

The Effect of Digital Branding on Purchase Intention Through Brand Awareness and Brand Image: A Study on the Handai Coffee Website in 2025.

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ABSTRACT

Technological advancements have driven numerous businesses, including micro, small, and medium enterprises (MSMEs), to transition their branding efforts toward digital platforms. This study analyzes the effect of digital branding on brand awareness, brand image, and purchase intention of Handai Coffee within the Telkom University Bandung environment. Handai Coffee is a local packaged beverage brand currently utilizing website marketing as one of its digital channels. A quantitative approach using Partial Least Squares Structural Equation Modeling (PLS-SEM) was applied, with data collected from 126 respondents through an online questionnaire. The results show that digital branding has a positive and significant direct effect on brand awareness, brand image, and purchase intention. It also shows a significant indirect effect on purchase intention through brand awareness and brand image as mediators. These findings highlight that an effective digital branding strategy, particularly through proper website management, plays a key role in increasing brand awareness, shaping brand image, and influencing purchase intention.

Keywords: Digital Branding, Purchase Intention, Website Marketing, Brand Awareness, Brand Image.

1. INTRODUCTION

Packaged beverages have become an integral part of modern lifestyles. High mobility and the need for practicality have made ready-to-drink products increasingly in demand. In Indonesia, the packaged beverage industry has experienced significant growth. According to data presented by (DataIndustri.com, 2025), the food and beverage industry has shown continuous growth from 2010 to 2025, indicating an increasingly competitive landscape within the sector.

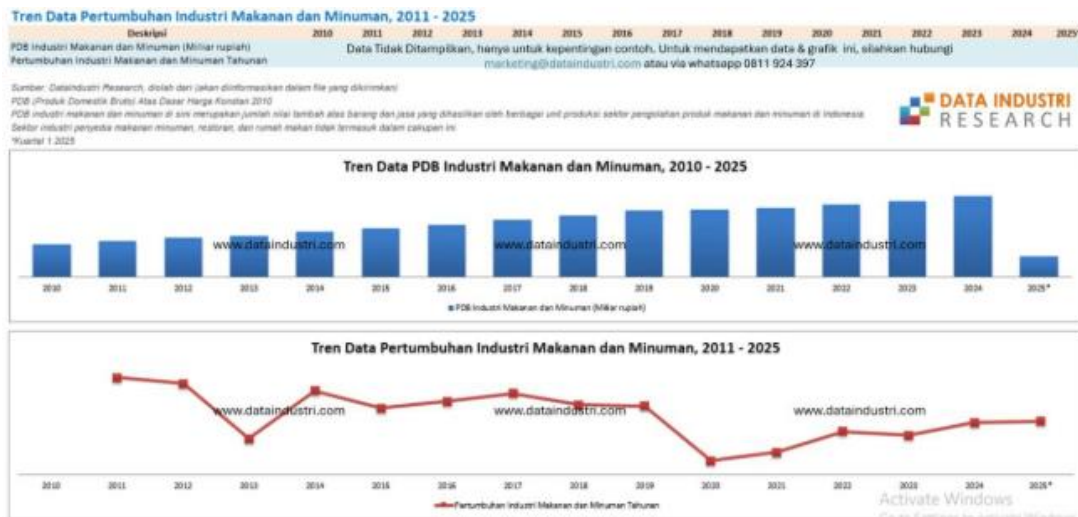
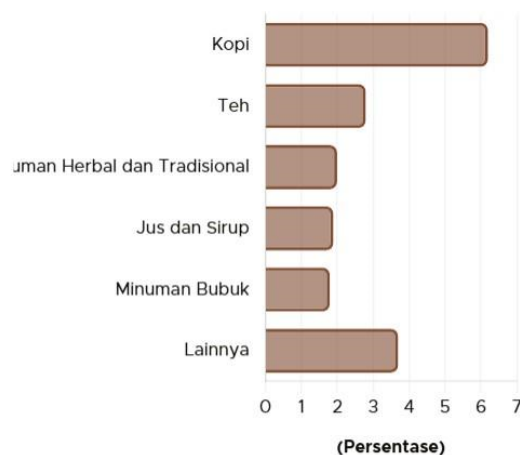


Figure 1. Growth of the Food and Beverage Industry, 2011–2025

Source: Dataindustri.com, 2024

In addition, data from (Agnes Z. Yonatan, 2024) in GoodStats reveals that coffee is among the most frequently purchased types of packaged beverages online through e-commerce platforms.

