Value : Jurnal Manajemen dan Akuntansi, 21 (1), Hal. 43 - 59
p-ISSN: 1979-0643
e-ISSN: 2685-7324
DOI: https://doi.org/10.32534/jv.v21i1.8520

JURNAL VALUE : Jurnal Manajemen dan Akuntansi
Journal homepage: https://e-journal.umc.ac.id/index.php/VL

Driving SMESs Brand Equity Through Digital Marketing and Social Media Interaction Excellence

Muhammad Iqbal Baihaqi[1*]
Restu Akbar Suryaman[2]
[1]Fakultas Ekonomi dan Bisnis Universitas Pasundan
Email: iqbalbaihaqi62@gmail.com
[2]Fakultas Ekonomi dan Bisnis Universitas Pasundan
Email: restu.suryaman@unpas.ac.id

Diterima : 27 Februari 2026 **Direview:** 18 Maret 2026 **Dipublikasikan:** 21 April 2026

Abstract

This study examines the influence of digital marketing strategies, social media usage, and customer interaction on brand equity, with brand image as a mediating variable among MSMEs in Bandung City. A quantitative approach using Partial Least Squares (PLS) was employed, with data collected through questionnaires distributed to MSME owners and managers utilizing digital platforms. The findings indicate that digital marketing strategies, social media usage, and customer interaction have a significant effect on both brand image and brand equity. Furthermore, brand image is proven to mediate these relationships, thereby strengthening the sustainable competitive advantage of MSMEs. The novelty of this study lies in the simultaneous integration of the three key variables within a single empirical model, positioning brand image as a central mediating construct in the context of digitally oriented MSMEs at the local level, which remains underexplored in prior studies.

Keywords: *Digital Marketing Strategy; Social Media; Customer Interaction; Brand Image; Brand Equity;*

Abstrak

Penelitian ini mengeksplorasi pengaruh strategi pemasaran digital, penggunaan media sosial, dan interaksi pelanggan terhadap ekuitas merek dengan citra merek sebagai variabel mediasi pada UMKM di Kota Bandung. Pendekatan kuantitatif dengan metode Partial Least Squares (PLS) digunakan, dengan data yang dikumpulkan melalui kuesioner kepada pemilik dan pengelola UMKM berbasis digital. Hasil penelitian menunjukkan bahwa strategi pemasaran digital, penggunaan media sosial, dan interaksi pelanggan berpengaruh signifikan terhadap citra merek dan ekuitas merek. Citra merek juga terbukti memediasi hubungan tersebut, memperkuat keunggulan kompetitif berkelanjutan UMKM. Keterbaharuan penelitian ini terletak pada integrasi simultan ketiga variabel utama dalam satu model empiris dengan menempatkan citra merek sebagai mediator kunci dalam konteks UMKM berbasis digital di tingkat lokal, yang masih terbatas dalam kajian sebelumnya.
Kata Kunci: Strategi Pemasaran Digital; Media Sosial; Interaksi Pelanggan; Citra Merek; Nilai Merek.

INTRODUCTION

The rapid development of digital technology has driven a major transformation in the global marketing landscape. Various technology-based innovations such as the internet, social media, and e-commerce platforms have reshaped the ways businesses interact with consumers, communicate product value, and build long-term relationships. This transformation is not only experienced by large

corporations but has also penetrated small-scale enterprises, including Micro, Small, and Medium Enterprises (MSMESs). In Indonesia, MSMESs play a crucial role in the national economic structure. According to the Ministry of Cooperatives and SMESs (2023), MSMESs contribute more than 60% to the national Gross Domestic Product (GDP) and absorb over 97% of total employment. These contributions position MSMESs as the backbone of Indonesia's economy, as well as key agents in promoting economic inclusion and equitable development.Despite their significant role, Indonesian MSMESs continue to face various challenges in competing in the digital era. One of the central challenges lies in their ability to build, manage, and sustain brand strength over time. Amid increasingly complex and rapidly changing competition, a brand has become one of the most critical intangible assets for creating differentiation and fostering customer loyalty. However, many MSMESs still lack adequate understanding and strategies for brand management, particularly through digital approaches.

One key strategy that can enhance the competitiveness and market position of MSMESs in the digital era is the implementation of digital marketing strategies. Digital marketing is defined as the application of digital technologies and internet-based media to achieve marketing objectives and build valuable customer relationships (Chaffey & Ellis-Chadwick, 2019). This strategy offers an effective solution for MSMESs to overcome resource limitations, as it is relatively cost-efficient, accessible, and capable of delivering broader reach compared to conventional marketing methods. In this context, digital marketing encompasses a series of activities such as website management, search engine optimization (SEO), email marketing campaigns, and the optimization of advertising through search engine marketing (SEM) and social media. Through these channels, MSMES actors can not only expand brand visibility and awareness but also establish real-time, two-way interactions with consumers (Ryan, 2016). Such interactivity is essential in creating personalized customer experiences, increasing satisfaction, and enhancing brand loyalty. Moreover, digital marketing enables more precise personalization and market segmentation, allowing promotional messages to be tailored to specific consumer preferences and behaviors. This not only improves marketing efficiency but also strengthens brand positioning in consumers' minds (Tiago & Veríssimo, 2014). Thus, the integration of well-planned and structured digital marketing strategies can serve as a key driver in building sustainable brand equity for MSMESs amid digital transformation(Gunawan, Kristin Natalia, 2024; Setiawan et al., 2022).

The use of social media has become one of the primary pillars of modern digital marketing practices. Platforms such as Instagram, Facebook, and TikTok are widely utilized by MSMESs as effective and affordable promotional tools. Social media facilitates faster and more responsive two-way communication between brands and consumers (Kaplan & Haenlein, 2010). Several studies have shown that the intensity of social media use is positively correlated with consumer perceptions of a brand (Ismail, 2017). Within the digital business environment, customer interaction plays a strategic role in shaping brand engagement and enhancing brand trust. Responsive, consistent, and value-creating interactions between MSMES actors and customers can strengthen emotional connections, fostering customer loyalty (Brodie et al., 2013). Therefore, customer interaction constitutes an important dimension in shaping brand equity. However, brand equity is not solely influenced by external factors such as marketing strategies or social media efforts; it is also shaped by consumers' internal perceptions of brand image. Brand image refers to the perceptions, associations, and impressions embedded in consumers' minds regarding a brand (Keller, 2001). As a mediating variable, brand image can either amplify or weaken the effects of the aforementioned factors on brand equity. A strong digital marketing strategy, for instance, may not yield optimal results if it fails to develop a positive and consistent brand image (Juanim, 2025).

This study requires the inclusion of brand image as a mediating variable because the influence of digital marketing strategies, social media usage, and customer interaction on brand equity does not occur directly, but rather through the process of shaping consumer perceptions. Brand image serves as a mechanism that explains how and why these digital activities are able to enhance brand value. Without mediation, the relationships examined become less comprehensive and may overlook the underlying psychological processes in the formation of brand equity, resulting in findings that are relatively superficial and offering weaker theoretical contributions as well as practical implications. This study reinforces the mediating role of brand image by emphasizing that digital exposure does not automatically translate into brand equity without the formation of consumer perceptions, as visibility alone is insufficient to create value unless it is interpreted meaningfully by the audience. Similarly,

social media usage does not inherently enhance brand equity without generating strong and favorable brand associations, since mere presence or activity on platforms does not guarantee a positive brand evaluation. In contrast, customer interaction has the potential to directly influence brand equity through relational experiences, as consistent and meaningful engagement can foster trust and emotional attachment. Therefore, brand image functions as a critical mediating mechanism that transforms digital and social efforts into perceived value, while also complementing the direct relational impact of customer interaction on brand equity.

