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# The Direct and Indirect Influence of Price Fairness, Food Quality, and Word-of-Mouth on Purchase Intention: The Role of Brand Image (A Case of Mixue)

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#### **ABSTRACT**

**Objective** – Purchase intention holds significant importance in understanding factors that drive customers' decision-making processes and subsequent purchasing behavior, using Mixue as a case study, this study focuses on the purchase intention of Mixue by exploring determinants such price fairness, food quality and word-of-mouth and the indirect effect of brand image.

**Methodology** – The study was conducted in Jakarta with a total of 206 samples which were analyzed using the Smart-PLS software.

**Findings** – The results indicated that food quality and word-of-mouth have a positive significant influence on purchase intention and that price fairness does not. Additionally, the relationship between the determinants is mediated by brand image.

**Novelty** – This study contributes to the existing literature on purchase intention by providing empirical evidence on Mixue and emphasizes the importance of enhancing food quality, fostering positive word-of-mouth recommendations, and strengthening brand image in hopes of providing valuable insights for Mixue management for developing effective marketing strategies.

**Keywords:** Mixue, price fairness, food quality, word of mouth, purchase intention

JEL Classification: M31, L86, D12

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### I. INTRODUCTION

The expansion of the world economy brought about by globalization; it is now much simpler to purchase goods from other countries. The variety of product possibilities is growing in tandem with the size of the market. The food and beverage (F&B) business has been around for quite some time and is recognized as one of the oldest industries that is still seeing growth (Kurniawan et al., 2021). The provision of these goods and services constitutes the fundamental mission of businesses operating in the food and beverage (F&B) industry. In the world of business, this sector is one of the few that is expected to continue expanding.

The food and beverage industry are a contributor to Indonesia's overall industrial world and is therefore one of the industries that is supported by it. It is especially telling in this sense that there has been a boom of firms catering to the markets for coffee, tea, and ice cream. In addition, varieties such as matcha and toppings such as boba have seen a rise in popularity over the past several years. As a direct result of this



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economic opportunity, several businesses, both domestic and international, have started focusing their attention on growing their businesses through expansion. Despite Indonesia's economic development in the second quarter falling by -5.32 percent, the F&B business might still rise by 0.22 percent (Santia, 2020). The global food and drink industry has witnessed the rise of several prominent establishments. Among them, Mixue has emerged as a significant player, securing the fifth spot with an astounding 21,582 chains worldwide (Putri, 2023). The widespread presence of Mixue's chains indicates its success and recognition as a fashionable food and beverage brand on an international scale.

Moreover, Mixue is a global chain that sells ice cream and tea beverages. This business offers a wide selection of frozen and non-frozen beverages. There are currently over a thousand locations in Vietnam, the Philippines, Singapore, Malaysia, and Indonesia in addition to the over 20,000 in China. Profits for Mixue doubled to 10.3 billion Yuan (approximately IDR 23.1 trillion) in 2021, as reported by Nikkei Asia. Mixue has low-priced ice cream and beverages, which is a perk for many customers. Compared to other beverages, a cone of Mixue ice cream is quite affordable at only IDR 8,000 in Indonesia and IDR 10,000 for its beverages. For this reason, Mixue is in great demand. Consumers claim Mixue is inexpensive and convenient, which is why they purchase it. Mixue's franchise network expansion allows it to advance its management and operational processes. For instance, they could offer efficient assistance with matters such as store selection, store renovation, staff training, store management, software, and hardware maintenance, and so on. More people seemed interested in franchises after they implemented their system. Furthermore, Mixue can promote itself without spending a fortune. Additionally, many people are curious and automatically look for Mixue (Zhao, 2022) even though they do not advertise at all, due to the current popularity of brands on social media.

Mixue's prices are competitive with the industry average, and the company backs up its low prices with high-quality goods, enticing packaging, and stylish retail locations, not to mention, their already growing media presence and brand recognition due to the rapid expansion which sets off as a catalyst for customer's recommendation hence, this research aims to explore the connections between price fairness, food quality, word-of-mouth, and customers' purchase intention of Mixue and also examine the potential mediating role of brand image in these relationships.