5 Jenis Minuman yang Paling Banyak Dibeli di E-Commerce 2023



Sumber: Kompas

GoodStats

Figure 2. Top 5 Most Purchased Beverages on E-Commerce Platforms

Source: Agnes Z. Yonata, GoodStats (2024)

Within this expansive market opportunity, MSMEs such as Handai Coffee face challenges in expanding their market reach and strengthening brand positioning in consumers' minds. Handai Coffee is a local business offering alternative coffee-based beverages such as coffee milk, date milk, matcha latte, and Americano. A key selling point is its use of natural sweeteners with a low glycemic index, making the products attractive to health-conscious

consumers. Although competitively positioned, interviews with management suggest that marketing strategies through social media have not yet effectively reached the brand's main target segment Telkom University students.

This condition underscores the need for a more targeted digital branding strategy. One promising yet underutilized channel by many MSMEs is website marketing. Unlike social media, which is dynamic and trend-sensitive, a website serves as a stable and controllable digital hub where brand identity can be consistently presented, product storytelling can be structured, testimonials can be showcased, and transactions can be facilitated. According to (Nurhadi et al., 2023), website quality significantly influences brand awareness, brand image, and purchase decisions due to its structured and stable presentation of information. Meanwhile, (Anggraini et al., 2022) point out that despite its potential, many MSMEs still fail to optimize websites as part of their digital marketing strategy.

Previous studies have confirmed that digital branding can positively impact brand awareness, brand image, and purchase intention (Shabbir & Xiaodong, 2023) (Roy et al., 2020). However, most of these studies emphasize social media as the main branding channel and frequently adopt qualitative approaches, with limited exploration using rigorous quantitative modeling. Furthermore, there remains a research gap regarding the role of websites in the context of MSMEs, especially in the low-sugar, health-oriented beverage sector. This gap points to the growing urgency of research that explores how websites contribute to shaping consumer perception and purchase behavior.

This study aims to examine the influence of digital branding through websites on brand awareness, brand image, and purchase intention among consumers of Handai Coffee. It further investigates the mediating roles of brand awareness and brand image in the relationship between digital branding and purchase intention.

The study adopts a quantitative approach using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method, analyzed with SmartPLS 4. Data were gathered using a Likert-scale questionnaire distributed to 126 students from Telkom University, selected due to their relevance as a digitally literate and target market segment.

The key contribution of this research lies in its specific focus on website marketing an area that remains underexplored in MSME literature and the incorporation of a mediation model that is rarely applied in this context. This study is especially relevant for businesses promoting alternative, low- sugar beverages with a health-conscious value proposition. The findings are expected to enrich the theoretical framework of digital branding and provide practical insights for MSMEs seeking to align brand strategies with contemporary consumer preferences.

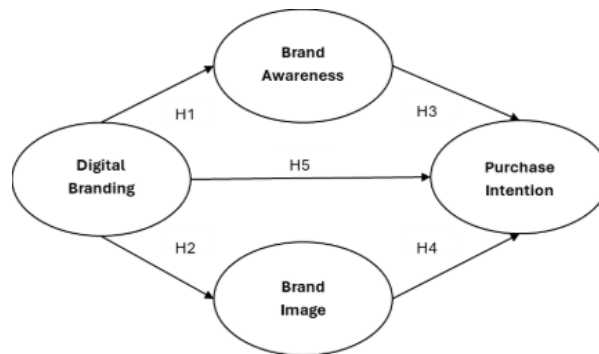


Figure 1. Framework of Management

2. METHODS

This study uses a quantitative approach with the aim of identifying the influence of digital branding through website marketing on brand awareness, brand image, and purchase intention. The research is classified as explanatory, as it seeks to examine cause and effect relationships between the variables. Data was collected through an online questionnaire distributed to active students of Telkom University aged between 18 and 25 years. The respondents were selected using the simple random sampling method. The minimum required sample size was 96 respondents, calculated using the Cochran formula, but in total, 126 students from Telkom University Bandung participated in this study. The reason for selecting Telkom University students as the respondents is that Handai Coffee is currently focusing its marketing activities around the Telkom University area. This is due to limitations in production and the proximity of the production site to the campus, making students the primary target market at this time.

