The Influence of Brand Awareness and Perceived Quality on Consumer Loyalty with Brand Equity as an Intervening Variable
(Study at Consumer Oppo Smartphone in Palangka Raya City)

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Abstract. Smartphone users in Indonesia are projected to reach 195.26 million by 2024. This has led to increased competition among smartphone vendors, causing each vendor to compete to either increase or maintain their market share. One of the most famous smartphone brands in Indonesia is Oppo, which ranks among the top 2 smartphones in Indonesia based on the top brand index. This research aims to gain a deeper understanding of smartphone marketing strategies in Indonesia and analyze several variables that show inconsistencies in the research results. This research employed a quantitative method with a sampling technique using the Lemeshow approach, resulting in a sample size of 100 respondents. The collected data was then processed using SmartPLS. The research results showed that brand awareness, perceived quality, and brand equity had a positive and significant influence on consumer loyalty. Furthermore, in the mediation test, brand equity was able to mediate the influence between perceived quality and consumer loyalty but failed to mediate the relationship between brand awareness and consumer loyalty.

Keywords brand awareness, perceived quality, brand equity, consumer loyalty

1. INTRODUCTION

In Indonesia, smartphone users are expected to total 194.26 million by 2024, reflecting a rise of around 4.23 million from the 190.03 million users recorded in 2023. The rise in users may result from the transition in smartphone usage coupled with enhanced internet accessibility throughout Indonesia. Furthermore, Indonesia has emerged as the nation with the fourth highest number of smartphone users globally (Muslim, 2024). The rise in smartphone users has led to intensified competition in smartphone sales among numerous existing manufacturers. This compels consumers to be more discerning in their smartphone selections, necessitating that each vendor devise tactics to attract additional consumers or sustain the loyalty of existing users.

Griffin (2011) asserts that customer loyalty is a more dependable indicator of sales growth and financial performance than customer satisfaction. Numerous factors can affect consumer loyalty, one of which is the perception that a brand's products or services offer greater value than those of competing companies. This can be evaluated through the metrics of brand equity or product equity.

Hayes Adam (2024) defines brand equity as the additional value a corporation gains from products or services with identifiable names, in contrast to identical offerings from other brands. Aaker, as cited in Buil & Martinez (2013), categorizes brand equity into five dimensions: brand awareness, brand association, perceived quality, brand loyalty, and proprietary brand assets, including patents and distribution channels. This study will examine the elements affecting brand equity, including brand awareness, brand association, and perceived quality.

Kotler (2010) asserts that brand awareness refers to customers' capacity to recognize a brand in various contexts, as evidenced by their brand recognition or recall efficacy. According to Simamora (2016), perceived quality refers to the customer's assessment of the quality or excellence of a product or service in comparison to other offerings.

Oppo was founded by Tony Chen in 2004. Oppo initially manufactured a range of technological devices, including MP3 players, DVDs, disc players, portable media players, eBooks, and LCD televisions. Oppo commenced smartphone production in 2008. Initially, Oppo limited its product distribution to select countries, including Russia, Vietnam, the United States, Thailand, and Qatar. In April 2013, after five years of manufacturing diverse series and types of smartphones, Oppo officially joined the Indonesian smartphone market (Setyo, 2021) .

