

# The Influence of Brand Ambassador and Brand Image on Customer Loyalty Through Purchase Decision (A Study on Customers of Ultra Milk Products in 200 ml and 250 ml Variants in Semarang City)

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**Abstract**—Ultra Milk is one of the popular packaged liquid milk products on the market. The abundance of similar products in the market has led to intense competition, prompting companies to develop strategies to maintain customer loyalty, such as leveraging Brand Ambassadors and Brand Image. Previous research has examined the influence of Brand Ambassadors on Customer Loyalty but there remains a research gap regarding this relationship. This research employs a quantitative method with a sample size of 97 respondents. The data analysis in this study uses the Structural Equation Model based on the Partial Least Squares (SEM-PLS) technique, conducted using the SmartPLS 4.0 for Windows program. The results indicate that Brand Ambassador and Brand Image have a positive and significant direct influence on Purchase Decisions and Customer Loyalty. Brand Ambassador and Brand Image also have a positive and significant indirect influence on Customer Loyalty through Purchase Decisions, where the Purchase Decision variable acts as a partial mediator. Based on these findings, the recommendations given to Ultra Milk are to In the future, Ultra Milk can choose brand ambassadors who are able to cover all circles and ensure that the brand ambassadors they choose are actively involved in long-term campaigns and strengthen the storytelling of Ultra Milk's uniqueness and highlight the uniqueness of the brand that distinguishes it from other dairy products.

**Keywords**— Brand Ambassador, Brand Image, Customer Loyalty, Purchase Decision.

## I. INTRODUCTION

Economic and business activities in Indonesia, especially in the food and beverage industry, have grown rapidly in recent years. In 2023, following the Covid-19 epidemic, the food and beverage industry in the Republic of Indonesia saw a positive value of 4.47 percent growth, according to the Ministry of Industry. The export value of the food and beverage industry reached USD41.70 billion during 2023. The development of this industrial sector is also evidenced by the growing interest of national and global investors, as seen from the realization of investment, which has grown to IDR 85.10 trillion in 2023. This shows that competition in the food and beverage industry is getting tougher.

Milk is one of the food and beverage industry products that is in demand by the Indonesian people. The participation of milk consumption in Indonesia in 2018-2022 tends to stabilize at 44-46%. Based on the projection results from the Center for

Agricultural Data and Information Systems of the Ministry of Agriculture, cow's milk consumption in Indonesia in 2024 is projected to increase by 1.03 million tons or 2.09%. For 2025 and 2026 respectively, it is projected to increase by 1.05 million tons to 1.07 million tons. The data above proves that Indonesia has a large enough market for the food and beverage industry, especially dairy products.

The many types of dairy products on the market and the increasing competition in this sector require companies to be able to build and maintain customer loyalty so that their products can survive in the market. Companies can implement marketing strategies based on knowledge of consumer behavior to build and maintain customer loyalty. Consumer behavior is a study of how individuals, groups, and organizations make decisions ranging from choosing, securing, using, to stopping using products, services, experiences, or ideas to meet their needs for consumers and society [1]. Consumer behavior has a dynamic nature, so it will be a challenge for companies to develop their marketing strategies so that consumers can make purchase decisions.

The company's ability to build and maintain customer loyalty is an interesting phenomenon to discuss. Customer loyalty itself is a commitment from customers to products, brands, and companies that is seen from attitudes and repeat purchases [2]. Customer loyalty is needed so that customers consistently use products and are not easily influenced by situations and marketing strategies of other brands.

Companies can maintain customer loyalty by providing innovation and effective marketing strategies in order to compete and face the intense competition in the dairy industry. Currently, one of the marketing strategies often carried out by companies is to make advertisements using public figures who are popular and have a good image in the community as brand ambassadors for their products. Brand ambassadors themselves are individuals or figures who have enthusiasm for the brand and can influence or invite consumers to purchase or use a product [3].

In addition to utilizing brand ambassadors in marketing strategies, companies can also maintain and improve the brand image of their products. Brand image is a consumer's perception of the good and bad of something that consumers

remember [4]. Consumer perceptions of whether the product is good or bad will create an image of the company.

The results of previous research still show inconsistencies regarding the effect of brand ambassadors and brand image on customer loyalty and purchase decisions. While some studies contend that brand ambassadors have a large impact on customer loyalty (Arifinda, D. A. R., 2024), others claim that the link between brand ambassadors and customer loyalty is not statistically significant (Rahma, S. C., & Prabowo, B., 2024). This inconsistency indicates a research gap that needs to be further investigated to provide stronger and more comprehensive empirical evidence.

Based on empirical studies of previous research, purchase decisions are often studied as dependent variables that are influenced by factors such as brand ambassadors and brand image. On the other hand, purchase decisions can also act as independent variables that influence customer loyalty, such as in research conducted by Ahmaddien, I., & Widati, E. (2019). This shows that purchase decisions have flexibility in research. Therefore, in this study, purchase decisions are intermediate or intervening variables that mediate the relationship between brand ambassadors and brand image on customer loyalty. The purchase decision itself is an evaluation stage carried out by customers who will determine preferences for various brands and choices, and build an intention to buy the most attractive brand [5].

