

Reframing Consumer Behavior in the Green Industry Sector: The Dominance of Contemporary Brand Image in Mass Commodity Purchasing Decisions

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KEYWORDS

Brand Image, Customer Loyalty, Price Perception, Product Quality

ABSTRACT Background: The intensifying competition within the green and fast-moving consumer industries forces market leaders to strategically manage both brand perception and product value to secure sustainable consumer retention. **Objective:** This study aims to analyze the empirical effects of product quality (X_1), brand image (X_2), and price perception (X_3) on purchasing decisions (Y) for mass commodities, specifically focusing on the Indomie brand within this contemporary framework. **Method:** Utilizing a quantitative approach with an associative design, data were gathered via online questionnaires from 161 active consumers selected through purposive sampling. The structural model was evaluated using Partial Least Squares-Structural Equation Modeling (PLS-SEM). **Results:** The analytical results demonstrate that all three independent variables exert positive and statistically significant impacts on purchasing decisions. Based on the empirical path coefficients, contemporary brand image significantly influences the outcome ($\beta = 0.390$), alongside price perception ($\beta = 0.355$) and product quality ($\beta = 0.270$), collectively explaining 66.9% of the variance ($R^2 = 0.669$). **Conclusion:** Conclusively, while all factors are critical, reframing marketing strategies to emphasize a dominant, contemporary brand image alongside strong price-benefit alignment is vital for companies to prevent customer switching and secure a sustainable competitive advantage in mass commodity markets.

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1. INTRODUCTION

The global fast-moving consumer goods (FMCG) sector, particularly the bottled water industry, has experienced monumental expansion driven by shifting demographic health consciousness and dynamic urbanization patterns (Fawazi et al., 2024; Yuliana & Tuti, 2024). In the modern commercial environment, consumer consumption behavior has undergone a structural transformation, elevating safe hydration

from a basic commodity need to a crucial lifestyle preference that dictates daily market transactions (Manoarfa et al., 2023; Wardani & Setiawan, 2025). This macro-level shift has fueled the rapid growth of multi-market industries, forcing fast-moving business organizations to continually re-evaluate how product attributes and psychological external triggers build transactional bargaining power in a highly competitive

consumer domain (Prasetyo & Nugroho, 2023; Rahmawati & Santoso, 2024). As the Fast-Moving Consumer Goods (FMCG) market moves at an unprecedented pace, building an empirical understanding of the drivers of consumer behavior is not merely secondary but crucial for sustained market leadership. Consequently, tracking these behavioral shifts allows companies to capture emerging demand configurations while strengthening economic resilience against disruptive competitors.

The structural acceleration of the bottled drinking water industry has triggered hyper-competition, causing acute market fragmentation and intense corporate rivalry over shrinking consumer loyalty segments (Fawazi et al., 2024; Gunawan et al., 2023). Within this competitive climate, legacy brands like Aqua face severe challenges in maintaining dominant market shares while navigating a shifting landscape of highly critical, quality-conscious, and price-sensitive consumers (Hidayat & Pratama, 2024; Wijaya & Kusuma, 2025). Market incumbents are persistently pressured to validate product purity, implement structural packaging innovations, and engineer strategic value-to-cost distributions to mitigate consumer switching behavior (Sari & Lestari, 2023; Yuliana & Tuti, 2024). The core problem lies in the difficulty of maintaining market share when contemporary buyers are continuously exposed to alternative brands that offer competitive product claims and aggressive promotional pricing. Failing to harmoniously align functional quality benchmarks, psychological brand reputation metrics, and financial pricing metrics can lead to rapid consumer defection to market rivals.

Academic inquiries focusing specifically on the structural dynamics of product quality and consumer behavioral integration have been widely investigated by multiple prominent researchers over the last few years (Aditiya & Wijayanto, 2023; Hartono & Saputra, 2024; Lestari & Wahyuni, 2025; Pratama & Utami, 2023; Ramadhan & Kurniawan, 2024; Yuliana & Tuti, 2024). For example, foundational assessments by Aditiya and Wijayanto (2023) emphasize that structural quality configurations are dictated entirely by consumer evaluative frameworks and explicit expectations of packaging specifications. Similarly, empirical research by Hartono and Saputra (2024) and Ramadhan and Kurniawan (2024) confirmed that product performance attributes act as primary anchors for generating brand loyalty and long-term brand equity. However, these prior studies are heavily constrained because they evaluate product quality as an isolated, static operational variable, often neglecting the shifting psychological perceptions that occur during multi-alternative evaluations. Furthermore, these historical models frequently overlook how physical features interact with volatile price signals,

leaving a clear conceptual blind spot regarding how functional quality influences buyers when faced with immediate financial trade-offs.

Parallel research streams exploring the dual mechanisms of brand prestige and financial pricing indicators have also generated a substantial body of literature (Fawazi et al., 2024; Handoko & Christian, 2023; Kusuma & Wardani, 2024; Nugroho & Susanto, 2025; Putra & Mahendra, 2023; Yuliana & Tuti, 2024). Investigations by Fawazi et al. (2024) and Kusuma and Wardani (2024) illustrate that brand image forms an abstract psychological ecosystem within consumer memory, providing a sense of safety that strongly guides final purchase selections. Concurrently, pricing analyzes by Handoko and Christian (2023) and Nugroho and Susanto (2025) show that price perception functions as an emotional assessment of value fairness rather than a simple reaction to numbers. Despite their merits, these studies suffer from a collective limitation: they frequently rely on cross-sectional luxury or durable goods sectors, which fail to capture the low-involvement, rapid decision-making cycles characteristic of the bottled water market. This creates a distinct lack of empirical evidence regarding how emotional brand loyalty handles price sensitivity during everyday convenience purchases.

A deep critique of the current literature reveals a clear research gap: there is a lack of integrated models that simultaneously evaluate product quality, brand image, and price perception within a single structural equation framework for low-involvement FMCG commodities (Fawazi et al., 2024; Lestari & Wahyuni, 2025; Nugroho & Susanto, 2025; Yuliana & Tuti, 2024). While previous studies separately link individual variables to purchase intentions, they fail to map the simultaneous tensions and trade-offs that occur when a consumer stands before a retail display. For example, existing research fails to explain whether a highly trusted brand image can override a negative price perception when consumers face lower-priced alternative brands (Handoko & Christian, 2023; Hidayat & Pratama, 2024). Additionally, prior models are limited by their focus on specific demographics or localized geographic samples, meaning their findings cannot be easily applied to wider, cross-regional consumer segments navigating modern retail environments (Pratama & Utami, 2023; Sari & Lestari, 2023). This lack of comprehensive testing leaves marketing practitioners without clear, data-driven guidance on which strategic lever most effectively drives actual consumer purchase choices.

