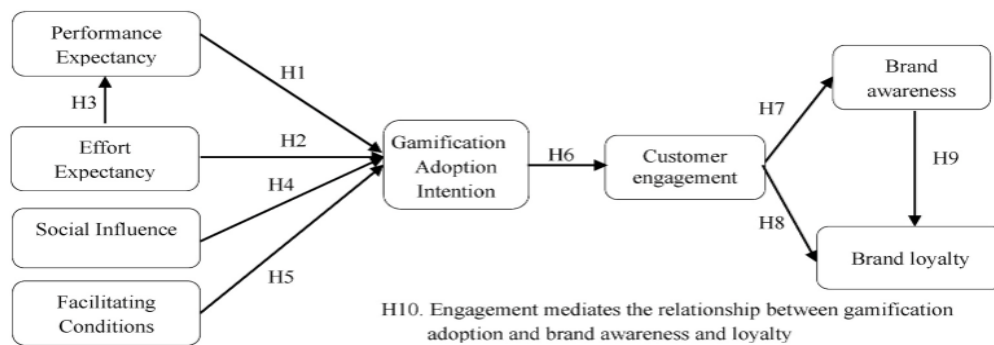
The similarities between previous and current research, namely, focus on consumer brand engagement variables in the affection dimension. This study uses the Structural Equation Model-Partial Least Square (SEM-PLS) analysis technique to analyze the relationship between variables. The sample data collection method is carried out by preparing a questionnaire that allows respondents to respond to relevant aspects.

The difference between previous research and current research This study compares previous research involving 302 respondents with current research using 202 respondents. In addition to the difference in the number of respondents, significant changes also occurred in the research location. Previous research was conducted in Hong Kong, while the current research focused on Surabaya City. Respondents in the current study are individuals who have purchased the Excelso

brand, strengthening the framework of this research in a local context that is more related to consumer preferences in the region.

### **2.1.1. Abou-Shouk & Soliman (2021)**

This study aims to examine the mediating effect of customer engagement. The relationship between consumers and brands in brand awareness in food and beverage is still unexplored. The sampling method used in this study is the questionnaire survey method. The number of samples in the study were 312 respondents at travel agents. The results of this study indicate that performance expectancy significantly positively affects gamification adoption intention, effort expectancy significantly positively affects gamification adoption intention, effort expectancy significantly positively affects performance expectancy, social influence significantly positively affects gamification adoption intention, facilitating conditions affect gamification adoption intention, gamification adoption intention significantly positively affects customer engagement, customer engagement significantly positively affects brand awareness, customer engagement significantly positively affects brand loyalty, brand awareness significantly positively affects brand loyalty. The following framework is prepared to test the hypothesis in research conducted by (Abou-Shouk & Soliman, 2021) which is depicted in the framework of Figure 2.2.



Source: Abou-Shouk & Soliman (2021)

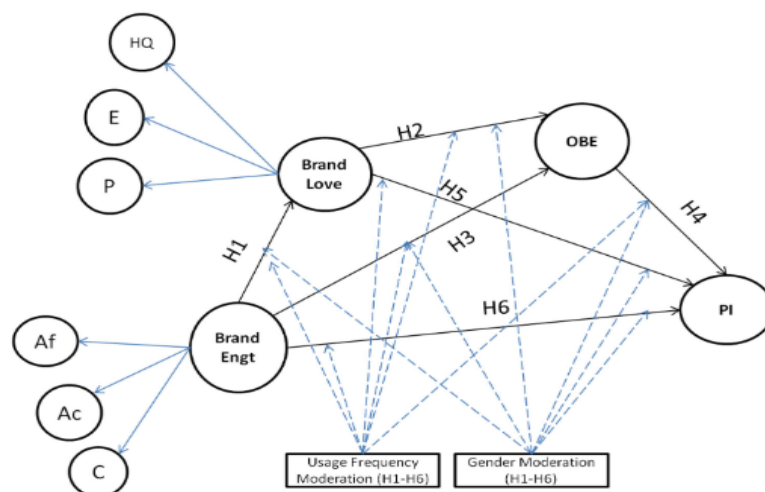
Figure 2.2  
Research Framework Abou-Shouk & Soliman (2021)

The equation of previous research with current research is to investigate and reveal the relationships contained in the concept of brand awareness. The equation that is the basis for this research focuses on the brand awareness variable as the main element to be analyzed. Data collection is carried out by applying criteria techniques through the preparation of questionnaires directed at respondents relevant to this study's objectives. The data analysis process uses the Structural Equation Model-Partial Least Square (SEM-PLS) method, which provides a statistical basis for testing and structuring relationships between variables.