In the global market share, Oppo became one of the top 5 brands with global market share in the second quarter of 2024, although Oppo still finds it difficult to catch up with higher-ranked competing brands such as Samsung, Apple, and Xiaomi.
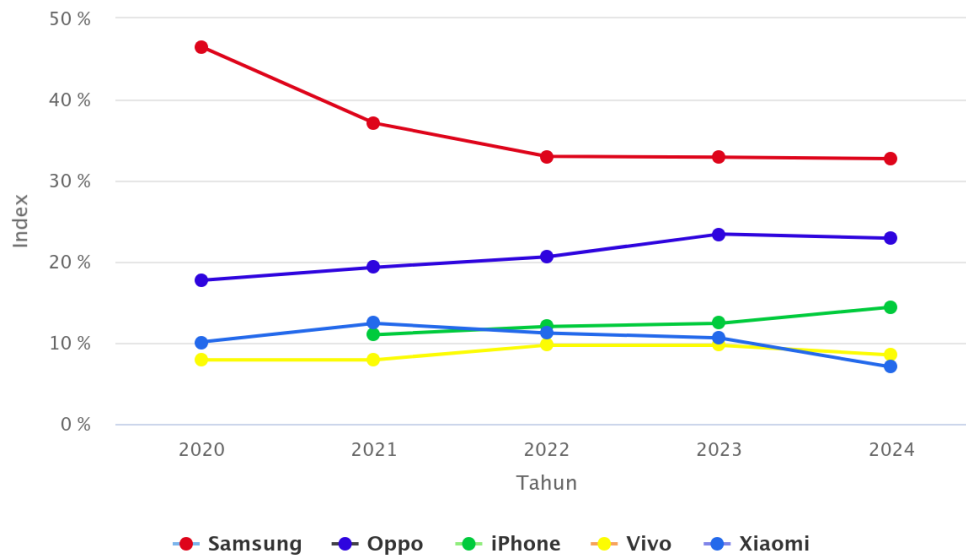
Table 1. Top 5 Smartphone Brands Dominating Global Market Share Q2 2024

Brands	Shipment Q2 2024	Market Share Q2 2024
Samsung	53.9	18.9%
Iphone	45.2	15.8%
Xiaomi	42.3	14.8%
Vivo	25.9	9.1%
Oppo	25.8	9%

Other	92.1	32.3%
Total	285.1	100%

Source: (Needham, 2024)

Figure 1. Top Brand Index Value of Smartphones in Indonesia 2020-2024

Source: ((www.topbrand-award.com), 2024)

The previously referenced smartphone data indicate that while Oppo attained a position among the top five for global market share in the second quarter of 2024, the brand continues to face challenges in competing with the top three globally, significantly trailing behind leading brands such as Samsung, Apple, and Xiaomi. Conversely, in the Indonesian market, Oppo has maintained a prominent and stable position within the top three for the past four years, demonstrating a notable rise in the Top Brand Index (TBI) value, indicative of robust brand awareness, market share, and customer loyalty. This signifies a substantial disparity between Oppo's standing in the worldwide market and its position in the Indonesian market, where Oppo exhibits greater competitiveness and a more favorable perception among Indonesian consumers. This research must be undertaken to ascertain the precise aspects contributing to Oppo's success in Indonesia and to comprehend the reasons for its global competitiveness not aligning with its domestic market achievements.

In several variables in this study, there is inconsistency in the research results. For the brand awareness variable, based on the research by (Ayuningrum & Mochalisin, 2021), "The Influence Of Brand awareness, Customer Value And Trust Toward Loyalty Customer Bank Central Java Kcps Salatiga With Satisfaction As Intervening Variable," it is stated that brand awareness does not affect customer loyalty, whereas the research by (Gede Agus Sukertha Yasa & Putu Evi Wijayanti, 2023) "The Influence of Brand awareness and Brand Image on Customer Loyalty in Purchasing Domestic & International Flight Tickets: Case Study on Antavaya Bali," states that brand awareness has a positive and significant effect on customer loyalty. The quality perception variable, based on research by (Lesmana et al., 2020), "Perceived Quality Forms Customer Loyalty via Brand Equity among Xiaomi Smartphone Users in South Tangerang," states that quality perception does not affect customer loyalty, whereas according to (Siregar et al., 2020) "The Influence of Service Quality Perception and Price Suitability on Customer Loyalty at Brastagi Supermarket Rantauprapat," quality perception has a positive and significant effect on customer loyalty.

Based on the explanation provided earlier, the researcher intends to conduct a study titled, "**The Influence Brand Awareness and Perceived Quality on Consumer Loyality with Brand Equity as an Intervening Variable (Study at Consumer Oppo Smartphone in Palangka Raya City)**".

2. LITERATURE REVIEW

A. Previous Study

a) Brand Awarensess(X1)

A consumer's capacity to recognize a brand under different circumstances and a potential buyer's ability to recognize or recall that a brand belongs to a particular product category are two ways to assess brand awareness, which is tied to the strength of the brand node or trace in memory (Patil, 2017). In their study "The Influence of Brand Awareness and Product Quality on Customer Loyalty Through Consumer Satisfaction as an Intervening Variable: A Study on Pixy Compact Powder Consumers in Surabaya", (Pattilasa & Dwiridotjahtjono, 2023) found that customer loyalty is positively and significantly impacted by brand awareness.