Ultra Milk is a UHT milk product included in the liquid milk beverage category produced by PT Ultrajaya Milk Industry & Trading Company Tbk. Ultra Milk is one of the leading brands of bottled liquid milk in Indonesia. On October 27, 2023, Ultra Milk revealed its partnership with Stray Kids as brand ambassador. Stray Kids is a K-Pop boy group formed by JYP Entertainment consisting of 8 members. In this collaboration, Ultra Milk provides a promotion in the form of a free photocard that can be obtained when consumers buy 3 Ultra Milk products in 200 ml or 250 ml sizes at Alfamart and Indomaret.

Based on the company's public expose, Ultra Milk has a market share in the UHT milk segment of 34% as of September 30, 2023.



Fig. 1. Market Share of UHT Milk Volume YTD Sept 2023

Despite ranking first in market share, Ultra Milk currently ranks second in the Top Brand Award.

TABLE 1. Top Brand Award Category Liquid Milk in Ready-to-Drink Packages

| Brand Name   | 2019  | 2020  | 2021  | 2022  | 2023  | 2024  |
|--------------|-------|-------|-------|-------|-------|-------|
| Bear Brand   | 12.30 | 14.30 | 18.80 | 18.20 | 18.30 | 23.60 |
| Ultra Milk   | 42.70 | 31.80 | 32.90 | 36.00 | 31.70 | 21.20 |
| Frisian Flag | 17.20 | 21.90 | 18.40 | 15.50 | 18.00 | 18.10 |
| Indomilk     | 12.50 | 14.50 | 11.90 | 11.00 | 13.40 | 14.50 |
| Milo         | 4.80  | 5.30  | 4.80  | 5.20  | 7.60  | 5.60  |

The data above is the result of the Top Brand Index survey conducted independently by Frontier Research from 2019 to 2024. Ultra Milk's Top Brand Index percentage score from 2019 to 2024 has a fluctuating or unstable value. This may indicate that Ultra Milk does not yet have a strong or consistent position in the minds of customers. Currently, the first position of the Top Brand Index is occupied by the Bear Brand brand. However, when viewed in the past 5 years, the Ultra Milk brand has always occupied the first position from 2019 to 2023. This decline in position may indicate an increase in competition, such as the existence of other brands that are getting stronger so that they shift customer preferences or the weakening of the Ultra Milk brand in the market. In addition, the decline in Ultra Milk's position in the Top Brand Award could be a sign that there is a decline in one or more aspects of customer loyalty.

Semarang, the capital city of Central Java province, is one of the largest metropolitan cities in Indonesia with a high population density. According to data from BPS, the total population in Semarang City reached 1,659,975,000 residents. This causes Semarang City to have a potential market for Ultra Milk products. As a heterogeneous and multicultural city, Semarang City has a diversity of economic, social, and cultural backgrounds. This opens up research opportunities to identify consumer preferences and behavior so that research can produce more comprehensive and representative findings.

Based on the consideration of the phenomena previously described, researchers are interested in examining these issues further through research entitled "The Influence of Brand Ambassadors and Brand Image on Customer Loyalty Through Purchase Decisions (Study of Ultra Milk Product Customers in 200 ml and 250 ml Variants in Semarang City)".

## II. MATERIALS AND METHODS

### A. Consumer Behavior

Consumer behavior is a study of the actions of individuals, groups, and organizations in purchasing, selecting, and using ideas, products, and services to meet customer needs and desires (Kotler and Keller, 2016).

### B. Purchase Decision

Purchase decisions are the evaluation stages carried out by consumers who will create preferences for various brands and choices, and also build purchase intentions for the most attractive brands (Kotler and Keller, 2016).

### C. Customer Loyalty

Customer loyalty is a strong commitment from customers to continue to purchase or support preferred products or services in the future even though there are situations and

competitors' marketing strategies that have the potential to make customers switch brands (Kotler & Keller, 2016).

D. Brand Ambassador

A brand ambassador is someone the company trusts to represent a certain product (Royan, 2016).

E. Brand Image

Brand image is a consumer perception and belief that is seen through associations formed in the minds of consumers (Kotler & Keller, 2016).

III. RESEARCH METHOD

This research applies an explanatory method with a quantitative approach to analyze the relationship, characteristics, and influence between two or more variables in the research model. The population in this study were Ultra Milk customers in Semarang City with an unknown population. The sample size used was 97 respondents who were calculated using the Lemeshow formula. This study took samples using non-probability sampling techniques. Meanwhile, the types of respondents applied in this study include purposive sampling and accidental sampling. This study uses primary and secondary data sources. This study used a questionnaire instrument that was prepared using the Likerts scale. Quantitative analysis, using SEM (Structural Equation Modeling) analysis methods using the SmartPLS 4 software, is the analytical approach employed in this study. SEM is a complex statistical analysis technique used to determine the relationship between variables and test hypotheses structurally [6]. This analysis technique combines factor analysis and regression analysis to test the relationship between variables in a model. The analysis in PLS-SEM consists of two stages. The first stage is the Outer Model to test the relationship between latent constructs and their indicators through convergent validity, discriminant validity, and composite reliability testing.

