

## Determinants of Brand Equity: The Roles of Brand Awareness, Association, Loyalty, and Image in the Airline Industry

Kok Ban Teoh<sup>1</sup>, Kia Hui Gan<sup>2</sup>, Foong Jia Yee<sup>3\*</sup>, Gan Lee Fan<sup>3</sup>, Lin Shihui<sup>3</sup>,  
Fathimah Az-Zahra Binti Harudin<sup>3</sup>, Fu Wei<sup>3</sup>, A. J. Ali<sup>3</sup>, Daisy Mui Hung Kee<sup>3</sup>

<sup>1</sup>National Higher Education Research Institute, Universiti Sains Malaysia, 11900 Bayan Lepas, Penang, Malaysia

<sup>2</sup>INTI International College Penang, 11900 Bayan Lepas, Pulau Pinang, Malaysia

<sup>3</sup>Universiti Sains Malaysia, Jalan Sg Dua, 11800 Minden, Pulau Pinang, Malaysia

\*Corresponding Email: [foongjiayee@student.usm.my](mailto:foongjiayee@student.usm.my)

### ARTICLE INFORMATION

#### Publication information

#### Research article

#### HOW TO CITE

Teoh, K. B., Gan, K. H., Yee, F. J., Fan, G. L., Shihui, L., Az-Zahra, F. H., ..., & Kee, D. M. H. (2025). Determinants of brand equity: The roles of brand awareness, association, loyalty, and image in the airline industry. *International Journal of Tourism and Hospitality in Asia Pacific*, 8(3), 483–499.

#### DOI:

<https://doi.org/10.32535/ijthap.v8i3.4222>

Copyright@ 2025 owned by Author(s).  
Published by IJTHAP



This is an open-access article.

License:

Attribution-Noncommercial-Share Alike  
(CC BY-NC-SA)

Received: 17 August 2025

Accepted: 18 September 2025

Published: 20 October 2025

### ABSTRACT

AirAsia, a Malaysian low-cost airline, has recently faced operational challenges such as customer complaints, IT disruptions, and flight delays that have weakened customer trust and loyalty, leading to a decline in its overall brand equity. This study aims to examine the key factors influencing AirAsia's brand equity, focusing on four independent variables: brand awareness, brand association, brand loyalty, and brand image. A total of 151 respondents participated in an online survey distributed via Google Forms, and the collected data were analyzed using descriptive and regression analysis through SPSS. The findings reveal that brand awareness ( $\beta = 0.260$ ,  $p < 0.01$ ) and brand image ( $\beta = 0.394$ ,  $p < 0.001$ ) significantly and positively influence brand equity, while brand association ( $\beta = 0.146$ ) and brand loyalty ( $\beta = 0.104$ ) have positive but insignificant effects. The model explains 69.6% of the variance in brand equity ( $R^2 = 0.696$ ). These results suggest that AirAsia should strengthen brand awareness through digital marketing and improve brand image by enhancing customer experience, reliability, and communication to foster stronger brand equity.

**Keywords:** Brand Association; Brand Awareness; Brand Equity; Brand Image; Brand Loyalty

**International Journal of Tourism and Hospitality in Asia Pasific (IJTHAP)**  
**Vol. 8 No. 3, pp. 483-499, October, 2025**  
**E-ISSN: 2654-7945 P-ISSN: 2685-8800**  
<https://www.ejournal.aibpmjournals.com/index.php/IJTHAP>

## **INTRODUCTION**

AirAsia, a Malaysian low-cost airline with an 18-year history, has firmly established itself as a major player in the Asia-Pacific aviation industry, gaining extensive recognition for its affordability and innovative approach to air travel (AirAsia, 2024a). Over the years, the airline has played an instrumental role in democratizing air travel by making it accessible and affordable to millions of travellers across Asia. This strategic positioning has allowed AirAsia to capitalize on the region's growing demand for efficient and economical transportation options (Fickry et al., 2020). Founded in the early twenty-first century, AirAsia aligned its operations with global trends that recognized air travel as an essential component of connectivity for both business and leisure purposes. A pivotal milestone occurred in 2007 when the airline expanded into long-haul operations, beginning with Australia as its first destination, illustrating AirAsia's ambition to broaden its market reach and secure long-term regional influence (Niyomsart & Khamwon, 2015).

