ENFORCEMENT BRANDING CHOICE FOR SMEs SPECIALTY FOOD BRANDS AMONG INDONESIAN MILLENNIALS

Yasri¹, Vidyarini Dwita²*, Mia Ayu Agustina³, and Noor Fadhiha Mokhtar⁴

Abstract

This study examines the influence of brand authenticity on brand choice among SMEs’ local specialty food brands by the millennial generation, with the roles of brand trust, brand love, and brand value, examined as mediating variables. Survey data were collected from a sample of 770 SME customers who bought local specialty food in Indonesia. A convenience sampling technique was applied, and partial least squares–based structural equation modeling was utilized for data analysis. Primary data were collected using a survey method to distribute structured questionnaires. The results showed that all direct effects in the proposed model had a significant impact, except for the relationships of brand trust and brand value with brand choice. Similarly, brand trust, brand love, and brand value proved to be mediating variables. This study attempts to fill a gap in the literature by investigating how brand love influences brand choice for local specialty food brands at SMEs, especially in emerging markets.

Keywords: Brand Choice, Brand Love, Brand Trust, Brand Value, Specialty Food Brands, Indonesian Millennials

1. INTRODUCTION

Over the last few years, there has been an increase in consumer market demand for local food. This increase shows the tendency of consumers throughout the world to prefer local food compared to non-local food (Riefler, 2020). Non-local food has become known to have many problems, both related to human health and the environment, with many parents, adults and millennials, experiencing obesity and malnutrition from non-local food (Chen & Antonelli, 2020). With this problem, consumers are switching to consuming local food rather than non-local food, which is often unhealthy. As confirmed by Gineikiene et al. (2016), consumers tend to identify domestic food as local food assessing it as healthier and more natural than non-local food from other countries. Local food, according to Zarbà et al. (2020) is a specialty food as part of a tradition passed down from generation to generation. Simply put, local food is specialty food from the consumer’s own country of origin.

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Each region has different specialty food products with a variety of choices, such as Indonesia which is very rich in traditional food. With the large diversity of specialty foods in an area, several brands of specialty foods are almost forgotten by today’s society (Go Travel Indonesia, 2020). In addition, most specialty food brands do not have brand elements that are much different from competitors, so it is necessary to develop creativity to create a brand that can be used to identify the brand based on product quality (Chen & Antonelli, 2020). With this high level of competition, the local specialty food industry is unable to attract maximum consumer buying interest (Zarbà et al., 2020); if this is not handled properly, the existence of local specialty foods will begin to be replaced by the introduction of non-local or modern foods. Even though modern food is generally unhealthy, this industry can read consumer tastes, especially millennial generation consumers who have the characteristic of quickly getting bored said Bolton et al. (2013). For this reason, the food industry must serve a variety of foods, so that boredom disappears, as the millennial generation likes to gather, is technologically savvy, consumptive, and likes to switch brands (Kim et al., 2022). According to data from the Central Statistics Agency (BPS, 2020), the millennial generation is a dominant generation contributing a total of 25.87% to the total population of Indonesia in 2020. This generation therefore has a big influence in driving various things in the business sector including the food industry and is a historical milestone in determining the sustainability of local food.

Traditional food is often found in small and medium-scale industries (SMEs) (Perez-Caselles, Brugarolas, & Martinez-Carrasco, 2020). According to BPS (2020), general business entities in Indonesia persevere in the culinary business by making local specialty food. Local specialty food must be able to maintain its existence and must be sought after by the millennial generation by forming branding awareness to introduce and expand the market share of local specialty food products from SMEs. Building a brand is important in the era of global market competition, for both large and small-scale businesses. In line with Lu et al. (2015) for general culinary businesses such as restaurants, the brand is the most important asset to enhance the company’s identity and strengthen its competitive advantage, if carried out with the right marketing strategy. For this reason, SMEs should realize that brands must be a priority because brands are an investment that is expected to provide benefits for SMEs. Specialty local food SMEs in Indonesia still face several obstacles, such as many SMEs who are not yet aware of the role of brands in increasing the competitiveness of their products (Yusuf et al., 2022). SMEs think that branding is synonymous with expensive costs, while there is also a lack of knowledge about branding management so they feel it is complicated to do (Hutahayan & Yufra, 2019). Thus, efforts must be made to increase brand development, to find out whether the millennials generation will choose local or global food brands.