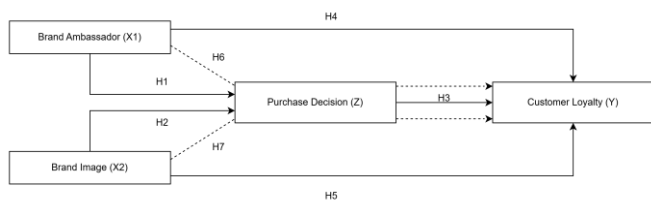


Fig. 2. Hypothesis Model

- Hypothesis 1: Brand Ambassador affects Purchase Decision of Ultra Milk customers in Semarang City.
- Hypothesis 2: Brand Image affects Purchase Decision of Ultra Milk customers in Semarang City.
- Hypothesis 3: Purchase Decision affects Customer Loyalty of Ultra Milk customers in Semarang City.
- Hypothesis 4: Brand Ambassador affects Customer Loyalty of Ultra Milk customers in Semarang City.
- Hypothesis 5: Brand Image affects Customer Loyalty of Ultra Milk customers in Semarang City.
- Hypothesis 6: Brand Ambassador affects Customer Loyalty through Purchase Decisions of Ultra Milk customers in Semarang City.

Hypothesis 7: Brand Image affects Customer Loyalty through Purchase Decisions of Ultra Milk customers in Semarang City.

IV. RESULT

A. First Stage Embedded Two-Stage Approach

This first stage of this measurement focuses on dimensional level analysis which aims to test the main effects of the PLS model and obtain latent variable scores.

1. Evaluation of Measurement Model (Outer Model)

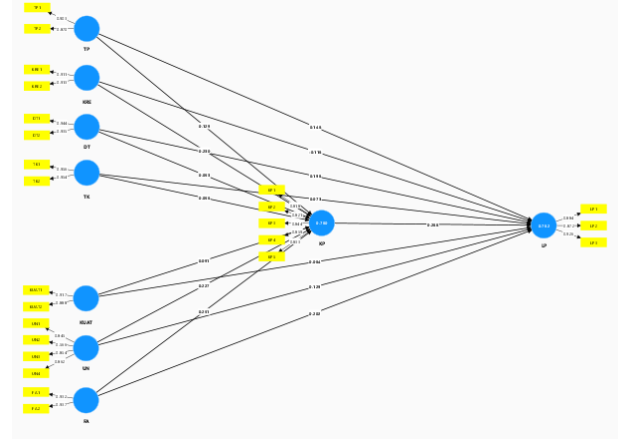


Fig. 3. Stage 1 Testing Path Analysis Diagram

The measurement model (outer model) explains the relationship between latent variables and their measuring indicators.

a. Convergent Validity

TABLE 2. Outer Loadings

| Indicator | Dimension         | Variable         | Loading Factor | Type (as defined) | Description |
|-----------|-------------------|------------------|----------------|-------------------|-------------|
| TP1       | Visibility        | Brand Ambassador | 0.903          | Reflective        | Valid       |
| TP2       |                   |                  | 0.870          | Reflective        | Valid       |
| KRE1      | Credibility       | Brand Ambassador | 0.911          | Reflective        | Valid       |
| KRE2      |                   |                  | 0.913          | Reflective        | Valid       |
| DT1       | Attraction        | Brand Ambassador | 0.944          | Reflective        | Valid       |
| DT2       |                   |                  | 0.935          | Reflective        | Valid       |
| TK1       | Power             | Brand Ambassador | 0.956          | Reflective        | Valid       |
| TK2       |                   |                  | 0.954          | Reflective        | Valid       |
| KUAT1     | Strengthness      | Brand Ambassador | 0.917          | Reflective        | Valid       |
| KUAT2     |                   |                  | 0.888          | Reflective        | Valid       |
| UN1       | Uniqueness        | Brand Image      | 0.845          | Reflective        | Valid       |
| UN2       |                   |                  | 0.566          | Reflective        | Invalid     |
| UN3       |                   |                  | 0.854          | Reflective        | Valid       |
| UN4       |                   |                  | 0.862          | Reflective        | Valid       |
| FA1       | Favorable         | Brand Image      | 0.932          | Reflective        | Valid       |
| FA2       |                   |                  | 0.937          | Reflective        | Valid       |
| KP1       | Purchase Decision | Brand Image      | 0.818          | Reflective        | Valid       |
| KP2       |                   |                  | 0.821          | Reflective        | Valid       |
| KP3       |                   |                  | 0.844          | Reflective        | Valid       |
| KP4       |                   |                  | 0.859          | Reflective        | Valid       |
| KP5       |                   |                  | 0.833          | Reflective        | Valid       |
| LP1       | Customer Loyalty  | Brand Image      | 0.884          | Reflective        | Valid       |
| LP2       |                   |                  | 0.872          | Reflective        | Valid       |
| LP3       |                   |                  | 0.926          | Reflective        | Valid       |

Table 2 shows that there is a loading factor value that is still less than 0.70, namely the UN2 indicator which is worth 0.566. This indicates that the contribution of the indicator is low so it must be removed.