Despite its notable success and contributions to the aviation sector, AirAsia has recently faced a series of escalating challenges that threaten to undermine its operational efficiency, customer trust, and overall brand equity. According to Aaker (1991), brand equity comprises a set of assets and liabilities linked to a brand's name and symbol that add to or subtract from the value provided to the firm and its customers. For service-oriented firms such as airlines, strong brand equity depends on brand loyalty, brand awareness, and brand association, which create sustainable growth and a competitive advantage that extends beyond traditional marketing tools such as pricing, promotion, and distribution (Aaker, 1996; Buil et al., 2013; Keller, 2016). Within the airline context, brand trust is an essential construct that shapes customer perceptions of intangible service attributes and mitigates perceived risks during decision-making (Sarker et al., 2021; Siqueira et al., 2023; Thakshak, 2018).

Nevertheless, AirAsia's ability to maintain strong brand equity and customer trust has been strained by operational and reputational setbacks. The COVID-19 pandemic exposed significant weaknesses in the airline's customer-service infrastructure as many passengers struggled to obtain refunds for cancelled or rescheduled flights, leading to frustration and declining loyalty (Wilson et al., 2020). This situation was aggravated by AirAsia's dependence on its automated chatbot, AVA, as the main communication channel. In response to widespread dissatisfaction, the company later replaced AVA with "Ask Bo," an AI-based system aimed at improving service transparency and responsiveness (AirAsia, 2023).

In March 2024, AirAsia suffered a cybersecurity breach attributed to the hacker group SiegedSecurity, compromising 2.2 GB of sensitive supplier and customer data, including banking and account information (Fam, 2024). This incident severely damaged public trust, one of the core elements of brand equity (Sasmita & Suki, 2015). A few months later, in July 2024, a global IT system disruption caused extensive delays and long queues across multiple airports. Despite operating over 99 percent of scheduled flights during the disruption, the airline experienced heightened customer dissatisfaction compared with competitors such as Malaysia Airlines (AirAsia, 2024b).

Further compounding these challenges, the Malaysian Aviation Commission (MAVCOM) reported that AirAsia received the highest number of customer complaints in both 2022 and 2024, primarily concerning flight cancellations, baggage mishandling, and service delays, which have contributed to a decline in perceived service quality and online reputation (López-Rodríguez & Forero, 2024). Financially, the company has also encountered pressures, with AirAsia MOVE recording a 25 percent year-on-year

revenue decrease in the second quarter of 2024, partly due to rising technological investments and the discontinuation of commissions from offline travel agents ([AirAsia, 2024b](#)).

These persistent challenges highlight the urgent need for AirAsia to adopt comprehensive strategies to rebuild brand equity and restore customer confidence. Addressing operational inefficiencies, improving customer-service quality, and investing in advanced cybersecurity systems are critical steps toward recovery. Moreover, initiatives such as enhancing loyalty programs, diversifying support channels, and fostering transparency and accountability will be fundamental for regaining trust and ensuring AirAsia's long-term sustainability in an increasingly competitive aviation market ([Keller & Brexendorf, 2019](#); [Wilson et al., 2020](#)).

In light of these pressing challenges, this study aims to examine the determinants of brand equity by analyzing the effects of brand awareness, brand association, brand loyalty, and brand image within the context of AirAsia. The primary objective is to identify which dimensions exert the most significant influence on strengthening the airline's brand equity amid reputational and operational disruptions. This research holds both theoretical and practical significance: theoretically, it extends the application of [Aaker's \(1991; 1996\)](#) brand equity framework to the contemporary airline industry, particularly within a post-crisis context characterized by digital transformation and service innovation; practically, it offers managerial insights for developing effective branding strategies that reinforce customer trust and loyalty. The novelty of this study lies in its integration of recent real-world crises, such as cybersecurity breaches, customer service failures, and technological transitions, into the examination of brand equity formation in the aviation sector. By doing so, it contributes to the literature by providing an updated empirical perspective on how service-oriented brands can recover and sustain equity in the face of evolving consumer expectations and technological challenges.

## **LITERATURE REVIEW**

The literature review examines the impact of brand awareness, association, loyalty, and image on the brand equity of AirAsia. The main reason for AirAsia being success is that it is a Malaysian low-cost airline. AirAsia Berhad is a well-known low-cost airline that brings a tagline of "Now Everyone Can Fly" and is admired by the big business in the world ([Fickry et al., 2020](#)). According to [AirAsia \(2024a\)](#), AirAsia has once again been named the world's best low-cost airline at the Skytrax World Airline Awards 2024. This achievement highlights AirAsia's ongoing commitment to innovation and value in the low-cost carrier market. In this study, the researchers will examine several variables that impact the brand equity of AirAsia.

