

EXPLORING THE INFLUENCE OF BRAND AWARENESS ON PURCHASE INTENTION: THE ROLE OF PERCEIVED QUALITY AND BRANDS ASSOCIATIONS IN THE INTERACTIVE ENTERTAINMENT MERCHANDISE MARKET

Sylvia Samuel^{1,*}, Daniel Widjaja²

¹Faculty of Economics and Business, Universitas Pelita Harapan, Tangerang, Indonesia

²Faculty of Economics and Business, Universitas Kristen Krida Wacana, Jakarta, Indonesia

*e-mail: sylvia.samuel@uph.edu

ABSTRACT

This research was conducted to determine the effect of Brand Awareness on Purchase Intention for HoYverse Merchandise, with Perceived Quality and Brand Association as mediators. The method used in this study is PLS-SEM to identify relationships among existing variables. The PLS-SEM method is well-suited for analyzing research involving multiple variables and causal relationships, with results remaining effective even when the available data do not meet the normal distribution assumption. The data for this study were obtained from questionnaires completed by 350 respondents, including fans and individuals familiar with the HoYverse brand. Based on the data analysis, brand awareness and perceived quality significantly affect purchase intention, while the other variables also exert significant effects. The results of this study indicate that an effective marketing strategy is not only through how well a brand is known or the perception of product quality in the context of the interactive entertainment industry offering merchandise. Therefore, it is hoped that this research can serve as a reference for companies to optimize their marketing strategies and for future researchers to explore other relevant variables.

Keywords: Brand Associations, Brand Awareness, Perceived Quality, Purchase Intention

1. Introduction

Background of the problem

In today's digital era, many industries are developing and growing rapidly thanks to increasingly advanced technology. One such industry is the interactive entertainment industry, such as video games, which has experienced rapid growth in this digital era. One company that has been in the spotlight in recent years is MiHoyo, better known today as Hoyoverse. It is well-known among women for its popular games, including Genshin Impact, Honkai: Impact 3rd, Honkai: Star Rail, and Tears of Themis (Chen et al., 2019). In addition to offering engaging video games, Hoyoverse also hosts offline and collaborative events and exclusive merchandise to attract fans. This presents a significant opportunity to examine how branding factors influence purchase intentions for merchandise from community-based entertainment companies such as Hoyoverse.

Brand awareness is a key factor in shaping consumer behavior toward a brand. Consumers who are aware of a brand tend to be more open to considering that brand's products when making purchasing decisions. In a context like Hoyoverse, its high social media exposure and global fanbase have contributed to increased brand awareness among gamer consumers, particularly among teenagers and young adults. However, relying on brand awareness alone is not enough to directly drive someone's purchase intention. A deeper understanding of other factors, or mediating factors, is needed that can influence brand awareness and ultimately lead to purchase intention.

Merchandise can enhance a consumer's video game experience and serve as a symbol of consumer loyalty to a company or brand (Salleh et al., 2019). Consumers who intend to purchase merchandise are not only seeking the product as their goal but can also use it to demonstrate their identity and attachment to the Hoyoverse brand, with the context being the Hoyoverse brand itself. Therefore, purchase intention towards merchandise is not only driven by consumers' functional needs but can also be driven by emotional and symbolic needs. Certainly, merchandise can be a significant source of revenue for companies besides in-game purchases.

In marketing, it is crucial to deeply understand a person's psychology, from the moment they become familiar with a brand to their eventual purchase intention. This research will use a quantitative approach to examine the indirect influence, commonly referred to as a mediating variable, between brand awareness and purchase intention, with brand associations and perceived quality as the aforementioned mediating variables. The results of this study will provide insight into the importance of creating strong perceptions and associations within consumers' psychology to drive their purchasing decisions.

Brand associations are any attributes, thoughts, or feelings that connect a consumer to a brand (Tasci, 2021). In this case, Hoyoverse merchandise is often associated with consumers' favorite characters, the visual aesthetics of the video game or merchandise itself, or its high collectability. Positive brand associations can strengthen a consumer's emotional connection to the product, in this case, the merchandise, thereby increasing the likelihood of a purchase (Khuong et al., 2022).

