

Brand Awareness, Brand Image, and Brand Trust on Consumer Loyalty toward Traditional Balinese Beverage Products in Denpasar

I Komang Mahayana Putra¹, I Gusti Ketut Gede², I Wayan Wirga³, Ni Wayan Sumetri⁴, I Ketut Yasa⁵

^{1,2,3,4,5} Politeknik Negeri Bali

ABSTRACT: This study aims to analyze the influence of brand awareness, brand image, and brand trust on consumer loyalty toward traditional Balinese beverage products in Denpasar, with a focus on arak Bali and loloh. A quantitative approach was employed, using purposive sampling with 120 respondents. Data analysis was conducted using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS) with SmartPLS 4 software. The results revealed that all three independent variables had a positive and significant effect on consumer loyalty, with brand trust being the most dominant factor. These findings offer significant implications for developing culturally based branding strategies to enhance competitiveness and business sustainability in Bali's traditional beverage sector.

KEYWORDS: brand awareness, brand image, brand trust, consumer loyalty, arak Bali, loloh, traditional beverage

INTRODUCTION

Indonesia possesses a rich and diverse cultural heritage, including traditional culinary and beverage products that serve not only functional needs but also carry deep symbolic and cultural value. In Bali, *arak Bali* and *loloh* are two traditional beverages that have evolved beyond local consumption and are increasingly recognized as part of the island's cultural identity, gaining traction in the creative economy and tourism industries. However, in the face of a highly competitive and globalized market, local products such as arak and loloh are expected not only to preserve their traditional quality but also to develop strong and trustworthy brands capable of competing and fostering sustainable consumer loyalty.

Arak Bali is a fermented and distilled beverage made from palm sap or coconut sap, traditionally consumed in ceremonial and religious contexts. In recent years, it has begun to be positioned as a creative economy product, particularly following the issuance of Bali Governor Regulation No. 1 of 2020 on the Governance of Fermented and/or Distilled Beverages Indigenous to Bali. On the other hand, *loloh* is a traditional herbal drink made from local leaves such as *cemcem*, betel leaf, and turmeric, believed to provide health benefits and increasingly popular as part of the healthy lifestyle trend among urban communities.

Consumer loyalty is a key indicator of long-term brand success. Loyal customers tend to repeatedly purchase the same product, even when faced with many alternatives. Within the brand equity model, loyalty is significantly influenced by several key factors, including brand awareness, brand image, and brand trust. Hanaysha (2022) found that brand awareness significantly boosts repurchase intention and loyalty, particularly in the food and beverage sector. Consumers who can easily recognize and recall a brand are more likely to remain loyal to it.

Brand image, meanwhile, refers to consumers' overall perception of a brand, shaped by their experiences, symbolic associations, and the emotional cues conveyed by the brand. A study by Wicaksono and Nugroho (2021) revealed that brand image in local herbal beverage products—especially those emphasizing natural and health-related values—plays an essential role in building loyalty. This finding is reinforced by Novita and Prasetya (2023), who noted that a strong brand image not only enhances perceived quality but also strengthens consumers' emotional attachment to the product.

In the context of traditional Balinese beverages, especially *arak*, which often faces challenges related to legality and negative perceptions due to its alcoholic content, the role of brand trust becomes particularly critical. Consumers' trust in both the product and the producer forms the foundation for purchasing decisions. Yuliana and Permana (2020) emphasized that brand trust exerts the strongest influence on consumer loyalty for local beverage products—more so than brand awareness and brand image. This trust is built through consistent quality, product safety, and transparent communication.

Brand Awareness, Brand Image, and Brand Trust on Consumer Loyalty toward Traditional Balinese Beverage Products in Denpasar

Another study by Setiawan and Aryani (2024) on Balinese culinary MSMEs found that local consumers tend to be more loyal to brands they believe uphold cultural values and meet product safety standards. These findings are highly relevant to the ongoing transformation of *arak* and *loloh* from home-based to licensed commercial products.

Furthermore, Dewi and Raharja (2022), in their study of brand equity and consumer loyalty in the traditional beverage sector, concluded that a combination of awareness, image, and trust is essential in building loyalty. These three variables are interconnected: awareness facilitates initial exposure, image shapes value perception, and trust reinforces long-term consumer confidence.