Comprehending the ways in which Mixue's price fairness, food quality, and word-of-mouth impact purchasing decisions allows them to maximize their approach and maintain client retention. To bridge the knowledge gap, the following particular research questions will be addressed: (1) Does price fairness influence customers' purchase intention of Mixue? (2) Does food quality influence customers' purchase intention of Mixue? (3) Does word-of-mouth influence customers' purchase intention of Mixue? (4) Does customers' brand image of Mixue mediate the effects of price fairness, food quality, and word-of-mouth on their purchase intention on buying the product?

### II. LITERATURE REVIEW

## Theory of Planned Behavior and Purchase Intention

Ajzen (1991) provides a comprehensive overview of the TPB framework and its applications. According to the TPB, an individual's intention to perform a particular behavior is determined by three factors: attitudes toward the behavior, subjective norms, and perceived behavioural control. Attitudes refer to the individual's overall evaluation of the behavior, including beliefs about the positive or negative consequences of performing the behavior. Subjective norms refer to the individual's perception of social pressure to engage in the behaviour, based on the perceived beliefs and opinions of others. Perceived behavioral control refers to the individual's perception of their ability to perform the behavior, considering factors such as financial resources, time, and knowledge. Ajzen (1991) emphasizes the importance of these three factors in predicting behaviour and suggests that TPB provides a useful framework for understanding



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and predicting a wide range of behaviors, including customer behavior. The TPB has been widely used in research on customer behavior and is a useful model for predicting purchase intention and other customer behaviors in various contexts.

Research has shown that TPB is a useful model for predicting purchase intention in various contexts (Miguel et al., 2022). For example, a study by Hasan and Suciarto (2020) found that TPB was a significant predictor of organic food purchase intention. The study showed that attitudes, subjective norms, and perceived behavioral control were all significant predictors of purchase intention. According to Kotler et al. (2020), customers are more likely to purchase a product if they realize it is a part of a larger decision-making process. In most cases, people will buy the product of their preferred brand. According to Agesti et al. (2021), the purchase intention is a stage in which customers have several options for deciding whether to purchase the goods or services. There are indicators of customer spending that can help us gauge progress and spot areas for improvement. Thus, we can conclude that customers go through multiple stages before deciding whether to make the final purchase.

#### **Price Fairness and Purchase Intention**

The link between price and purchase intention is expressed by Ahmat et al. (2011) as customer perceptions and judgments of price unfairness will however lead to a negative emotional response like no action, self-protection, and revenge. This statement reveals that when customers consider a price unfair, they tend to have a negative response to the product, protect themselves from buying the product, and take revenge on the product. Ahmat et al. (2011) also expressed that the perception of price fairness is significantly related to emotions. Moreover, customers usually want to assess the fairness of prices through factors such as price transparency and comparisons with competitors' prices (Jin et al., 2019). When customers assess the fairness of a price, they consider if it matches the value they expect to receive. Fair pricing positively impacts purchase intention, as it fosters trust and satisfaction. The reaction of buyers to price unfairness can lower purchase intention (Campbell, 1999; Martins, 1995). Ultimately, the perceived fairness of the price significantly shapes customers' attitudes toward a product or service. Several previous studies have indicated that the perception of price fairness directly influences the purchase intention of customers (Herrmann et al., 2007; Liu & Jang, 2009). Understanding consumer preferences and price sensitivity is also essential as different customers have varying degrees of price sensitivity and prioritize different factors (Yun & Hanson, 2020). By recognizing consumer segments and their preferences, businesses can tailor their pricing strategies to maximize the impact of price fairness on purchase intention (Othman et al., 2022). In conclusion, businesses need to consider price fairness in their pricing strategies to cultivate positive consumer perceptions and increase purchase intention.

#### **Price Fairness and Purchase Intention**

According to Sulek and Hensley (2004), food quality can incorporate all culinary characteristics into a single variable. Regarding this, food quality possesses numerous characteristics, including temperature, menu variety, flavor, and presentation. Customers' purchase intentions will be influenced positively by a rise in product quality. The relationship between food quality and purchase intention is essential to comprehending how customers' perceptions of food quality affect their intent to purchase it. Food quality refers to the attributes, characteristics, and overall excellence of a food product that customers evaluate when making purchase decisions.