Customer choice for a brand can be encouraged by creating brand authenticity, brand trust, brand love, or brand value (Govarchin, 2019; Manthiou, Kang, Hyun, & Fu, 2018; Mody & Hanks, 2020; Liu, Wang, Chiu, & Chen, 2018; Zhang et al., 2020). Despite increasing research attention, focus has been on the importance of authenticity, trust, love, and value of brands, such as in the study of Zhang et al. (2020) which showed that brand authenticity can form brand loyalty through brand trust, brand love, and brand value; a research gap remains, as it is reported that not only is brand loyalty formed by brand authenticity but brand choice is also influenced by brand authenticity with the existence of trust, love and brand value as intermediaries. It is also noted that very few previous marketing studies have discussed the behavior of specialty food brands of SME’s in respect of the millennials generation (Amalia et al., 2020; Yew, 2020).
2. LITERATURE REVIEW AND HYPOTHESES

2.1 Theoretical Background

Unlike the previous generation, the behavior of millennials is more complex because conventional media does not influence them, such that product penetration becomes reasonably difficult when making them a target market. Born as the digitally native generation, they are more sensitive to transformations and savvy in anticipating advertising; this generation has different buying behavior in which they are more dynamic and inventive (Amalia et al., 2020). The unique characteristics of millennials are one driver of the importance of learning about their choices for local products and brands. Moreover, millennials have high purchasing power (Falke, Schröder, & Hofmann, 2022) and have difficulty choosing brands (Soares, Zhang, Proença, & Kandampully, 2017). Prior to making a purchase decision, millennials have expectations; during consumption, these expectations are determined by the level of brand performance; and after consumption, millennials evaluate whether or not their expectations were met (Fan, Shin, Shi, & Wu, 2023).

The brand choice indicates the selective choice of consumers against a particular brand, i.e., showing a specific brand preference or demand over a competitor’s brand (Martinovici, Pieters, & Erdem, 2023). Furthermore, a consumer’s choice of brand represents their choice over the several competing brands which are available (Liao et al., 2021). Thus, in choosing a brand, consumers will evaluate the brand, starting before consumption, developing during consumption, and continuing after consumption (Jhamb, Aggarwal, Mittal, & Paul, 2020). According to Mokhlis & Yaakop (2012), many factors affect the way consumers perceive a particular brand and prefer it more than other brands, such as quality of service, price, value, complaint handling, brand image, promotion, and satisfaction (Martinovici et al., 2023; Mokhlis & Yaakop, 2012). Lee & Chung (2020) added that consumers choose a brand if they believe the brand can’t be matched and has brand authenticity (Campagna, Donthu, & Yoo, 2023). Previous studies have measured the influence of brand love on brand choice.

Although studies of brand choice have been conducted in various fields (Barska, 2018; Breuer et al., 2021) few studies have been related to food brands or millennials’ behavior towards products typical of particular regions or countries, especially regarding local specialty food. Therefore, the present study fills a gap by examining the behavior of millennial consumers regarding brand authenticity, brand trust, brand love, brand value, and brand choice, among products of local specialty food produced by SMEs in an emerging country (Indonesia).

2.2 Research Hypotheses

Recently, the literature has included studies of the relationships between brand authenticity, brand trust, brand love, brand value, and brand choice. It has been found that variable antecedents can explain the relationship between each variable in this study. Brand authenticity can be defined as a consumer’s perception of the consistency of brand behavior with the core values and norms built from the brand (Campagna et al., 2023). Both researchers and practitioners agree that brand authenticity is an essential element that determines brand success (Cinelli & LeBoeuf, 2020; Campagna et al., 2023). Thus, brand authenticity is an antecedent of brand choice; that is, brand authenticity generates a tendency for consumers to choose the brand.

H1: Brand authenticity has a positive effect on brand choice.

In addition, several previous studies have also demonstrated brand authenticity as a determining factor in establishing brand trust, hence brand authenticity has an impact on brand
trust (Huang & Guo, 2021; Kim et al., 2021; Lee & Chung, 2020; Safeer & Liu, 2023). Therefore, consumers’ perception of brand authenticity will result in higher brand trust (Hernandez-Fernandez & Lewis, 2019).

H2: Brand authenticity has a positive effect on brand trust.