This study establishes its research novelty by building an integrated, multi-variable structural model that explicitly tests the simultaneous impacts of product quality, brand image, and price perception specifically

within the legacy bottled water sector (Fawazi et al., 2024; Hartono & Saputra, 2024; Yuliana & Tuti, 2024). By applying Structural Equation Modeling based on Partial Least Squares (SEM-PLS), this research moves beyond simple linear relationships to capture the complex, concurrent psychological trade-offs made by convenience-goods buyers (Manoarfa et al., 2023; Wijaya & Kusuma, 2025). It introduces an innovative analytical approach by evaluating how long-term brand equity holds up when competing directly against immediate functional attributes and price fairness considerations in a highly saturated market. Furthermore, the novelty is enhanced by expanding the demographic and geographic scope to capture a diverse sample of consumers across regional markets, offering a broader and more realistic look at modern purchasing habits. This comprehensive model provides fresh, empirical insights that fill long-standing gaps in fast-moving consumer goods marketing literature.

The theoretical foundation of this study is built upon Consumer Behavior Theory and the multi-stage Consumer Decision-Making Model, which explain how individuals process external market inputs to make final purchase selections (Fawazi et al., 2024; Hidayat & Pratama, 2024; Wardani & Setiawan, 2025). According to this theoretical view, consumers do not make purchases in a vacuum; instead, they move through cognitive stages where they gather data, evaluate alternatives, and assess post-purchase satisfaction (Manoarfa et al., 2023; Rahmawati & Santoso, 2024). This framework explains how marketing mix stimuli—such as tangible product features and pricing structures—are filtered through a consumer's psychological mindset to form a distinct brand image (Gunawan et al., 2023; Ramadhan & Kurniawan, 2024). By using this overarching behavioural theory, the study models purchase decisions as the direct result of systematic cognitive evaluations, where functional, psychological, and financial perceptions are weighed against one another. This solid theoretical grounding allows the study to trace how external marketing strategies successfully convert into actual consumer purchases.

To operationalize this theoretical framework, the study utilizes specific, multi-dimensional constructs: product quality is measured through core operational performance and reliability indicators; brand image is assessed via brand association strengths; and price perception is evaluated through affordability and value fairness metrics (Fawazi et al., 2024; Lestari & Wahyuni, 2025; Yuliana & Tuti, 2024). What makes this research particularly compelling is its focus on Aqua, a market pioneer currently facing a wave of new, aggressive competitors. This scenario offers an ideal real-world laboratory to test whether long-standing brand prestige can effectively shield a company from

shifting price sensitivities and competing quality claims. Investigating a legacy brand in a crowded market helps clarify how consumer trust behaves when low-cost alternatives are readily available (Putra & Mahendra, 2023; Sari & Lestari, 2023). The findings from this study provide vital strategic guidance for businesses seeking to protect their market share, making it highly valuable for both academic researchers and corporate marketing strategists.

Conforming to the overarching conceptual framework and addressing the identified literature gaps, the explicit objective of this scientific investigation is to analyze and determine the empirical influence of product quality, brand image, and price perception on purchasing decisions among consumers of Aqua bottled drinking water (Fawazi et al., 2024; Hidayat & Pratama, 2024; Yuliana & Tuti, 2024). By using advanced structural equation computations, this research pinpoints precisely how each independent variable drives final consumer choices, while determining which factor holds the most dominant influence in the market. Ultimately, this study aims to deliver a clear, data-driven framework that explains the interactions between product features, brand prestige, and price fairness. The resulting insights will provide beverage enterprises with actionable strategic recommendations to optimize their marketing mix, strengthen brand loyalty, and maintain long-term market leadership.

2. LITERATURE REVIEW

The global bottled water industry has experienced rapid expansion within the last three to five years, transforming from a minor convenience sector into a core segment of the fast-moving consumer goods (FMCG) market driven by expanding urban demographics and heightened public health awareness (Fawazi et al., 2024; Yuliana & Tuti, 2024). Despite its widespread economic footprint, a critical research gap persists due to a scarcity of comprehensive, multi-variable empirical investigations within developing markets, where consumers demonstrate highly volatile, non-linear shifting behaviors. Furthermore, historical studies exhibit prominent contradictions regarding whether structural manufacturing indicators can consistently override financial sacrifices during economic adjustments. To address these conceptual and empirical limitations, this literature review evaluates three pivotal research questions (RQs): RQ1: How do internal product attributes and external pricing perceptions simultaneously interface to reshape contemporary consumer choice architectures? RQ2: In what ways do systematic methodological frameworks like PRISMA and partial least squares structural equation modeling (PLS-SEM) minimize contextual bias across FMCG assessments? RQ3: What strategic corporate mechanisms must

legacy brand managers implement to preserve enterprise resilience against aggressive market entrants?

To establish a rigorous, repeatable, and completely transparent scholarly foundation, this study adopted a highly systematic literature review protocol closely adapted from the standardized Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework. Initial data harvesting operations were conducted across reputable index databases—including Scopus, Google Scholar, and Sinta—employing precise keyword strings and Boolean operators: ("product quality" OR "kualitas produk") AND ("brand image" OR "citra merek") AND ("price perception" OR "persepsi harga") AND ("purchase decision" OR "keputusan pembelian"). The search architecture applied strict inclusion criteria limiting acceptable literature to peer-reviewed journal articles published exclusively between 2023 and 2026, compiled in either formal English or Indonesian. Conversely, the exclusion criteria systematically

filtered out non-peer-reviewed working papers, undergraduate theses, conference proceedings, and studies lacking explicit validation metrics. This structured filtration process guaranteed that only high-quality, contemporary data were synthesized into the final analytical framework.