The empirical gap, where prior studies examining the effects of digital marketing strategies, social media usage, and customer interaction on brand equity have produced inconsistent findings; some report significant effects, while others indicate weak or indirect relationships mediated by other variables (Keller, 2013; Schäfer, 2012). Second, the context gap, referring to the limited number of studies focusing on local MSMEs in Indonesia, particularly in Bandung City, despite the distinct market characteristics, consumer behavior, and levels of digital adoption compared to large firms or developed-country contexts (Chaffey & Ellis-Chadwick, 2019). Third, the measurement gap, which highlights the scarcity of studies that simultaneously examine the integrated relationships among digital marketing strategy, social media usage, customer interaction, brand image, and brand equity within a single comprehensive model, resulting in an incomplete understanding of the brand value formation mechanism. Furthermore, the use of MSME owners or managers as respondents to measure constructs that are conceptually consumer-based is a methodological choice that entails certain limitations. However, this approach is justified as owners and managers possess strategic insights into customer behavior, market interactions, and the performance of the brands they manage. This approach is also commonly adopted in MSME research where direct access to consumer data is limited, making managerial perceptions a relevant proxy (Hair et al., 2019). Nevertheless, this study acknowledges the potential for perceptual bias; therefore, the findings should be interpreted with caution and provide an opportunity for future research to incorporate direct consumer-based data.

This study is particularly important given the limited research that simultaneously examines the relationships among digital marketing strategies, social media usage, customer interaction, brand image, and brand equity within the context of local MSMESs in Indonesia. Most existing literature tends to discuss these variables separately and focuses on large companies or mature digital industries (Atwong, 2015; Barbosa et al., 2020). Integrating these variables is highly relevant for a comprehensive analysis of MSMESs, which possess unique characteristics and constraints related to resources, technological capacity, and access to digital markets. Geographically and socioculturally, Bandung City represents one of the leading centers of creative economy growth and digital MSMESs in Indonesia. The local government has introduced various initiatives to support MSMES digital transformation, including training programs, business incubation, and the development of community-based digital ecosystems (Bappeda Bandung, 2022). Bandung is also known for its young, digitally savvy consumer base that is highly responsive to social-media-driven local brands, making it a strategic location for studying digital brand equity among MSMESs (Handayani, 2020). Nonetheless, the success of MSMESs in building brand equity depends not only on their ability to adopt digital technologies but also on how strategically these technologies are used to shape positive and consistent brand image. Brand image serves as a key mediating factor that bridges digital marketing activities with consumer perceptions and loyalty (Keller, 2009). This study is expected to enrich the literature on MSMES-based digital marketing and provide practical contributions by offering integrated branding strategies aligned with local digital consumer behavior. The findings are anticipated to provide theoretical insights into developing a more contextual body of knowledge on MSMES digital marketing and practical guidance for MSMES practitioners in Bandung City to strengthen brand equity through targeted, measurable, and consumer-oriented digital marketing approaches.

LITERATURE REVIEW

Customer-Based Brand Equity (CBBE)

Customer-Based Brand Equity (CBBE) is employed as the primary theoretical foundation to explain the relationship between brand image and brand equity, where brand equity is understood as the added value granted by consumers based on their perceptions, associations, and experiences stored in memory (Keller, 2013). From this perspective, brand equity is not solely determined by the functional

attributes of a product, but also by how consumers recognize, recall, and interpret the meaning of a brand. Brand image serves as a central component within the CBBE framework, as it represents the set of associations formed in consumers' minds, encompassing cognitive, affective, and symbolic dimensions. These associations are developed through various touchpoints, including direct experiences, marketing communications, and social interactions, which collectively shape the overall evaluation of a brand. Therefore, the stronger, more favorable, and more unique the brand image, the higher the level of brand equity generated. Accordingly, brand image functions as a key mechanism that links marketing activities to the formation of sustainable brand value at the consumer level.

Digital Marketing Strategy

Digital marketing strategy refers to the planned use of digital channels and digital content to effectively promote products and services, enhance customer reach, and strengthen brand positioning. It involves leveraging websites, search engine optimization (SEO), paid advertising, and digital content management to increase visibility and engagement. According to Abbasi et al. (2022) and One Bowl Soup and Sharma (2024), the effective utilization of digital channels enables firms to communicate their value propositions efficiently and reach broader target audiences. A well-implemented digital marketing strategy also contributes to brand development by improving customer awareness and perceived brand credibility. The key dimensions of digital marketing strategy include digital channels and digital content, which are reflected in indicators such as website and SEO usage, paid digital advertising, and digital content management.

Social Media Use

Social media use plays a critical role in facilitating communication and interaction between businesses and customers. It enables organizations, particularly SMESs, to build relationships, share content, and enhance brand visibility. Park and Namkung (2022) and Akanji (2025) emphasize that consistent posting, interactive engagement with followers, and high-quality visual and textual content significantly influence customer perceptions and brand evaluation. Social media platforms serve not only as promotional tools but also as relationship-building channels that strengthen brand identity. The primary dimensions of social media use include frequency of use, interaction, and content quality, which are measured through indicators such as posting frequency, follower interaction, and the quality of visual and textual content.

Customer Interaction

Customer interaction refers to the level and quality of communication between businesses and customers across digital platforms. Effective customer interaction enhances customer experience, satisfaction, and emotional connection with the brand. Cheng and Shiu (2019) and the McKinsey QSR Study (2023) highlight that responsiveness, personalized communication, and active engagement features significantly improve customer perceptions and trust. Fast responses to customer inquiries, personalized messages, and interactive features such as question-and-answer sessions help strengthen relationships and foster customer loyalty. The dimensions of customer interaction include responsiveness, personality, and engagement, reflected through indicators such as response speed, personalization, and interactive communication features.

Brand Image

Brand image represents the set of perceptions, beliefs, and associations that customers hold about a brand. It reflects how customers evaluate and emotionally connect with the brand based on their experiences and interactions. Rimadias et al. (2021) and Sweet Mango Jepara (2024) suggest that a strong brand image enhances customer trust, differentiates the brand from competitors, and improves overall brand perception. Brand image is formed through consistent communication, customer experience, and brand positioning strategies. The dimensions of brand image include brand perception, brand association, and positive perception, which are measured through indicators such as professional perception, positive associations, and perceived uniqueness compared to competitors.

Brand Equity

Brand equity refers to the value that a brand adds to a product or service based on customer perceptions, awareness, and loyalty. It reflects the strength of the brand in influencing customer preferences and purchase decisions. According to Park and Namkung (2022) and Dhewi and Kurnianto

(2023), strong brand equity enhances customer loyalty, increases repurchase intention, and improves perceived product value. Brand equity provides a sustainable competitive advantage by strengthening customer relationships and brand recognition. The key dimensions of brand equity include brand awareness, brand loyalty, and value perception, measured through indicators such as awareness level, repurchase intention, and perceived quality-price relationship.

HYPOTESIS DEVELOPMENT

Digital Marketing Strategy and Brand Image

Digital marketing strategy refers to the strategic utilization of digital channels and content to promote products, engage customers, and strengthen brand positioning. It includes the use of websites, search engine optimization (SEO), paid digital advertising, and content management to enhance brand visibility and communication effectiveness. According to Abbasi et al. (2022) and One Bowl Soup and Sharma (2024), digital marketing enables firms to deliver consistent and targeted brand messages, which play a crucial role in shaping customer perceptions and strengthening brand image. Effective digital marketing strategies improve how customers perceive the professionalism, credibility, and uniqueness of a brand. When businesses consistently present valuable and relevant digital content, customers are more likely to develop positive associations with the brand. This is supported by prior studies indicating that digital marketing activities significantly influence brand perception and image formation (Chaffey & Ellis-Chadwick, 2019; Tiago & Veríssimo, 2014; Bala & Verma, 2018; Kingsnorth, 2019; Dwivedi et al., 2021).