The difference between previous and current research is the number of respondents from 202. The location of the previous research was in the city of Egypt while the current research was conducted in Surabaya, focusing on consumers who buy the Excelso brand. Current research allows for more in-depth analysis related to brand awareness in a more specific consumer context.

### 2.1.2. Verma (2021)

This study aims to test valuable theoretical insights about the determinants of brand equity formation. The relationship between brand activation and overall brand equity in food and beverage is still unexplored. The sampling method used is primary data obtained by questionnaire survey. The number of samples in this study were 548 respondents. The results of this study indicate that; brand engagement significantly has a positive effect on brand love, brand love significantly has a positive effect on overall brand equity, brand engagement significantly has a positive effect on overall brand equity, overall brand equity significantly has a positive effect on purchase intention, brand love significantly has a positive effect on purchase intention, brand engagement significantly has a positive effect on purchase intention. The following framework is compiled for testing the hypothesis in research conducted by (Verma, 2021) which is depicted in the framework of Figure 2.3.



Source: Verma (2021)

Figure 2.3  
Research Framework Verma (2021)

This research equation shows the relationship between consumer brand engagement on the activation dimension and overall brand equity. Fundamental equations were used, one to measure consumer engagement on the activation dimension and the other to evaluate overall brand equity. Data were collected through questionnaires with specific criteria, and analysis was conducted using the Structural Equation Model-Partial Least Square (SEM-PLS) method. This approach allowed the research to comprehensively investigate the interaction of the variables, combining the understanding of consumer engagement and the evaluation of overall brand equity in one integrated framework.

The difference between previous and current research is that the number of respondents in previous research totaled 548 while the current research totaled 202. In addition, there are differences in research locations if previous research was in the city of Delhi while current research is in the city of Surabaya, focusing on consumers who have purchased the Excelso brand.

Table 2.1  
Mapping Previous Research

Source	Title	Metode			Results
		Sample	Variable	Analysis	
Cheung et al. (2021)	Exploring consumer-brand engagement: A holistic framework	302 respondents	<ol style="list-style-type: none"> <li>1. Enduring involvement</li> <li>2. Online engagement</li> <li>3. Ongoing search behavior</li> <li>4. Costumer brand engagement</li> <li>5. Brand attitude</li> </ol>	SEM-PLS (Structural Equation Model-Partial Least Square)	<ol style="list-style-type: none"> <li>1. Enduring involvement has a significant positive effect on consumer brand engagement.</li> <li>2. Enduring involvement has a significant positive effect on ongoing search behavior.</li> <li>3. Ongoing search behavior has a significant positive effect on consumer brand engagement.</li> <li>4. Enduring involvement has a significant positive effect on online engagement behavior.</li> <li>5. Ongoing search behavior has a significant positive effect on online engagement behavior.</li> <li>6. Ongoing search behavior significantly has a positive effect on brand attitude.</li> <li>7. Consumer brand engagement significantly has a positive effect on brand attitude.</li> <li>8. Online engagement behavior significantly has a positive effect on brand attitude.</li> </ol>
Abou-Shouk & Soliman (2021)	The impact of gamification adoption intention on brand awareness and loyalty in tourism: The mediating effect of customer engagement	312 respondents	<ol style="list-style-type: none"> <li>1. Performance expectancy</li> <li>2. Effort expectancy</li> <li>3. Social influence</li> <li>4. Facilitating conditions</li> </ol>	SEM-PLS (Structural Equation Model-Partial Least Square)	<ol style="list-style-type: none"> <li>1. Performance expectancy has a significant positive effect on gamification adoption intention.</li> <li>2. Effort expectancy has a significant positive effect on gamification adoption intention.</li> <li>3. Effort expectancy significantly has a positive effect on performance expectancy.</li> <li>4. Social influence significantly has a positive effect on gamification adoption intention.</li> </ol>