Xiao et al. (2018) found that among Gen Y students in Malaysia, there is a positive relationship between food quality and purchase intention. These students are particularly concerned about the nutritional and healthy value of the food they consume. According to Wang et al. (2020), when people are less sensitive to price changes, the impact of perceived food quality on purchase intention is stronger. However, if individuals are more price-sensitive, the influence of perceived food quality on purchase intention becomes



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weaker. On the other hand, Aziz and Vui (2012) and Joh (2016) discovered no significant impact between food quality and purchase intention, although the specific reasons were not discussed. It is important to consider different studies and contexts when examining the relationship between food quality and purchase intention as findings can vary.

#### **Word-of-Mouth and Purchase Intention**

According to the findings of Chevalier and Mayzlin (2006) and Jalilvand and Samiei (2012), word-ofmouth has a significant direct impact on purchase intentions. According to additional research by Meiners et al. (2010), traditional and online word-of-mouth communications can influence consumer attitudes and predictions of consumer purchasing behavior. According to Chatterjee (2001), word-of-mouth can reduce uncertainty and risk when customers purchase products and services. Based on previous research, it has been demonstrated that word-of-mouth communication influences consumer behavior, intention, and attitude. We anticipate that word-of-mouth has a positive effect on purchase intentions. In contrast, Setiawan (2018) conducted a study indicating that word-of-mouth alone does not directly impact purchase intention. However, their findings suggest that word-of-mouth can indirectly influence purchase intention through its effect on brand image. Although the studies conducted by Chevalier and Mayzlin (2006) focusing on book reviews, and Jalilvand and Samiei (2012) and Setiawan (2018) examining the automobile industry, do not directly target the food and beverages industry, their findings can still offer valuable insights when comparing and potentially applying them in this particular sector. Despite the differences in contexts, it is worthwhile to explore whether there are underlying principles or patterns that hold relevance across industries. Through a careful analysis of these studies, we can assess the extent to which their observed results and insights can be applicable and transferable to the food and beverages industry.

## The Mediating Role of Brand Image

According to Setiawan et al. (2016), empirical research has supported the mediating role of brand image in the relationship between price fairness and purchase intention. Their study found that when customers perceive a brand positively, they are more likely to consider the price fair and are consequently more inclined to make a purchase. The positive brand image serves as a lens through which customers evaluate the fairness of the price, reinforcing their intention to buy. Setiawan et al. (2016) also highlighted the importance of effective brand communication in shaping brand image and its mediating effect. When brands effectively communicate their value proposition, quality, and reputation, customers are more likely to develop a positive brand image. This, in turn, strengthens the relationship between price fairness and purchase intention. On the contrary, inadequate or misleading brand communication can result in a negative brand image, eroding customers' trust and leading to a diminished purchase intention even if the price is perceived as fair. Several previous studies have indicated that the relationship between price image and purchase intention was found to be mediated by store image (Erdil, 2015).

Additionally, the most crucial aspect of a restaurant experience is the quality of the food, which is necessary to meet the expectations and requirements of customers (Peri, 2006). Customers today possess a considerable knowledge of food and place high importance on the taste of food when dining out (Cortese, 2003). The preference for a restaurant is heavily influenced by factors such as food quality and the use of fresh ingredients (Soderlund & Rosengren, 2008). Consequently, it is not surprising that restaurants with good food quality experience high demand from customers. Jin et al. (2012) found in their study that the food quality of a restaurant directly impacts its brand image, with significant interactions between customers' perceptions of food quality and brand image.

Moreover, several studies have explored the relationship between word-of-mouth (WOM), brand image, and purchase intention. Prakoso et al. (2016) found that WOM significantly influences purchase decisions, indicating that recommendations and information from others can shape an individual's buying behavior.