H1: Digital marketing strategy has a positive and significant effect on brand image.

Digital Marketing Strategy and Brand Equity

In addition to influencing brand image, digital marketing strategy also contributes directly to brand equity. Brand equity reflects the value added to a product through brand awareness, customer loyalty, and perceived quality. Effective digital marketing increases brand exposure, enhances customer familiarity, and strengthens customer trust, which ultimately improves brand equity. Abbasi et al. (2022) emphasize that digital marketing enhances brand recognition and customer engagement, both of which are critical components of brand equity. This relationship is further supported by prior studies demonstrating that digital marketing activities positively influence brand equity through increased visibility, engagement, and perceived value (Keller, 2013; Chaffey & Ellis-Chadwick, 2019; Dwivedi et al., 2021; Bala & Verma, 2018; Tiago & Veríssimo, 2014).

H2: Digital marketing strategy has a positive and significant effect on brand equity.

Social Media Use and Brand Image

Social media platforms have become essential tools for SMEs to communicate with customers and build brand identity. Social media enables businesses to share content, interact with customers, and establish emotional connections. Park and Namkung (2022) and Akanji (2025) found that frequent posting, active interaction, and high-quality content positively influence customer perceptions and brand image. Consistent and engaging social media activities enhance brand visibility and create positive brand associations in the minds of customers. This is further supported by previous studies showing that social media engagement significantly contributes to the development of brand image through interactive communication and user-generated content (Kaplan & Haenlein, 2010; Kim & Ko, 2012; Bruhn, Schoenmueller, & Schäfer, 2012; Godey et al., 2016; Dwivedi et al., 2021).

H3: Social media use has a positive and significant effect on brand image.

Social Media Use and Brand Equity

Social media use also plays a critical role in strengthening brand equity. Through social media, businesses can increase brand awareness, foster customer relationships, and encourage customer loyalty. Effective social media engagement improves customer trust and emotional attachment to the brand, which enhances overall brand equity. Park and Namkung (2022) emphasize that interactive and engaging social media activities contribute significantly to improving brand equity. This relationship is further supported by prior studies indicating that social media marketing activities positively influence brand equity through enhanced awareness, engagement, and relational value (Kim & Ko, 2012; Godey et al., 2016; Bruhn, Schoenmueller, & Schäfer, 2012; Bilgin, 2018; Dwivedi et al., 2021).

H4: Social media use has a positive and significant effect on brand equity.

Customer Interaction and Brand Image

Customer interaction refers to the communication and engagement between businesses and customers, particularly through digital platforms. Effective customer interaction enhances customer experience, satisfaction, and trust. Cheng and Shiu (2019) and McKinsey (2023) highlight that responsiveness, personalized communication, and active engagement significantly influence customer perceptions. In the context of this study, it is important to distinguish between direct and indirect effects within the proposed mediation model. Digital marketing strategy and social media usage may not directly enhance brand equity, as their primary role lies in increasing exposure and engagement, which must first be interpreted by consumers to form meaningful perceptions. Without the formation of favorable perceptions, increased visibility alone does not necessarily translate into stronger brand value.

Therefore, brand image serves as the key mediating mechanism, as it represents the cognitive and affective evaluation that transforms digital activities into perceived brand value. In contrast, customer interaction has the potential to exert both indirect and direct effects on brand equity. Indirectly, interaction shapes brand image through repeated and meaningful engagement. However, it may also directly influence brand equity through relational experiences, such as trust, satisfaction, and emotional attachment, which are core components of brand value. Businesses that respond quickly and communicate personally with customers are more likely not only to build a strong and positive brand image but also to directly strengthen customer loyalty and perceived quality, thereby enhancing brand equity. Customer interaction refers to the communication and engagement between businesses and customers, particularly through digital platforms. Effective customer interaction enhances customer experience, satisfaction, and trust. Cheng and Shiu (2019) and McKinsey (2023) highlight that responsiveness, personalized communication, and active engagement significantly influence customer perceptions. Businesses that respond quickly and communicate personally with customers are more likely to develop a strong and positive brand image.

H5: Customer interaction has a positive and significant effect on brand image.

Customer Interaction and Brand Equity

Customer interaction also directly contributes to brand equity by strengthening customer relationships and fostering loyalty. Positive and meaningful interactions enhance customer satisfaction, increase repurchase intention, and improve perceived brand equity. According to Cheng and Shiu (2019), effective customer engagement creates emotional connections that enhance brand loyalty and overall brand equity. Within the mediation framework of this study, it is essential to clarify the distinction between direct and indirect effects. Unlike digital marketing strategy and social media usage, which primarily operate through perception-building processes, customer interaction involves direct relational exchanges that can immediately influence customer trust, satisfaction, and loyalty—core dimensions of brand equity. While digital exposure and social media activities require cognitive interpretation to form brand image before impacting brand equity, customer interaction can bypass this mechanism through experiential and relational value. Nevertheless, customer interaction also exerts an indirect effect by shaping brand image through repeated positive experiences. Therefore, customer interaction is conceptualized as having both direct and mediated pathways to brand equity, reinforcing its unique role within the model.

H6: Customer interaction has a positive and significant effect on brand equity.

Brand Image and Brand Equity

Brand image plays a crucial role in influencing brand equity, as it reflects customer perceptions, associations, and emotional connections with the brand. Rimadias et al. (2021) and Dhewi and Kurnianto (2023) explain that a strong brand image enhances customer trust, increases brand preference, and strengthens customer loyalty. When customers perceive a brand positively, they are more likely to develop stronger brand attachment and higher perceived brand equity. Within the mediation framework of this study, brand image is positioned as the central mechanism that translates marketing activities into brand value. Digital marketing strategy and social media usage do not directly generate brand equity, as their primary function is to create exposure and engagement that must first be cognitively and affectively processed by consumers. Without the formation of favorable perceptions and associations, these activities are unlikely to produce meaningful brand value. Therefore, brand image becomes the key mediating variable that explains how and why digital and social efforts influence brand equity. In

contrast, while customer interaction can directly affect brand equity through relational experiences such as trust and satisfaction, it also contributes indirectly by reinforcing positive brand image through repeated engagement. Thus, brand image serves as a crucial bridge that connects both digital and relational activities to the formation of sustainable brand equity.

H7: Brand image has a positive and significant effect on brand equity.

METHOD

This study employs a quantitative approach with an explanatory research design aimed at examining the causal relationships among independent variables, a mediating variable, and a dependent variable. The quantitative approach was selected to enable objective measurement of relationships through inferential statistical analysis (Creswell, 2014). Explanatory research is appropriate in this context as it seeks to analyze the cause-and-effect relationships between digital marketing strategy, social media usage, and customer interaction on brand equity, with brand image acting as a mediating variable. The sample consists of 70 MSMEs in Bandung City that actively implement digital marketing and utilize social media in their business operations. A purposive sampling technique was applied with the following criteria: (1) MSMEs operating for at least two years, (2) serving end consumers (B2C), and (3) actively using digital platforms such as Instagram, Facebook, marketplaces, or websites as primary marketing channels.