Meanwhile, perceived quality reflects consumers' assessment of a product's quality based on their expectations and personal experiences with it (Lili et al., 2022). Consumers who have a positive impression of Hoyoverse merchandise, which is made from high-quality materials, features exclusive designs, and has high collectible value, will tend to have a greater purchase intention. Perceived quality will be key in shaping consumer confidence in a product's benefits, which cannot always be assessed objectively.

This research will be relevant because there are few studies that clearly or specifically discuss purchase intentions for merchandise from video game developers like Hoyoverse, especially in Indonesia. With the growing, strong culture of fandom in video games and collecting among teenagers and young adults, understanding the factors that motivate them, or consumers, to purchase merchandise can make a strategic contribution to the development of brands like Hoyoverse.

By using an explanatory framework related to the relationship between brand awareness, brand associations, perceived quality, and purchase intention, this study will delve deeper into how the strength of the HoYoverse brand can be utilized to increase the results of HoYoverse merchandise sales, especially related to consumers in Indonesia who certainly have different and unique preferences in consumer culture in terms of digital and collections.

2. Literature Review and Hypothesis Development

2.1. Purchase Intention

Purchase intention is a crucial factor in understanding consumer behavior toward a product or brand (Tafolli et al., 2025). Purchase intention can be defined as a person's tendency or desire to make a purchase, influenced by both internal and external factors. Purchase intention reflects each consumer's evaluation of a product's perceived value and quality, making it a commonly used indicator of actual purchasing behavior (Hsu, 2021).

In creative industries like Hoyoverse, which also sells merchandise, purchase intention can be influenced not only by the need for the product but also by consumers' emotional attachment to the characters or story behind it. Therefore, analyzing purchase intention is crucial for understanding how a consumer's perception of a brand translates into a purchase decision.

2.2. Brand Awareness

Brand awareness refers to the extent to which consumers recognize and recall a brand in various situations. Brand awareness is the most important foundation for building brand equity, as without it, consumers will not consider a brand when making purchasing decisions (Azzari & Pelissari, 2020; Mahesh & Thanushree, 2021)

Discussing companies like Hoyoverse, brand awareness is built not only through formal promotions but also through community interactions, online and offline events, and providing a positive video game experience. Therefore, understanding brand awareness needs to be linked to how consumers construct other perceptions that further influence their purchasing decisions.

2.3. Perceived Quality

Perceived quality is a subjective assessment by consumers of a product's superiority or quality relative to other products (Al-Msallam, 2020; Tasci, 2021). It defines perceived quality as a consumer's overall assessment of a product's quality, which is often not objectively measurable but instead based on consumer experience, expectations, and information from people who have used the product.

Therefore, in the context of the Hoyoverse discussion, perceived quality can be shaped by the exclusivity of merchandise design, the quality of merchandise materials, and the connection to video game characters or stories that capture consumers' attention. Therefore, building a positive perception of quality is a crucial strategy for increasing consumer purchase intention (Wasaya et al., 2021).

2.4. Brand Associations

Brand associations are all the memories, feelings, experiences, and perceptions that arise in consumers' minds when they think of a brand (Azzari & Pelissari, 2020). Tasci (2021) explains that brand associations include attributes such as products, benefits, symbols, lifestyles, and celebrity images associated with the brand.

In the context of Hoyoverse, brand associations can be categorized as variables derived from consumer attachment to favorite characters, emotional experiences during video game play, and consumer participation in community events. These associations provide positive added value that is both symbolic and emotional, thereby strengthening consumers' purchase intentions for the offered merchandise.