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Hidayati et al. (2013) supported this by highlighting the positive impact of brand image on purchase intention and decisions. A favorable brand image can enhance consumer perceptions and increase their likelihood of making a purchase. In addition, research by Ruhamak and Rahayu (2016) revealed that brand image acts as a mediating factor between WOM and purchase intention. The study found that a positive brand image strengthens the influence of WOM on customers' purchase decisions. This finding was further supported by Pertiwi and Sukawati (2017), who demonstrated that brand image significantly mediates the relationship between WOM and purchase intention. Setiawan (2018) also suggested that word-of-mouth can indirectly influence purchase intention through its effect on brand image. These findings highlight the importance of cultivating a positive brand image to enhance the impact of WOM on consumer behavior and drive purchase intentions. Businesses should focus on fostering positive WOM and developing a strong brand image to create a favorable environment for customers, ultimately influencing purchase decisions.

Hence, it is important to understand the mediating role of brand image on these determinants as it may help with pricing strategies that enhance brand image, maintain or improve food quality, and lastly, harness the power of word-of-mouth to help strengthen brand image and increase purchase intention of Mixue. Therefore, this research suggests following hypotheses with these hypotheses summed up in the framework model in Figure 1.

- H1: Price fairness positively influences the purchase intention of Mixue.
- H2: Food quality positively influences the purchase intention of Mixue.
- H3: Word-of-mouth positively influences the purchase intention of Mixue.
- H4: Mixue's brand image plays a mediating role between price fairness and the purchase intention of Mixue.
- H5: Mixue's brand image plays a mediating role between food quality and the purchase intention of Mixue.
- H6: Mixue's brand image plays a mediating role between word-of-mouth and the purchase intention of Mixue.

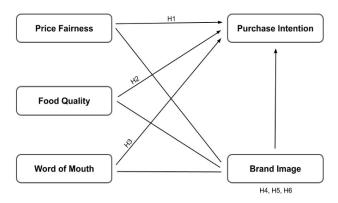


Figure 1. Framework Model

### III. METHODOLOGY

The purpose of this study is to investigate whether there is a direct relationship between factors such as price fairness, food quality, and word-of-mouth to the purchase intention to buy Mixue. In addition, it also further investigates the indirect relationship between price fairness, food quality, and word-of-mouth to the purchase intention of Mixue through the mediating role of Mixue's brand image. Therefore, this study used descriptive analysis by employing a quantitative approach method. The descriptive analysis aspect focuses



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on providing a comprehensive summary and interpretation of the data collected. Additionally, this study aims to evaluate the determinants of the purchase intention of Mixue among Jakarta citizens. The data used in this study was primarily collected through an online questionnaire.

This study was carried out from January to June 2023, including research preparation, data gathering, data processing, and data analysis. The primary data collection began in March 2023 through an online questionnaire distributed using social media platforms. The respondents of this study are those who had bought Mixue. This study collected samples from Jakarta regions, including North Jakarta, Central Jakarta, West Jakarta, South Jakarta, and East Jakarta. In this study, data collection was conducted using a five-point Likert scale. The minimum sample required for this study is 155 respondents using the Hair et al. (2018) formula, with a confidence level of 95% and an error tolerance (*e*) of 5%, the minimum required sample size (*n*) for this study is calculated by multiplying the sum of the number of indicators and the number of latent variables by the estimated parameters given that this study has 26 indicators and 5 latent variables.

## **Participants**

A total of 206 valid respondents were acquired during the online questionnaire spread through social media platforms, most of the respondents are females with about 79.1% of the total respondents and the rest are males, about 57.3% of the respondents coming from age range of 19-24 years old with 15% coming from 15-18 years old and 27.7% comes from people older than 24. Moreover, the majority of the respondents come from college students (50.5%) followed by private sector employees (19.9%) with students (14.6%) and government employees (8.3%) constituting a significant proportion while the rest formed smaller segments (6.8%) of the respondent population.