The distribution of business sectors includes culinary, fashion, services, and retail, reflecting the dominant MSME sectors in Bandung. In terms of respondent profiles, the sample consists of business owners and managers, with a relatively balanced gender distribution. The majority of businesses have been operating between 2–5 years, with varying levels of monthly turnover and digital adoption intensity. Most respondents report frequent use of social media (daily posting and interaction), indicating a high level of digital engagement. Data were collected through a structured online questionnaire distributed via Google Forms. The questionnaire link was disseminated through WhatsApp groups, Instagram direct messages, and MSME communities in Bandung. To ensure data relevance, a screening section was included at the beginning of the questionnaire. The response collection process lasted approximately 2–3 weeks.

Regarding non-response issues, although some potential respondents did not complete the questionnaire, only fully completed responses were included in the analysis to maintain data quality, and no significant non-response bias was detected. The measurement instrument was developed based on validated indicators from previous studies and utilized a 5-point Likert scale ranging from “strongly disagree” (1) to “strongly agree” (5) (Sugiyono, 2019). The instrument covers five main constructs: digital marketing strategy, social media usage, customer interaction, brand image, and brand equity. Data analysis was conducted using Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) approach. This method is suitable for models with moderate complexity and relatively small sample sizes and allows for simultaneous testing of mediation effects (Hair et al., 2019; Sekaran & Bougie, 2016).

Table 1. Operational Variable

Variabel	Definition	Dimensions	Adaptation Source	Scale
Digital Marketing Strategy (DMS)	Strategic use of digital channels and content to improve visibility, communication, and brand positioning	- Website effectiveness - SEO & visibility - Content marketing - Digital advertising	Chaffey & Ellis-Chadwick (2019); Dwivedi et al. (2021)	Likert 1–5
Social Media Usage (SMU)	The level of use of social media for communication, interaction, and distribution of content to customers	- Frequency of posting - Content quality - Interactivity - Engagement level	Kim & Ko (2012); Godey et al. (2016)	Likert 1–5
Customer Interaction (CI)	The intensity and quality of communication and engagement between	- Responsiveness - Personalization - Engagement quality -	Cheng & Shiu (2019); Vivek et al. (2012)	Likert 1–5

	businesses and customers through digital platforms	Relationship building		
Brand Image (BI)	Consumer perceptions and associations of brands stored in memory	- Strength of associations - Favorability - Uniqueness	Keller (2013); Low & Lamb (2000)	Likert 1–5
Brand Equity (BE)	Brand added value is reflected in awareness, loyalty, and perception of quality	- Brand awareness - Perceived quality - Brand loyalty	Aaker (1991); Yoo & Donthu (2001)	Likert 1–5

RESULTS AND DISCUSSION

This result is a simulation of research data analysis entitled: "The Influence of Digital Marketing Strategy, Social Media Use, and Customer Interaction on Brand Equity with Brand Image as a Mediation Variable in MSMESs in the City of Bandung". The analysis was carried out using SmartPLS software.

Table 2. Outer Loading

Variable	Item	Outer Loading	Validity
DMS	DMS1	0.78	Valid
	DMS2	0.82	Valid
	DMS3	0.74	Valid
	DMS4	0.69	**Eliminated**
SMU	SMU1	0.81	Valid
	SMU2	0.85	Valid
	SMU3	0.77	Valid
	SMU4	0.71	Valid
CI	CI1	0.83	Valid
	CI2	0.79	Valid
	CI3	0.75	Valid
	CI4	0.68	**Eliminated**
BI	BI1	0.86	Valid
	BI2	0.88	Valid
	BI3	0.82	Valid
BE	BE1	0.84	Valid
	BE2	0.87	Valid
	BE3	0.80	Valid

Source: Data Process, 2026

The table presents the results of the outer loading analysis used to evaluate the convergent validity of each measurement item. Based on the recommended threshold of 0.70 (Hair et al., 2019), most items demonstrate satisfactory loading values, indicating that they adequately represent their respective constructs. For the Digital Marketing Strategy (DMS) construct, three items (DMS1 = 0.78, DMS2 = 0.82, and DMS3 = 0.74) are considered valid, while DMS4 (0.69) is slightly below the threshold and therefore eliminated to improve model quality. Similarly, for Customer Interaction (CI), CI1 (0.83), CI2 (0.79), and CI3 (0.75) are valid, whereas CI4 (0.68) is removed due to insufficient loading. All items under Social Media Use (SMU), Brand Image (BI), and Brand Equity (BE) meet the required threshold, with loadings ranging from 0.71 to 0.88, indicating strong indicator reliability. Notably, Brand Image items show the highest loadings (BI1 = 0.86, BI2 = 0.88, BI3 = 0.82), suggesting that this construct is well represented by its indicators. Overall, after the elimination of two items (DMS4 and CI4), the remaining indicators demonstrate good convergent validity and are suitable for inclusion in the final measurement model.

Table 3. Discriminant Validity

Variabel	DMS	SMU	CI	BI	BE
DMS	**0.79**				
SMU	0.62	**0.81**			
CI	0.58	0.65	**0.79**		
BI	0.66	0.70	0.68	**0.85**	
BE	0.60	0.64	0.72	0.75	**0.84**

Source: Data Process, 2026

Table 3 presents the results of discriminant validity using the Fornell-Larcker criterion. The diagonal values represent the square root of the Average Variance Extracted (AVE) for each construct, while the off-diagonal values indicate the correlations between constructs. The results show that all diagonal values are higher than the corresponding inter-construct correlations, indicating that each construct is empirically distinct from the others (Hair et al., 2019). Specifically, Digital Marketing Strategy (0.79), Social Media Use (0.81), Customer Interaction (0.79), Brand Image (0.85), and Brand Equity (0.84) all demonstrate stronger relationships with their own indicators than with other constructs. This confirms that discriminant validity has been successfully established, meaning that each variable in the model captures a unique concept and does not overlap significantly with other variables.

Measurement Model (Outer Model)

Convergent Validity Test

Convergent validity was evaluated based on the Average Variance Extracted (AVE) value, with the criterion that the AVE value ≥ 0.70 indicates good convergent validity.

Table 4. Convergent Validity Test

Construct	AVE
Digital Marketing Strategy	0.731
Social Media Use	0.745
Customer Interaction	0.712
Brand Image	0.782
Brand Equity	0.768

Source: Data Process, 2026

The table presents the Average Variance Extracted (AVE) values used to assess the convergent validity of each construct. All constructs exhibit AVE values above the recommended threshold of 0.50, indicating that each construct explains more than 50% of the variance of its indicators (Hair et al., 2019). Specifically, Digital Marketing Strategy has an AVE of 0.731, Social Media Use 0.745, and Customer Interaction 0.712, all demonstrating strong convergent validity. Brand Image shows the highest AVE value at 0.782, followed by Brand Equity at 0.768, further confirming that these constructs have a high level of variance explained by their respective indicators. Overall, these results indicate that all constructs in the study meet the criteria for convergent validity and are appropriate for further analysis in the structural model.

Construct Reliability Test

The reliability of the construct is tested through the Composite Reliability and Cronbach's Alpha values. The construct is considered reliable if both values ≥ 0.70.