The research utilized the Structural Equation Modeling approach with Partial Least Squares (PLS- SEM) to explore the connections among the variables—Digital Branding as the independent variable, Brand Awareness and Brand Image as mediating constructs, and Purchase Intention as the dependent variable. Data analysis was performed using SmartPLS version 4, applying both the PLS algorithm and the bootstrapping method. This analytical strategy was selected due to the moderately complex nature of the proposed model and the sample size involved. The findings aim to reveal the magnitude and significance of the interrelationships among the latent variables, while also identifying how each observed indicator contributes to forming both the independent and dependent constructs, whether directly or through mediation paths.

3. RESULTS AND DISCUSSIONS

This study involved 126 respondents, most of whom were students at Telkom University aged 18– 25 years. This segment aligns with Handai Coffee's current target market, which focuses on the campus area. The majority of respondents were female and reported frequent access to digital media, particularly websites, as a product information source.

This study employed the Partial Least Squares Structural Equation Modeling (PLS- SEM) approach to assess the relationships between the exogenous variable (Digital Branding),

the mediating variables (Brand Awareness and Brand Image), and the endogenous variable (Purchase Intention). The analysis was conducted using the PLS algorithm and bootstrapping technique via SmartPLS 4 software. This method was chosen based on the complexity of the research model and the moderate sample size. The results are expected to provide insight into the strength and significance of the relationships between latent variables, as well as the contribution of each indicator in shaping the exogenous and endogenous constructs, both directly and indirectly.

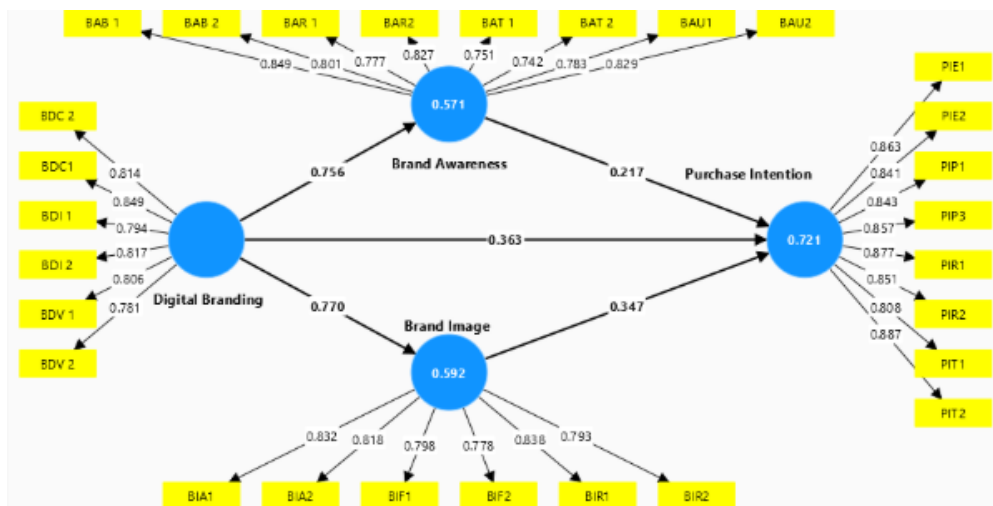


Figure 3. Full Model Struktural (Algoritma PLS)

Source: Data processed using SmartPLS version 4.0 (2025)