Meanwhile, other studies have found that brand authenticity significantly impacts brand love (Govarchin, 2019; Manthiou et al., 2018; Mody & Hanks, 2020). Based on the previous studies above, consumers consider brand behavior and attributes to determine authenticity and consider whether the brand fulfills its promise to satisfy the desires of consumers. Hence, they feel love for the brand.

H3: Brand authenticity has a positive effect on brand love.

According to Hernandez-Fernandez & Lewis (2019), higher consumer perceptions of brand authenticity result in a brand being identified as ‘authentic’ by consumers resulting in a higher consumer value rating. Consumers get more value from a brand if the brand is considered more authentic (Huang & Guo, 2021). These findings are in line with several studies (Muniz & Guzmán, 2023; Safeer et al., 2021; Liu et al., 2018) which explain the positive relationship between brand authenticity and brand value.

H4: Brand authenticity has a positive effect on brand value.

Besides this, Safeer & Liu (2023) explained that trust is a specific belief in integrity and competence. Brand trust refers to the willingness to trust a brand at all costs, as the existing expectations promised by the brand can provide positive results for consumers (Khan, Mohammad & Muhammad, 2020). This statement is in line with the opinion stated by Atulkar (2020) regarding brand trust:

H5: Brand trust has a positive effect on brand choice.

Additionally, as stated in Madadi et al. (2021); Hafez (2021); and Aureliano-Silva et al. (2022), it has been found that brand trust is an antecedent of brand love; that is, greater trust in a brand, tends to increase consumer love for the brand. Consumers who feel that a brand is trustworthy, reliable, and has integrity, tend to have increased feelings of pleasure and joy in relation to the brand, and the brand becomes an increasingly loved brand that exceeds consumer expectations; this can lead to positive outcomes such as a positive attitude towards the brand, more substantial commitment, and loyalty (Zhang et al., 2020).

H6: Brand trust has a positive effect on brand love.

Moreover, brand love refers to consumer passion and an emotional attachment to a particular brand, as stated by Palusuk et al. (2019), meaning that love for brands arises due to friendly interactions between consumers and brands through enthusiastic and positive emotions toward the brand. Based on the above definition, Gumparthi & Patra (2020) also described brand love as an emotional desire, attachment, and consumer commitment to a brand. It arises due to the long-term relationship between the consumer and the brand. If consumers love a brand, then they will choose that brand over others (Palusuk et al. 2019). This is also confirmed by Gumparthi & Patra (2020) who stated that brand choice is determined by a liking and love for the brand.

H7: Brand love has a positive effect on brand choice.

Moreover, according to Gupta et al. (2020) customer-perceived value is the value placed on the difference between the value or benefit received versus the sacrifice or cost to obtain the brand; if the perceived benefit is high, the brand is described as providing value.
Brands are a social process, relying on consumer participation which can create value. The research has found that the brand consumers will choose in the future is influenced by the extent of the brand’s value and the time which consumers allocate to brand choice after they consume the product (Chen et al., 2020).

H8: Brand value has a positive effect on brand choice.

According to empirical research, a positive and significant relationship has been found between the perception of brand value and the level of brand love (Kim & Legendre, 2023; Gumparthi & Patra, 2020; Palusuk et al., 2019). The perception of positive value towards the brand is a prerequisite for arousing passionate feelings toward the brand (Zhang et al., 2020). Therefore, brand value can also play an essential role in developing brand love.

H9: Brand value has a positive effect on brand love.

Studies conducted by Lee & Chung (2020); and Sung et al. (2023) found that brand trust can be a mediating variable between brand authenticity and consumer emotions with a positive influence. Brand trust is the result of authentic brand attributes. Thus, brand authenticity and brand trust encourage consumers to commit to a brand and to desire that brand.

H10: Brand trust significantly mediates the relationship between brand authenticity and brand love.

Research conducted by Zhang et al. (2020) found that brand love mediates the influence of brand authenticity, brand trust, and brand value, on brand loyalty, in the context of tablet brands and advanced technology. Moreover, Bairrada et al. (2018) showed that brand love can mediate the relationship between brand personality and brand loyalty in the context of fashion brands. However, brand choice has not been studied and needs further development in the context of SMEs.

H11: Brand love significantly mediates the relationship between brand trust and brand choice.

H12: Brand love significantly mediates the relationship between brand authenticity and brand choice.

H13: Brand love significantly mediates the relationship between brand value and brand choice.