The following is the model and recalculation results after the UN2 indicator is removed from the model:

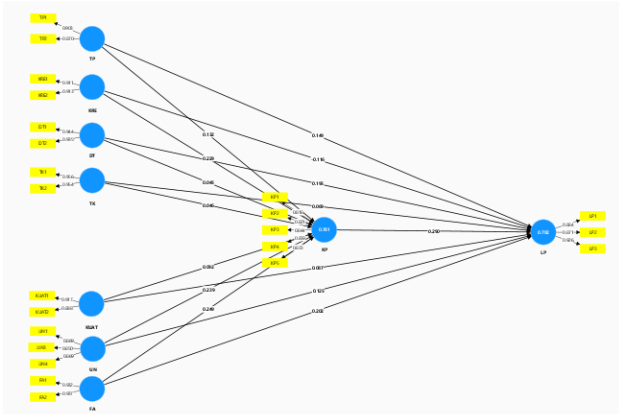


Fig. 4. Stage 1 Testing Path Analysis Diagram after UN2 is removed from the model

TABLE 3. Outer Loadings Result

| Indicator | Dimension         | Variable         | Loading Factor | Type (as defined) | Description |
|-----------|-------------------|------------------|----------------|-------------------|-------------|
| TP1       | Visibility        | Brand Ambassador | 0.903          | Reflective        | Valid       |
| TP2       |                   |                  | 0.870          | Reflective        | Valid       |
| KRE1      | Credibility       |                  | 0.911          | Reflective        | Valid       |
| KRE2      |                   |                  | 0.913          | Reflective        | Valid       |
| DT1       | Attraction        |                  | 0.944          | Reflective        | Valid       |
| DT2       |                   |                  | 0.935          | Reflective        | Valid       |
| TK1       | Power             |                  | 0.956          | Reflective        | Valid       |
| TK2       |                   |                  | 0.954          | Reflective        | Valid       |
| KUAT1     | Strengthness      |                  | 0.917          | Reflective        | Valid       |
| KUAT2     |                   |                  | 0.888          | Reflective        | Valid       |
| UN1       | Uniqueness        | Brand Image      | 0.869          | Reflective        | Valid       |
| UN3       |                   |                  | 0.850          | Reflective        | Valid       |
| UN4       |                   |                  | 0.869          | Reflective        | Valid       |
| FA1       |                   |                  | Favorable      | 0.932             | Reflective  |
| FA2       | 0.937             | Reflective       |                | Valid             |             |
| KP1       | Purchase Decision | 0.818            |                | Reflective        | Valid       |
| KP2       |                   | 0.821            | Reflective     | Valid             |             |
| KP3       |                   | 0.844            | Reflective     | Valid             |             |
| KP4       |                   | 0.859            | Reflective     | Valid             |             |
| KP5       |                   | 0.833            | Reflective     | Valid             |             |
| LP1       | Customer Loyalty  | 0.884            | Reflective     | Valid             |             |
| LP2       |                   | 0.871            | Reflective     | Valid             |             |
| LP3       |                   | 0.926            | Reflective     | Valid             |             |

After UN2 is removed from the model, Table 3 shows that each dimension has obtained a loading factor value >0.70, which means that all latent dimensional constructs are acceptable because the indicators are well represented.

TABLE 4. Results of AVE Value (Average Variance Extracted)

|                        | Average variance extracted (AVE) |
|------------------------|----------------------------------|
| Visibility (TP)        | 0.786                            |
| Credibility (KRE)      | 0.832                            |
| Attraction (DT)        | 0.882                            |
| Power (TK)             | 0.912                            |
| Strengthness (KUAT)    | 0.815                            |
| Uniqueness (UN)        | 0.745                            |
| Favorable (FA)         | 0.873                            |
| Purchase Decision (KP) | 0.697                            |
| Customer Loyalty (LP)  | 0.799                            |

The test results listed in table 4 show that the AVE value in each dimension has a value of > 0.50. This indicates that all indicators used have met the criteria. Based on the two tests that have been carried out, it can be concluded that convergent validity has been fulfilled.

b. Discriminant Validity

TABLE 5. Fornell-Larcker Results

|             | DT           | FA           | KP           | KRE          | KUAT         | LP           | TK           | TP           | UN           |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>DT</b>   | <b>0.939</b> |              |              |              |              |              |              |              |              |
| <b>FA</b>   | 0.713        | <b>0.934</b> |              |              |              |              |              |              |              |
| <b>KP</b>   | 0.754        | 0.775        | <b>0.835</b> |              |              |              |              |              |              |
| <b>KRE</b>  | 0.775        | 0.631        | 0.766        | <b>0.912</b> |              |              |              |              |              |
| <b>KUAT</b> | 0.616        | 0.698        | 0.696        | 0.611        | <b>0.903</b> |              |              |              |              |
| <b>LP</b>   | 0.770        | 0.709        | 0.822        | 0.681        | 0.689        | <b>0.894</b> |              |              |              |
| <b>TK</b>   | 0.809        | 0.666        | 0.726        | 0.759        | 0.571        | 0.722        | <b>0.955</b> |              |              |
| <b>TP</b>   | 0.723        | 0.728        | 0.756        | 0.738        | 0.604        | 0.752        | 0.731        | <b>0.886</b> |              |
| <b>UN</b>   | 0.687        | 0.663        | 0.758        | 0.651        | 0.654        | 0.732        | 0.644        | 0.634        | <b>0.863</b> |

Based on table 5, the square root of the AVE of each construct is greater than the correlation with other constructs so that it can be said that discriminant validity has been met.