			<ul style="list-style-type: none"> <li>5. Gamification adoption intention</li> <li>6. Customer engagement</li> <li>7. Brand awareness</li> <li>8. Brand loyalty</li> </ul>		<ul style="list-style-type: none"> <li>5. Facilitating conditions significantly have a positive effect on gamification adoption intention.</li> <li>6. Gamification adoption intention has a significant positive effect on customer engagement.</li> <li>7. Customer engagement significantly positively affects brand awareness.</li> <li>8. Customer engagement significantly has a positive effect on brand loyalty.</li> <li>9. Brand awareness has a significant positive effect on brand loyalty.</li> </ul>
Verma (2021)	The effect of brand engagement and brand love upon overall brand equity and purchase intention: A moderated-mediated model	548 respondents	<ul style="list-style-type: none"> <li>1. Brand engagement</li> <li>2. Brand love</li> <li>3. Overall brand equity</li> <li>4. Purchase intention</li> </ul>	SEM-PLS (Structural Equation Model-Partial Least Square)	<ul style="list-style-type: none"> <li>1. Brand engagement significantly has a positive effect on brand love.</li> <li>2. Brand love has a significant positive effect on overall brand equity.</li> <li>3. Brand engagement significantly has a positive effect on overall brand equity.</li> <li>4. Overall brand equity significantly has a positive effect on purchase intention.</li> <li>5. Brand love significantly has a positive effect on purchase intention.</li> <li>6. Brand engagement significantly has a positive effect on purchase intention.</li> </ul>



## **2.2 Theoretical Foundations**

There are several kinds of variants that will be explained, with the aim that it is expected to be a basic guideline for research to conduct analysis and evaluation in problem solving.

### **2.1.1 Affection**

Affection relates to the positive feelings experienced by consumers. Affection is defined as “a emotional dimension as well as activation that shows behavioral dimensions leading to the formation of positive consumer valence towards certain brand interactions” (Ooi et al., 2022, p.3). The level of positive emotions felt by consumers towards a brand (Ooi et al., 2022). The concept of affection is also related to consumers' cognitive recognition of the brand, which is reflected in the attention and preference they show (Cheung et al., 2021). Affection has an important role as a key driver in the interaction between consumers and certain brands (Cheung et al., 2021). The process of affection motivates individuals to build social relationships by expressing and receiving a variety of emotions. (Hesse & Mikkelsen, 2021). A deeper understanding of the relationship between affection and brands provides new opportunities for marketers. Each form of affection plays a vital role in the individual experience, so researchers have the potential to explore this topic further.

Affection is an under-researched topic, especially in the context of food and beverages. Previous research has investigated affection about loyalty to telecommunication service providers (Ooi et al., 2022). Affection has also been studied in the context of smartphone technology (Cheung et al., 2021). The current

research will focus on emphasizing the link between affection and the field of marketing. Affection can be expressed through enhancing relationships that captivate brand customers, which marketers often achieve by providing comfort and friendly service to their customers. This can make affection a positive factor in building strong relationships between consumers and brands. Further research on affection is both exciting and necessary (Hesse & Mikkelsen, 2021).

### **2.2.2 Activation**

Activation is the willingness to invest time and effort in interacting with a brand (Leckie et al., 2016). Activation refers to “the level of positive consumer influence on a particular brand of consumer interaction, and activation to the level of consumer energy.” (Oliveira & Fernandes, 2022, p.6). Activation includes the cognitive, emotional, and behavioral engagement level of customers associated with interactions with a particular brand (Cheung et al., 2021). Activation plays a role in forming a solid bond with the brand and building a sustainable psychological relationship (Oliveira & Fernandes, 2022). Activation can reflect consumer engagement with the brand (Ooi et al., 2022).

Activation has been studied before. Previous research has looked at activation about brand equity (Verma, 2021). Previous research has also examined activation in exploring consumer engagement with brands (Cheung et al., 2021). Activation positively impacts consumer loyalty and the attachment of consumers' emotional interactions with the brand (Hollebeek et al., 2021) Research on activation is exciting and worthy of further research (Verma, 2021).

### **2.2.3 Overall Brand Equity**

Overall brand equity is the consumer's assessment or perception of the brand. Overall Brand Equity refers to "brand involvement directly affects purchase intention, and this relationship is mediated by overall brand equity" (Verma, 2021, p.18). Overall, brand equity refers to the different impacts of brand knowledge on brand marketing behavior exhibited by consumers (He & Li, 2011). Overall, brand equity combines the value and positive perceptions associated with a brand (Verma, 2021). Overall, brand equity occurs when a brand is well-known and has several positive and unique associations stored in the minds of consumers (Roy & Chau, 2011). Consumers' perceptual knowledge of the brand influences consumers' responses to brand marketing strategies (Verma, 2021).

Overall, brand equity has been researched before. Previous research examined overall brand equity in key service drivers for high-tech services (He & Li, 2011). Previous research also examined general brand equity in global and local brands (Roy & Chau, 2011). The effect of brand involvement and love on brand equity and purchase intention models with mediation (Verma, 2021). Overall brand equity impacts the success and sustainability of a brand in the market. Research on overall brand equity is exciting to explore (Kuvykaite & Piligrimiene, 2014).