According to the findings of the study "The Influence of Brand Awareness and Brand Association on Brand Equity among Hypermarket Customers in Malang City," which was carried out by (Ermawati et al., 2016), brand awareness significantly and favorably affects brand equity. Based on these findings, it can be said that a product's brand equity will be stronger the more people are aware of it.

b) Perceived Quality(X2)

Consumers' total opinion of brand quality in relation to their expectations is known as their perception of quality (Rivai & Wahyudi, 2017). Research by (Rivai & Wahyudi, 2017) "The Influence of Perceived Quality, Brand Image, and Price Perception on Customer Loyalty with Trust and Customer Satisfaction as Intervening Variables," Rivai and Wahyudi found that perceived quality significantly and favorably affects customer loyalty. "The Influence of Social Media Marketing and Perceived Quality on KFC Brand Equity (Consumer Study KFC Mulyosari Surabaya)," a study by (Sari & Dermawan, 2023), claims that perceived quality significantly and favorably affects brand equity. Based on these findings, it can be said that brand equity will be stronger if consumers believe that the product or brand is of higher quality.

c) Consumer Loyality(Y)

Customer loyalty is the commitment of customers to a brand, store, or supplier, based on a positive attitude and reflected in consistent repurchase. (Tjiptono, 2012).

d) Brand Equity(Z)

Brand equity refers to the additional value attributed to products and services. Brand equity is manifested in consumers' perceptions, emotions, and behaviors towards the brand, alongside the price, market share, and profitability it generates for the company (Kotler dan Keller, 2012) in (Nugroho et al., 2020). According to the research conducted by (Tabiaat, 2023), titled "The Influence of Brand Equity on Customer Loyalty: The Mediating Role of Satisfaction (The Case of Lebanese SMEs:

Confectionary Trade)," Brand Equity exerts a positive and significant effect on Customer Loyalty.

B. Hypothesis

H1: Brand awareness has a positive and significant effect on customer loyalty to Oppo smartphones in Palangka Raya.

H2: Perceived quality has a positive and significant effect on customer loyalty to Oppo smartphones in Palangka Raya.

H3: Brand awareness has a positive and significant effect on the brand equity of Oppo smartphones in Palangka Raya.

H4: Perceived quality has a positive and significant effect on the brand equity of Oppo smartphones in Palangka Raya.

H5: Brand equity has a positive and significant effect on the loyalty of Oppo smartphone users in Palangka Raya.

H6: Brand awareness indirectly affects customer loyalty to Oppo smartphones in Palangka Raya with brand equity as the intervening variable.

H7: Perceived quality indirectly affects customer loyalty to Oppo smartphones in Palangka Raya with brand equity as the intervening variable.

3. METHODS

This research adopts a quantitative approach using Partial Least Squares Structural Equation Modeling (PLS-SEM) as the main analytical tool. The choice of this method is based on the ability of PLS-SEM to build complex research models, such as those involving the relationships between religiosity, halal certification, attitudes, and purchase intentions. Additionally, PLS-SEM is also suitable for analyzing survey data that is non-normal and has a limited sample size. As emphasized by Hair et al. (2017), PLS-SEM is a very useful tool for testing research hypotheses in the fields of marketing and management. In this study, PLS-SEM will be used to measure the direct and indirect effects of independent variables on the dependent variable, as well as to test the role of attitude as an intervening variable.

A. Data

a) Population dan Sample

In this study, the population referred to is every person over the age of 17 who has ever used or is currently using an Oppo Smartphone in Palangka Raya.

b) Sampling Technique

The sampling technique used is non-probability sampling. The sample was taken using purposive sampling. The number of consumers who have ever used or are currently using Oppo smartphones in the Palangka Raya area is not yet known for certain, so the technique to determine the sample size uses the Lemeshow formula. The Lemeshow formula is used to estimate the population size needed when the number is unknown, in order to determine the research sample size. (Caniago & Rustanto, 2022).