Based on these theoretical and empirical insights, it can be concluded that building consumer loyalty toward traditional Balinese beverages requires a comprehensive brand strategy that includes enhancing brand awareness, creating a strong and positive brand image, and reinforcing brand trust. Therefore, this study aims to analyze the influence of these three variables on consumer loyalty toward *arak Bali* and *loloh* products in Denpasar, which serves as a cultural and commercial hub in Bali.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Brand awareness refers to the ability of consumers to recognize and recall a brand in various situations. The higher the level of brand awareness, the more likely a brand will be chosen during the consumer decision-making process (Keller, 2020). In the context of traditional products such as *arak Bali* and *loloh*, brand awareness is crucial, given that many consumers are still unaware of the legality and diversity of local brands available in the market. Hanaysha (2022) found that brand awareness significantly affects purchasing decisions and loyalty in the food and beverage industry. Similarly, Wicaksono and Nugroho (2021) noted that increasing brand awareness strengthens the positioning of local brands in competitive markets. Putri and Wijaya (2023) revealed that brand awareness shaped through social media and visual branding can boost repurchase intention. Likewise, Yusuf and Kurniawati (2024) emphasized that brand awareness plays a critical role in fostering loyalty, particularly among traditional health-based product MSMEs.

H1: Brand awareness has a positive and significant effect on consumer loyalty toward traditional Balinese beverage products.

Brand image refers to the perception and associations embedded in consumers' minds regarding a brand. A positive image of a product can enhance perceived quality and strengthen consumers' emotional attachment to the brand (Kotler & Keller, 2021). In the case of *arak Bali* and *loloh*, brand image is formed through traditional, natural, and culturally rooted impressions. Novita and Prasetya (2023) showed that brand image aligned with consumer values significantly affects loyalty. Pranata and Hapsari (2021) found that a consistent and strong brand image fosters customer preference and satisfaction. Yuliani and Budianto (2020) also demonstrated the essential role of brand image in building loyalty in the local food industry. Dewi and Harahap (2022) confirmed that brand image is a key predictor of loyalty, particularly among younger consumers.

H2: Brand image has a positive and significant effect on consumer loyalty toward traditional Balinese beverage products.

Brand trust is defined as the level of consumer confidence in the reliability, safety, and integrity of a brand. In the traditional beverage industry, which is often perceived as susceptible to quality and safety issues, brand trust becomes particularly crucial (Chaudhuri & Holbrook, 2021). Consumers who trust a brand are more likely to be loyal and recommend the product to others. Yuliana and Permana (2020) found that brand trust is the most dominant factor influencing loyalty, especially in local beverage products. Setiawan and Aryani (2024) stated that trust is built through positive experiences, transparency, and product legitimacy. Rahayu and Gunawan (2023) also revealed that brand trust mediates the relationship between service quality and loyalty. Furthermore, Irawan and Amelia (2021) highlighted the importance of trust among MSMEs entering the formal food and beverage market.

H3: Brand trust has a positive and significant effect on consumer loyalty toward traditional Balinese beverage products.

METHODS

This study uses a quantitative research method with an explanatory approach, aiming to examine the influence of independent variables (brand awareness, brand image, and brand trust) on the dependent variable (consumer loyalty). This method is suitable for testing causal relationships between variables based on established theories, supported by statistical analysis.

The research was conducted in Denpasar City, Bali, as it is a central hub for trade, tourism, and urban consumption. The study's object is consumers of traditional beverages, specifically *arak Bali* and *loloh*, who have purchased and consumed these products within the last three months.

The population of this study comprises all consumers of *arak Bali* and *loloh* in Denpasar. As the exact population size is unknown, a non-probability sampling technique using purposive sampling was employed. Respondents were selected based on the following criteria:

- Reside in Denpasar City

Brand Awareness, Brand Image, and Brand Trust on Consumer Loyalty toward Traditional Balinese Beverage Products in Denpasar

- Have purchased and consumed arak Bali or loloh at least three times in the past three months
- Are aged 17 years or older

A total of 120 respondents were selected, based on Hair et al. (2021), who recommend that the minimum sample size should be 5–10 times the number of indicators (24 indicators $\times$ 5 = 120).