Research Framework

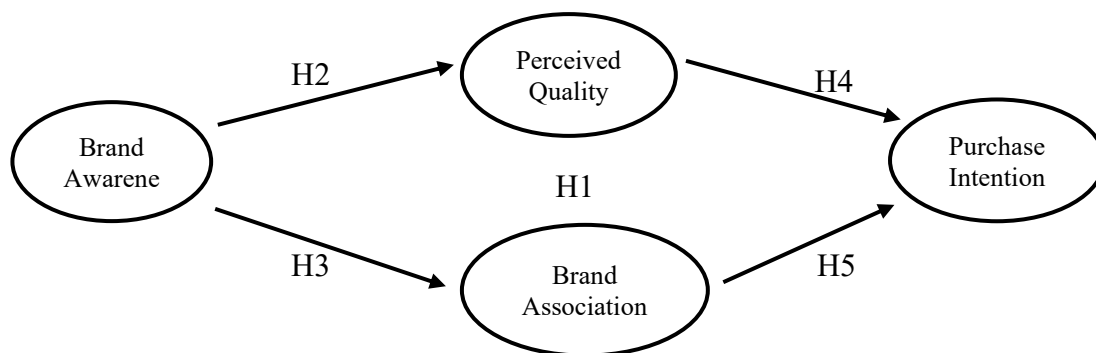


Figure 1: Conceptual Framework

In this study, the research framework analyzes the influence of Brand Awareness on Purchase Intention, considering Perceived Quality and Brand Associations as mediating variables. This framework is designed to answer the main question regarding the extent to which brand awareness can drive consumer purchase intention towards Hoyoverse merchandise, both directly and through perceived quality and brand associations formed in consumers' minds.

This study formulates five main hypotheses:

- H1 Brand Awareness has a positive and significant effect on Purchase Intention.
- H2 Brand Awareness has a positive and significant effect on Perceived Quality.
- H3 Brand Awareness has a positive and significant effect on Brand Associations.
- H4 Perceived Quality has a positive and significant effect on Purchase Intention.
- H5 Brand Association has a positive and significant effect on Purchase Intention.

3. Research Method

This research was conducted using a quantitative research model because the data and information obtained will be analyzed objectively and systematically through statistical processing using the Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) approach (Sugiyono, 2019). This model tests the effect of Brand Awareness on Purchase Intention for Hoyoverse merchandise, with Perceived Quality and Brand Associations as mediating variables. This approach is considered appropriate because it can simultaneously test complex causal relationships involving multiple mediating variables (Memon et al., 2021).

4. Result and Discussion

The data were collected through a questionnaire distributed via Google Forms to 350 respondents. The respondents were HoYoverse fans in Indonesia who play HoYoverse

games. Two descriptions or criteria were obtained from respondents who completed the questionnaire: age and the number of games played in the past six months.

The validity test results show that each variable used has an outer loading value greater than 0.70 (Hair & Alamer, 2022). The data above demonstrate that these indicators effectively represent the variables being measured and studied. Therefore, these indicators meet the criteria for convergent validity, an important requirement for ensuring the reliability and accuracy of measuring a construct. Therefore, these variables and their indicators are suitable for use in this study.

Table 4.1 AVE Test Results

	R-square	R-square adjusted
Brand Association	0.377	0.375
Purchase Intention	0.414	0.409
Perceived Quality	0.489	0.488

R-Squared (R^2) indicates the proportion of variance in the dependent variable that is explained by the independent variables in the model. A value of 0.75 or higher indicates a strong model, 0.50 - 0.75 represents a moderate model, and 0.25 - 0.50 suggests a weaker model (Hair et al., 2022). The R-Squared (R^2) values represent the proportion of variance in the dependent variable explained by the independent variables in the model, reflecting the model’s predictive power. For Brand Association, the R^2 value is 0.377, indicating that 37.7% of the variance in Brand Association is explained by the predictors in the model, indicating a moderate model fit.

For Purchase Intention, the R^2 value is 0.414, indicating that 41.4% of the variance in Purchase Intention is explained, suggesting slightly stronger explanatory power than Brand Association. Finally, Perceived Quality has an R^2 value of 0.489, indicating that 48.9% of the variance in Perceived Quality is explained by the model, suggesting a relatively stronger explanatory power compared to the other constructs. The adjusted R^2 values are slightly lower for all constructs, but they still suggest a good model fit with the predictors. These results indicate that the model explains a moderate-to-strong portion of the variance across the three constructs.

Table 4.2 Validity and Reliability Test Results

	Cronbach's alpha	Composite reliability
Brand Association	0.871	0.901
Brand Awareness	0.871	0.900
Purchase Intention	0.884	0.910
Perceived Quality	0.846	0.883

Construct reliability and validity are essential in determining whether the constructs are measured consistently and accurately (Hair et al., 2020). Cronbach’s Alpha is used to assess internal consistency, and all the constructs in the model show good internal consistency.