Based on the formula above, the calculation is as follows:

$$n = \frac{1,96\ 2 \times 0,5 \times 0,5}{0,10^2} \qquad ......(2)$$

$$n = 96.04$$

According to the Lemeshow formula, 96 samples will be rounded up to 100 samples, which is the lower limit for conducting this research. The target population is large and diverse, thus the Lemeshow formula is used (Puspitasari, 2022) in (Aprilia & Wilandari, 2024).

c) Data Collection Techniques

The data sources in this research were obtained directly from the research subjects using a questionnaire, the statements of which were distributed via Google Form to 100 respondents. The questionnaire was designed using a Likert scale, which is a scale used to measure the perceptions, attitudes, or opinions of individuals or groups regarding social phenomena (Sugiyono, 2017).

Table 2 Likert scale

Point	Description
1	Strongly Disagree (SD)
2	Disagree(D)
3	Somewhat Disagree(SWD)

| 4 | Agree(A) |
| 5 | Strongly Agree(SA) |

Source: Sugiyono, 2017

B. Data Analysis Techniques

a) Outer Model Analysis

The outer model analysis is used to determine whether the measurement tool used is valid or not. The analysis of the outer model consists of two tests: validity testing and reliability testing. These tests are conducted to ensure that the instrument is accurate, consistent, and reliable, thereby providing precise results in the research. According to Hair et al. (2014), the outer model analysis for reflective indicators can be tested through several indicators, including:

1. Convergent Validity
2. Discriminant Validity
3. Composite Reliability and Cronbach's Alpha

b) Inner Model Analysis

The structural model in PLS is assessed using several metrics. One of them is R square (R2) for each endogenous variable as a measure of predictive power. In addition, the path coefficient values or t-values for each path are used to test the significance between constructs in the structural model. Then, the Q square (Q2) value is used to assess how well the model predicts the observed values used in the model development, as well as to evaluate the structural relevance of the model.

1. R Square Value
2. Estimate for Path Value
3. Prediction Relevance (Q Square)
4. Goodness of Fit (GoF)

$$GoF = \sqrt{AVE \times R^2}$$

Description:

GoF = Goodness of Fit

AVE = Average Variance Extracted

R2 = Average R-Square

C. Hypothesis Testing

According to Hartono (2008) in Jogiyanto and Abdillah (2009), the significance of the hypothesis can be assessed by comparing the T-table value and the T-statistic. If the T-statistic value is greater than the T-table value, then the hypothesis can be accepted. In this study, with a confidence level of 95% (alpha 95%), the T-table value for a one-tailed hypothesis is > 1.664. A one-tailed hypothesis is used to test whether a value will be greater or less than the initial hypothesis. The PLS (Partial Least Square) analysis method used in this research employs the Smart PLS version 4.0 program, which is run on a computer. Activities in data analysis include grouping data based on variables and types of respondents, tabulating data based on variables for all respondents, as well as presenting data for each variable studied and performing calculations to answer the formulated problems and test the hypotheses that have been proposed. (Sugiyono, 2017).

The steps for hypothesis testing are as follows:

1. Distributing questionnaires and tabulating the results in Microsoft Excel.
2. Designing the measurement model (Outer Model).
3. Designing the Structural Model (Inner Model).
4. Testing the hypothesis using H0 and Ha for each variable according to the specified hypothesis.
5. Making decisions based on T-Statistics.
6. Significance level of 0.05 and degrees of freedom (df) with the condition: $df = n - k - 1$.

   t-calculated $\leq$ t-table: H0 is accepted and Ha is rejected

   t-calculated $\geq$ t-table: H0 is rejected and Ha is accepted

   Making decisions based on P-Values

   P-Values $\geq$: H0 is accepted and Ha is rejected

   P-Values $\leq$: H0 is rejected and Ha is accepted

4. RESULTS

1. Convergent Validity

Table 3. Outer Loading

Construct	Indicator	Outer Loading			
BRAND AWARENESS (X1)	BRW1	0.922			
	BRW2	0.613			
	BRW3	0.921			
PERCEIVED QUALITY (X2)	PRQ1		0.878		
	PRQ2		0.831		
	PRQ3		0.867		
	PRQ4		0.802		
	PRQ5		0.912		
	PRQ6		0.853		
COUNSUMER LOYALTY (Y)	CSL1			0.937	
	CSL2			0.884	
	CSL3			0.887	
	CSL4			0.933	
BRAND EQUITY (Z)	BRE1				0.871
	BRE2				0.905
	BRE3				0.871