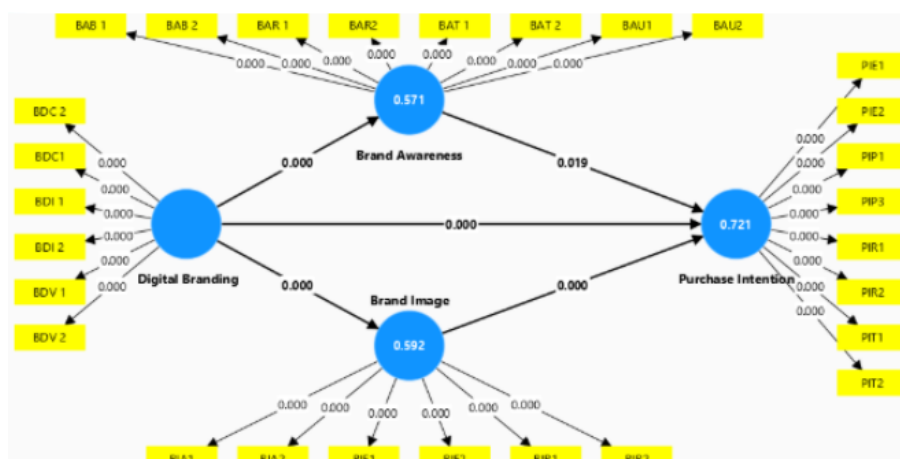


Figure 4. Full Model Struktural (Bootstrapping)

Source: Data processed using SmartPLS version 4.0 (2025).

3.1 Measurement Model

The measurement model (outer model) was assessed to evaluate the validity and reliability of the constructs. The analysis included convergent validity, discriminant validity, and composite

reliability.

3.1.1 Convergent Validity

Table 1. Convergent Validity Test Results

Construct	Indicator	Code	Loading Factor	Remark
Digital Branding	Identity	BDC 2	0.814	Accepted
		BDC1	0.849	Accepted
	Visibility	BDI 1	0.794	Accepted
		BDI 2	0.817	Accepted
	Credibility	BDV 1	0.806	Accepted
		BDV 2	0.781	Accepted
Brand Awareness	Top of mind	BAB 1	0.849	Accepted
		BAB 2	0.801	Accepted
	Brand recall,	BAR 1	0.777	Accepted
		BAR2	0.827	Accepted
	Brand Recognition	BAT 1	0.751	Accepted
		BAT 2	0.742	Accepted
	Unaware of a brand.	BAU1	0.783	Accepted
		BAU2	0.829	Accepted
Brand Image	Functional Aspect	BIA1	0.832	Accepted
		BIA2	0.818	Accepted
	Affective Aspect	BIF1	0.798	Accepted
		BIF2	0.778	Accepted
	Reputational Aspect	BIR1	0.838	Accepted
		BIR2	0.793	Accepted
Purchase Intention	Referential Intention	PIE1	0.863	Accepted
		PIE2	0.841	Accepted
	Explorative Intention	PIP1	0.843	Accepted
		PIP3	0.857	Accepted
	Preferential Intention	PIR1	0.877	Accepted
		PIR2	0.851	Accepted
	Transactional Intention	PIT1	0.808	Accepted
		PIT2	0.887	Accepted

Source: Data processed using SmartPLS version 4.0 (2025)

Table 4.4 presents all indicators in this research recorded outer loading values exceeding 0.70, which suggests that each item accurately reflects its associated latent variable. As explained by (Hair et al., 2023), such high loadings demonstrate a strong linkage between indicators and the constructs they aim to measure, supporting the presence of convergent validity in the measurement model.

3.1.2 Discriminant Validity

Discriminant validity in this study was evaluated through two approaches: the Heterotrait-Monotrait (HTMT) ratio and the Fornell-Larcker criterion. All HTMT values between construct pairs were below the accepted limit of 0.90, demonstrating that the

constructs are empirically distinct from one another. Furthermore, the Fornell-Larcker test supported these findings, as the square root of the Average Variance Extracted (AVE) for each construct was higher than its correlation with any other construct. These outcomes are consistent with the recommendations by (Hair et al., 2023), who underline the necessity of using both methods to ensure robust discriminant validity in structural equation modeling.