TABLE 6. Cross-Loading Results

|       | DT           | FA           | KP           | KRE          | KUAT         | LP           | TK           | TP           | UN           |
|-------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| DT1   | <b>0.944</b> | 0.713        | 0.727        | 0.714        | 0.608        | 0.755        | 0.748        | 0.680        | 0.678        |
| DT2   | <b>0.935</b> | 0.624        | 0.689        | 0.744        | 0.546        | 0.689        | 0.773        | 0.678        | 0.610        |
| FA1   | 0.641        | <b>0.932</b> | 0.721        | 0.562        | 0.647        | 0.709        | 0.620        | 0.663        | 0.630        |
| FA2   | 0.692        | <b>0.937</b> | 0.727        | 0.616        | 0.658        | 0.766        | 0.625        | 0.696        | 0.609        |
| KP1   | 0.683        | 0.696        | <b>0.818</b> | 0.631        | 0.615        | 0.676        | 0.661        | 0.664        | 0.705        |
| KP2   | 0.547        | 0.617        | <b>0.821</b> | 0.643        | 0.535        | 0.597        | 0.561        | 0.562        | 0.641        |
| KP3   | 0.618        | 0.634        | <b>0.844</b> | 0.650        | 0.600        | 0.725        | 0.596        | 0.629        | 0.586        |
| KP4   | 0.683        | 0.672        | <b>0.859</b> | 0.638        | 0.654        | 0.737        | 0.589        | 0.640        | 0.637        |
| KP5   | 0.609        | 0.614        | <b>0.833</b> | 0.635        | 0.495        | 0.690        | 0.620        | 0.656        | 0.595        |
| KRE1  | 0.741        | 0.570        | 0.688        | <b>0.911</b> | 0.497        | 0.622        | 0.721        | 0.651        | 0.580        |
| KRE2  | 0.674        | 0.581        | 0.708        | <b>0.913</b> | 0.616        | 0.620        | 0.663        | 0.695        | 0.606        |
| KUAT1 | 0.577        | 0.680        | 0.645        | 0.566        | <b>0.917</b> | 0.689        | 0.565        | 0.600        | 0.654        |
| KUAT2 | 0.533        | 0.573        | 0.610        | 0.536        | <b>0.888</b> | 0.546        | 0.459        | 0.483        | 0.519        |
| LP1   | 0.651        | 0.732        | 0.731        | 0.601        | 0.635        | <b>0.884</b> | 0.670        | 0.716        | 0.650        |
| LP2   | 0.723        | 0.678        | 0.694        | 0.617        | 0.573        | <b>0.871</b> | 0.630        | 0.631        | 0.649        |
| LP3   | 0.693        | 0.707        | 0.778        | 0.608        | 0.639        | <b>0.926</b> | 0.637        | 0.670        | 0.665        |
| TK1   | 0.798        | 0.654        | 0.697        | 0.701        | 0.568        | 0.703        | <b>0.956</b> | 0.723        | 0.618        |
| TK2   | 0.746        | 0.618        | 0.689        | 0.748        | 0.521        | 0.675        | <b>0.954</b> | 0.674        | 0.612        |
| TP1   | 0.716        | 0.684        | 0.713        | 0.707        | 0.572        | 0.710        | 0.663        | <b>0.903</b> | 0.595        |
| TP2   | 0.556        | 0.602        | 0.623        | 0.594        | 0.495        | 0.619        | 0.633        | <b>0.870</b> | 0.525        |
| UN1   | 0.608        | 0.625        | 0.664        | 0.572        | 0.593        | 0.676        | 0.583        | 0.638        | <b>0.869</b> |
| UN3   | 0.541        | 0.526        | 0.626        | 0.519        | 0.537        | 0.558        | 0.581        | 0.501        | <b>0.850</b> |
| UN4   | 0.625        | 0.559        | 0.670        | 0.590        | 0.562        | 0.655        | 0.507        | 0.498        | <b>0.869</b> |

Table 6 shows that the loading factor value on each item in the original construct is greater than the loading factor value of items in other constructs so that the discriminant validity in this study has been met.

c. Composite Reliability

TABLE 7. Composite Reliability and Cronbach's Alpha Results

|                        | Cronbach's alpha | Composite reliability |
|------------------------|------------------|-----------------------|
| Visibility (TP)        | 0.728            | 0.88                  |
| Credibility (KRE)      | 0.798            | 0.908                 |
| Attraction (DT)        | 0.867            | 0.937                 |
| Power (TK)             | 0.904            | 0.954                 |
| Strengthness (KUAT)    | 0.774            | 0.898                 |
| Uniqueness (UN)        | 0.829            | 0.897                 |
| Favorable (FA)         | 0.855            | 0.932                 |
| Purchase Decision (KP) | 0.891            | 0.92                  |
| Customer Loyalty (LP)  | 0.874            | 0.923                 |

Based on table 7, the composite reliability and Cronbach's alpha value for each indicator are more than 0.70. These results indicate that the research instruments used have good reliability.