### **Brand Equity**

This study builds upon [Aaker's \(1991\)](#) foundational principles and further explores key factors such as brand awareness, brand associations, brand loyalty, brand image, and brand equity. Brand equity encompasses a set of assets and liabilities associated with a brand's name, symbol, or other elements that can enhance or diminish the value of the goods and services provided to both the company and its customers ([Puspaningrum, 2020](#)). Measuring brand equity is crucial as it enables brands to evaluate their value relative to competitors ([Aaker, 1996](#)). Understanding the significance of brand equity offers airlines actionable insights into enhancing their value proposition ([Keller & Brexendorf, 2019](#)). Elevated levels of brand equity are directly linked to positive incremental customer responses ([Buil et al., 2013](#)). The findings emphasize the importance of brand loyalty, brand associations, and brand awareness in helping

organizations within the airline industry strengthen their brand equity management and understand its impact on customers (López-Rodríguez et al., 2024). For instance, when customers choose AirAsia over competing airlines, the airline's brand equity benefits positively. Thus, in the highly competitive airline market, fostering a strong and positive service brand equity is essential (Sarker et al., 2021).

### **Brand Awareness**

Brand awareness measures the extent to which a brand is present in the minds of consumers. It refers to the ability of potential customers to recognize and recall a brand as part of a specific product category (Sheikh et al., 2024). Keller (2016) highlights the pivotal role of brand awareness in building brand value, particularly in enabling consumers to identify with a brand. Achieving this requires creating a meaningful differentiation for the product or service.

In purchasing contexts, brand awareness significantly influences decision-making by reinforcing consumer trust and loyalty (Dilip et al., 2021). Today, consumers often develop brand awareness through effective marketing communication, with social media advertising emerging as a key channel (Rubio et al., 2014). For airline managers, leveraging social media communications can not only enhance brand awareness but also provide insights into forecasting future customer purchasing behavior (Paethrangsi et al., 2024).

Brand awareness plays a critical role in consumer decision-making, serving as a heuristic tool that simplifies choices and aids in managing customer-based brand equity (Chung et al., 2013). Moreover, it has a direct and substantial impact on brand equity (Imaningsih & Vega, 2020). For AirAsia, using social media to promote its brand contributes to strengthening its brand awareness and, in turn, fosters the growth of its brand equity.

H1: Brand awareness positively and significantly influences brand equity.

### **Brand Association**

Brand associations refer to the psychological connections customers form between a brand and specific concepts, emotions, images, interests, individuals, experiences, or activities. These associations are studied for several reasons, including their influence on customer behavior (del Río et al., 2001), their role in building brand equity (Chen, 2001), and the finding that behaviorally loyal customers tend to have stronger brand associations (Romaniuk et al., 2013). For instance, when customers think of purchasing flight tickets, AirAsia often comes to mind, reflecting the strength of its brand associations. Such associations, whether positive or negative, significantly impact purchasing decisions (Nate, 2021).

Brand associations encompass the mental links customers make between a brand and its values, emotions, and outcomes. Positive associations naturally enhance customer alignment with a brand's identity (Gaby et al., 2023). Brands, fundamentally, exist in people's minds, which operate not as static data stores but as interconnected networks. Because concepts are linked, thinking about one idea can trigger related thoughts, often subconsciously (Colin, 2018). Association is the primary mental driver; the meaning of a brand emerges from countless associations built through interactions with its users, making branding a deeply cognitive process (Thellefsen & Sørensen, 2015).

Studies have consistently shown a positive correlation between brand associations and brand equity (Jayswal & Vora, 2019). Furthermore, brand associations have been found to significantly enhance overall brand equity (Azzahra et al., 2024).

H2: Brand association positively and significantly influences brand equity.

### **Brand Loyalty**

Brand loyalty is the psychological attachment customers develop toward a particular brand (Ling et al., 2023). It serves as the cornerstone of brand equity, a fundamental concept in marketing that reflects the strength of a customer's connection to the brand (Imaningsih et al., 2020). Brand loyalty significantly influences consumers' purchase decisions for products or services (Khandai et al., 2023). It is characterized by a customer's willingness to make repeat purchases and consistently support the brand, enabling companies to retain their customer base while minimizing the costs associated with acquiring new customers.

Brand loyalty can be categorized into five levels, ranging from non-loyal buyers to highly loyal customers who actively recommend the brand as a reflection of their personality (Niyomsart et al., 2015). In the tourism industry, enhanced perceived value of airline brands often leads to an increase in the number of loyal customers, which in turn contributes substantially to profitability and sustainability (Azad & Sadeghifar, 2019). For instance, AirAsia can strengthen its brand loyalty by focusing on improved customer service and creating a strong perception of value. These efforts will enhance AirAsia's profitability and brand equity.