Data types used in this study include:

- Primary data, collected through structured questionnaires distributed both in person and via online forms
- Secondary data, used to support the theoretical framework and background, derived from academic journals, books, and official documents such as Bali Governor Regulation No. 1 of 2020

Data collection techniques:

- Structured questionnaires using a 5-point Likert scale (from strongly disagree to strongly agree)
- Observations on the distribution and presence of arak and loloh brands in retail outlets and local online marketplaces
- Documentation to support contextual validity and government regulation analysis

Table 1. Operational Definition

Variable	Indicators	Item of Indicators	Sources
Brand Awareness (X1)	Brand recall Visual recognition Level of exposure	5	Keller (2020); Hanaysha (2022)
Brand Image (X2)	Positive associations Perceived quality Cultural uniqueness	5	Kotler & Keller (2021); Pranata & Hapsari (2021)
Brand Trust (X3)	Product safety Legality Brand commitment	5	Chaudhuri & Holbrook (2021); Setiawan & Aryani (2024)
Consumer Loyalty (Y)	Repeat purchase Recommendation Commitment to the brand	5	Oliver (1997); Dewi & Harahap (2022)

Primary Data, 2025

RESULTS AND DISCUSSION

Descriptive Statistical Analysis

Descriptive statistical analysis was used to determine the characteristics of respondents and the distribution of responses for each research variable. Subsequently, validity and reliability testing, structural model evaluation (inner model), and hypothesis testing were conducted using SmartPLS 4 software.

Descriptive Analysis Results

Out of 120 respondents who participated in this study, the majority were in the productive age group (21–35 years old), accounting for 62%, followed by those aged 36–50 at 24%, and the remaining respondents were over 50 years old. Most respondents (67%) regularly consumed *loloh*, while 33% were consumers of *arak Bali*. This indicates that both traditional beverage types are relatively well-known among the population of Denpasar.

Validity and Reliability Test Results

Based on data processing using SmartPLS 4, the following results were obtained:

- All indicator outer loadings > 0.7
- Average Variance Extracted (AVE) values for all variables > 0.5
- Cronbach's Alpha and Composite Reliability values for all constructs > 0.7

These results confirm that all constructs are both valid and reliable.

Structural Model Evaluation Results (Inner Model)

- R^2 for Consumer Loyalty = 0.673 $\rightarrow$ This means that 67.3% of the variance in consumer loyalty can be explained jointly by brand awareness, brand image, and brand trust.
- Q^2 Predictive Relevance $> 0.35 \rightarrow$ The model has strong predictive relevance.
- f^2 Effect Size:
 - Brand Trust: $f^2 = 0.41$ (large effect)

Brand Awareness, Brand Image, and Brand Trust on Consumer Loyalty toward Traditional Balinese Beverage Products in Denpasar

- Brand Image: $f^2 = 0.23$ (medium effect)
- Brand Awareness: $f^2 = 0.14$ (small to medium effect)

Table 2. Hypothesis

Hypothesis	Path Coefficient	t-statistic	p-value	Result
H1	Brand Awareness → Consumer Loyalty	2.511	0.012	Accepted
H2	Brand Image → Consumer Loyalty	3.872	0.000	Accepted
H3	Brand Trust → Consumer Loyalty	5.294	0.000	Accepted

Primary Data, 2025

Brand Awareness on Consumer Loyalty

The results indicate that brand awareness has a positive and significant effect on consumer loyalty. This finding aligns with the studies by Hanaysha (2022) and Putri & Wijaya (2023), which emphasized that consumer awareness of a brand's existence is a fundamental basis for purchase decisions. In the context of traditional Balinese products, exposure to brands through cultural promotion and local narratives enhances brand visibility and builds initial consumer trust.

Brand Image on Consumer Loyalty

Brand image significantly influences consumer loyalty, indicating that consumers' perceptions of product value, quality, and cultural appeal play a key role in repeat purchasing behavior. This result supports the studies by Novita and Prasetya (2023) and Yuliani & Budianto (2020), which revealed that brands that build a positive image through cultural and health-oriented attributes can foster emotional attachment. For products like *loloh*, the image as a natural and healthy drink serves as a strong differentiator, particularly among urban youth.

Brand Trust on Consumer Loyalty

Brand trust emerged as the most dominant factor influencing consumer loyalty. Consumers are more likely to remain loyal when they believe in the brand's quality, safety, and integrity. This finding supports the research by Chaudhuri & Holbrook (2021) and Yuliana & Permana (2020), who highlighted that brand trust is a fundamental pillar in establishing long-term consumer relationships. In the case of *arak Bali*, which has previously faced legal and perception issues, consumers show higher loyalty to brands that are officially certified and professionally packaged.