Specifically, Brand Association and Brand Awareness each have a Cronbach’s Alpha of 0.871, which is well above the threshold of 0.70, indicating excellent internal consistency. Purchase Intention has the highest Cronbach’s Alpha of 0.884, suggesting very good reliability. Perceived Quality, while slightly lower at Cronbach’s Alpha of 0.846, still exceeds the minimum threshold of 0.70, indicating acceptable internal consistency.

The Composite Reliability values further confirm the constructs' reliability. All constructs have values above 0.70, with Purchase Intention exhibiting the highest of 0.910, indicating strong reliability. The Average Variance Extracted (AVE) values reflect the convergent validity of the constructs. Brand Association, Brand Awareness, Purchase Intention, and Perceived Quality all have AVE values above the threshold of 0.50, with Purchase Intention showing the highest AVE of 0.592, indicating the strongest convergent validity. These findings confirm that the constructs in the model are both reliable and valid.

Table 4.3 HTMT Test Output

	Brand Association	Brand Awareness	Purchase Intention	Perceived Quality
Brand Association				
Brand Awareness	0.704			
Purchase Intention	0.667	0.631		
Perceived Quality	0.781	0.808	0.615	

Discriminant validity ensures that constructs are distinct from one another. The Heterotrait-Monotrait Ratio (HTMT) is a measure of discriminant validity; values below 0.85 indicate that the constructs are sufficiently distinct (Henseler et al., 2016; Roemer et al., 2021; Schuberth et al., 2023). In this case, all the HTMT values are below the threshold of 0.85, suggesting that the constructs in the model have adequate discriminant validity. Table 3 displays the HTMT value between Brand Association and Brand Awareness, which is 0.704, which is well below the threshold, indicating that these two constructs are distinct. Similarly, the HTMT values between Purchase Intention and Brand Association (0.667) and between Perceived Quality and Brand Awareness (0.808) also indicate that the constructs are sufficiently distinct. The HTMT value between Perceived Quality and Purchase Intention is 0.615, which is also below 0.85, confirming acceptable discriminant validity between these constructs.

Table 4.4 Hypothesis Testing – Direct Effect

	Original sample	T-statistics	P values
Brand Association -> Purchase Intention	0.344	4.695	0.000
Brand Awareness -> Brand Association	0.614	11.842	0.000
Brand Awareness -> Purchase Intention	0.245	3.086	0.001
Brand Awareness -> Perceived Quality	0.700	18.301	0.000
Perceived Quality -> Purchase Intention	0.141	1.677	0.047

The Path Coefficients represent the direct relationships between constructs in the model, indicating their strength and significance. The relationship between Brand Association and Purchase Intention shows a moderate positive effect with a path coefficient of 0.344. This indicates that as Brand Association increases, Purchase Intention tends to increase as well.

The T-statistic of 4.695 is well above the critical threshold of 1.65, and the P-value of 0.000 confirms this path is highly statistically significant.

The path from Brand Awareness to Brand Association is particularly strong, with a path coefficient of 0.614, indicating substantial influence. The T-statistic of 11.842 is very high, confirming that this relationship is highly significant, and the P-value of 0.000 further solidifies its importance. The relationship between Brand Awareness and Purchase Intention is also significant, with a path coefficient of 0.245, suggesting a moderate effect. The T-statistic of 3.086 indicates statistical significance, and the P-value of 0.001 confirms the relationship is meaningful.

Similarly, Brand Awareness has a strong impact on Perceived Quality, with a path coefficient of 0.700. This suggests that Brand Awareness is a key driver of Perceived Quality in the model, and the T-statistic of 18.301 further confirms this as a very significant relationship, supported by a P-value of 0.000. Lastly, the relationship between Perceived Quality and Purchase Intention is weaker, with a path coefficient of 0.141. The T-statistic of 1.65 is marginally above the critical value for significance, and the P-value of 0.047 indicates that although the relationship is significant, it is weaker than the others in the model.

Table 4.5 Specific Indirect Effect Result

	Original sample (O)	T statistics	P values
Brand Awareness -> Brand Association -> Purchase Intention	0.211	4.331	0.000
Brand Awareness -> Perceived Quality -> Purchase Intention	0.099	1.658	0.049

The Specific Indirect Effects isolate the impact of one construct on another through a specific mediating variable or pathway. The specific indirect effect of Brand Awareness on Purchase Intention through Brand Association is 0.211, with a T-statistic of 4.331 and a P-value of 0.000, indicating that Brand Awareness has a significant indirect effect on Purchase Intention through Brand Association. This is a strong and statistically significant pathway.