Figure 1 Conceptual Research
A study by Raza, Abd Rani & Isa (2021) found that brand value has a positive and significant effect on brand love, with brand authenticity as a mediating variable. Significant mediation results have been identified, explained by the ability of brand authenticity to increase fondness and brand love (Rosado-Pinto, Loureiro, & Bilro, 2020). Thus, it is believed that brand value can act as an intervening construct between brand authenticity and brand love.

H14: Brand value significantly mediates the relationship between brand authenticity and brand love.

Based on the research hypotheses, the theoretical model will be evaluated as shown in Figure 1.

3. RESEARCH METHODOLOGY

This study investigates the relationship between brand authenticity and brand choice, identifying the presence of mediation for brand trust, brand love, and brand value, regarding effects on brand choice. The indicators for each variable were adopted from previous studies, including the brand authenticity measurement items, previously applied by Akbar & Wymer (2017), four measurement items of brand trust implemented from Han et al (2015), seven measurement items for brand love from the previous research of Lu et al. (2015), four measurement items for brand value from Chen et al  (2020), and four measurement items for brand choice adopted from Lu et al. (2015).

The quantitative data were required to come from a questionnaire distributed to millennials. According to prior study (Smola & Sutton, 2002), the millennial generation is comprised of individuals born between 1982 and 2004. Meanwhile, the respondents in this study were all millennial consumers who buy local specialty food from SMEs in Indonesia. The sampling method used in this study was non-probability sampling in which each member of the population had a known chance of being selected (Blumberg, Cooper, & Schindler, 2014). The sampling method employed in this study was convenience sampling, a specific form of non-probability sampling.

According to the Indonesian Bureau of Statistics, the population of this study are millennials in Indonesia, made up 25.85% of the Indonesian population in 2021. The sample size was calculated using the Slovin formula \( n = \frac{N}{1 + N(e)^2} \) with a confidence level of 95% and an error margin of 4%. The total population was 69,380,000, so the minimum sample size would be 601. Overall, it took eight weeks to collect information from participants and the questionnaire was filled out by a total of 770 respondents.

Primary data were collected using questionnaires. The study used a five-point Likert scale ranging from “Strongly Disagree” (1) to “Strongly Agree” (5) which has been validated in previous studies. The first section of the questionnaire provided a concise explanation of the study’s objectives, the instructions for completing the questionnaire, and its connection to the collection of socio-demographic data. The data collection was conducted through an online survey due to the presence of COVID-19 in the country whereby questionnaires were distributed to respondents through social media such as WhatsApp, Instagram, and Facebook.

PLS-SEM statistical methods were used to test the validity and dependability of the model. Smart PLS 3.0 was used to analyze the data, as suggested by Han, Al-Ansi, Olya, & Kim (2019); and Henseler, Ringle, & Sinkovics (2009) and the two-stage method of analysis was adopted. Measurement model assessment shows discriminant validity with outer loading equal to or greater than 0.70. Subsequently, reliability and validity are confirmed with Composite Reliability which must have a value equal to or greater than 0.70, and a Cronbach’s Alpha value equal to or greater than 0.70 (Hair et al., 2019).
The data were investigated using partial least squares structural equation modelling as according to Henseler et al. (2009), Smart PLS is a statistical method which can attain greater levels of statistical power, even on non-distributive data of average quality. Furthermore, data analysis was carried out in two stages. Two phases were used to analyze the study data. Confirmatory factor analysis was used to examine the measurement model’s reliability and validity in the initial step. In the second stage, SEM was used to test the research hypotheses regarding the direct impacts between variables and the influences of the mediating variables (Hair et al., 2019).

4. RESULTS

The characteristics of the sample, as based on the demographic data, were as follows. Most respondents (96%) were aged 17-25 years, while only 4 percent were aged 26-40 years. Meanwhile, regarding educational level, the majority of respondents (86.8%) held high school degrees, while 13.2 percent held university degrees. A majority (58.6%) of respondents reported a monthly income of less than 1,500,000 IDR while 36.7 percent reported a monthly income between 1,500,000 and 3,000,000 IDR, and 4.7% reported a monthly income of more than 3,000,000 IDR.