Source: Data Processing With Smartpls, 2024

Based on the validity test as shown in Table 3, it can be concluded that the values for all constructs have good convergent validity because they meet the criteria that the loading factor values for each indicator are greater than 0.7.

Table 4. Average Variances Extracted(AVE)

Latent Variable	AVE	Requirement	Notes
Brand Awareness(X1)	0,779	0,5	Valid
Perceived Quality(X2)	0,736	0,5	Valid
Counsumer Loyalty(Y)	0,829	0,5	Valid
Brand Equity (Z)	0,691	0,5	Valid

Source: Data Processing With Smartpls, 2024

Based on the validity test as shown in Table 4 it can be concluded that the Average Variances Extracted (AVE) values for all variables are above 0.50. This indicates that all variables have good convergent validity.

2. Discriminant Validity

Discriminant validity can be assessed from the values of cross-loading. An indicator is considered to meet the criteria for discriminant validity if the cross-loadings of the indicator on the variable have a higher value compared to the values of the indicators of other variables. Here are the cross loadings values for each indicator.

Table 5. Cross Loading

	BRAND EQUITY	BRAND AWARENESS	CONSUMER LOYALTY	PERCEIVED QUALITY
BRE1	**0.871**	0.553	0.623	0.780
BRE2	**0.905**	0.618	0.682	0.830
BRE3	**0.871**	0.605	0.769	0.686
BRW1	0.568	**0.922**	0.738	0.547
BRW2	0.484	**0.613**	0.285	0.548
BRW3	0.627	**0.921**	0.773	0.575
CSL1	0.668	0.710	**0.937**	0.613
CSL2	0.654	0.660	**0.884**	0.562
CSL3	0.825	0.718	**0.887**	0.767
CSL4	0.691	0.693	**0.933**	0.614
PRQ1	0.741	0.588	0.624	**0.878**
PRQ2	0.707	0.563	0.651	**0.831**
PRQ3	0.737	0.498	0.558	**0.867**
PRQ4	0.719	0.515	0.632	**0.802**
PRQ5	0.788	0.616	0.593	**0.912**
PRQ6	0.769	0.577	0.581	**0.853**

Source: Data Processing With Smartpls, 2024

Based on the results in Table 5, it shows that each indicator in the research variable has cross-loading values that meet the criteria (Cross Loading > compared to the values of other variable indicators). The results obtained indicate that the indicators used in this study have effectively reflected each variable.

3. Composite Reliability dan Cronbach's Alpha

In Table 6, it is known that each latent variable has a Composite Reliability and Cronbach's Alpha greater than 0.7. Therefore, it can be concluded that the indicators used in this study are consistent in measuring their latent variables.

Table 6. Composite Reliability and Cronbach's Alpha Result

Laten Variable	Cronbach's Alpha	Composite Reliability
Brand Awareness(X1)	0.769	0.852

Perceived Quality(X2)	0.928	0.928
Consumer Loyalty(Y)	0.931	0.934
Brand Equity(Z)	0.858	0.860

Source: Data Processing Eith Smartpls, 2024

A. Inner Model Analysis Result

a) R Square Value

According to (Chin, 1998), the R-Square value is categorized as strong if it is greater than 0.67, moderate if it is greater than 0.33 but less than 0.67, and weak if it is greater than 0.19 but less than 0.33.

Table 7. R-Square

Variabel laten	R Square
Consumer Loyalty(Y)	0.719
Brand Equity(Z)	0.772

Source: Data Processing With Smartpls, 2024

According to Table 7, the R square for the consumer loyalty variable (Y) is 0.719, indicating that brand awareness, perceived quality, and brand equity significantly influence customer loyalty by 71.9%, with the remaining 29.1% attributed to other factors. Additionally, the brand equity variable (Z) is quantified at 0.772, indicating that brand awareness and perceived quality account for a substantial 77.2% influence on brand equity, with the remaining 23.8% attributed to other factors.

