The Effects of Advertising Awareness on Social Media towards Brand Equity of Telkom University

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Abstract: *The purpose of this research is to analyze the effects of advertising Awareness on Social Media toward Brand Equity of Telkom University. This research method used a quantitative method; Sample selection was done by purposive sampling technique so that 400 respondents were determined. The present research is conducted through surveys that include the use of questionnaires. The analytical method used in this research is Structural equation model (SEM) supplied by AMOS. The finding in this research show that advertising awareness has an effect on both brand awareness and brand image of Telkom University, but advertising awareness doesn't had effect on brand equity of Telkom University and brand awareness had positive effect on brand image of Telkom University but brand awareness had negative effect on brand equity of Telkom University, also brand image had positive effect on brand equity of Telkom University. The study finding can be used by university or higher education to measure the effectiveness of the implementation of advertising awareness on social media towards brand equity.*

Keywords: Advertising awareness, Brand awareness, Brand Image, Brand Equity

1. Introduction

Universities in Indonesia are developing, this is apparent from the number of colleges in Indonesia has increased each year. Increase in universities in Indonesia will cause competitiveness between colleges [1]. There are 4.713 colleges in 2018. In 2018, 376 colleges were in West Java provinces, 340 colleges located in DKI Jakarta provinces and 279 colleges located in Central Java provinces [2]. In other words, West Java had the most colleges in Indonesia.

Students who went to colleges have increased through the years in line with the growth of colleges in Indonesia. In 2018 the increase occurred 18.06%, in 2012 the increase occurred 18.85%, 2013 the increase occurred as much as 23.06%, in 2014 there was an increase of 25.76%, in 2015 the increase occurred 25.26%, in 2016 an increase of 27.98%, in 2017 an increase of 29.93% and in 2018 an increase of 30.19%. Increasing of colleges in Indonesia can indicate business opportunities in the education industry. In responding to this opportunity, universities must be able to compete by marketing universities to prospective students. Marketing in universities has been widespread with many significant successes, using a communication approach that will help universities to get prospective students [3]. One of the ways marketing that can be done by universities is by doing an advertisement. In this case, Telkom University also needs to participate in advertising, so that Telkom University is also able to compete with its competitors and the number of registrants at Telkom University can increase and be greater than its competitors. Advertisements conducted by Telkom University are to increase the number of registrants, but also to build brand equity. With optimal brand equity, it will form a loyal market for Telkom University.

Based on the phenomena that have been explained, the researcher wants to see how much the influence of advertising awareness on social media towards the brand equity of Telkom University. This research is expected to be data to measure the effectiveness of the implementation of advertising awareness on social media towards brand equity of Telkom University.

2. Literature Review

2.1 Advertising Awareness

Advertising is any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor [6]. Advertising has an important role in the company because with advertising, the company can make consumers aware of the existence and also the characteristics of its products [7]. In an advertisement, there is a meaning regarding product or service information offered to the intended audience. In this case, Telkom University is doing advertising through Instagram and Facebook social media. Advertising is done by providing information about the flow of registration, testimonials and scholarship information offered.

Many marketers use various types of social media for advertising. The easiest advertising to remember is ads that engage consumers with creative and fun. Fun advertisements usually involve imagination, animals, movie stars and music. Advertising must be related to a brand [4]. Advertising on social media is a form of paid promotion and can provide many benefits such as increasing the popularity of a brand, idea or service to the target market, telling the target market about a brand or service in the market, providing healthy competition and making consumers interact with a brand [8].

Advertising awareness is a marketing strategy created to improve the message conveyed by companies about the services or products offered to consumers [9]. Advertising awareness can affect brand equity in several ways. It can create brand awareness and increase the probability that the brand exists in consumer thinking [5]. It also defines the extent to which a brand or product advertisement is recognized by its target and the measurement of advertising awareness is the same as measuring brand awareness because it has top of mind, spontaneous and aided components [5].

Hypothesis 1: Telkom University advertising awareness has a positive effect on Telkom University brand awareness.

Hypothesis 2: Telkom University advertising awareness has a positive effect on Telkom University brand image.

Hypothesis 3: Telkom University advertising awareness has a positive effect on Telkom University brand equity.