## **Design and Procedure**

The questionnaire includes an explanation of the questionnaire's purpose and study's significance as well as the instructions to answer appropriately. Additionally, there is also a confirmation question about whether the respondents have ever bought products from Mixue. A filtering mechanism is also added in the section after to identify demographic characteristics such as gender, age, occupation and location. The research variable follows after the demographic section covering aspects such as price fairness, food quality, word-of-mouth, brand image and purchase intention. The variables measurement will be explained further on the later part of this section. The final section confirms the readiness of the respondents to submit the questionnaire, a total of 26 survey items are used.

Construct	Items	Mean	Median	Min	Max	Standard Deviation	Final Mean Value
	PF1	4.194	4.000	1.000	5.000	0.801	
	PF2	3.573	4.000	1.000	5.000	1.103	
Price Fairness (PF)	PF3	4.209	4.000	1.000	5.000	0.830	3.934
	PF4	4.121	4.000	1.000	5.000	0.842	
	PF5	3.573	4.000	1.000	5.000	1.098	

Table 1. Descriptive Analysis of Price Fairness

For the variable price fairness, a total of 5 survey items are adapted from Hanaysha (2016), Setiawati and Bernarto (2022), and Uddin (2019). For the variable food quality, a total of 5 survey items are adapted from Sarjono et al. (2022). For the variable word-of-mouth, a total of 5 survey items are adapted from Ledikwe et al. (2020). For the variable brand image, a total of 6 survey items are adapted from Kim and



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Kim (2004). For the variable purchase intention, a total of 5 survey items are adapted from Rodgers (2003), Hussain and Ali (2015). The data collected in this study were analyzed using the statistical analysis software Smart-PLS 3.0 version.

#### IV. RESULTS AND DISCUSSION

#### **Descriptive Analysis**

The descriptive analysis of variables includes key statistical measures such as the mean, median, minimum value, maximum value, and standard deviation.

Variable	Items	Mean	Median	Min	Max	Standard Deviation	Final Mean Value	
	FQ1	4.131	4.000	1.000	5.000	0.846		
Food Quality (FQ)	FQ2	4.146	4.000	1.000	5.000	0.823		
	FQ3	4.117	4.000	1.000	5.000	0.896	4.156	
	FO4	1 228	4.000	1 000	5 000	0.865		

Table 2. Descriptive Analysis of Food Quality

Table 1 presents the descriptive analysis of the price fairness variable, providing insights into its mean, median, minimum value, maximum value, standard deviation, and final mean value. The price fairness variable (PF) comprises five measurement items, and among them, PF3 exhibits the highest average value of 4.209, while PF2 and PF3 show the lowest average value of 3.573. The median of the price fairness variable is 4, with the minimum value recorded as 1 and the maximum value as 5. Notably, the standard deviation values of each item are smaller than their respective mean values, indicating a relatively low level of variability in the responses. Consequently, the researchers concluded that the final mean score for the price fairness variable was 3.934, indicating a tendency among respondents to agree with the statements in each question item pertaining to price fairness.

Table 3. Descriptive Analysis of Word-of-Mouth

Variable	Items	Mean	Median	Min	Max	Standard Deviation	Final Mean Value	
	WoM1	3.558	3.558 4.000 1		5.000	1.129		
	WoM2	3.573	4.000	1.000	5.000	1.098		
Word-of-Mouth (WoM)	WoM3	3.393	3.000	1.000	5.000	1.160	3.588	
	WoM4	3.573	4.000	1.000	5.000	1.103		
	WoM5	3.845	4.000	1.000	5.000	0.973		

Table 2 presents the descriptive analysis of the food quality variable, providing insights into its mean, median, minimum value, maximum value, standard deviation, and final mean value. The food quality variable (FQ) comprises four measurement items, and among them, FQ4 exhibits the highest average value of 4.228, while FQ3 shows the lowest average value of 4.117. The median of the food quality variable is 4, with the minimum value recorded as 1 and the maximum value as 5. Notably, the standard deviation values of each item are smaller than their respective mean values, indicating a relatively low level of variability in



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the responses. Consequently, the researchers concluded that the final mean score for the food quality variable was 3.934, indicating a tendency among respondents to agree with the statements in each question item pertaining to food quality.