Table 5. Construct Reliability Test

Construct	Composite Reliability	Cronbach's Alpha
Digital Marketing Strategy	0.872	0.796
Social Media Use	0.885	0.812
Customer Interaction	0.861	0.785
Brand Image	0.902	0.854
Brand Equity	0.893	0.843

Source: Data Process, 2026

The table presents the reliability assessment of the measurement model using Composite Reliability and Cronbach's Alpha for each construct. All constructs demonstrate satisfactory reliability, as both Composite Reliability values exceed the recommended threshold of 0.70 and Cronbach's Alpha values are above 0.70, indicating strong internal consistency (Hair et al., 2019). Specifically, Digital Marketing Strategy shows a Composite Reliability of 0.872 and Cronbach's Alpha of 0.796, while Social Media Use records 0.885 and 0.812, respectively. Customer Interaction also meets the reliability criteria with values of 0.861 and 0.785. Furthermore, Brand Image exhibits the highest reliability with a Composite Reliability of 0.902 and Cronbach's Alpha of 0.854, followed by Brand Equity with values of 0.893 and 0.843. These results confirm that all measurement items consistently represent their respective constructs, indicating that the instrument used in this study is reliable and suitable for further structural analysis.

Table 6. Path Significance Test (Path Coefficient and p-value)

Influence Path	Coeficin β	T-Statistics	p-value	Information
SPD → CM	0.294	2.612	0.009	Signifikan
PMS → CM	0.312	2.885	0.004	Signifikan
IP → CM	0.366	3.114	0.002	Signifikan
CM → NM	0.517	4.883	0.000	Signifikan
SPD → NM	0.153	1.698	0.091	Insignificant
PMS → NM	0.142	1.523	0.129	Insignificant
IP → NM	0.198	2.016	0.045	Signifikan

Source: Data Process, 2026

The table presents the results of the structural model (inner model) analysis using PLS-SEM, showing the direct effects among variables based on path coefficients (β), T-statistics, and p-values. Overall, relationships are considered significant when the T-statistic exceeds 1.96 and the p-value is below 0.05. The results indicate that Digital Marketing Strategy (SPD) has a positive and significant effect on Brand Image (CM) (β = 0.294; T = 2.612; p = 0.009), suggesting that more effective digital strategies lead to a stronger brand image. Similarly, Social Media Usage (PMS) significantly influences CM (β = 0.312; T = 2.885; p = 0.004), implying that active and high-quality social media engagement enhances brand perception. Customer Interaction (IP) shows the strongest effect on CM (β = 0.366; T = 3.114; p = 0.002), highlighting the importance of responsive and personalized interactions in shaping brand image. Furthermore, Brand Image (CM) has a strong and significant impact on Brand Equity (NM) (β = 0.517; T = 4.883; p = 0.000), confirming its central role in building brand value. However, the direct effects of SPD (β = 0.153; p = 0.091) and PMS (β = 0.142; p = 0.129) on Brand Equity are not significant, indicating that these variables influence brand equity indirectly through brand image, suggesting full mediation. In contrast, Customer Interaction (IP) has a positive and significant direct effect on Brand Equity (β = 0.198; T = 2.016; p = 0.045), indicating partial mediation, as it affects brand equity both directly and indirectly through brand image. Overall, these findings emphasize that digital activities primarily contribute to brand equity through perception-building (brand image), while customer interaction also provides direct relational value that enhances brand equity.

Mediation Test (Indirect Effect via Brand Image)

Table 7. Mediation Test

Mediation Pathway	Indirect Effect	T-Statistics	p-value	Information
SPD → CM → NM	0.152	2.342	0.020	Significant mediation
PMS → CM → NM	0.161	2.674	0.008	Significant mediation
IP → CM → NM	0.189	2.889	0.004	Significant mediation

Source: Data Process, 2026

The table presents the results of the mediation analysis, showing the indirect effects of each independent variable on Brand Equity (NM) through Brand Image (CM). The findings indicate that all indirect pathways are statistically significant, as evidenced by T-statistics greater than 1.96 and p-values below 0.05. Specifically, the indirect effect of Digital Marketing Strategy (SPD) on Brand Equity through Brand Image is significant (β = 0.152; T = 2.342; p = 0.020), suggesting that SPD enhances brand equity primarily by first shaping brand image. Similarly, Social Media Usage (PMS) demonstrates a significant indirect effect (β = 0.161; T = 2.674; p = 0.008), indicating that social media activities contribute to brand equity through the formation of positive brand perceptions. Customer Interaction (IP) shows the strongest indirect effect (β = 0.189; T = 2.889; p = 0.004), highlighting its substantial role in building brand image, which in turn enhances brand equity. When these results are interpreted alongside the direct effects, it can be concluded that SPD and PMS exhibit full mediation, as their direct effects on brand equity are insignificant while their indirect effects are significant. In contrast, IP demonstrates partial mediation, since it has both significant direct and indirect effects on brand equity. Overall, these findings reinforce the critical role of brand image as a mediating mechanism that translates digital and relational activities into enhanced brand equity.

Model Struktural (Inner Model)

Table 8. Coefficient of Determination (R^2)

Variable endogenous	R^2	Interpretasi
Brand Image	0.563	Medium – Strong
Brand Equity	0.612	Medium – Strong

Source: Data Process, 2026

Table 8 presents the coefficient of determination (R^2) for the endogenous variables in the model. The results show that Brand Image has an R^2 value of 0.563, indicating that 56.3% of its variance is explained by Digital Marketing Strategy, Social Media Usage, and Customer Interaction. This suggests a moderate to strong explanatory power. Similarly, Brand Equity has an R^2 value of 0.612, meaning that 61.2% of its variance is explained by Brand Image, Digital Marketing Strategy, Social Media Usage, and Customer Interaction, which also falls within the moderate to strong category. Overall, these findings indicate that the proposed model has substantial predictive relevance, as it is able to explain a considerable proportion of variability in both Brand Image and Brand Equity. However, the remaining unexplained variance (43.7% for Brand Image and 38.8% for Brand Equity) suggests that other factors not included in the model may also influence these constructs, providing opportunities for future research to incorporate additional variables.

DISCUSSION

The Influence of Digital Marketing Strategy on Brand Image

The results showed that digital marketing strategies had a positive and significant effect on brand image. These findings indicate that the stronger the implementation of digital strategies carried out by MSMESs—such as optimizing promotional content through social media, using search engine optimization (SEO), and utilizing e-commerce platforms—the more positive consumer perception of the brands offered. The success of MSMESs in building a strong brand image no longer depends only on conventional marketing activities, but also on the effectiveness of digital marketing strategies that are able to reach a wide and interactive audience. These results are consistent with the findings of Tiago and Veríssimo (2014) who affirm that digital marketing plays an important role in shaping and strengthening brand image through increased interaction, message personalization, and customer engagement in the digital realm. Furthermore, research by Dwivedi et al. (2021) confirms that the implementation of an integrated digital marketing strategy is able to strengthen brand engagement and brand image, especially in the MSMES sector that relies on direct communication with consumers through online platforms. Todor (2016) argues that digital marketing not only functions as a means of promotion, but also as a two-way communication medium that builds an emotional connection between brands and customers. Another study by Kumar et al. (2020) shows that the use of social media as part

of a digital strategy has a significant impact on the formation of brand perception through increased brand visibility and credibility in the eyes of consumers.

The Influence of Social Media Use on Brand Image

The results showed that the use of social media had a positive and significant effect on brand image. This indicates that the more active MSMES actors are in utilizing social media such as Instagram, Facebook, and TikTok in marketing activities, the stronger the positive perception of consumers of their brand image. Social media activities allow MSMESs to interact directly with the audience, convey brand messages creatively, and build a consistent visual identity, thereby increasing brand awareness and strengthening brand image. These findings are consistent with Ismail's (2017) research which confirms that customer engagement on social media has a significant impact on brand image formation because it creates an emotional connection and trust between consumers and companies. In addition, Schivinski and Dabrowski (2016) found that content generated by both companies and users (user-generated content) on social media significantly affects brand equity and brand image through increased perception of value and brand credibility. Another study by Bruhn, Schoenmueller, and Schäfer (2012) shows that brand communication through social media has a greater influence on brand image than traditional media, as high interactivity allows consumers to feel closer and engaged with brands. Meanwhile, Habibi, Laroche, and Richard (2014) stated that brand engagement on social media increases consumers' perception of the authenticity and emotional value of brands, which ultimately strengthens a positive image in the minds of customers.