2.2 Brand Awareness

Brand awareness is an asset to the company that is durable and sustainable. A product has been chosen by the consumer, and the consumer has an awareness of a product so that the consumer will be very difficult to move to other products [10]. Brand awareness is the ability of a brand to appear in the minds of consumers when they are thinking about certain product categories and how easily the name is remembered [12]. Brand awareness is the ability of consumers to recognize, recall a brand as part of a product category. Part of a product category needs to be emphasized because there is a strong relationship between the product and the brand involved. Brand awareness also requires a continuum ranging from the uncertain feeling that certain brands have been known before, so consumers believe that the product is the only brand in a product [13].

Brand awareness can be interpreted as consumer awareness of the existence of a brand name in his mind when thinking of a product category (recognition) and is a name that is easy to remember for that category (recall) [14]. There are four levels of achieving brand awareness. The first level is unaware of the brand, the second level is brand recognition, the third level is a brand recall and the fourth level is top of mind [10]. Brand awareness can be achieved if the consumer is already at the top of mind stage of a brand. To reach this stage the company needs to do marketing communication through advertising.

Hypothesis 4: Telkom University brand awareness has a positive effect on Telkom University brand image.

Hypothesis 5: Telkom University brand awareness has a positive effect on Telkom University brand equity.

2.3 Brand Image

Brand image can be defined as the way a brand is perceived by consumers [10]. Brand image can also be defined as a set of beliefs held for a brand [15]. Brand image is a set of tangible and intangible traits such as ideas, beliefs, values, interests, and features that make them unique [16]. Brand image is a description of the association and consumer confidence in certain brands [17]. Brand image is the perception and belief held by consumers, as reflected by the association that is embedded in the customer's memory, which is always remembered for the first time when listening to slogans and embedded in consumer's minds [6].

Brand image can be produced from various sources. These sources are consumer experience, marketing communication and word of mouth.

Hypothesis 6: Telkom University brand image has a positive effect on Telkom University brand equity.

2.4 Brand Equity

Brand equity has always been a top priority in marketing research and is an attraction for marketing managers themselves. Brand equity is defined as a set of brand assets and liabilities associated with a brand, its name, and symbol, which add or subtract the value provided by an item or service to the company or its customers [10]. Brand equity is the differential effect of brand knowledge on consumers who support a brand.

Brand equity is not only a brand but also involves the thoughts, feelings, understandings, images, and experiences that associated with the brand in the minds of consumers [6]. Brand awareness and brand image are the two components of brand equity. Consumer knowledge of a brand will also indicate the effectiveness of communication on social media and communication on social media can also influence brand equity.

2.5 The Model

The conceptual framework were adaptations based on accredited international journals such as Alhaddad (2015) [5]. The independent variable are advertising awareness and dependent variables is the brand awareness, brand image and brand equity. The conceptual framework is illustrated in the figure 1 below.
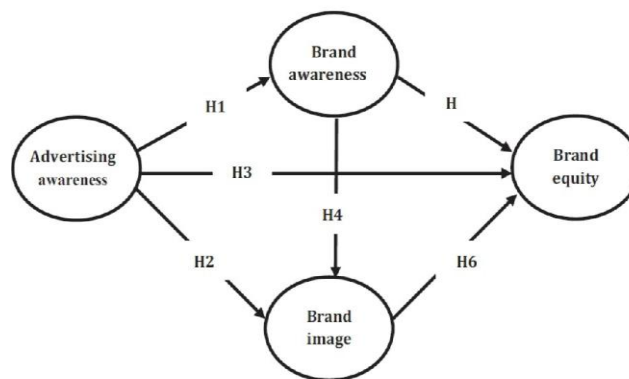

Figure 1: The research framework that adapted from Alhaddad (2015)

3. Research Design and Methodology

This research method used a quantitative method. Sample determined using non-probability sampling method with a purposive sampling technique. The criteria used in determining the sample respondents are Telkom University consumers namely high school students and their parents who have seen Telkom University advertisement on social media and live in the city of Bandung. This study uses a sample of 400 respondents. Data was collected by distributing questionnaires to respondents who were given through the help of people who had relations with the researchers and some questionnaire was distributed via social media such as WhatsApp, Twitter and Instagram to be more efficient in

time. This research used Structural Equation Model (SEM) supplied by AMOS.