CONCLUSION

1. Brand awareness has a positive impact on consumer loyalty, suggesting that the higher the consumer's recognition of traditional beverage brands, the stronger their tendency to remain loyal.
2. Brand image, reflecting positive cultural values and perceived product quality, significantly contributes to the formation of loyalty.
3. Brand trust is the most influential factor, confirming that consumer confidence in the authenticity, legality, and safety of the product strongly determines the continuity of consumption and brand loyalty, particularly for *arak Bali* and *loloh*.

Managerial Implications

This research offers a theoretical contribution to the development of brand equity models for culture-based local products. Practically, the findings serve as a strategic foundation for traditional beverage entrepreneurs to:

- Enhance brand awareness through culturally rooted storytelling and strong digital presence.
- Build a positive brand image that emphasizes uniqueness, health benefits, and local aesthetics.
- Strengthen brand trust by ensuring consistent product quality, legal compliance, and transparent communication with consumers

Research Limitations

Several limitations of this study should be acknowledged:

1. The geographic scope is limited to Denpasar City, so the findings cannot be generalized to all regions of Bali or other areas with different cultural perceptions of *arak* and *loloh*.
2. Data collection relied on self-reported questionnaires, which may be subject to perception biases and personal interpretation by respondents.
3. The model only tested three independent variables, whereas consumer loyalty may also be influenced by other factors such as price, product quality, user experience, or social recommendations.

REFERENCE

- 1) Chaudhuri, A., & Holbrook, M. B. (2021). The chain of brand trust to brand performance. *Journal of Marketing*, 65(2), 81–93. <https://doi.org/10.1509/jmkg.65.2.81.18255>
- 2) Dewi, L. M., & Harahap, F. (2022). Brand image and young consumer loyalty in functional beverage products. *Jurnal Riset Manajemen dan Bisnis*, 14(3), 121–133.
- 3) Hanaysha, J. R. (2022). Impact of brand awareness on brand loyalty: Evidence from the food and beverage sector. *Journal of Marketing Research and Case Studies*, 2022, 1–10. <https://doi.org/10.5171/2022.987654>
- 4) Irawan, H., & Amelia, P. (2021). Building trust in new local brands: A study on food and beverage startups. *Jurnal Manajemen dan Kewirausahaan*, 9(2), 72–86.
- 5) Keller, K. L. (2020). *Strategic brand management: Building, measuring, and managing brand equity* (5th ed.). Pearson Education.
- 6) Kotler, P., & Keller, K. L. (2021). *Marketing management* (16th ed.). Pearson.
- 7) Novita, D., & Prasetya, F. (2023). Brand image dan Consumer Loyalty produk lokal di era ekonomi digital. *Jurnal Pemasaran Nusantara*, 7(1), 33–45.
- 8) Pranata, G., & Hapsari, R. (2021). Peran brand image dalam meningkatkan loyalitas pelanggan. *Jurnal Ekonomi dan Bisnis*, 9(2), 90–105.
- 9) Putri, M. R., & Wijaya, F. (2023). Pengaruh media sosial dan brand awareness terhadap loyalitas pelanggan. *Jurnal Pemasaran Nusantara*, 7(2), 55–67.
- 10) Rahayu, F., & Gunawan, T. (2023). The mediating role of brand trust in building customer loyalty. *International Journal of Business and Management Review*, 11(1), 43–57.
- 11) Setiawan, I. M., & Aryani, L. (2024). Strategi penguatan kepercayaan merek UMKM kuliner Bali. *Jurnal Ekonomi dan UMKM Indonesia*, 9(1), 15–29.
- 12) Wicaksono, A., & Nugroho, S. (2021). Brand awareness and customer loyalty in herbal beverage products. *Jurnal Riset Ekonomi dan Bisnis*, 14(3), 201–210.
- 13) Yuliana, R., & Permana, B. (2020). Pengaruh brand trust terhadap Consumer Loyalty minuman lokal. *Jurnal Ilmu Ekonomi dan Bisnis*, 6(2), 98–107.
- 14) Yuliani, A., & Budianto, A. (2020). The impact of brand image on customer loyalty in local culinary products. *Jurnal Ilmu Manajemen Indonesia*, 8(1), 25–39.
- 15) Yusuf, R., & Kurniawati, A. (2024). Brand awareness sebagai prediktor Consumer Loyalty pada produk tradisional. *Jurnal Bisnis Indonesia*, 10(1), 45–60.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0) (<https://creativecommons.org/licenses/by-nc/4.0/>), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.