B. Second Stage Embedded Two-Stage Approach

After testing at the dimension stage is complete, the next step is to test at the variable level using the latent variable score obtained in the first stage.

1. Evaluation of Measurement Model (Outer Model)

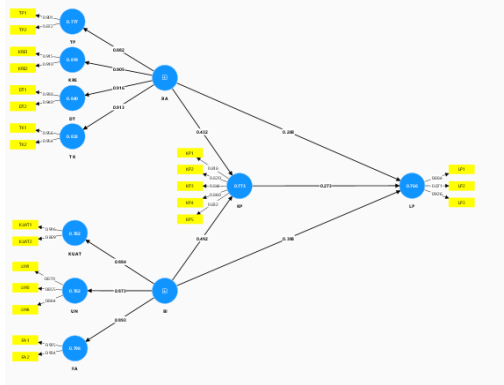


Fig. 5. Stage 2 Testing Path Analysis Diagram

a. Convergent Validity

TABLE 8. Outer Loadings Results

| Indicator | Variable         | Loading Factor | Type (as defined) | Description |
|-----------|------------------|----------------|-------------------|-------------|
| TP        | Brand Ambassador | 0.882          | Reflective        | Valid       |
| KRE       |                  | 0.905          | Reflective        | Valid       |
| DT        |                  | 0.916          | Reflective        | Valid       |
| TK        |                  | 0.913          | Reflective        | Valid       |
| KUAT      | Brand Image      | 0.885          | Reflective        | Valid       |
| UN        |                  | 0.873          | Reflective        | Valid       |
| FA        |                  | 0.893          | Reflective        | Valid       |

Table 8 shows that each variable obtained a loading factor value > 0.70. This means that all latent variable constructs are acceptable because the indicators are well represented.

TABLE 9. Result of AVE Value (Average variance extracted)

|                       | Average variance extracted (AVE) |
|-----------------------|----------------------------------|
| Brand Ambassador (BA) | 0.817                            |
| Brand Image (BI)      | 0.781                            |

Table 9 shows that each variable has an AVE value greater than 0.50, this means that all indicators have met the criteria. Referring to the results of testing outer loading and AVE values at this second stage, it can be concluded that the convergent validity of this research instrument has been fulfilled.

b. Discriminant Validity

TABLE 10. Fornell-Larcker Results

|    | BA           | BI           | KP           | LP           |
|----|--------------|--------------|--------------|--------------|
| BA | <b>0.904</b> |              |              |              |
| BI | 0.810        | <b>0.884</b> |              |              |
| KP | 0.830        | 0.842        | <b>0.835</b> |              |
| LP | 0.809        | 0.835        | 0.822        | <b>0.894</b> |

Table 10 shows that the square root of the AVE of each construct is greater than the correlation with other constructs so that it can be said that discriminant validity has been met.

TABLE 11. Cross-Loading Results

|      | BA           | BI           | KP    | LP    |
|------|--------------|--------------|-------|-------|
| TP   | <b>0.882</b> | 0.742        | 0.756 | 0.752 |
| KRE  | <b>0.905</b> | 0.714        | 0.766 | 0.681 |
| DT   | <b>0.916</b> | 0.761        | 0.755 | 0.770 |
| TK   | <b>0.913</b> | 0.710        | 0.726 | 0.722 |
| KUAT | 0.664        | <b>0.885</b> | 0.696 | 0.689 |
| UN   | 0.724        | <b>0.873</b> | 0.758 | 0.732 |
| FA   | 0.757        | <b>0.893</b> | 0.775 | 0.790 |

Based on table 11, the loading factor value on each item in the original construct shows a value that is greater than the loading factor value of items in other constructs. This indicates that the discriminant validity of this study has been met.

c. Composite Reliability

TABLE 12. Composite Reliability and Cronbach's Alpha Results

|                       | Cronbach's alpha | Composite reliability |
|-----------------------|------------------|-----------------------|
| Brand Ambassador (BA) | 0.925            | 0.947                 |
| Brand Image (BI)      | 0.860            | 0.915                 |

Table 12 shows that the composite reliability and Cronbach's alpha on each variable are worth more than 0.70. This proves that the reliability of the research instruments used in this study can be said to be good.