### **2.2.4 Brand Awareness**

Brand awareness is critical to advance consumers' understanding of a brand. Brand awareness is defined as "a consumers' understanding of a brand stored in memory, including all descriptive information and judgments associated with the brand" (Du et al., 2022, p.3). Brand awareness is important in promoting new

products and strengthening old ones (Du et al., 2022). Brand awareness is used to measure the ability of potential buyers to recognize a brand in a particular product category (Kim et al., 2018). Brand awareness is widely used to project individual actions in various situations (Du et al., 2022) and serves as the first step in demonstrating consumer commitment to a brand (Kim et al., 2018).

Brand awareness has been researched before. Previous research examined brand awareness in the context of repurchase intentions in online knowledge (Du et al., 2022). Previous research also explored brand awareness related to the influence of celebrities in literary festivals (Kim et al., 2018). Research on brand awareness shows that it is a key business instrument that influences consumer attitudes and preferences towards a brand (Du et al., 2022). Research on brand awareness is exciting and worthy of further exploration. (Ali & Alqudah, 2022).

### **2.3 Hypotheses Development**

This section explains the main analysis by proving the relationship between the independent and dependent variables and providing an explanation regarding the strength of the relationship between the two variables.

#### **2.3.1 The Effect of Affection on Activation**

Marketers need to recognize the significant influence of affection on activation. Affection is related to the brand and consumers' personal motivation to interact with a product (Cheung et al., 2021). This intensification occurs when consumers engage more deeply in brand interactions when the brand is familiar to them (Palazón et al., 2015). Affection and activation are included in the dimensions of consumer brand involvement (Verma, 2021). Affection can be strengthened by

consumers' emotional attachment to brand relationships, thus fostering beneficial interactions (Choi & Choi, 2014). Activation is very important because it involves psychological processes that can build positive relationships between consumers and brands, increasing profits (Harrigan et al., 2017). This research is particularly important as previous studies have been limited to the context of smartphone technology (Cheung et al., 2021) and the antecedents of brand equity (Verma, 2021). Affection is believed to have an influence on activation.

This study states that affection has an impact on activation, a claim supported by previous research Cheung et al. (2021) showed that affection positively affects activation. Emotional sentiment may continue to increase due to consumer engagement with the brand (Choi et al., 2014). Marketing can increase consumer activity through a variety of channels, including social media, clients, user-generated content, celebrity endorsers, and others (Kent et al., 2019). Marketers' proficiency in targeting children and adolescents can provide new challenges in developing food and beverage businesses. The results of a study conducted by (Cheung et al., 2021) confirmed that affection is interconnected with activation and has a significant influence. This study formulates the following hypothesis:

H1: Affection has a significant effect on activation

### **2.3.2 The Effect of Activation on Overall Brand Equity**

Understanding the impact of activation on overall brand equity is very important for marketers. Overall brand equity is related to consumers' perceptions of the product, which is seen as an important asset (Verma, 2021). Activation affects

overall brand equity based on consumer interaction (Ali & Alqudah, 2022). Interactions and responses among customers play an important role in increasing overall brand equity (Verma, 2021). This study is important because previous research is limited to the antecedents of brand equity (Verma, 2021).

This study argues that overall brand equity affects activation. This is supported by previous research by Verma (2021), which states that activation can affect consumer perceptions. Engagement with a brand can influence brand evaluation and purchase intention and create brand equity (Machado et al., 2019). This is supported by previous research by Verma (2021) which states that overall brand equity significantly affects activation due to involvement with a brand. This relationship can shape perceptions about the quality of food and beverage products or services. Based on the discussion above, this study formulates the following hypothesis:

H2: Activation significantly affects overall brand equity

### **2.3.3 The Effect of Activation on Brand Awareness**

Understanding the impact of activation on brand awareness is very important for marketers. Activation relates to the relationship between consumers and brands (Hollebeek et al., 2014). Brand awareness can influence interactions among consumers, shaping their perceptions of a brand (Hepola et al., 2017). Customer trust in a brand can increase brand awareness and encourage purchases (Abou-Shouk & Soliman, 2021). This research is very important because previous research has been limited to smartphone technology (Cheung et al., 2021) and tourism contexts (Abou-Shouk & Soliman, 2021).