Similarly, the specific indirect effect of Brand Awareness on Purchase Intention through Perceived Quality is 0.099, with a T-statistic of 1.658 and a P-value of 0.049. This path is also statistically significant, albeit weaker than the path through the Brand Association. This suggests that Brand Awareness affects Purchase Intention through Perceived Quality, though the effect is smaller in magnitude than the other pathways.

Table 6 Total Indirect Effect Result

	Original sample	T statistics	P values
Brand Awareness -> Purchase Intention	0.310	4.941	0.000

The Total Indirect Effects represent the influence of one construct on another through one or more mediating variables. The total indirect effect of Brand Awareness on Purchase

Intention is 0.310, with a T-statistic of 4.941 and a P-value of 0.000. This confirms that Brand Awareness has a significant indirect influence on Purchase Intention through other variables, likely Brand Association and Perceived Quality. The significance of this effect suggests that Brand Awareness indirectly affects Purchase Intention through the other constructs in the model.

5. CONCLUSION

This research has explored the impact of Brand Awareness on Purchase Intention for Hoyoverse Merchandise, using Perceived Quality and Brand Associations as mediators. The results of this study reveal that Brand Awareness significantly influences Purchase Intention both directly and indirectly through Perceived Quality and Brand Associations. In particular, Brand Awareness plays a central role in shaping consumer attitudes and behaviors, particularly in the interactive entertainment industry, where emotional connections to products, such as merchandise, are strong. Brand Associations, related to consumer attachment to game characters and the merchandise's aesthetic value, amplify the effects of Brand Awareness on Purchase Intention.

Furthermore, Perceived Quality also has a substantial impact on Purchase Intention, suggesting that consumers' assessments of the quality of Hoyoverse merchandise significantly drive their purchasing decisions. The study emphasizes that an effective marketing strategy is not solely dependent on Brand Awareness, but also on the perceived value and symbolic connections that consumers form with a brand and its products. This underscores the importance of a holistic branding approach, which integrates product quality and emotional connections, particularly in industries where fandom and loyalty play crucial roles in consumer decision-making.

IMPLICATION

The findings from this study have several important implications for Hoyoverse and similar brands in the interactive entertainment sector. First, the strong impact of Brand Awareness on Purchase Intention highlights the need for brands to continue investing in marketing efforts that increase visibility and awareness across multiple channels, including social media, gaming events, and offline collaborations. Brand Awareness is not just about being recognized, but also about creating a strong emotional connection between the brand and its consumers.

Second, the significance of Perceived Quality implies that companies should focus on improving the tangible and intangible qualities of their merchandise. This can be achieved by ensuring that the merchandise meets high-quality standards, resonates with the game's aesthetic and narrative, and enhances the overall fan experience. Hoyoverse can further leverage the emotional appeal of their products by aligning merchandise designs with popular game characters and iconic moments that fans connect with.

Lastly, the role of Brand Associations emphasizes the importance of cultivating strong brand connections. Hoyoverse should consider fostering deeper community engagement through exclusive events, in-game rewards tied to merchandise purchases, and fan-driven content that strengthens the symbolic and emotional value of their products.

FUTURE RESEARCH

While this study has provided significant insights into the relationships between Brand Awareness, Brand Associations, Perceived Quality, and Purchase Intention, there are several opportunities for future research. First, future studies could expand the sample size to include a more diverse range of geographic locations and consumer segments, especially non-fanatic consumers who may have different purchasing behaviors. Additionally, future research could explore the impact of digital marketing strategies (e.g., influencer marketing, social media campaigns) on Brand Awareness and Purchase Intention, particularly in digital-first industries like gaming and interactive entertainment.

Another direction for future research could involve a deeper examination of other mediating factors, such as trust and brand loyalty, which may further explain how Brand Awareness influences Purchase Intention. Furthermore, studies examining consumer behavior related to sustainable merchandise or limited-edition products could offer valuable insights, especially given the growing trend towards eco-conscious consumerism.

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