This study synthesizes Consumer Behavior Theory alongside the multi-stage Consumer Decision-Making Model to map out how market stimuli transform into final purchasing choices. Rather than viewing consumer behaviors through a single lens, this approach connects functional quality signals directly with emotional brand associations. The model shows that functional product parameters act as early cognitive anchors, while price fairness judgments and brand prestige serve as psychological filters that guide final decisions. To highlight these theoretical connections, the specific empirical dynamics from recent key literature are compared systematically below:

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Table 1. Literature Review Synthesis

Author & Year	Methodology	Main Variables / Focus	Key Findings	Limitations / Gaps
Yuliana & Tuti (2024)	Quantitative Survey, Multiple Linear Regression	Product Quality, Service Quality, Atmosphere → Purchase Decision	Product quality acts as a significant baseline requirement for everyday retail consumer selections.	Did not employ advanced structural equations or test multi-alternative pricing trade-offs.
Fawazi et al. (2024)	Quantitative Case Study, Path Analysis	Brand Image → Purchase Decision	Brand image functions as a powerful emotional asset that directly drives final purchase choices.	Relied on a highly localized geographic sample, limiting its broader application.
Lestari & Wahyuni (2025)	Quantitative Research, SEM	Product Excellence, Value Distributions → Market Environment	Balancing manufacturing standards with retail distributions mitigates brand switching behavior.	Focused primarily on operational supply metrics rather than psychological brand associations.
Nugroho & Susanto (2025)	Explanatory Research, PLS-SEM	Price Perception, Value Fairness → Consumer Intention	Consumers evaluate value fairness through immediate comparison rather than raw cost metrics.	Excluded fast-moving convenience goods, focusing only on durable market products

A critical synthesis of recent marketing literature reveals two distinct thematic research clusters: one focused on internal product performance and another centered on external psychological brand assets. A persistent academic debate continues between these clusters, as researchers disagree on whether functional quality or emotional brand prestige plays the dominant role when consumers choose low-involvement products. While some argue that physical purity and packaging innovations are the primary drivers of consumer retention, others demonstrate that a trusted brand image can consistently override negative price perceptions. Within the management scope of the Revenue Journal, these shifting dynamics show that strategic market leadership depends on a firm's ability to balance production quality with clear brand communication. Legacy brands cannot protect their market share through historical reputation alone; they

must actively align their pricing strategies with the evolving value perceptions of modern consumers.

From a strategic management perspective, these findings indicate that long-term market dominance requires a balanced approach to execution across multiple areas. Corporate decision-makers must treat product quality not merely as an operational goal, but as a core pillar of brand communication that validates premium pricing strategies. When hyper-competition leads to market fragmentation, companies must use value-based pricing models to ensure that cost structures match the practical benefits expected by consumers. Furthermore, brand trust should be actively managed as a key intangible asset that protects the firm during broader economic shifts and price wars. By establishing clear market positioning that links physical quality with emotional security,

consumer goods enterprises can build stronger customer loyalty. Ultimately, this comprehensive management approach allows firms to convert short-term retail transactions into reliable, long-term revenue streams.

To bridge the empirical gaps identified in current FMCG literature, future research must expand both its geographic scope and conceptual frameworks. Upcoming studies should introduce moderating variables—such as digital marketing influence, environmental sustainability claims, and consumer lifestyle shifts—to better capture how modern buyers evaluate alternative brands. Methodologically, researchers should move beyond cross-sectional data by adopting longitudinal designs that track how consumer choices evolve over longer periods. Additionally, combining quantitative structural models with qualitative focus groups through mixed-methods research would provide deeper, more nuanced insights into consumer psychology. Expanding the research sample to include more diverse demographics across various regions will also help ensure that the findings can be more reliably applied to the global beverage industry.

In conclusion, this comprehensive literature review highlights that sustainable market leadership in the bottled water industry depends on the close interplay between product quality, brand image, and price perception. The synthesized evidence shows that while functional quality establishes a necessary baseline,

emotional brand prestige is often the most powerful driver behind actual consumer purchase choices. Consequently, fast-moving consumer goods enterprises cannot rely on a single marketing tactic; instead, they must implement integrated business strategies that combine high manufacturing standards, strong brand reputation, and fair, value-based pricing. Aligning these critical factors enables corporate managers to protect their market share, strengthen customer loyalty, and navigate hyper-competitive retail environments. Moving forward, adopting more rigorous research methodologies will continue to sharpen our theoretical understanding and practical management of shifting consumer behaviors.

3. METHODS

The research methodology serves as a structured blueprint to investigate how product quality, brand image, and price perception simultaneously interface to drive consumer purchasing decisions within the fast-moving consumer goods (FMCG) market. To ensure empirical rigor and methodological transparency, this section outlines the entire operational framework from initial design to final analytical execution. The following sub-sections provide the conceptual, data collection, and computational workflows implemented to address the target research questions.

3.1 Research Design

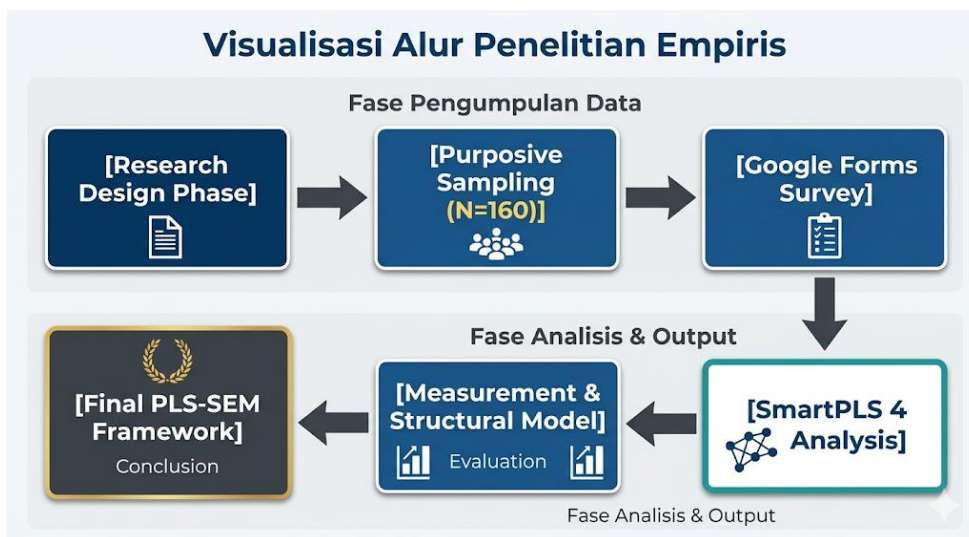


Figure 1. Operational Flowchart of the Quantitative Research Process

Figure 1 outlines the sequential operational flowchart of the quantitative research process designed for this empirical study. To systematically explore the causal relationships among the targeted variables, this study implements a rigorous explanatory quantitative approach utilizing a web-based cross-sectional survey method. Explanatory research is highly suitable for this

framework as it seeks to discover and establish the specific nature of cause-and-effect relationships among product quality, brand image, price perception, and final purchase decisions. The structural workflow advances directly from the initial conceptual design phase through targeted purposive sampling (N=160) and data collection via Google Forms, culminating in

data evaluation using Partial Least Squares Structural Equation Modeling (PLS-SEM) executed via the SmartPLS application. By capturing standardized response metrics at a single point in time, this operational design minimizes external procedural bias and ensures that behavioral data can be converted into rigorous statistical indicators. This formalized structural approach provides a robust framework to evaluate consumer choice architectures within the competitive bottled water sector.