Table 2. Discriminant Validity Test Results

	Brand Awareness	Brand Image	Digital Branding	Purchase Intention
Brand Awareness				
Brand Image	788			
Digital Branding	822	842		
Purchase Intention	792	838	844	

Source: Data processed using SmartPLS version 4.0 (2025)

	Brand Awareness	Brand Image	Digital Branding	Purchase Intention
Brand Awareness	796			
Brand Image	722	810		
Digital Branding	756	770	810	
Purchase Intention	742	783	794	854

Table 4.5. Discriminant Validity Test Results

Source: Data processed using SmartPLS version 4.0 (2025)

3.1.3 Reliability Test

Reliability testing was conducted using Composite Reliability (CR) and Cronbach's Alpha. All constructs in this study had CR values above 0.70 and Alpha values exceeding 0.60. These results indicate that each variable demonstrated good internal consistency. Referring to (Hair et al., 2023), a CR value above 0.70 suggests that the indicators within a construct are highly correlated, while an Alpha value above 0.60 is acceptable, particularly in exploratory research. Therefore, the measurement instrument in this study can be considered reliable and suitable for further analysis within the structural model.

Table 3. Reliability and Validity Test Results

	Cronbach's alpha	Composite reliability (rho_c)	Conclusion
Purchase Intention	0.917	0.932	Reliabel
Digital Branding	0.895	0.920	Reliabel
Brand Image	0.896	0.920	Reliabel
Brand Awareness	0.947	0.956	Reliabel

3.2 Structural Model (Inner Model)

The R-square values in this model show how much influence the independent variables have on the dependent variables. Digital Branding explains 57.1% of the variance in Brand Awareness and 59.2% in Brand Image. Meanwhile, the combined influence of Digital Branding, Brand Awareness, and Brand Image explains 72.1% of the variance in Purchase Intention. According to (Hair et al., 2023), an R-square value above 0.50 indicates a model with good predictive accuracy. These results suggest that the proposed model has strong explanatory power and is suitable for further analysis.

	R-square	R-square adjusted
Brand Awareness	571	571
Brand Image	592	592
Purchase Intention	721	720

Table 4. Coefficient of Determination (R^2) Results

Source: Data processed using SmartPLS version 4.0 (2025)

3.2.1 Effect Size (f^2)

The effect size (f^2) test was conducted to evaluate the magnitude of influence each construct exerts on others within the model. In this study, Digital Branding demonstrated a very strong impact on both Brand Awareness ($f^2 = 1.332$) and Brand Image ($f^2 = 1.453$). Meanwhile, the influence of Brand Awareness on Purchase Intention was relatively small ($f^2 = 0.064$). The effects of Brand Image and Digital Branding on Purchase Intention were moderate, with f^2 values of 0.156 and 0.153, respectively. According to the guidelines proposed by (Hair et al., 2023), an f^2 value above 0.35 indicates a large effect, above 0.15 a medium effect, and above 0.02 a small effect. These findings suggest that Digital Branding is the most dominant construct in the model, particularly in shaping consumers' awareness and perception of the brand.

Table 5. Effect Size (f^2) Test Results

	Brand Awareness	Brand Image	Digital Branding	Purchase Intention
Brand Awareness				0.064
Brand Image				0.156
Digital Branding	1.332	1.453		0.153
Purchase Intention				

Source: Data processed using SmartPLS version 4.0 (2025)

3.2.2 Q2 Predictive Relevance

The predictive relevance of the model was evaluated using Q^2 values through the blindfolding procedure. Based on the results, Brand Awareness ($Q^2 = 0.354$), Brand Image ($Q^2 = 0.378$), and Purchase Intention ($Q^2 = 0.517$) all exceeded the threshold of 0.35, indicating strong predictive accuracy for these endogenous constructs. As Digital Branding is an exogenous variable, no Q^2 value is reported for it. According to (Hair et al., 2023)), Q^2 values above 0.35 reflect substantial predictive relevance within the structural model.