Confirmatory factor analysis (CFA) was conducted to empirically test the model and a model fit was evaluated using the maximum likelihood (ML) method [5] and shows in Figure 2. A valid and reliable measurement material is needed in this research. Therefore, the researcher needs to take several steps to take measurements. Firstly, construct validity. Construct validation includes content and convergent [5]. Content validity as the first step to ensures the questionnaire has enough items that represent the variable itself. Convergent validity can be evaluated by examining the factor loading and average variance extracted (AVE), all estimated standard loading need higher than 0,70 and the AVE for all exceeded the recommended level of 0,50 suggesting good convergent [18].

Construct reliability was assessed using Cronbach α and composite reliability (CR) using Confirmatory Factor Analysis (CFA), as the α values for all constructs are greater than 0.60. And the CR for all exceeded the recommended level of 0.70 [19].

4. Data Analysis

There are two evaluations model in this test, namely construct validation and construct reliability. The result for construct validation is presented in the Table 1 and for construct reliability showed in Table 2

Table 1: Result Validation Test

Variable	Items	Factor Loading	AVE
Advertising awareness	AA1	0.744	0.750
	AA2	0.756	
Brand awareness	BA1	0.759	0.803
	BA2	0.758	
	BA3	0.894	
Brand image	BI1	0.790	0.758
	BI2	0.738	
	BI3	0.708	
	BI4	0.724	
	BI5	0.833	
Brand equity	BE1	0.828	0.811
	BE2	0.826	
	BE3	0.808	
	BE4	0.782	

Table 2: Result Reliability Test

Variable	Composite Reliability	Cronbach's α
Advertising awareness	0.720	0.882
Brand awareness	0.847	0.861
Brand image	0.872	0.807
Brand equity	0.885	0.839

4.1 Construct Validation

Construct validity test is done by examining the factor loading and average variance extracted (AVE) of each variable indicator. Indicators are considered valid if they

have factor loading above 0,70 and AVE above 0,50. The result of construct validity test in Table 1 shows that the whole value of factor loading, and AVE has above the requirements. Thus, it can be concluded that the indicators have met the requirements of construct validity test.

4.2 Construct Reliability

The variable reliability test is assessed by two criteria, composite reliability (CR) and Cronbach α. The variable is considered reliable if the value of α above 0,60 and the CR are greater than 0,70. The result of construct reliability test in Table 2 shows that both CR and Cronbach α for all variables are above than the requirements. Thus, it can be explained that all variables have good reliability.

4.3 Goodness of Fit

Fit indices calculated for the measurement model indicated a good fit between the structural model and data [5].
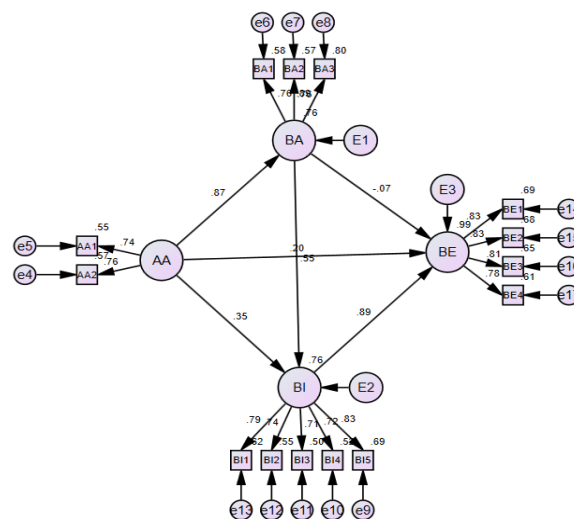

Figure 2: Confirmatory Factor Analysis – CFA

In goodness of fit test is divided into three fit indices, namely absolute fit indices, incremental fit indices and parsimony fit indices, the Table 3 shows the result from goodness of fit test for the model used in this research.

Table 3: Measurement Model Fit Indices

Fit Category	Fit Indices	Acceptable Fit	Value Indices	Result
Absolute Fit	CMIN/DF	$0 \leq$ CMIN/DF $\leq 5,00$	2.354	Fit
	GFI	$0,90 \leq$ GFI $< 1,00$	.939	Fit
	RMSEA	$0,00 \leq$ RMSEA $\leq 0,08$	.061	Fit
Incremental Fit	AGFI	$0,90 \leq$ AGFI $< 1,00$	.910	Fit
Parsimony Fit	PNFI	$0 <$ PNFI < 1	.588	Fit
	PGFI	$0 <$ PCFI < 1	.644	Fit

In the absolute fit category, there are CMIN / DF measuring devices. In this study, the CMIN / DF measurement tool follows the ratio of 5 or less than five is a reasonable measure [20]. And then there is a GFI measurement tool or goodness of fit index, in this study using recommended values above 0,90 as a measure of fit [21]. And also, the last measurement tool are RMSEA or root mean square error of approximation, the recommended RMSEA value recommended are less than 0.08 [22].