Table 3 presents the descriptive analysis of the word-of-mouth variable, providing insights into its mean, median, minimum value, maximum value, standard deviation, and final mean value. The word-of-mouth variable (WoM) comprises five measurement items, and among them, WoM5 exhibits the highest average value of 3.845, while WoM3 shows the lowest average value of 3.393. The median of the word-of-mouth variable is 4, with the minimum value recorded as 1 and the maximum value as 5. Notably, the standard deviation values of each item are smaller than their respective mean values, indicating a relatively low level of variability in the responses. Consequently, the researchers concluded that the final mean score for the word-of-mouth variable was 3.588, indicating a tendency among respondents to agree with the statements in each question item pertaining to word-of-mouth.

Variable	Items	Mean	Median	Min	Max	Standard Deviation	Final Mean Value
	BI1	3.967	4.000	2.000	5.000	0.875	
	BI2	4.200	4.000	2.000	5.000	0.833	
Brand Image (BI)	BI3	4.033	4.000	1.000	5.000	1.080	3.953
	BI4	3.600	4.000	2.000	5.000	0.952	
	BI5	3.967	4.000	2.000	5.000	0.875	

Table 4. Descriptive Analysis of Brand Image

Table 4 presents the descriptive analysis of the brand image variable, providing insights into its mean, median, minimum value, maximum value, standard deviation, and final mean value. The brand image variable (BI) comprises five measurement items, and among them, BI2 exhibits the highest average value of 4.200, while BI4 shows the lowest average value of 3.600. The median of the brand image variable is 4, with the minimum value recorded varying between 1-2 and the maximum value as 5. Notably, the standard deviation values of each item are smaller than their respective mean values, indicating a relatively low level of variability in the responses. Consequently, the researchers concluded that the final mean score for the brand image variable was 3.953, indicating a tendency among respondents to agree with the statements in each question item pertaining to brand image.

Table 5 presents the descriptive analysis of the purchase intention variable, providing insights into its mean, median, minimum value, maximum value, standard deviation, and final mean value. The purchase intention variable (PI) comprises five measurement items, and among them, PI3 exhibits the highest average value of 4.010, while PI1 shows the lowest average value of 3.539. The median of the purchase intention variable is 4, with the minimum value recorded as 1 and the maximum value as 5. Notably, the standard deviation values of each item are smaller than their respective mean values, indicating a relatively low level of variability in the responses. Consequently, the researchers concluded that the final mean score for the purchase intention variable was 3.742, indicating a tendency among respondents to agree with the statements in each question item pertaining to purchase intention.

### Multicollinearity

Multicollinearity study is used to identify whether the independent variables in a regression model exhibit correlations or collinearity (Hair et al., 2018) hence, this study used the variance inflation factor (VIF) to assess the collinearity whereby higher VIF values indicates higher level of collinearity with a score



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of 5 or higher is indicative of potential collinearity issues, hence a VIF value of 3 or lower is preferred (Hair et al., 2018).

Variable	Items	Mean	Median	Min	Max	Standard Deviation	Final Mean Value
	PI1	3.539	4.000	1.000	5.000	1.064	
Purchase	PI2	3.733	4.000	1.000	5.000	1.029	
Intention	PI3	4.010	4.000	1.000	5.000	0.950	3.742
(PI)	PI4	3.738	4.000	1.000	5.000	1.084	
	PI5	3.689	4.000	1.000	5.000	1.075	

Table 5. Descriptive Analysis of Purchase Intention

All VIF values for each measurement item in each variable are in the range of 1.578 and 4.537, except one item which is WOM4 (5.085). Having only one variable with a VIF value above 5 while the rest of the variables have VIF values below 5 suggests a relatively low level of multicollinearity in the regression model. While it is generally recommended to keep VIF values below 5, having one variable slightly above that threshold does not necessarily indicate a severe multicollinearity problem.