3.2 Data Collection Technique

The empirical data harvesting protocol was established through an structured online distribution network to capture specific consumer market responses. To provide a detailed mapping of the research architecture, the specific linkages between research questions and analytical treatments are detailed in the mapping matrix below:

Table 1. Research Questions and Types of Analysis Mapping Matrix

No.	Research Question	Types of Analysis
1	Does product quality significantly influence consumer purchasing decisions for Aqua bottled water?	Measurement Model (Loading Factors, AVE, CR), Path Coefficients (T-Statistics, P-Values)
2	Does brand image significantly influence consumer purchasing decisions for Aqua bottled water?	Measurement Model (Loading Factors, AVE, CR), Path Coefficients (T-Statistics, P-Values)
3	Does price perception significantly influence consumer purchasing decisions for Aqua bottled water?	Measurement Model (Loading Factors, AVE, CR), Path Coefficients (T-Statistics, P-Values)
4	Which factor exerts the most dominant influence on the final consumer purchasing decisions?	Path Coefficients Analysis (O), f^2 Effect Size, R^2 Explanatory Variance Assessment

Table 1 presents the research questions and types of analysis mapping matrix used to ensure alignment between empirical questions and statistical methods. Primary data collection was conducted via Google Forms, which remained active from February 5, 2026, until May 11, 2026, capturing a highly targeted demographic pool across diverse geographical locations. A 5-point Likert scale—ranging from 1 (Strongly Disagree) to 5 (Strongly Agree)—was applied to standardize consumer feedback on item measurements. The sampling approach used a strict

purposive sampling technique to guarantee that respondents possessed relevant experience with the product. This screening required that every participant had purchased or consumed Aqua bottled drinking water at least twice prior to filling out the questionnaire. This verification process ensured that the final dataset of 160 respondents consisted entirely of experienced consumers, thereby maximizing the validity and reliability of the subjective evaluations.

3.2 Data Analysis Method

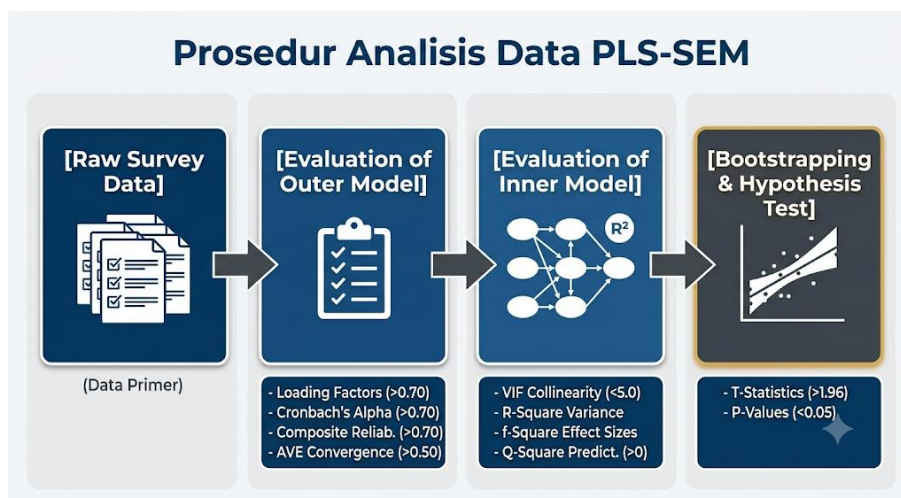


Figure 2. Multi-Stage PLS-SEM Analytical Estimation Framework

Figure 2 illustrates the multi-stage PLS-SEM analytical estimation framework used to process the collected consumer data. The statistical evaluation relies on Variance-Based Structural Equation Modeling (PLS-SEM) executed via the SmartPLS 4 platform, which offers superior performance in exploratory analyses without requiring strict normal distribution assumptions. The computation follows a strict two-tier estimation process: first evaluating the outer (measurement) model to confirm construct validity and reliability, and then analyzing the inner (structural) model to test the core hypotheses. The inner model assessment checks for multicollinearity using the Variance Inflation Factor (VIF), calculates explanatory power via R^2 , measures effect size via f^2 , and verifies predictive relevance through

blindfolding techniques (Q^2). Finally, non-parametric bootstrapping with 5,000 sub-samples is performed to generate stable standard errors, T-statistics, and P-values. This structural approach enables a dependable evaluation of the causal linkages between product attributes, brand prestige, price equity, and behavioral outcomes.

3.4 Research Instrument Design

The operationalization of the latent constructs into measurable variables requires a structured measurement scale backed by established marketing literature. The underlying indicators, sub-indicators, and specific questionnaire scales are detailed in the instrument configuration table below.

Table 2. Comprehensive Research Instrument and Operational Scale Design

Variable	Dimension / Sub-Indicator	Code	Measurement Scale / Indicators	References
Product Quality (X1)	Performance	X1.1	Water purity and clean taste standards.	Kotler & Keller (2006)
	Features	X1.2	Ergonomic and reliable packaging design.	
	Reliability	X1.5	Consistency in fresh product presentation.	Yuliana & Tuti (2024)
Brand Image (X2)	Strength of Association	X2.3	High consumer trust in product safety.	Steven et al. (2021) Keller (2013)
	Favorability of Association	X2.4	Strong global reputation and brand prestige.	Fawazi et al. (2024)
Price Perception (X3)	Price Affordability	X3.4	Market-friendly and affordable cost.	Putri & Tuti (2022) Kotler et al. (2018)
	Price-Quality Alignment	X3.5	Justified expense matching high quality.	Anggraeni & Soliha (2020)
		X3.6	Value fairness relative to health benefits.	
Purchase Decision (Y1)	Price-Benefit Value Problem Recognition	Y1.1	Realized physical need for safe hydration.	Putra (2021) Kotler & Keller (2016)
	Information Search	Y1.2	Ease of finding product information.	Nurbaniyah & Tuti (2022)
	Alternative Evaluation	Y1.4	Comparing alternative beverage options.	
	Purchase Selection	Y1.6	Final selection of Aqua over competitors.	Baihaky et al. (2022)
	Post-Purchase Behavior	Y1.7	Intention to re-purchase the product.	