The findings of the assessed measurement models with composite reliability (CR) values surpassing the minimum suggested value of 0.70 are shown in Table 1 (Hair et al., 2019). The findings indicated that the average variance extracted (AVE) exceeded the suggested threshold of 0.5 (Fornell & Larcker, 1981). These findings give acceptable evidence for the quality of the constructed model. Table 1 demonstrates that the AVE value for each latent component exceeded 0.50, indicating convergent validity (Hair et al., 2019). According to Fornell & Larcker (1981), the square root of AVE should be greater than the correlation between the construct and any other construct.

**Table 1** Loading Factors, Construct Validity, and Reliability

<table>
<thead>
<tr>
<th>Constructs/Items</th>
<th>Loadings</th>
<th>AVE</th>
<th>Composite reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand Choice</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC1: I will choose this SME’s specialty food even though there are other types of food</td>
<td>0.712</td>
<td>0.908</td>
<td></td>
</tr>
<tr>
<td>BC2: It is a better choice than rival SME’s specialty food brands.</td>
<td>0.843</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC3: It makes sense to choose this SME’s specialty food over other foods, even if they are the same</td>
<td>0.861</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC4: This is my favorite SME specialty food brand among all other types of similar foods</td>
<td>0.831</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand Trust</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BT1: I believe and rely on this SME’s specialty food brand to resolve service dissatisfaction</td>
<td>0.735</td>
<td>0.917</td>
<td></td>
</tr>
<tr>
<td>BT2: I believe this SME’s specialty food brand guarantees satisfaction</td>
<td>0.846</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BT3: I have confidence in this SME’s specialty food brand</td>
<td>0.820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BT4: I believe this SME’s specialty food brand is honest</td>
<td>0.894</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand Authenticity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA1: This SME’s specialty food brand is unique.</td>
<td>0.672</td>
<td>0.891</td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.788</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 1 (Continued)

<table>
<thead>
<tr>
<th>Constructs/Items</th>
<th>Loadings</th>
<th>AVE</th>
<th>Composite reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA2: This SME’s specialty food brand maintains its authenticity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA3: This SME’s specialty food brand clearly stands out from other brands.</td>
<td>0.835</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA4: This SME’s specialty food brand is the best brand in its class</td>
<td>0.838</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand Love</strong></td>
<td></td>
<td>0.700</td>
<td>0.942</td>
</tr>
<tr>
<td>BL1: This SME’s specialty food brand makes me feel good</td>
<td>0.820</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL2: This SME’s specialty food brand is great.</td>
<td>0.784</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL3: This SME’s specialty food brand makes me very happy</td>
<td>0.857</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL4: I like this SME’s Sumatra specialty food brand</td>
<td>0.854</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL5: This SME’s specialty food brand is a main pleasure.</td>
<td>0.849</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL6: I am passionate about this SME’s specialty food brand</td>
<td>0.862</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BL7: I love this SME’s specialty food brand</td>
<td>0.830</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand Value</strong></td>
<td></td>
<td>0.632</td>
<td>0.873</td>
</tr>
<tr>
<td>BV1: The SME specialty food brand I bought was well made</td>
<td>0.796</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BV2: The SME specialty food brand I bought was affordable</td>
<td>0.849</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BV3: The SME specialty food brand I bought was economically valuable</td>
<td>0.778</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BV4: The SME specialty food brand I bought was worth the purchase price</td>
<td>0.754</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Moreover, as shown in Table 2, the square root of the AVE for all variables exceeded the intercorrelations, indicating sufficient discriminant validity (Fornell & Larcker, 1981; Hair et al., 2019).

Table 2 Discriminant Validity

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Brand Authenticity</th>
<th>Brand Choice</th>
<th>Brand Love</th>
<th>Brand Trust</th>
<th>Brand Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Authenticity</td>
<td><strong>0.820</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Choice</td>
<td>0.512</td>
<td><strong>0.844</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Love</td>
<td>0.729</td>
<td>0.640</td>
<td><strong>0.837</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Trust</td>
<td>0.709</td>
<td>0.614</td>
<td>0.668</td>
<td><strong>0.857</strong></td>
<td></td>
</tr>
<tr>
<td>Brand Value</td>
<td>0.678</td>
<td>0.591</td>
<td>0.599</td>
<td>0.629</td>
<td><strong>0.795</strong></td>
</tr>
</tbody>
</table>