Table 6. Predictive Relevance (Q^2) Test Results

	$Q^2 (=1-SSE/SSO)$
Brand Awareness	354
Brand Image	378
Digital Branding	0
Purchase Intention	517

Source: Data processed using SmartPLS version 4.0 (2025)

3.2.3 Model Fit Test

Evaluation of the overall model fit is carried out using two indicators, namely Standardized Root Mean Square Residual (SRMR) and Normed Fit Index (NFI). The SRMR value obtained is 0.078 for the saturated model and 0.084 for the estimated model. Both values are below the general threshold limit of 0.10, which indicates that the model has an acceptable level of fit (Hair et al., 2023). Furthermore, the NFI value of 0.692 indicates a moderate model fit. While this value is not considered high, it remains within an acceptable range for exploratory research, and the model is still deemed appropriate for further interpretation.

Table 7. Model Fit Test Results

	Saturated model	Estimated model
SRMR	0.078	0.084
d_ULS	2.469	2.859
d_G	1.991	2.028
Chi-square	8153.572	8192.786
NFI	0.693	0.692

Source: Data processed using SmartPLS version 4.0 (2025)

3.2.4 Hypothesis Testing and Path Coefficients

Table 8. Hypothesis Testing and Significance Results

Ha	Hubungan	Original sample (O)	T statistics (O/STDEV)	P values	Hasil
Ha1	Digital Branding(X) -> Brand Awareness(Y1)	756	21180	0.000	Diterima
Ha2	Digital Branding(X) -> Brand Image(Y2)	0.770	23345	0.000	Diterima
Ha3	Brand Awareness(Y1) -> Purchase Intention(Z)	217	2.350	0.019	Diterima
Ha4	Brand Image(Y2) -> Purchase Intention(Z)	347	4078	0.000	Diterima
Ha5	Digital Branding(X) -> Purchase Intention(Z)	363	4617	0.000	Diterima
Ha6	Digital Branding(X) -> Brand Awareness(Y2) -> Purchase Intention(Z)	0.166	2290	0.0022	Memediasi
Ha7	Digital Branding(X) -> Brand Image(Y2) -> Purchase Intention(Z)	0.267	3983	0.000	Memediasi

Source: Data processed using SmartPLS version 4.0 (2025)

All hypotheses in this study were supported. Digital Branding had a significant direct effect on Brand Awareness ($T = 21.180$, $p < 0.000$) and Brand Image ($T = 23.345$, $p < 0.000$). These findings align with previous studies by (Roy et al., 2020) and (Shabbir & Xiaodong, 2023), emphasizing the importance of visual consistency and website content.

Brand Awareness ($T = 2.350$, $p = 0.019$) and Brand Image ($T = 4.078$, $p < 0.000$) also had significant effects on Purchase Intention. This supports findings by (Sudirjo et al., 2024) and (Lorents & Nawawi, 2024) that awareness and image play key roles in shaping buying

decisions.

Moreover, Digital Branding showed a direct effect on Purchase Intention ($T = 4.617$, $p < 0.000$), highlighting the importance of digital experiences in influencing consumer behavior (Roy et al., 2020).

Mediation analysis revealed that both Brand Awareness ($T = 2.290$, $p = 0.022$) and Brand Image ($T = 3.983$, $p < 0.000$) significantly mediated the relationship between Digital Branding and Purchase Intention. This supports (Edwin, 2023), who found that brand perception acts as a bridge between branding efforts and purchase intention.

4. CONCLUSION

This research found that digital branding through website marketing has a significant influence on brand awareness, brand image, and purchase intention for Handai Coffee. A website that is informative, visually consistent, and accessible plays a key role in shaping consumer perceptions and encouraging buying interest both directly and indirectly through brand awareness and brand image. Among the two mediators, brand image was shown to have a stronger influence on purchase intention than brand awareness. Therefore, it is suggested that Handai Coffee continues to strengthen the credibility and professional image of its website such as by adding product certifications or trustworthy information. At the same time, efforts to increase brand exposure are needed to ensure that the brand becomes top of mind among students, who represent the core target market. This study has several limitations. The sample was limited to Telkom University students, which may affect the generalizability of the findings. Future research should include a broader audience and explore the effectiveness of other digital branding channels besides websites to gain a more comprehensive understanding.

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