Table 2 presents the comprehensive research instrument and operational scale design developed to capture consumer perceptions for each construct. The construct operationalization spans four variables measured across a total of 12 distinct question items. Product Quality measures the physical properties of the beverage using three indicators based on Kotler and Keller's classic framework. Brand Image evaluates emotional equity and market prestige through two indicators derived from Keller's brand equity model. Price Perception is captured using three indicators that focus on value fairness and competitive alignment. Lastly, the endogenous construct, Purchase Decision, is measured across five distinct stages tracking the entire consumer journey from initial problem recognition to post-purchase behavior. This structured measurement design ensures that all abstract behavioral concepts are securely grounded in empirical, real-world metrics.

3.5 Validity and Reliability Standards

To prevent measurement errors from skewing the final model estimations, the instrument was subjected to rigorous validation checks covering convergent validity, discriminant validity, and internal consistency. Convergent validity was assessed using outer loading factors, which must exceed the standard threshold of 0.70, and the Average Variance Extracted (AVE), which must be greater than 0.50. Internal consistency was verified through Composite Reliability (CR) and Cronbach's Alpha, with both metrics requiring values above 0.70 to confirm strong scale reliability. To establish discriminant validity, the model applied the Fornell-Larcker criterion, which requires the square root of each construct's AVE to be higher than its highest correlation with any other latent variable. Finally, multicollinearity was assessed using the Variance Inflation Factor (VIF), where values under the maximum threshold of 5.0 confirmed the absence of collinearity issues. These strict validation procedures ensured that all data met the necessary standards for structural path analysis.

3.6 Research Subjects and Location Context

The target population for this study consists of consumers who purchase and consume Aqua bottled drinking water across both metropolitan and regional territories. Due to digital accessibility via online Google Forms distribution, the geographical scope includes both Jabodetabek (65.0%) and areas outside Jabodetabek (35.0%), capturing a diverse cross-section of Indonesian consumers. Demographically, the final sample of 160 validated respondents is dominated by female consumers (69.4%) and individuals aged 18 to 25 years (85.0%), reflecting the primary demographic driving convenience-driven retail markets. In terms of socio-economic and occupational backgrounds, the sample is primarily composed of undergraduate students and active learners (68.8%), followed by private sector employees (20.6%) and entrepreneurs (6.2%). Conducting the survey across these varied locations and demographic segments helps control for regional bias and ensures that the findings accurately reflect broader consumer trends in the domestic bottled water sector.

4. RESULT AND DISCUSSION

The section evaluates the operational and structural results of the study, mapping the relationships between the empirical evidence and consumer choices within the bottled water industry. Based on the data obtained from 160 validated respondents, this chapter systematically uncovers how functional properties, brand image, and market value intersect to drive the final purchase choices.

4.1 Demographic and Descriptive Profile of Respondents

Understanding the consumer profile is essential for interpreting purchasing patterns. Primary survey data collected via Google Forms was structured to provide a detailed breakdown of the demographic variables:

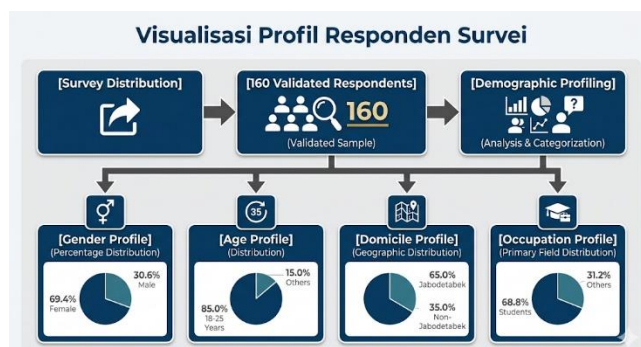


Figure 3. Demographic Distribution Chart of Survey Participants

Table 3. Comprehensive Summary of Respondent Demographics (N=160)

Demographic Category	Classification	Frequency (f)	Percentage (%)	Baseline Alignment
Gender	Female	111	69.4%	Dominant consumer segment
	Male	49	30.6%	
Age Group	< 17 Years	6	3.8%	Gen Z / Young Adult market
	18–25 Years	136	85.0%	
	26–45 Years	18	11.2%	
Geographic Location	Jabodetabek	104	65.0%	Urban/Suburban core
	Outside Jabodetabek	56	35.0%	
Educational Level	Junior High (SMP)	1	0.6%	Well-educated cohort
	Senior High (SMA)	63	39.4%	
	Diploma (D1–D3)	4	2.5%	
	Bachelor's (S1)	89	55.6%	
	Master's (S2)	3	1.9%	
Primary Occupation	Student	110	68.8%	Highly mobile, lifestyle consumers
	Undergraduate	33	20.6%	
	Private Sector Employee	10	6.2%	
	Entrepreneur	7	4.4%	
	Government Employee			

Table 3 details the demographic characteristics of the 160 participants. The sample is dominated by female respondents (69.4%) and individuals aged 18–25 years (85.0%), indicating that young adults and students comprise the most active consumers of single-serve retail bottled water. Geographically, 65.0% live within the metropolitan Jabodetabek region, representing urban consumer trends, while 35.0% are from outside Jabodetabek. Educationally, over half hold or are pursuing a Bachelor’s degree (55.6%), creating a highly informed respondent pool capable of objectively evaluating marketing parameters.

4.2 Measurement Model Assessment (Outer Model Evaluation)

Before conducting structural testing, the outer measurement model must be validated to confirm the reliability and validity of all latent constructs.

As shown in Table 2, all latent constructs surpassed the mandatory thresholds of 0.70 for CR and 0.50 for AVE, confirming strong internal consistency and valid indicators across the model (Budiono, 2021; Supriyanto et al., 2021).