Extensive research has consistently demonstrated that brand loyalty exerts a positive and significant influence on brand equity (Suwiryono et al., 2024). This underscores the importance of cultivating and maintaining strong brand loyalty to drive long-term business success.

H3: Brand loyalty positively and significantly influences brand equity.

### **Brand Image**

AirAsia is widely recognized as a dynamic brand embodying the philosophy of "everyone can fly." This vision aligns closely with the principles of low-cost travel, emphasizing affordability, accessibility, and innovation. As noted by Bigné-Alcañiz et al. (2009), a strong brand image significantly influences consumer perception and loyalty. A positive public image plays a pivotal role in fostering brand recognition, as individuals who are unfamiliar with or indifferent to a brand are less likely to engage with it (Lee et al., 2024). Positioning itself as a trailblazer among low-cost airlines in Asia, AirAsia appeals to price-sensitive travelers and adventurous young audiences. Its core branding prominently features a vibrant, energetic red that conveys youthful dynamism and creates a striking visual impact. According to Kotler and Keller (2016), an effective brand image not only increases visibility but also establishes a strong emotional connection with consumers. AirAsia amplifies its brand presence through active engagement on social media and digital platforms, facilitating real-time customer interaction and feedback.

Additionally, AirAsia prioritizes customer service and operational efficiency, further strengthening its positive brand perception, as highlighted by Teoh et al. (2023). The brand image is shaped by various elements, including the brand name, services, visual symbols, sponsorships, and advertising, while the brand identity reflects the company's intended messaging and positioning (Wei, 2024). Studies have also shown that brand equity is positively influenced by a strong brand image (Rubio et al., 2014).

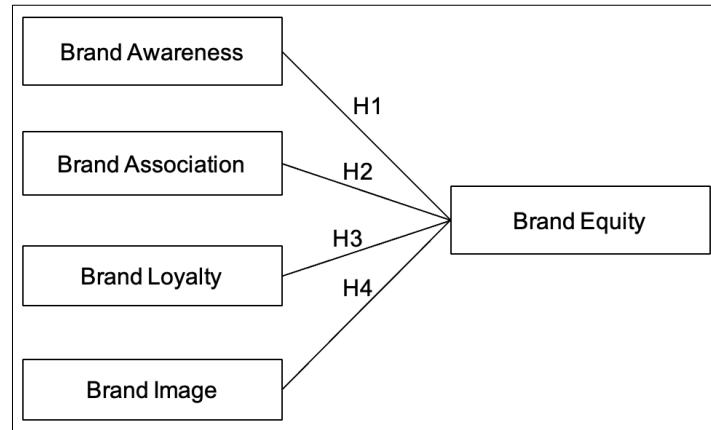
H4: Brand image positively and significantly influences brand equity.



### Conceptual Framework

The study framework model is depicted in [Figure 1](#).

**Figure 1.** Research Framework



## RESEARCH METHOD

### Research Design

This study employed a quantitative research design to examine the influence of brand awareness, brand association, brand loyalty, and brand image on brand equity in the context of AirAsia. As noted by [Tushanthan et al. \(2024\)](#), research methods represent systematic strategies used to conduct scientific investigations. To ensure comprehensive analysis and strengthen data validity, both primary and secondary data were utilized in this study. Primary data were collected through an online questionnaire distributed via Google Forms, while secondary data were obtained from credible sources such as academic journals, published articles, AirAsia's official website, and other relevant online platforms. The combination of these data sources enhanced the credibility of the research and provided a holistic understanding of the examined relationships within the aviation industry.

### Sample and Procedure

The study involved 151 respondents who had prior experience using AirAsia's services. The online questionnaire was disseminated through multiple social media platforms, including WhatsApp, Telegram, Facebook, and Instagram, to reach a diverse range of participants and ensure broad accessibility. A random distribution sampling method was employed to provide all individuals with an equal opportunity to participate and to minimize potential response bias. Ethical considerations were maintained throughout the data collection process, as respondents were fully informed about the research purpose and voluntarily participated in the study. The collected data were analyzed using IBM SPSS Statistics version 27, applying both descriptive and inferential statistical techniques to determine the significance and relationships among variables. Four hypotheses (H1–H4) were formulated to test the influence of the independent variables, brand awareness, brand association, brand loyalty, and brand image, on the dependent variable, brand equity. This methodological approach facilitated the collection of diverse feedback, enhanced analytical reliability, and improved the generalizability of the study's findings ([CheckMarket, 2019](#)).