This research argues that brand awareness affects activation. This is supported by previous research by Abou-Shouk & Soliman (2021), which shows that activation significantly impacts brand awareness. A positive correlation can be observed between consumer engagement with a brand and brand awareness, which has the potential to increase and encourage greater brand recognition. (Schivinski & Dabrowski, 2015). If brand awareness is weak, the brand's relationship with customers will also weaken (Kumar & Nayak, 2019). Activation has the potential to maintain brand awareness for food and beverage brands in the minds of customers. For this reason, the following hypothesis is formulated:

H3: Activation significantly affects brand awareness.

#### **2.3.4 The Effect of Affection on Overall Brand Equity Through Activation Mediation**

Marketers need to realize the importance of the influence of affection on overall brand equity, which is mediated by activation. France et al. (2016) stated that activation has a multidimensional influence, including affection. Affection is the positive emotional behavior of consumers towards a brand related to consumer interaction (Leckie et al., 2016). Interactions between consumers lead to overall brand equity, which can have a positive impact on the brand (Ali & Alqudah, 2016). This can be the basis of research to examine the effect of affection on overall brand equity mediated by activation.

This study argues that affection has an effect on overall brand equity which is mediated by activation. Verma (2021) states that positive feelings toward brands and consumer involvement play a role in building, strengthening, and

increasing overall brand equity. Activation is the key to marketing that creates relationships bound by consumer participation related to overall brand equity (Schivinski et al., 2017). Creating a supportive environment for brands to interact with customers can benefit marketers (Hollebeek et al., 2014). Activation has the potential to mediate the relationship between affection and overall brand equity. Referring to the arguments above, this study formulates the following hypothesis:

H4: Affection significantly affects overall brand equity mediated by activation.

### **2.3.5 The Effect of Affection on Brand Awareness Through Activation Mediation**

Understanding the impact of affection on brand awareness mediated by activation is crucial for marketers. Positive feelings among consumers can quickly lead to brand recognition, which is reflected in their attention and preference (Sprott et al., 2009). Consumers with positive brand experiences are likely to develop affection (Cheung et al., 2021). The effect of affection on brand awareness mediated by activation will increase consumers' positive experiences and increase brand recall (Choi & Choi, 2014). This can be the basis for research to test the impact of affection on brand awareness through activation mediation.

This research argues that affection affects brand awareness, which is mediated by activation. Affection makes consumers aware of the brand (Hollebeek et al., 2014). Positive interactions between consumers and brands result in higher brand awareness (Abou-Shouk & Soliman, 2021). Feelings of affection motivate consumers to think proactively and actively engage with the brand (Adhikari & Panda, 2019). Activation has the potential to mediate the relationship between



affection and brand awareness. Based on these points, this study formulates the following hypothesis:

H5: Affection significantly affects brand awareness mediated by activation.

## 2.4 Research Framework

This framework is organized based on the research framework which can be explained in figure 2.4:

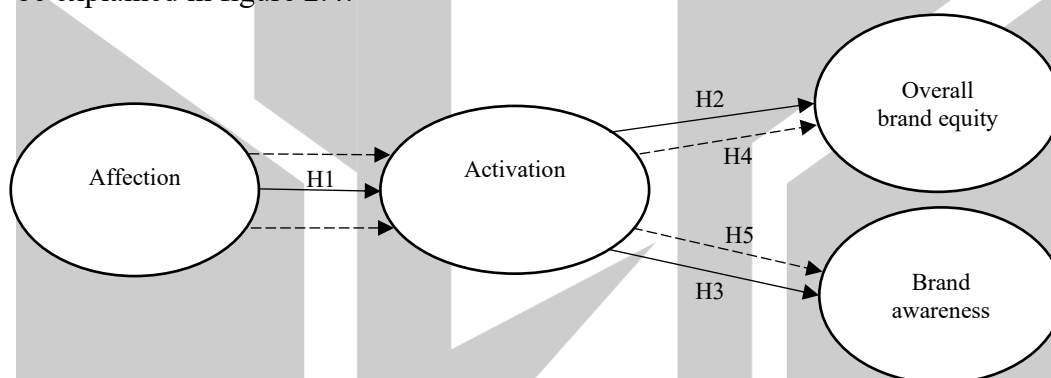


Figure 2.4  
Research framework Ananda & Waluyo (2023)

## 2.5 Research Hypothesis

Based on the designed research framework, the researcher proposes the following hypothesis:

H1: Affection has a significant effect on activation.

H2: Activation has a significant effect on overall brand equity.

H3: Activation has a significant effect on brand awareness.

H4: Affection has a significant effect on overall brand equity through the mediation of activation

H5: Affection has a significant effect on brand awareness through the mediation of activation