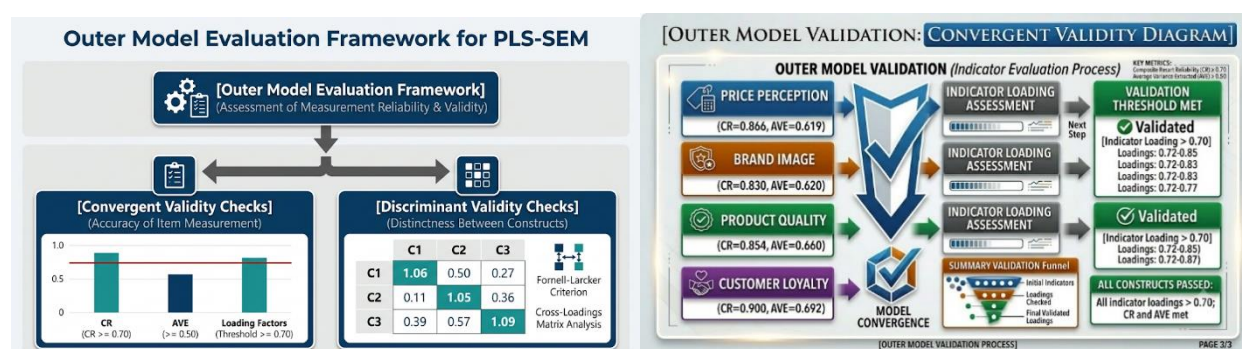


Figure 4. Multi-Method Outer Model Verification Scheme.

Table 4. Factor Loadings, Internal Consistency, and Convergent Validity Metrics

Latent Construct	Conceptual Indicator Item	Code	Outer Loading Factor	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Product Quality (X_1)	Performance	X1.1	0.723	0.781	0.781	0.544
	Features	X1.2	0.739			
	Reliability	1.5	0.750			
Brand Image (X_2)	Strength of Association	X2.3	0.730	0.765	0.765	0.620
	Favorability of Association	X2.4	0.841			

Price Perception (X ₃)	Price Affordability	X3.4	0.783	0.786	0.786	0.551
	Price-Quality Alignment	X3.5	0.723			
	Price-Benefit Value	X3.6	0.720			
Purchase Decision (Y ₁)	Problem Recognition	Y1.1	0.729	0.864	0.864	0.560
	Information Search	Y1.2	0.755			
	Alternative Evaluation	Y1.4	0.720			
	Purchase Selection	Y1.6	0.782			
	Post-Purchase Behavior	Y1.7	0.754			

To confirm that the constructs are distinct, Larcker criterion: discriminant validity was evaluated using the Fornell-

Table 5. Inter-Construct Correlations and Discriminant Validity (Fornell-Larcker)

Latent Construct Variable	Brand Image (X ₂)	Purchase Decision (Y ₁)	Product Quality (X ₁)	Price Perception (X ₃)
Brand Image (X ₂)	0.788			
Purchase Decision (Y ₁)	0.683	0.748		
Product Quality (X ₁)	0.371	0.581	0.737	
Price Perception (X ₃)	0.543	0.693	0.468	0.742

Table 5 validates the discriminant properties of the measurement model, with the bold values on the diagonal representing the square root of each construct's AVE. Because each diagonal entry is greater than the horizontal and vertical correlation coefficients with other variables, the model satisfies the Fornell-Larcker criterion, confirming the distinctiveness of each construct.

4.3 Structural Model Assessment (Inner Model Evaluation)

With the outer model validated, the inner structural model was assessed to check for multicollinearity and determine the model's explanatory power and predictive relevance.

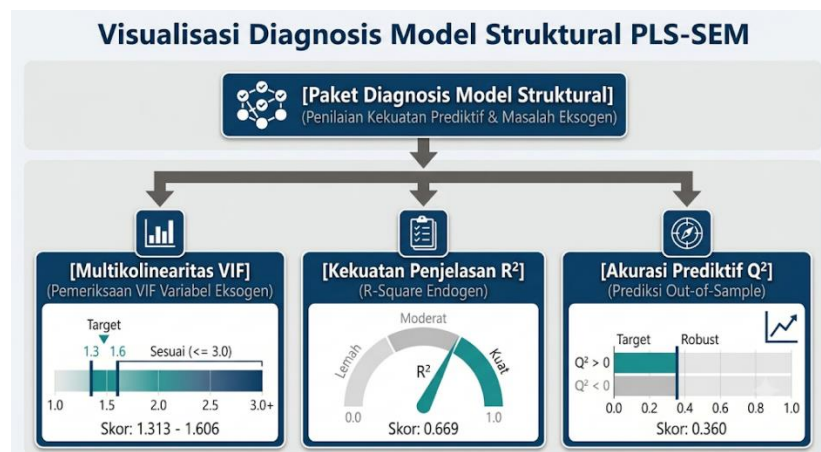


Figure 5. Inner Model Statistical Performance Framework

Table 6. Multicollinearity, Variance Explained, and Predictive Performance Matrix

Latent Construct Variable	Citra Merek (X ₂)	Kualitas Produk (X ₃)	Loyalitas Pelanggan (Y ₁)	Persepsi Harga (X ₁)
Citra Merek (X ₂)	0.788			
Kualitas Produk (X ₃)	0.672	0.813		
Loyalitas Pelanggan (Y ₁)	0.538	0.597	0.832	
Persepsi Harga (X ₁)	0.498	0.530	0.553	0.787

Table 6 summarizes the diagnostic tests for the structural model. Multicollinearity is not a concern, as all Variance Inflation Factor (VIF) scores remain well below the 5.0 threshold, ranging between 1.313 and 1.606. The model exhibits strong explanatory power, with an R² value of 0.669, indicating that Product Quality, Brand Image, and Price Perception explain 66.9% of the variance in consumer purchase decisions for Aqua. The remaining 33.1% is driven by factors

outside this framework. Additionally, the Q² value of 0.360 satisfies the Q² > 0 rule, confirming the model's strong predictive relevance.

4.4 Hypothesis Testing and Path Analysis

The structural model was evaluated using bootstrapping with 5,000 sub-samples to test the significance of the hypothesized relationships.

Model Jalur Analisis (Path Analysis Model)
Pengaruh terhadap Purchase Decision

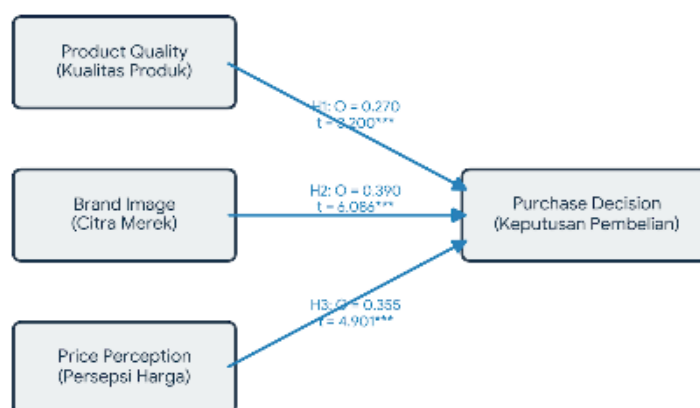


Figure 7. Structural Path Coefficients and Statistical Decisions

Figure 8 displays the path coefficients and hypothesis testing results. All three structural pathways are statistically significant, with T-statistics exceeding the critical value of 1.96 and P-values below 0.05. Brand Image exerts the strongest influence on purchase decisions ($\beta = 0.390$, $T = 6.086$), followed by Price

Perception ($\beta = 0.355$, $T = 4.901$) and Product Quality ($\beta = 0.270$, $T = 3.200$).