In the incremental fit measurement category, the AGFI or adjusted goodness of fit measurement is the development of GFI, the value recommended was more than 0,90 [23]. And the parsimony fit measurement category, there are two measuring tools namely PNFI and PGFI. PNFI is a parsimonious normed fit index and PGFI is parsimony goodness of fit index, both have recommendation values below 1 [24].

In table 3 above shows that all the measurement tools are in accordance with the recommended value, so it can be concluded that the model used for this model is fit.

4.4 Hypothesis Test

Regarding hypothesis test (supplied by the AMOS), as shown in Table 4 that not all hypotheses are accepted in the estimated structural model.

Table 4: Result of the Structural Model

Hypothesis	Coefficients (β)	Structural Equation	T-Value	T-Critical	Result
H1	0.874	AA→BA	9.775	1.96	Supported
H2	0.350	AA→BI	2.193	1.96	Supported
H3	0.197	AA→BE	1.936	1.96	Not Supported
H4	0.551	BA→BI	3.360	1.96	Supported
H5	-0.068	BA→BE	-0.611	1.96	Not Supported
H6	0.885	BI → BE	10.333	1.96	Supported

Based on Table 3 above, advertising awareness has a significant positive effect on brand awareness Telkom University (β = 0.874, t-value = 9.775) and brand image (β = 0.350, t-value = 2.193), but advertising awareness has no effect on brand equity Telkom University so it's doesn't supported the hypothesis (β = 0.197, t-value = 1.936). Brand awareness also has significant positive effect on brand image (β = 0.551, t-value = 3.360) but brand awareness has no positive effect on brand equity Telkom University so it's doesn't supported the hypothesis (β = -0.068, t-value = -0.611). Furthermore, brand image has a significant positive effect on brand equity Telkom University (β = 0.885, t-value = 10.333). Thus, it can be concluded that H1, H2, H4 and H6 are supported and H3, H5 are not supported the hypothesis.

5. Conclusion and Implications

The research results indicate that advertising awareness has a significant positive effect on brand awareness and brand image Telkom University, but it's has no effect on brand equity Telkom University. The model indicates that advertising awareness has bigger effect on brand awareness when compared on brand image, and advertising awareness can enhance and create both of brand awareness and brand awareness Also, brand awareness has a significant positive on brand image Telkom University, but it's has no positive effect on brand equity. Finally, brand image has a significant positive effect brand equity Telkom University.

The research results also indicate that advertising awareness plays as a good source of meaning and identity for a brand by enhance brand awareness and brand image. Therefore, we can consider advertising awareness has a important role for brand awareness and brand image, also brand awareness had an positive effect on brand image. But brand image also has a positive effect on brand equity.

Telkom University can create brand equity at social media by focusing on the creation of brand image, but marketing managers also need to consider building brand awareness and brand image by building advertising awareness. This research shows that Telkom University should focus on efforts to build awareness to their advertising by focusing on their advertisements; Telkom University can multiply their advertisements on social media by following trends in social media and also more active uploading advertising content on social media so that Telkom University brand awareness and their brand image will increase. With a high brand image value, this will form a good Telkom University brand equity as well.

Summing up the results, the study goals were reached, and the study provides a model to enhance the brand equity using social media and gives several important implications for strategic brand management for Telkom University.

6. Future Research

Based on the result of the research that has been presented, here are research limitations that could be suggest for future research. This study is only in the city of Bandung so that it cannot represent all the region in Indonesia, thus future research needs to be carried out with a wider scope of research such as other region in Indonesia. Besides that, there are also several other limitations, this research does not consider all the dimensions of brand equity. Furthermore, future research should follow study the effect more dimensions like brand loyalty, perceived quality and other dimensions. Finally, we should try to replacing this research with more industry or product category.

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