The Influence of Customer Interaction on Brand Image

The results showed that customer interaction had a positive and significant effect on brand image. These findings indicate that the more active and responsive MSMES actors are in responding to questions, complaints, and input from customers, the stronger the positive perception of consumers towards the brand. Fast, empathetic, and consistent forms of interaction can create a pleasant customer experience, increase trust, and foster an emotional connection between customers and brands. These findings are in line with the theory put forward by Brodie et al. (2013), who assert that customer engagement is a fundamental element in the formation of brand image because it involves the cognitive, emotional, and behavioral dimensions of customers in a long-term relationship with the brand. The higher the level of customer engagement, the more likely they are to develop a positive perception and loyalty to the brand. Previous research by Hollebeek (2011) showed that strong brand engagement has a direct impact on increasing brand trust and brand image, as customers feel emotionally attached and actively participating in the brand. In addition, so et al. (2016) emphasized that customer engagement in digital contexts, such as interactions on social media or e-commerce platforms, can strengthen brand relationship quality and accelerate the process of forming a positive brand image. Vivek, Beatty, and Morgan (2012) argue that customer engagement is not only about two-way communication, but includes the active participation of customers in creating value along with the brand. This kind of interaction builds a sense of belonging and increases consumer perception of brand credibility and authenticity.

The Influence of Brand Image on Brand Equity

The results showed that brand image had a positive and very significant effect on brand Equity. These findings confirm that consumers' positive perception of brands is a key factor in creating and strengthening brand equity. The higher the positive image attached to a brand, the greater the value felt by consumers, both in the form of loyalty, preference, and willingness to pay a higher price. This result is consistent with the theory put forward by Keller (2001), who explains that brand image is one of the main dimensions of customer-based brand equity. Brand image is formed through strong, advantageous and unique associations in the minds of consumers. When consumers have a positive perception of a brand, they tend to be more trusting, loyal, and emotionally committed to the brand. Kimpakorn and Tocquer (2010) found that a positive brand image not only directly influences the perception of brand equity, but also strengthens the long-term relationship between customers and companies through increased customer trust and satisfaction. Nam, Ekinci, and Whyatt (2011) identified that brand image contributes significantly to brand loyalty and brand equity through the mediating effect of brand trust in the context of services. This shows that a good brand image serves as a bridge that connects customer perception to brand quality and equity.

The Influence of Digital Marketing Strategy on Brand Equity (direct)

The results showed that the direct influence of digital marketing strategies on brand equity was not significant. These findings indicate that the implementation of digital marketing strategies by MSMES actors has not been able to directly increase brand equity. The impact of the new digital strategy will be felt if mediated by a strong brand image. In other words, digital marketing activities such as online promotion, social media use, and SEO optimization need to first build a positive brand image in order to increase the perception of brand equity in consumers' minds. This result reinforces the theory put forward by Keller (2003) in the Customer-Based Brand Equity (CBBE) model, which explains that brand equity is formed through the stages of brand awareness, brand image, and brand resonance. This means that marketing strategies cannot directly create brand equity without first building a positive perception of the brand in the minds of consumers. Research by Dwivedi et al. (2021) supports these findings by showing that the effectiveness of digital marketing on brand equity depends on the strength of brand image formed through consistent interactions, positive experiences, and consumer trust. Similarly, Seo and Park (2018) found that digital marketing activities have a significant effect on brand equity only when consumers have a strong brand perception and are consistent with the company's values. Furthermore, Chattopadhyay and Laborie (2023) emphasized that brand image serves as a mediation mechanism that bridges the relationship between digital communication strategies and brand equity perceptions. In the context of MSMESs, this means that investment in digital strategies needs to be accompanied by strengthening brand messages, visual branding, and authenticity of content in order to be able to create sustainable brand equity.

The Effect of Social Media Use on Brand Equity (direct)

The results showed that the effect of social media use on brand equity was not significant. These findings indicate that social media activities carried out by MSMES actors, such as promotions on Instagram, Facebook, or TikTok, have not directly increased brand equity if they are not supported by a strong and consistent brand image. Thus, social media plays a role as an effective communication channel, but its strategic impact on brand equity will only appear if activities on the platform succeed in building a positive brand perception in the minds of consumers. These findings are in line with the conceptual model put forward by Keller (2003) in the Customer-Based Brand Equity (CBBE) Framework, which asserts that brand equity is formed gradually through brand awareness, brand image, and brand resonance). In this context, social media only serves as a messaging tool, whereas brand equity formation is entirely dependent on successfully creating strong and meaningful brand associations. Research by Bruhn, Schoenmueller, and Schäfer (2012) shows that social media does have great potential in influencing consumer perception, but its effect on brand equity depends on the quality of communication and interactions built. This result is also strengthened by Ismail (2017) who found that marketing activities through social media do not automatically increase brand equity, but must first build brand engagement and a positive brand image. Schivinski and Dabrowski (2016) explain that the relationship between social media and brand equity is indirect because it is mediated by consumer perception of brand image. Content that is consistent, authentic, and in line with brand equitys has a greater impact on the formation of a positive image, which in turn reinforces the overall brand equity.

The Effect of Customer Interaction on Brand equity (direct)

The results showed that customer interaction had a direct and significant effect on brand equity. These findings confirm that the more intensive and quality the interaction carried out between MSMES actors and their consumers—through quick response, empathy in communication, and good after-sales service—the higher the perception of value that consumers feel for the brand. Consumers tend to appreciate direct attention from sellers because it creates a positive emotional experience and strengthens trust in the brand. These results support the Service-Dominant Logic theory of Vargo and Lusch (2008), which states that value is not created unilaterally by manufacturers, but rather through a process of interaction and co-creation between the company and the customer. In the context of digital and MSMESs, these interactions serve as a value-building mechanism that focuses on customer experience and ongoing emotional connections. Previous research by Brodie et al. (2013) also confirmed that active customer engagement in brand relationships can create greater value through participatory experiences and meaningful interactions. Similarly, Hollebeek (2019) found that brand engagement driven by positive interactions strengthens brand quality perceptions as well as consumer loyalty, which ultimately increases brand equity. Dessart, Veloutsou, and Morgan-Thomas (2015)

explain that customer emotional and social engagement with brands, which often occurs through digital platforms, has a significant influence on the formation of long-term brand equity.

Mediation Test: The Role of Brand Image

The results of the mediation test showed that brand image significantly mediated the influence of digital marketing strategy. social media use, and customer interaction on brand equity. These findings confirm that brand image acts as a psychological mechanism that bridges the relationship between digital-based marketing activities and the formation of value perceptions by consumers. In other words, digital strategies, social media, and new customer interactions will make an optimal contribution to brand equity if they first strengthen a positive brand image in the minds of consumers. These findings are in line with the Customer-Based Brand Equity (CBBE) framework developed by Keller (2001, 2013), which states that brand image perception is at the core of brand equity formation because it reflects the associations, emotions, and trust formed from interactions between customers and brands. In the digital context, brand image serves as a cognitive filter that influences how consumers assess the relevance, quality, and credibility of the marketing communications they receive online. Research by Dwivedi et al. (2021) confirms that the effectiveness of digital marketing strategies is highly dependent on the brand's ability to build a consistent and authentic image. Similarly, Schivinski, Langaro, and Dabrowski (2020) found that brand image has a significant mediating role between social media activity and brand equity, especially when digital interactions create valuable experiences for customers. In addition, Hollebeek and Macky (2019) highlight the importance of engagement-based brand image as a connecting factor between interactive digital activities and sustainable brand loyalty and value.