The structural models were used to evaluate the measurement models using Smart PLS 3, and the direct and indirect effects with mediation were assessed. The study presents the results of the fourteen hypotheses in table 3. Since the p-value was less than 0.05, six direct hypotheses (H1, H2, H3, H4, H6, H7, and H9) were accepted. However, two direct hypotheses, H5 and H8 were rejected. In addition, SEM-PLS bootstrapping was used to investigate the mediation effect according to Hair et al. (2019) with the help of bootstrap methods, which can be used to re-sample 500 samples to determine the t-value. Table 3 also shows the results
Table 3 Results of the Structural Model

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Original Sample (O)</th>
<th>Sample Average (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>T Stats (O/STDEV)</th>
<th>P Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>BA → BC</td>
<td>0,177</td>
<td>0,176</td>
<td>0,084</td>
<td>2,096</td>
<td>0,037</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2</td>
<td>BA → BT</td>
<td>0,709</td>
<td>0,708</td>
<td>0,021</td>
<td>33,475</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3</td>
<td>BA → BL</td>
<td>0,201</td>
<td>0,202</td>
<td>0,015</td>
<td>13,504</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4</td>
<td>BA → BV</td>
<td>0,878</td>
<td>0,877</td>
<td>0,011</td>
<td>80,206</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H5</td>
<td>BT → BC</td>
<td>0,205</td>
<td>0,212</td>
<td>0,160</td>
<td>1,287</td>
<td>0,199</td>
<td>Rejected</td>
</tr>
<tr>
<td>H6</td>
<td>BT → BL</td>
<td>0,699</td>
<td>0,699</td>
<td>0,014</td>
<td>48,741</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H7</td>
<td>BL → BC</td>
<td>0,862</td>
<td>0,866</td>
<td>0,210</td>
<td>4,112</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H8</td>
<td>BV → BC</td>
<td>0,169</td>
<td>0,165</td>
<td>0,134</td>
<td>1,262</td>
<td>0,208</td>
<td>Rejected</td>
</tr>
<tr>
<td>H9</td>
<td>BV → BL</td>
<td>0,496</td>
<td>0,497</td>
<td>0,021</td>
<td>23,388</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H10</td>
<td>BA → BT → BL</td>
<td>0,495</td>
<td>0,495</td>
<td>0,018</td>
<td>26,852</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H11</td>
<td>BT → BL → BC</td>
<td>0,602</td>
<td>0,604</td>
<td>0,146</td>
<td>4,125</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H12</td>
<td>BA → BL → BC</td>
<td>-0,173</td>
<td>-0,175</td>
<td>0,045</td>
<td>3,865</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H13</td>
<td>BV → BL → BC</td>
<td>0,427</td>
<td>0,431</td>
<td>0,107</td>
<td>4,001</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H14</td>
<td>BA → BV → BL</td>
<td>0,435</td>
<td>0,436</td>
<td>0,021</td>
<td>21,076</td>
<td>0,000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Note. BA: Brand Authenticity; BC: Brand Choice; BL: Brand Love; BT: Brand Trust; BV: Brand Value

5. DISCUSSION

The hypothesis testing results provide up-to-date insight into consumer-based brand behavior, particularly regarding SME local specialty food brands and millennial consumers in Indonesia. The results of the direct hypothesis testing for H1, H2, H3, H4, and H7, found a positive significant influence between brand authenticity and brand choice, brand trust, brand love, and brand value. This study’s findings support the significance of brand authenticity in encouraging millennials to choose a brand. The results are in accordance with previous research where brand authenticity affects brand choice (Zhang et al., 2020). Also, brand authenticity significantly influences brand love. According to this study, consumers assume that brand behavior and attributes are authentic and that the brand achieves love. Thus, consumers develop brand choice and brand love. Moreover, brand authenticity tends to contribute to brand love (Govarchin, 2019; Hernandez-Fernandez & Lewis, 2019; Mody & Hanks, 2020). For this reason, SMEs must create brand authenticity to make millennials prefer their brand of specialty food and help retain their consumers. Furthermore, brand authenticity significantly affects brand value. This means that if the brand displays its authenticity, then the brand is more valuable, as brand authenticity is the primary key for brand consumers who must distinguish it from other brands to increase the brand value (Muniz & Guzmán, 2023; Safeer et al., 2021; Liu et al., 2018).