Table 6. R Square Value

Construct	$R^2$
Brand Image	0.690
Purchase Intention	0.796

The  $R^2$  result is shown in Table 6. Brand Image, which acts as the dependent variable in the first model, has an  $R^2$  value of 0.690, it means that approximately 69% of the variance in the variable can be explained by the predictor variables used in the model. This indicates a moderately strong relationship between the predictor variables and Brand Image. The remaining 31% of the variance may be attributed to other factors not accounted for in the model. Similarly, Purchase Intention, which acts as the dependent variable in the second model, has an  $R^2$  value of 0.796, it indicates that around 79.6% of the variance in Purchase Intention can be explained by the predictor variables included in the model. This suggests a relatively strong relationship between the predictor variables and Purchase Intention. The remaining 20.4% of the variance may be influenced by other factors not considered in the model. In both cases, higher  $R^2$  values signify a greater proportion of the dependent variable's variance being explained by the independent variables in the model. These results suggest that the predictor variables have a substantial impact on both Brand Image and Purchase Intention, providing valuable insights into the factors influencing these constructs.

Finally, the regression results are summarized in Table 7. Some results obtained were unexpected and required further attention. The direct effect of price fairness on purchase intention (Hypothesis 1) was not confirmed. Previous studies suggest that customers are influenced by how they perceive the fairness of prices. However, since most respondents were employed adults, they considered the prices of Mixue to be unfairly low, given their income levels. On the other hand, the confirmed correlation between food quality and purchase intention (Hypothesis 2) highlights the significance of customers' perception of food quality in their purchase decisions. Maintaining high standards of food quality is crucial for businesses and food establishments to attract and retain customers. Furthermore, it is proven that word-of-mouth has a direct effect on purchase intention (Hypothesis 3). When customers have positive experiences with Mixue, they



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share their experiences with others, which influences their purchase intention. Studies have shown that word-of-mouth plays a vital role in store image perception and brand selection.

Table 7. Path Coefficient Table

Path	β	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics	P-Values
Price Fairness → Brand Image	0.210	0.207	0.101	2.074	0.039
Price Fairness → Purchase Intention	-0.082	-0.091	0.109	0.756	0.450
Food Quality → Brand Image	0.432	0.430	0.062	6.938	0.000
Food Quality → Purchase Intention	0.132	0.136	0.073	1.814	0.070
Word of Mouth → Brand Image	0.273	0.280	0.086	3.183	0.002
Word of Mouth → Purchase Intention	0.656	0.659	0.082	8.015	0.000
Brand Image → Purchase Intention	0.268	0.271	0.070	3.855	0.000

Moving on to the relationship between price fairness, food quality, and word-of-mouth with purchase intention, with brand image acting as a mediator. The indirect relationship between price fairness and purchase intention (Hypothesis 4) is confirmed. A positive brand image enhances purchase intention when customers perceive prices as fair. Customers with a positive brand image are more likely to accept higher prices as fair, increasing their purchase intention. Similarly, the confirmed indirect correlation between food quality and purchase intention (Hypothesis 5) indicates that maintaining high standards of food quality improves customers' perception of the brand and increases the likelihood of purchasing the product. Finally, the study also confirms the indirect relationship between word-of-mouth and purchase intention (Hypothesis 6). Better word-of-mouth enhances the brand image, indirectly increasing the purchase intention of Mixue. In conclusion, this study examined the factors that influence purchase intention of Mixue among citizens in the Jakarta area. The findings revealed some key points. Price fairness alone did not have a direct impact on purchase intention. Customers, particularly those with jobs, felt that the prices of Mixue were too low and unfair, considering their income levels (Malc et al., 2016). Food quality had a significant correlation with purchase intention. Maintaining high standards of food quality is crucial for businesses, as it positively influences how customers perceive the brand and increases their likelihood of making a purchase. Word-of-mouth directly influenced purchase intention. Positive experiences shared by customers who bought Mixue had a direct impact on influencing others' purchase intention. Additionally, brand image acted as a mediator in the relationship between price fairness, food quality, and purchase intention. A positive brand image increases purchase intention when customers perceive prices as fair and associate the brand with high-quality food product. Better word-of-mouth also enhanced brand image, indirectly boosting the purchase intention of Mixue.