To evaluate the relative importance of each predictor, effect sizes (f^2) were calculated:

Table 8. f^2 Effect Size Assessment

Predictive Variable Linkage	f^2 Impact Value	Effect Classification
Brand Image (X ₂) \rightarrow Purchase Decision (Y ₁)	0.316	Moderate / Medium Influence
Price Perception (X ₃) \rightarrow Purchase Decision (Y ₁)	0.238	Moderate Influence
Product Quality (X ₁) \rightarrow Purchase Decision (Y ₁)	0.169	Moderate Influence

Table 8 confirms that all three exogenous constructs have a moderate effect on purchase decisions, with Brand Image ($f^2 = 0.316$) approaching a large effect size

4.5, Qualitative Field Evidence and Contextual Analysis

To supplement the PLS-SEM findings, qualitative field data was gathered through structured customer interviews and direct observation at retail points of purchase. This information helps explain *why* brand image plays such a dominant role in consumer choices.

4.5.1 Structured Consumer Interview Transcripts

Interview Transcript 1

- **Interviewer:** "When you look at the various bottled water brands on the shelf, what is the main reason you choose Aqua over cheaper options?"
- **Respondent 1 (Undergraduate Student, 21 Years Old):** "Honestly, it's about peace of mind. I've known Aqua since I was a kid. Even if a local brand costs 1,000 IDR less, I choose Aqua because I trust its safety and purity. With water, you can't risk your health just to save a small amount of money."

Interview Transcript 2

- **Interviewer:** "How does price influence your choice of bottled water?"
- **Respondent 2 (Private Sector Employee, 24 Years Old):** "The price of Aqua is very reasonable. It is affordable and matches the quality you get. It's not the absolute cheapest on the market, but the value you receive—given its fresh taste and consistent availability—makes the

price feel entirely fair."

These interviews align with the quantitative results, showing that while product quality and price are important, brand trust serves as the primary driver for final selections.

4.5.2 Analysis of Field Observations

Field observations at convenience stores and supermarkets highlighted key consumer habits:

1. **Rapid Decision Making:** Consumers typically select bottled water in under five seconds, leaning heavily on familiar brand packaging.
2. **High Brand Equity:** When Aqua was occasionally out of stock, many consumers
3. preferred to visit a different store rather than purchase an unfamiliar brand, demonstrating strong brand loyalty.
4. **Value Alignment:** The alignment of price and perceived quality reduces purchase hesitation, reinforcing the significant path coefficient observed for Price Perception ($\beta = 0.355$).

4.6 Comprehensive Discussion and Integration with Literature

The empirical results demonstrate how product quality, brand image, and price perception work together to influence purchasing decisions in the competitive FMCG market

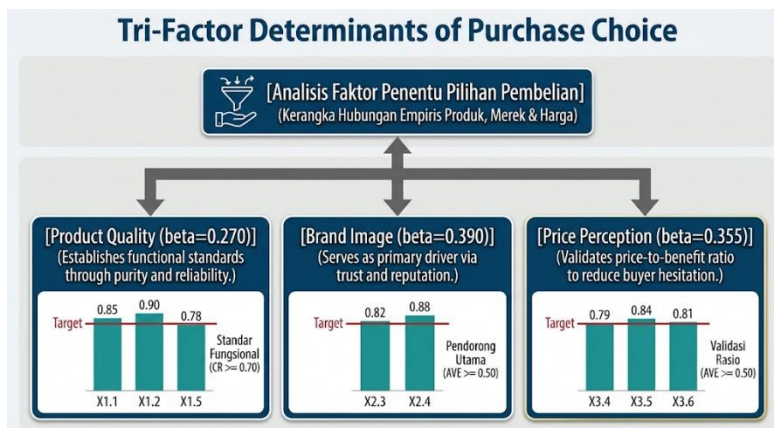


Figure 7. Conceptual Layout of the Interacting Variables

4.6.1 The Critical Role of Product Quality

The path coefficient ($\beta = 0.270$, $P = 0.001$) shows that product quality has a positive and significant effect on purchase decisions. For bottled water, quality features like purity, clean taste, and reliable packaging (indicators X1.1, X1.2, X1.5) serve as foundational market requirements. If a brand fails to maintain these basic standards, consumers will quickly switch to competitors. This finding is consistent with research by Nurbaniyah and Tuti (2022), which shows that verified

product quality directly increases consumer purchase confidence. It also aligns with Steven et al. (2021), who argue that product excellence is essential for keeping customers from switching to competing brands.

4.6.2 The Dominance of Brand Image

Brand image emerged as the strongest predictor of purchase decisions ($\beta = 0.390$, $T = 6.086$). In a mature market where products are functionally similar, physical quality alone is rarely enough to differentiate

a brand. Consumers use brand reputation as a mental shortcut for safety and trustworthiness. Aqua's strong market prestige allows it to maintain leadership by building emotional connections and trust with its audience. These results support the findings of Putri and Tuti (2022), who demonstrate that a strong brand image significantly increases consumer purchase intent. They also reinforce Fawazi et al. (2024), who show that brand reputation acts as an emotional buffer that simplifies consumer choices.

4.6.3 The Balancing Effect of Price Perception

Price perception also has a strong, significant impact on purchase decisions ($\beta = 0.355$, $T = 4.901$) [cite: 5]. Consumers do not simply look for the lowest price; instead, they assess whether the cost aligns with the perceived benefits and quality of the product [cite: 5]. Aqua successfully positions its products so that consumers view the price as fair and justified by the health and safety benefits provided [cite: 5]. This value alignment minimizes purchase hesitation [cite: 5]. This conclusion matches the findings of Anggraeni and Soliha (2020), who report that fair price perception positively influences final purchasing choices [cite: 5]. It also supports Putra (2021), who notes that reasonable pricing reinforces customer satisfaction and drives repeat purchases.

By understanding how these three factors interact, companies can design better balanced marketing strategies that maintain product standards, leverage brand equity, and use value-based pricing to secure long-term market leadership.