Likewise, the results of H6 and H9 showed the influence of brand trust and brand value on brand love. Thereby, brand trust influences brand love significantly. According to the literature, trust in a brand results in beneficial effects such as a positive attitude toward the brand, a more substantial commitment, loyalty, and a significant role in brand love (Madadi et al., 2021; Hafez, 2021; Aureliano-Silva et al., 2022). This result also shows that good brand value increases customer brand love. Consumers who feel that a brand is trustworthy, reliable, and has integrity, tend to have increased feelings of pleasure and joy, and are more likely to
find the brand loveable (Kim & Legendre, 2023; Gumparthi & Patra, 2020; Palusuk et al., 2019). Consequently, it can be seen that brand value has a significant effect on brand love.

However, the results of H5 and H8 found that brand trust and brand value did not have an influence on brand choice. These findings are opposite to those of Safeer & Liu (2023); Khan, Mohammad, & Muhammad (2020); Gupta et al. (2020); and Chen et al. (2020). This shows that brand trust and brand value do not have a direct impact on brand choice. A possible explanation is that millennial consumers no longer use brand trust and brand value as main reasons for choosing a brand, as they receive information from anywhere that helps them select a brand. In other words, the millennial will not easily develop trust in the brand to choose the brand (Soares et al., 2017). Moreover, brand value is unlikely to affect brand choice in the local specialty foods that millennials prefer. A logical explanation is that most local specialty food sold by SMEs in Indonesia is of ordinary quality. Millennial consumer groups are primarily aware of the availability and value of foods. So, millennials can simply compare the value of the product, which encourages them to choose and select the foods.

Furthermore, the H 10, H11, H12, H13, and H14 test results showed significant results, supporting the role of mediating variables in affecting millennials’ brand choices. The results of the study explain that brand love mediates the relationship between brand value and brand choice; this means that if the brand value is positive, then it will cause brand love; thus, the consumer chooses the brand because their brand choice has a high value. The results of this study expand on research from Zhang et al (2020) which stated that brand love acts as a mediator of the relationship between brand value and brand choice. Thus, brand love reflects the emotional desire, attachment, and consumer commitment to a brand, by interpreting the desired brand to create brand trust regarding the choice of the product brand. In addition, brand value mediates the relationship between brand authenticity and brand love, meaning that brand authenticity determines brand value, and the authenticity of the brand results in a positive attitude towards the brand by increasing brand love. These findings extend previous studies (Raza et al., 2021; Rosado-Pinto et al., 2020). Therefore, brand value mediates the relationship between brand authenticity and brand choice for local specialty foods.

As discussed in the earlier literature, the results of this study indicates the role of variables such as brand trust, brand love, and brand value, which are proven to mediate the relationship between brand authenticity and millennials’ brand choice. These results are consistent with the study of Gupta et al. (2020) which explains that the positive perception of brand value is a prerequisite for arousing feelings of passion for the brand. In addition, millennials were found to choose brands which were trustworthy, loveable, and valuable, resulting in a strong urge among millennials to choose without reasonable consideration (Mody & Hanks, 2020). This means that millennials trust the brand and love a brand that can provide brand value. As a result, millennials’ decisions to choose a brand will not arise except for as a consequence of authenticity in the brand.

6. CONCLUSION AND RECCOMENDATIONS

This study concludes that brand authenticity and brand love are variables which directly influence brand choice while brand value and brand trust do not affect brand choice directly. However, brand love, brand trust, and brand value, act as variables which mediate the relationship of brand authenticity and brand choice. Furthermore, the results shed light on the mediating role of brand trust, brand love, and brand value, on the link between brand authenticity and brand choice, as these variables are used as references when customers choose a specialty food brand.

Thus, this study provides information for SMEs’ selling specialty foods, allowing
these SMEs to develop strategies which prompt millennials to choose their brand. Designing the brand, should be done in such a way that brand authenticity provides value or a positive impression for consumers, making them feel attached to the brand. The more consumers trust in the brand’s authenticity, the more attached consumers will feel both emotionally and mentally. In addition, specialty food brands must highlight brand authenticity and brand love so that millennials can immediately choose those brands compared to other brands. Subsequently, local specialty SME food owners must improve food quality to help millennials identify and choose the brand.

It is recommended that future studies explore models in other emerging countries with more significant populations. In addition, this study only focuses on SMEs’ specialty foods; in the future, it is crucial to analyze other variants of SME products. Furthermore, this study is cross-sectional; hence, longitudinal research is advised for future research. Furthermore, future studies might examine other factors, such as brand reputation, brand personality, and brand awareness to support this study’s conclusions.

REFERENCES


Hospitality Management, 50, 36–45.