2. Evaluation of Structural Model (Inner Model)

The objective of evaluating the structural model (inner model) is to determine the relationship or impact between the model's constructs. This evaluation can be done through R-Square ( $R^2$ ) and F-Square analysis.

a. R-Square

TABLE 13. R-Square Results

|                        | R-square |
|------------------------|----------|
| Purchase Decision (KP) | 0.773    |
| Customer Loyalty (LP)  | 0.766    |

Table 13 shows that the purchase decision variable and customer loyalty are influenced by brand ambassadors and brand image. The purchase decision variable has a value of 0.773, which means that the independent variable is able to contribute to the purchase decision variable by 77.3%, while the remaining 22.7% is influenced by other variables outside this study. Brand ambassadors and brand image also contributed 76.6% to the customer loyalty variable, while the remaining 32.4% was influenced by factors not included in this research model. Based on the results, the R-Square value of the purchase decision variable and customer loyalty is categorized as good.

b. F-Square

TABLE 14. F-Square Results

|                                       | F-Square |
|---------------------------------------|----------|
| Brand Ambassador -> Purchase Decision | 0.282    |
| Brand Ambassador -> Customer Loyalty  | 0.082    |
| Brand Image -> Purchase Decision      | 0.366    |
| Brand Image -> Customer Loyalty       | 0.162    |
| Purchase Decision -> Customer Loyalty | 0.072    |

The test results of the F-Square values listed in table 14 show that there are variations in the strength of the influence between the variables in this research model. The brand ambassador variable shows a moderate influence on the purchase decision variable with a value of 0.282 and a small influence on the customer loyalty variable with a value of 0.082. With values of 0.366 and 0.162, respectively, the brand image variable has a significant impact on buying choices and a modest impact on the customer loyalty variable. Meanwhile, the purchase decision variable shows a small influence on customer loyalty with a value of 0.072.

The test results indicate that brand Image has the greatest

influence in the model, especially on the purchase decision variable. Meanwhile, the influence of the purchase decision variable on customer loyalty is relatively weak, so there may be other factors that contribute more to influencing customer loyalty.

3. Hypothesis Test

TABLE 15. Direct Effect Test

|                                       | Path Coeff | Sample Mean | Standard Deviation | T Statistic | P Value | Conclusion  |
|---------------------------------------|------------|-------------|--------------------|-------------|---------|-------------|
| Brand Ambassador -> Purchase Decision | 0.432      | 0.432       | 0.083              | 5.222       | 0.000   | H1 accepted |
| Brand Image -> Purchase Decision      | 0.492      | 0.487       | 0.082              | 6.024       | 0.000   | H2 accepted |
| Purchase Decision -> Customer Loyalty | 0.273      | 0.276       | 0.093              | 2.945       | 0.003   | H3 accepted |
| Brand Ambassador -> Customer Loyalty  | 0.268      | 0.266       | 0.084              | 3.203       | 0.001   | H4 accepted |
| Brand Image -> Customer Loyalty       | 0.388      | 0.389       | 0.096              | 4.058       | 0.000   | H5 accepted |

Table 15 shows that the brand ambassador variable has a positive and significant influence on the purchase decision variable based on the path coefficient value which shows a result of 0.432, a t-statistic of 5.222 which is greater than 1.96, and a p value of 0.000 < 0.05. Therefore, the first hypothesis, namely “Brand Ambassador affects Purchase decisions for Ultra Milk customers in Semarang City” is accepted. Similarly, hypotheses 2, 3, 4, and 5 show a positive and significant influence.

TABLE 16. Indirect Effect Test

|   | Path Coeff | Sample Mean | Standard Deviation | T Statistic | P Value | Conclusion  |
|---|------------|-------------|--------------------|-------------|---------|-------------|
| Brand Ambassador -> Purchase Decision -> Customer Loyalty | 0.118      | 0.120       | 0.048              | 2.483       | 0.013   | H6 accepted |
| Brand Image -> Purchase Decision -> Customer Loyalty      | 0.134      | 0.134       | 0.051              | 2.660       | 0.008   | H7 accepted |

Table 16 shows that hypotheses 6 and 7 show a positive and significant effect as evidenced by the positive path coefficient value, t-statistic value more than 1.96, and p-value less than 0.05. Based on testing the direct effect and indirect effect, it can be concluded that the mediation relationship in hypotheses 6 and 7 is classified as partial mediation.

V. DISCUSSION

Brand ambassadors are expected to build a good relationship between customers and the company so as to encourage purchase decisions. Consumers tend to be more interested in products promoted by public figures who are able to influence their purchase decisions [7]. The results of this study are in accordance with research conducted by Sari, A. M., Pradnyana, I. D. P. R. W., & Sidi, A. P. (2023) which

shows that brand ambassadors have a significant influence on purchase decisions. The results of the direct analysis in this study indicate that the brand ambassador variable has a positive and significant influence on purchase decisions. This means that the attractiveness of Stray Kids as Ultra Milk brand ambassadors and the resulting advertisements are able to attract consumers to make purchases.

Consumer buying choices may be influenced by a brand that has a positive reputation, is trustworthy, has particular features, and has high product quality [8]. The results of this study are in accordance with research conducted by Vanessa, C., Hardilawati, W. L., & Ramadhan, R. R. (2023) which shows that brand image has a significant effect on purchase decisions. The results of the direct analysis in this study indicate that the brand image variable has a positive and significant effect on purchase decisions. This means that a good brand image can encourage an increase in purchase decisions.

Purchase decisions have an important role in customer loyalty. Loyalty will be formed from consumers who make regular and repeated purchases because the products purchased match their expectations [9]. The results of this study are in accordance with research conducted by Ahmaddien, I., & Widati, E. (2019) which shows that purchase decisions have a positive effect on consumer loyalty. The results of the direct analysis in this study indicate that the purchase decision variable has a positive and significant effect on purchase decisions. This means that good purchase decisions can increase customer loyalty. Based on this research, purchase decisions are not yet strong as mediating variables because consumers will not be loyal to the brands they buy by making only one purchase decision, unless the product is in a monopoly market.