B. Hypothesis Test Results

Table 8. Total Effect

	Original Sample	T Statistics	P Values
Brand Awareness(X1) -> Consumer Loyalty(Y)	0.529	3.863	0.000
Perceived Quality(X2) -> Consumer Loyalty(Y)	0.362	2.702	0.003

Brand Awareness(X1) -> Brand Equity(Z)	0.181	1.735	0.041
Perceived Quality (X2) -> Brand Equity(Z)	0.740	8.442	0.000
Brand Equity(Z) -> Consumer Loyalty(Y)	0.505	3.666	0.000

Source: Data Processing With Smartpls, 2024

Table 9. Specific Inderect Effect

	Original Sample	T Statistics	P Values
Brand Awareness(X1) -> Brand Equity(Z) -> Consumer Loyalty(Y)	0.092	1.559	0.060
Perceived Quality(X2) -> Brand Equity(Z) -> Consumer Loyalty(Y)	0.378	3.315	0.000

Source: Data Processing With Smartpls 2024

The bootstrapping calculations in the structural model evaluation indicate acceptance of the first hypothesis (H1), second hypothesis (H2), third hypothesis (H3), fourth hypothesis (H4) , fifth hypothesis (H5), and seventh hypothesis (H7). This demonstrates that brand awareness positively and significantly influences consumer loyality (H1); Perceived Quality positively and significantly affects consumer loyality (H2); Brand awareness positively and significantly impacts brand equity (H3); Perceived quality positively and significantly impacts brand equity (H4); Brand Equity positively and significantly influences Consumer loyality (H5); and perceived quality exerts an indirect effect on consumer loyality through brand equity as an intervening variable (H7). The sixth hypothesis (H6) are denied, brand awareness does not exert an indirect effect on consumer loyality through brand equity as an intervening variable. (H6).

5. DISCUSSION

A. The Influence of Brand Awareness on Consumer Loyalty

The path model indicates an original sample value of 0.529, accompanied by a t-statistic of 3.863 and a p-value of 0.000. The First Hypothesis (H1) of this study is accepted, indicating that brand awareness positively and significantly influences

consumer loyalty. The identical findings were presented in the study by (Pattilasa & Dwiridotjahtjono, 2023) titled "The Influence of Brand Awareness and Product Quality on Customer Loyalty Through Consumer Satisfaction as an Intervening Variable: A Study on Pixy Compact Powder Consumers in Surabaya." This study indicates that brand awareness positively and significantly influences consumer loyalty among Oppo smartphone users in Palangka Raya. In Palangka Raya, elevated brand awareness among consumers would enhance their devotion to Oppo smartphones.

B. The Influence of Perceived Quality on Consumer Loyalty

In the path model, the original sample value is 0.362, with a t-statistic of 2.702 and a p-value of 0.003. The study accepts the First Hypothesis (H2), which posits that perceived quality positively and significantly influences consumer loyalty. The identical findings were presented in the study by (Rivai & Wahyudi, 2017) titled "The Influence of Perceived Quality, Brand Image, and Price Perception on Customer Loyalty with Trust and Customer Satisfaction as Intervening Variables." This study indicates that perceived quality positively and significantly influences consumer loyalty among Oppo smartphone users in Palangka Raya. In Palangka Raya, enhanced perceived quality by consumers correlates with increased loyalty to Oppo smartphones.

C. The Influence of Brand Awareness on Brand Equity

The path model indicates an original sample value of 0.181, accompanied by a t-statistic of 1.735 and a p-value of 0.041. The third hypothesis (H3) of this study is accepted, indicating that brand awareness positively and significantly influences brand equity. Similar findings were presented in the study by (Ermawati et al., 2016), titled "The Influence of Brand Awareness and Brand Association on Brand Equity among Hypermarket Customers in Malang City." This study indicates that brand awareness positively and significantly influences the enhancement of brand equity for Oppo smartphones in Palangka Raya. Increased consumer brand awareness will augment the brand equity of Oppo smartphones in Palangka Raya.