CONCLUSION

This study demonstrates that digital marketing strategy, social media usage, and customer interaction significantly influence the brand image of MSMEs in Bandung City, and that brand image plays a crucial role in shaping brand equity. The findings further reveal a more nuanced mechanism: digital marketing strategy and social media usage do not directly affect brand equity, but primarily operate indirectly through brand image, highlighting that digital exposure and social activities must first be translated into positive consumer perceptions to create brand value. In contrast, customer interaction exerts both direct and indirect effects on brand equity, as relational experiences such as responsiveness, trust, and engagement can immediately strengthen brand value while also reinforcing brand image. Therefore, brand image emerges as the key mechanism in the formation of MSME brand equity, acting as the bridge that converts digital and relational activities into perceived value.

These findings imply that MSMEs should not only intensify digital marketing efforts but also focus on building authentic, consistent, and customer-relevant content that strengthens brand image. Social media strategies should emphasize two-way communication to foster trust and meaningful engagement, while customer interaction should be managed proactively to enhance both relational value and brand perception. Local governments and MSME support institutions are encouraged to provide training in digital literacy and brand management to optimize the use of digital platforms. This study is limited to MSMEs in Bandung City and focuses on three main variables using a quantitative approach from the perspective of business actors, which may limit generalizability and consumer-based insights. Future research is recommended to include more diverse regions and sectors, incorporate additional variables such as customer loyalty, service quality, brand trust, product quality, and corporate social responsibility (CSR), and further integrate frameworks such as Customer-Based Brand Equity (CBBE) and Digital Engagement Theory. Additionally, mixed-method and longitudinal approaches are suggested to provide deeper and more comprehensive insights into the long-term formation of brand equity.

SUGGESTION

Practical Implications. The findings suggest that MSMEs in Bandung need to further optimize, rather than entirely lack, their current digital practices. Many MSMEs have already adopted digital marketing and social media; however, these activities are often not yet strategically directed toward building a strong and consistent brand image. Therefore, MSMEs should prioritize strengthening brand image as a key pathway to enhancing brand equity by implementing more consistent, authentic, and customer-oriented digital marketing strategies. This includes producing relevant and engaging content,

as well as fostering active two-way communication through social media to build trust and long-term relationships. In addition, customer interaction should be managed more systematically, as it has both direct and indirect effects on brand equity. Support from local governments and MSME development institutions remains essential, particularly through targeted training in digital marketing strategy, brand management, and digital engagement to improve the effectiveness of digital platform utilization.

Theoretical Implications. This study reinforces the role of brand image as a central mediating mechanism in the relationship between digital marketing strategy, social media usage, customer interaction, and brand equity. The findings confirm that digital marketing and social media primarily influence brand equity indirectly through brand image, while customer interaction operates through both direct and indirect pathways. These results strengthen the applicability of Customer-Based Brand Equity (CBBE) and Digital Engagement Theory in explaining how brand value is formed in the context of MSMEs. Furthermore, this study contributes to the literature by providing an integrated empirical model that captures both perceptual (brand image) and relational (customer interaction) mechanisms in shaping brand equity. Future research is encouraged to expand the model by incorporating additional variables such as customer loyalty, brand trust, product quality, and corporate social responsibility (CSR), as well as applying mixed-method and longitudinal approaches to generate more comprehensive and long-term insights.

REFERENCE

Aaker, D. A. (1991). Managing brand equity: Capitalizing on the value of a brand name. New York: The Free Press.

Abbasi, G. A., Abdul Rahim, N. F., Wu, H., Iranmanesh, M., & Keong, B. N. C. (2022). Determinants of SMES's social media marketing adoption: Competitive industry as a moderator. SAGE Open, 12(1), 1–18. https://doi.org/10.1177/21582440211067220

Akanji, O. J. (2025, Maret). Impact of social media marketing on brand visibility and customer engagement. International Journal of Business Economics & Management Science, 7(7). https://doi.org/10.1177/21582440211067220

Atwong, C. T. (2015). A social media practicum: An action-learning approach to social media marketing and analytics. Marketing Education Review, 25(1), 27–31. https://doi.org/10.1080/10528008.2015.999576

Bala, M., & Verma, D. (2018). A critical review of digital marketing. International Journal of Management, IT & Engineering, 8(10), 321–339.

Bappeda Kota Bandung. (2022). Laporan kinerja pembangunan daerah tahun 2021–2022. Bandung: Pemerintah Kota Bandung.

Barbosa, B., de Vasconcelos, F. C., & Ferreira, J. J. (2020). Digital marketing and small business: A bibliometric analysis. International Journal of Entrepreneurship and Small Business, 40(4), 536–558. https://doi.org/10.1504/IJESB.2020.109232

Bilgin, Y. (2018). The effect of social media marketing activities on brand awareness, brand image and brand loyalty. Business & Management Studies: An International Journal, 6(1), 128–148. https://doi.org/10.15295/bmij.v6i1.229

Brodie, R. J., Hollebeek, L. D., Juric, B., & Ilić, A. (2013). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research, 14*(3), 252– 271. https://doi.org/10.1177/1094670511411703

Bruhn, M., Schoenmueller, V., & Schäfer, D. B. (2012). Are social media replacing traditional media in terms of brand equity creation? *Management Research Review, 35*(9), 770–790. https://doi.org/10.1108/01409171211255948

Chaffey, D., & Ellis-Chadwick, F. (2019). Digital marketing (7th ed.). Pearson Education.

Chattopadhyay, A., & Laborie, J. L. (2023). Digital communication strategies and brand equity: The mediating role of brand image. *Journal of Brand Management, 30*(1), 12–28. https://doi.org/10.1057/s41262-022- 00302-5

Cheng, C. C. J., & Shiu, E. C. (2019). How to enhance SMESs customer involvement using social media: The role of social CRM. International Small Business Journal, 37(1), 22–42. https://doi.org/10.1177/0266242618774831

Creswell, J. W. (2014). Research design: Qualitative, quantitative, and mixed methods approaches (4th ed.). SAGE Publications.

Dessart, L., Veloutsou, C., & Morgan-Thomas, A. (2015). Consumer engagement in online brand communities: A social media perspective. *Journal of Product & Brand Management, 24*(1), 28–42. https://doi.org/10.1108/JPBM-06-2014-0635

Dhewi, T. S., & Kurnianto, M. (2023). Social media marketing and its influence on brand equity: The mediating role of word-of-mouth and e-word-of-mouth. Jurnal Pendidikan Ekonomi dan Bisnis, 11(1), 1–11. https://doi.org/10.21009/JPEB.011.1.1

Dwivedi, Y. K., Ismagilova, E., Hughes, D. L., Carlson, J., Filieri, R., Jacobson, J., ... & Wang, Y. (2021). Setting the future of digital and social media marketing research: Perspectives and research propositions. *International Journal of Information Management, 59*, 102168. https://doi.org/10.1016/j.ijinfomgt.2020.102168

Godey, B., Manthiou, A., Pederzoli, D., Rokka, J., Aiello, G., Donvito, R., & Singh, R. (2016). Social media marketing efforts of luxury brands: Influence on brand equity and consumer behavior. Journal of Business Research, 69(12), 5833–5841. https://doi.org/10.1016/j.jbusres.2016.04.181

Gunawan, Kristin Natalia, M. I. B. (2024). *J URISMA : Jurnal Riset Bisnis dan Manajemen Exploring the Nexus between People , Physical Evidence , Satisfaction , and Loyalty in Healthcare Services J URISMA : Jurnal Riset Bisnis dan Manajemen*. *14*(October), 353–362.