Brand ambassadors can attract consumers to make product purchases, especially if the brand ambassador has many enthusiastic fans [10]. Choosing the right brand ambassador can increase consumer involvement, which in turn will encourage repeat purchases so as to create customer loyalty. The results of this study are in accordance with research conducted by Arifinda, D. A. R. (2024) which shows that brand ambassadors have a significant effect on customer loyalty. The results of direct analysis in this study indicate that the brand ambassador variable has a positive and significant effect on customer loyalty. This means that a good brand ambassador can encourage increased customer loyalty.

In the purchasing decision process and client loyalty, brand perception is crucial. A solid brand image allows firms to increase market share, retain a competitive edge, and boost customer loyalty [11]. The results of this study are in accordance with research conducted by Apriliani, R. A. E. (2019) which shows that brand image has a positive and significant effect on customer loyalty. The results of the direct analysis in this study show that the brand image variable has a positive and significant effect on customer loyalty. This means that a good brand image can encourage increased customer loyalty.

Brand Ambassadors play an important role in expediting the marketing process [12]. The presence of brand ambassadors as

a representation of the brand aims to build positive perceptions and a strong impression so that the product is easily remembered by consumers so that it can influence and encourage consumers to use the product. Consumers who have a satisfying purchase experience will be encouraged to be loyal. The results of this study are in accordance with research conducted by Salsabila, N., & Purwanto, E. (2024) which shows that brand ambassadors have a positive and significant effect on customer loyalty through purchase decisions. The results of direct analysis and indirect analysis show that there is an influence between brand ambassador variables on customer loyalty through purchase decisions. Both of these analyses show positive and significant results. This means that the sixth hypothesis of this study is accepted with a partial mediation type.

Positive perceptions of the brand will encourage potential consumers to purchase the product and make them reluctant to consider other brands. The better the brand image, the higher the level of decision-making to make purchases and repurchases [13]. The results of this study are in accordance with research conducted by Salsabila, N., & Purwanto, E. (2024) which shows that brand image has a positive and significant effect on customer loyalty through purchase decisions. The results of direct analysis and indirect analysis show that there is an influence between brand image variables on customer loyalty through purchase decisions. Both of these analyses show positive and significant results. This means that the sixth hypothesis of this study is accepted with the type of partial mediation.

## VI. CONCLUSION

- Based on the direct effect test that has been carried out, the brand ambassador (X1) has a positive and significant influence on the purchase decision (Z). This shows that Stray Kids as Ultra Milk brand ambassadors are able to attract consumer attention and influence purchase decisions through their popularity, credibility, attractiveness, and strength.
- Based on the direct effect test that has been carried out, the brand image (X2) has a positive and significant effect on the purchase decision (Z). This shows that Ultra Milk's brand image is good and is able to encourage consumers to make purchase decisions for Ultra Milk products.
- Based on the direct effect test that has been carried out, the purchase decision (Z) has a positive and significant effect on customer loyalty (Y). This shows that the more confident and satisfied consumers are in making purchase decisions, the more likely they are to become loyal.
- According to the direct effect test used in this study, the brand ambassador (X1) has a statistically significant and beneficial impact on consumer loyalty (Y). This shows that Stray Kids as Ultra Milk's brand ambassador is able to strengthen customers' emotional connection with the brand, which in turn will form customer loyalty to the product.
- Based on the direct effect test that has been carried out, the brand image (X2) has a positive and significant effect on customer loyalty (Y). This shows that a good Ultra Milk

brand image is able to create an emotional connection and customer trust in the brand so that later it can form customer loyalty to the product.

- Based on the indirect effect test that has been carried out, the brand ambassador (X1) has a positive and significant effect on customer loyalty (Y) through purchase decisions (Z). Purchase decisions act as intervening variables with partial mediation categories.
- The results of testing the indirect effects that have been carried out, the brand image (X2) has a positive and significant effect on customer loyalty (Y) through purchase decisions (Z). Purchase decisions act as intervening variables with partial mediation categories.

## VII. RECOMMENDATIONS

Based on the results of the research and the conclusions that have been obtained, there are several suggestions from researchers that can be used by Ultra Milk as input in efforts to increase customer loyalty. Here are some suggestions from researchers:

- Based on the results of the research analysis, the researcher suggests that in the future Ultra Milk can choose brand ambassadors who are able to cover all circles, for example, such as popular domestic idols. Ultra Milk also needs to ensure that the brand ambassadors they choose are actively involved in long-term campaigns, not just appearing once in an advertisement.
- Based on the results of the research analysis, the researcher suggests Ultra Milk to strengthen the storytelling about the uniqueness of Ultra Milk and highlight the uniqueness of the brand that distinguishes it from other dairy products. This can be done by promoting a consistent narrative about brand identity, such as the quality of fresh milk from local farms, the very high content of pure milk, the hygienic production process, and the commitment to a healthy lifestyle. This storytelling can be created through social media, short video content, and digital campaigns.

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