### V. CONCLUSION

By examining the demographic information, Mixue can gain valuable insights that can inform the development of effective strategies. One potential approach is to target specific market segments that align with the demographic characteristics identified. For example, focusing on females, students, and individuals aged 19-24 allows Mixue to tailor its marketing efforts and product offerings to better meet the needs and



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preferences of these groups. This targeted strategy enables the company to create more personalized and engaging experiences for these demographic segments, ultimately increasing their satisfaction and loyalty. Furthermore, the analysis of demographic data reveals that a significant portion of Mixue's consumer base in Jakarta is concentrated in the South Jakarta area. Recognizing this geographical concentration provides an opportunity for the company to strategically expand its presence in this specific region. By increasing the number of stores in South Jakarta, Mixue can enhance its visibility and accessibility to the target market, making it more convenient for consumers in this area to engage with the brand. This localized approach can lead to increased foot traffic, customer engagement, and overall business growth.

Moreover, it is also important to prioritize and maintain high standards of food quality from Mixue, since the variable has the highest mean value among other variables. The confirmed correlation between food quality and purchase intention underscores the significance of delivering exceptional food products to attract and retain customers. Food quality emerges as the key variable based on the respondents' feedback. It attains the highest mean value compared to other variables, indicating its exceptional importance and value to the respondents. Furthermore, both the regression model and the economic significance model confirm that food quality holds the highest coefficient in terms of enhancing the brand image. This signifies that improvements in food quality have the most significant impact on shaping the brand's perception. The findings underscore the crucial role of food quality in influencing consumer perceptions and establishing a positive brand image. By prioritizing and consistently delivering high-quality food, the organization can effectively enhance its brand image and cultivate positive associations with its offerings. Therefore, Mixue should invest in quality control processes, training staff on food handling and preparation, and sourcing ingredients from reputable suppliers can help ensure consistent food quality. This, in turn, can enhance customers' perception of the brand and increase their likelihood of making repeat purchases.

Furthermore, fostering positive word-of-mouth can have a direct impact on purchase intention. Mique should focus on providing exceptional customer experiences that encourage customers to share their positive encounters with others, such as having a social media that connects with customers. Implementing customer satisfaction programs, offering personalized service, and actively engaging with customers through social media platforms can help generate positive word-of-mouth and amplify the brand's reputation. In this study, word of mouth emerges as the most critical variable, supported by its highest coefficient among all other variables in increasing purchase intention. This finding is consistent across both the regression model and the economic significance model. The high coefficient signifies the significant impact of word of mouth in driving consumer purchase intention. It underscores the influential role of positive word of mouth in shaping consumer perceptions and fostering a favorable attitude towards Mixue. The study highlights the importance of leveraging and cultivating positive word of mouth to enhance purchase intention and overall success in the market. Additionally, understanding the role of brand image as a mediator between price fairness, food quality, and purchase intention is crucial. Mixue should strive to cultivate a strong brand image that is associated with fairness in pricing and high-quality food products. This can be achieved through consistent branding strategies, effective communication of value propositions, and highlighting the commitment to food quality and customer satisfaction.

Finally, Mixue can build their brand image by implementing the following actions. It is important to note that brand image is highly influenced by price fairness, food quality, and word of mouth. Therefore, to increase their brand image, the company can also focus on enhancing these three independent variables. First, Mixue can leverage social media platforms to effectively communicate their commitment to price fairness and high-quality food. By sharing compelling content, promptly responding to inquiries, and fostering meaningful interactions, Mixue can strengthen these important brand attributes. Engaging with customers on social media can also encourage positive word of mouth, further enhancing brand image. Second, Mixue can also recruit brand ambassadors to endorse their commitment to excellence. Partnering with influential individuals or organizations who align with Mixue's values and target audience can



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significantly contribute to building a positive brand image. These brand ambassadors can authentically communicate Mixue's dedication to price fairness and showcase the superior quality of their food offerings, generating positive word of mouth and increasing brand credibility.

By taking these managerial implications into consideration, the researcher believes that Mixue can enhance their competitive advantage, attract more customers, and foster long-term loyalty. Ultimately, the findings of this study provide actionable insights for managers in Mixue to optimize their marketing strategies and drive customer satisfaction and purchase intention.

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