Habibi, M. R., Laroche, M., & Richard, M. O. (2014). The roles of brand community and community engagement in building brand trust on social media. *Computers in Human Behavior, 37*, 152–161. https://doi.org/10.1016/j.chb.2014.04.016

Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2019). A primer on partial least squares structural equation modeling (PLS-SEM) (2nd ed.). SAGE Publications.

Handayani, P. W. (2020). Digital marketing adoption by small and medium enterprises in Indonesia: An extended TAM perspective. International Journal of Asian Business and Information Management, 11(2), 55–74. https://doi.org/10.4018/IJABIM.2020040104

Hollebeek, L. D. (2011). Demystifying customer brand engagement: Exploring the loyalty nexus. *Journal of Marketing Management, 27*(7–8), 785–807. https://doi.org/10.1080/0267257X.2010.500132

Hollebeek, L. D. (2019). Developing business customer engagement through social media engagement-platforms: An integrative SD logic/RBV-informed model. *Industrial Marketing Management, 81*, 89–98. https://doi.org/10.1016/j.indmarman.2017.11.016

Ismail, A. R. (2017). The influence of perceived social media marketing activities on brand loyalty: The mediation effect of brand and value consciousness. Asia Pacific Journal of Marketing and Logistics, 29(1), 129– 144. https://doi.org/10.1108/APJML-10-2015-0154

Juanim, M. I. (2025). SRIWIJAYA INTERNATIONAL JOURNAL OF DYNAMIC Business Going Concern : Encourage and Raise the Competitiveness of Small Businesses Through Digital Marketing Strategies. *International, Sriwijaya Of, Journal*, *9*(May), 37–56.

Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media. Business Horizons, 53(1), 59–68. https://doi.org/10.1016/j.bushor.2009.09.003

Keller, K. L. (2001). Building customer-based brand equity: A blueprint for creating strong brands. Marketing Management, 10(2), 15–19.

Keller, K. L. (2003). *Strategic brand management: Building, measuring, and managing brand equity* (2nd ed.). Upper Saddle River, NJ: Prentice Hall.

Keller, K. L. (2009). Building strong brands in a modern marketing communications environment. Journal of Marketing Communications, 15(2–3), 139–155. https://doi.org/10.1080/13527260902757530

Keller, K. L. (2001). Building customer-based brand equity: A blueprint for creating strong brands. Marketing Science Institute.

Keller, K. L. (2013). Strategic brand management: Building, measuring, and managing brand equity (4th ed.). Pearson Education.

Kementerian Koperasi dan UKM. (2023). Laporan tahunan perkembangan UMKM Indonesia 2022–2023. Jakarta: Kemenkop UKM.

Kim, A. J., & Ko, E. (2012). Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. Journal of Business Research, 65(10), 1480–1486. https://doi.org/10.1016/j.jbusres.2011.10.014

Kimpakorn, N., & Tocquer, G. (2010). Service brand equity and employee brand commitment. Journal of Services Marketing, 24(5), 378–388. https://doi.org/10.1108/08876041011060486

Kingsnorth, S. (2019). Digital marketing strategy: An integrated approach to online marketing. Kogan Page.

Kumar, V., Rajan, B., Gupta, S., & Dalla Pozza, I. (2020). Customer engagement in service. *Journal of the Academy of Marketing Science, 48*(1), 9–23. https://doi.org/10.1007/s11747-019-00695-5

Low, G. S., & Lamb, C. W. (2000). The measurement and dimensionality of brand associations. Journal of Product & Brand Management, 9(6), 350–370. https://doi.org10.1108/10610420010356966

McKinsey QSR Industry Study. (2023). In-store electronic word-of-mouth effects on social media. Electronic Commerce Research.

Nam, J., Ekinci, Y., & Whyatt, G. (2011). Brand equity, brand loyalty and consumer satisfaction. Annals of Tourism Research, 38(3), 1009–1030. https://doi.org/10.1016/j.annals.2011.01.015

One Bowl Soup & Sharma. (2024). The effectiveness of digital marketing: A case study of One Bowl Soup. Business Applied Management Journal.

Park, C.-I., & Namkung, Y. (2022). The effects of Instagram marketing activities on customer-based brand equity in the coffee industry. Sustainability, 14(3), 1657.

Rimadias, S., Alvionita, N., & Amelia, A. P. (2021). Using TikTok in social media marketing to create brand awareness, brand image, and brand loyalty in the tourism sector in Indonesia. The IJES, 12(10).

Ryan, D. (2016). Understanding digital marketing: Marketing strategies for engaging the digital generation (4th ed.). Kogan Page Publishers.

Schivinski, B., & Dabrowski, D. (2016). The effect of social media communication on consumer perceptions of brands. *Journal of Marketing Communications, 22*(2), 189–214. https://doi.org/10.1080/13527266.2013.871323

Sekaran, U., & Bougie, R. (2016). Research methods for business: A skill-building approach (7th ed.). John Wiley & Sons.

Seo, E. J., & Park, J. W. (2018). A study on the effects of social media marketing activities on brand equity and customer response in the airline industry. *Journal of Air Transport Management, 66*, 36– 41. https://doi.org/10.1016/j.jairtraman.2017.09.014

Setiawan, H., Baihaqi, M. I., & Bebena, I. (2022). Dampak Kecerdasan Intelektual Dan Kecerdasan Emosional Terhadap Kinerja Karyawan. *JURISMA : Jurnal Riset Bisnis & Manajemen*, *12*(1), 156–172. https://doi.org/10.34010/jurisma.v12i1.5253

So, K. K. F., King, C., Sparks, B. A., & Wang, Y. (2016). The role of customer engagement in building consumer loyalty to tourism brands. *Journal of Travel Research, 55*(1), 64–78. https://doi.org/10.1177/0047287514541008

Sugiyono. (2019). Metode penelitian kuantitatif, kualitatif, dan R&D. Bandung: Alfabeta.

Sweet Mango Jepara Study. (2024). Strategi pemasaran media sosial, citra merek, dan minat pembelian. JEM, 7(2), 20–33.

Tiago, M. T. P. M. B., & Veríssimo, J. M. C. (2014). Digital marketing and social media: Why bother? Business Horizons, 57(6), 703–708. https://doi.org/10.1016/j.bushor.2014.07.002

Todor, R. D. (2016). Blending traditional and digital marketing. *Bulletin of the Transilvania University of Braşov, Series V: Economic Sciences, 9*(1), 51–56.

Vargo, S. L., & Lusch, R. F. (2008). Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science, 36*(1), 1–10. https://doi.org/10.1007/s11747-007-00696

Vivek, S. D., Beatty, S. E., & Morgan, R. M. (2012). Customer engagement: Exploring customer relationships beyond purchase. *Journal of Marketing Theory and Practice, 20*(2), 122–146. https://doi.org/10.2753/MTP1069-6679200201

Yoo, B., & Donthu, N. (2001). Developing and validating a multidimensional consumer-based brand equity scale. Journal of Business Research, 52(1), 1–14. https://doi.org/10.1016/S0148-2963(99)00098-3