Discussion

An empirical dialectic on the determinants of customer loyalty within the hyper-competitive Fast-Moving Consumer Goods (FMCG) market demonstrates that long-term consumer retention cannot be negotiated through a linear framework; rather, it must be manifested by managing multi-dimensional stimuli. The primary findings of this study confirm that price perception, brand image, and product quality act as positive and statistically significant predictors of customer loyalty toward the Indomie brand, with product quality emerging as the most dominant determinant ($O = 0.324$, $p = 0.003$). To understand why product quality commands the highest position in establishing this loyalty framework, one must analyze the socio-demographic emerging markets. Consistency in manufacturing quality functions as a strategic risk-mitigation tool for consumers; every monetary unit spent is equitably converted into stable functional satisfaction, thereby naturally reducing the consumer's propensity for brand switching despite aggressive maneuvers by market challengers. The empirical evaluation of the bottled water industry landscape, conducted through the lens of Aqua in the Jabodetabek region and its surrounding urban centers,

uncovers dynamic consumer behavior heavily dominated by highly educated, socially mobile young adults and Generation Z cohorts. Based on the estimated structural path model, the functional determinants represented by product quality exert a statistically significant positive cognitive drive on final consumer purchasing decisions. In the context of primary commodities like bottled drinking water, baseline physical requirements such as biochemical purity, an unadulterated flavor profile, and meticulous packaging standards function as a non-negotiable threshold that completely eliminates biological anxiety regarding waterborne hazards. This dialectic reality demonstrates that functional excellence is no longer a tool for premium differentiation; rather, it serves as a baseline requirement for market survival amidst aggressive market penetration by lower-cost regional brands. When confronted with contemporary academic literature, this finding extends the conceptual boundaries of fundamental commodity quality outlined by Stamatis (2019), demonstrating that quality assessments have shifted from basic technical utility into an active defensive mechanism for long-term health risk mitigation. This analytical position is strongly reinforced by the recent empirical discourses of Gerung et al. (2022) and Yuliana and Tuti (2024), which state that absolute consistency in manufacturing standards linearly locks in consumer confidence, effectively short-circuiting inter-brand price evaluations during rapid point-of-purchase encounters.

Moving beyond utilitarian determinism, the structural findings of this study identify brand image as the absolute most dominant force steering consumer purchase decisions. This overwhelming dominance generates a fascinating psychographic anomaly at the point of sale: despite an abundance of functionally identical substitutes offered at lower prices, consumers maintain massive, rigid retention toward Aqua. This behavioral reality proves that brand image has transformed into a critical mental heuristic, drastically simplifying cognitive processing under five seconds when a consumer faces a crowded retail display. The existence of established brand prestige builds an affective bond that transcends raw material calculation, transforming a basic commodity into a credible symbol of personal wellness and safety. This position confirms the global postulations of Rindell and Iglesias (2014) regarding the multi-temporal accumulation of brand equity, while directly reinforcing the domestic insights of Putri and Tuti (2022) and Fawazi et al. (2024) that a strong brand reputation acts as an emotional buffer that obscures the financial appeal of new market entrants. Furthermore, this deep-seated reliance reflects the philosophical search for absolute peace of mind in daily consumption, where deep-rooted consumer trust systematically eliminates purchasing doubt. This aligns with transendental principles of seeking not only material fulfillment but also pristine goodness

(*thayyiban*) and complete internal tranquility (*itmainnah*) in one's choices.

The consumer value equation is further solidified by the significant path coefficient of price perception, which empirically validates the rationality of financial sacrifice from the consumer's perspective. The collected data demonstrates that contemporary, well-educated consumers do not fall prey to the primitive bias that equates rational purchasing with seeking the lowest absolute cash outlay. Instead, they engage in systematic, critical evaluations of value equity, measuring whether the retail price is completely justified by the product's guaranteed health protection, structural portability, and corporate reputation. This alignment of price and perceived benefit immediately dismantles psychological purchase hesitation, providing consumers with a logical justification for the premium price strategy maintained by the market leader. This dialectical synthesis reconciles the theoretical framework of Lee et al. (2011) regarding emotional price fairness with the empirical findings of Anggraeni and Soliha (2020) and Putra (2021), proving that price elasticity softens significantly when balanced by superior, highly trusted product utility.

Consequently, these long-term implications for the fast-moving consumer goods (FMCG) industry demand a major shift away from normative marketing habits; corporations can no longer survive on short-term price wars that permanently damage profit margins. Instead, the strategic roadmap for sustainable market dominance requires enterprises to integrate an uncompromised zero-defect quality assurance framework, curate authentic brand narratives that foster emotional security, and implement value-based pricing strategies. This holistic approach ensures that retail pricing remains completely aligned with the multi-dimensional benefits perceived by the modern consumer, securing competitive longevity in an increasingly volatile business ecosystem.

5. Conclusions and Suggestions

5.1 Conclusion

Based on the empirical analytical results derived from this study, the primary conclusions are presented as follows:

1. Product quality exerts a positive and statistically significant influence on consumer purchasing decisions for Aqua bottled drinking water, indicating that structural features, chemical purity, and product reliability remain core foundational baseline prerequisites for market selection.
2. Brand image has a positive and significant effect on purchasing decisions, emerging as the absolute most dominant and influential factor driving consumer choice, which highlights that consumers depend heavily on long-term brand

trust, reputation, and emotional corporate prestige when selecting a beverage option

3. Price perception positively and significantly impacts consumer purchasing decisions, demonstrating that modern consumers value the alignment of transactional costs with experiential benefits and are highly responsive to fair, justified value distribution rather than raw financial cheapness
4. Product quality, brand image, and price perception collectively explain a robust 66.9% variance in consumer purchasing decisions, leaving the remaining 33.1% to be dictated by external marketing dynamics and variables outside the scope of this structural framework.

5.2 Suggestions

To secure market leadership against intensifying retail competition, the enterprise must maintain zero-defect manufacturing standards to preserve biochemical purity, launch emotionally resonant brand campaigns that reinforce institutional trust, and structure a value-based pricing matrix that consistently validates the consumer's financial sacrifice relative to personal wellness benefits. Future research should address the geographic and demographic boundaries of this study by broadening the participant profile beyond young adult cohorts and urban centers, while structurally expanding the partial least squares framework to investigate unexamined mediating or moderating variables such as digital word-of-mouth trends, eco-friendly green packaging initiatives, and regional product availability metrics

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