D. The Influence of Perceived Quality on Brand Equity

In the path model, the original sample value is 0.740, with a t-statistic of 8.442 and a p-value of 0.000. The fourth hypothesis (H4) in this study is accepted, indicating that perceived quality positively and significantly influences brand equity. Identical findings were presented in the study by (Sari & Dermawan, 2023), titled "The Influence of Social Media Marketing and Perceived Quality on KFC Brand Equity (Consumer Study KFC Mulyosari Surabaya)." This study indicates that perceived quality positively and significantly influences the enhancement of brand equity for Oppo smartphones in Palangka Raya. Enhanced consumer perception of quality will elevate the brand equity of Oppo smartphones in Palangka Raya.

E. The Influence of Brand Equity on Consumer Loyalty

In the path model, the original sample value is 0.505, with a t-statistic of 3.666 and a p-value of 0.000. The fourth hypothesis (H5) of this study is accepted, indicating that brand equity positively and significantly influences consumer loyalty. Similar findings were shown in the study by (Tabiaat, 2023), titled "The Influence of Brand Equity on Customer Loyalty." The Mediating Role of Satisfaction in the Context of Lebanese SMEs: Confectionery Trade. This study indicates that brand equity positively and significantly influences consumer loyalty to Oppo cellphones in Palangka Raya. Enhanced brand equity correlates with increased consumer loyalty towards Oppo handsets in Palangka Raya.

F. The Influence of Brand Awareness on Consumer Loyalty through Brand Equity as an Intervening Variable

The evaluation results of the structural model indicate that the significant value of the indirect impact is represented by a t-statistic of 1.559 and a p-value of 0.060. The value signifies that the indirect influence via brand equity is not substantial. Moreover, significant results were achieved when assessing the direct effect model of brand awareness on consumer loyalty. Consequently, it may be inferred that brand equity does not mediate the relationship between brand awareness and consumer loyalty. The research findings demonstrate that the sixth hypothesis (H6), which posits that brand

knowledge indirectly influences consumer loyalty via brand equity as an intervening variable, is rejected.

G. The Influence of Perceived Quality on Consumer Loyalty through Brand Equity as an Intervening Variable

The evaluation of the structural model indicates an indirect impact significant value with a t-statistic of 3.315 and a p-value of 0.000. The value signifies that the indirect influence via brand equity is substantial. Moreover, the significance testing of the direct effect model of perceived quality on consumer loyalty yielded significant results. Brand equity can mediate the relationship between perceived quality and consumer loyalty. The research findings confirm the acceptance of the seventh hypothesis (H7), which posits that perceived quality indirectly influences consumer loyalty via brand equity as a mediating variable.

6. CONCLUSION

Brand awareness, perceived quality, and brand equity exert a positive and considerable influence on consumer loyalty towards Oppo smartphones in Palangka Raya. In the hypothesis testing of the indirect effect route model, brand equity alone mediates the relationship between perceived quality and consumer loyalty. Nevertheless, it cannot facilitate the connection between brand awareness and consumer loyalty. Moreover, the research findings indicate that consumer loyalty is accounted for by brand awareness, perceived quality, and brand equity at a rate of 71.9 percent. This suggests that additional factors contribute to the variable of consumer loyalty. Consequently, it is anticipated that further study will uncover more elements believed to exert a positive and significant influence on consumer loyalty to Oppo smartphones.

7. LIMITATION

This study possesses multiple limitations that warrant consideration. The geographical scope is confined to the city of Palangka Raya, with a limited sample size of 100 respondents, which hampers the ability to extrapolate the findings to other areas. Secondly, the variables employed brand awareness, perceived quality, and brand equity

exclude additional factors like as pricing and after-sales service, which may potentially influence customer loyalty. Third, the data collection strategy of online questionnaires may induce answer bias, particularly if respondents lack a comprehensive understanding of the questions. Furthermore, PLS-SEM analysis solely records the correlations between variables at a singular moment, neglecting the evolution of consumer behavior over time. Ultimately, the research findings demonstrate that brand equity is not a significant intervening element, implying the existence of other potentially more pertinent factors that remain unexamined.

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