### Measures

All constructs in this study were measured using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. The measurement items were carefully adapted from established studies to ensure content validity and internal consistency

across variables. The dependent variable, brand equity, was measured using items adapted from [Sasmita and Suki \(2015\)](#), emphasizing consumers' perceived value, emotional attachment, and loyalty toward a brand. This approach captures respondents' overall perception of AirAsia's brand strength and market position. The independent variables, brand awareness, brand association, brand loyalty, and brand image, were also assessed using validated scales derived from the same study by [Sasmita and Suki \(2015\)](#). Furthermore, the measurement items for brand image were refined based on the work of [Momen et al. \(2020\)](#), which focuses on consumers' emotional and cognitive evaluations of brand reputation and personality. All measurement items utilized in this research are presented in the Appendix as a comprehensive reference for the constructs and operational definitions applied in this study.

## RESULTS

### Respondents' Demographics

The demographic characteristics of the respondents were measured using single-item questions covering gender, age, ethnicity, education level, monthly income, and frequency of using AirAsia's services. This demographic information provided a contextual understanding of the sample composition and helped identify potential patterns in consumer behavior among different respondent groups.

**Table 1.** Summary of Respondents' Demographics (N=151)

Response	Frequency (N)	Percentage (%)
<b>Gender</b>		
Female	110	72.8
Male	41	27.2
<b>Age</b>		
18 - 24 years old	111	73.5
25 - 34 years old	30	19.9
35 - 44 years old	4	2.6
45 and above	2	1.3
Under 18	4	2.6
<b>Ethnicity</b>		
Chinese	132	87.4
Indian	6	4.0
Malay	12	7.9
Sino native	1	0.7
<b>Education Level</b>		
Bachelor's Degree	122	80.8
Diploma	10	6.6
Master's Degree	14	9.3
PhD	5	3.3
<b>Monthly Income</b>		
Above RM10,000	2	1.3
Below RM2,000	84	55.6
RM2,001 - RM5,000	43	28.5
RM5,001 - RM10,000	22	14.6
<b>Frequency of using AirAsia</b>		
Never used	14	9.3
Once a month	26	17.2
Once a week	1	0.7
Once a year	51	33.8



Rarely	59	39.1
--------	----	------

**Table 1** summarizes the demographic characteristics of the 151 respondents who participated in this study. The results indicate that most respondents were female (72.8%), while the remaining 27.2% were male. In terms of age, the majority (73.5%) were between 18 and 24 years old, followed by 19.9% aged 25 to 34 years, 2.6% aged 35 to 44 years, 1.3% aged 45 and above, and 2.6% aged under 18. This suggests that the sample mainly consists of young adults. Furthermore, most respondents were of Chinese ethnicity (87.4%), followed by Malay (7.9%), Indian (4.0%), and Sino native (0.7%).

Regarding education level, 80.8% of respondents held at least a bachelor's degree, 9.3% a master's degree, 6.6% a diploma, and 3.3% a PhD. This indicates that the respondents were generally well-educated. In terms of monthly income, 55.6% of respondents earned below RM2,000, 28.5% earned between RM2,001 and RM5,000, 14.6% earned between RM5,001 and RM10,000, and 1.3% earned above RM10,000. Given that most respondents were young adults, these figures suggest that many of them might still be students or early-career individuals, relying on part-time jobs, allowances, or scholarships for income.

Regarding the frequency of using AirAsia services, 39.1% of respondents reported using AirAsia rarely, 33.8% used it once a year, 17.2% used it once a month, 9.3% had never used AirAsia, and only 0.7% used it once a week. These findings indicate that while the majority have some level of experience with AirAsia, frequent use remains relatively low. This demographic profile provides valuable insights into the factors that influence AirAsia's brand equity among young and educated consumers in Malaysia.

**Table 2.** Descriptive Analysis, Cronbach's Coefficient Alpha, and Zero-order Correlations of all study variables (N=151)

Variables		1	2	3	4	5
1	Brand Awareness	0.841				
2	Brand Association	0.865**	0.839			
3	Brand Loyalty	0.695**	0.740**	0.833		
4	Brand Image	0.817**	0.816**	0.759**	0.872	
5	Brand Equity	0.780**	0.769**	0.692**	0.804**	0.747
Number of Items		5	5	5	5	2
Mean		3.83	3.70	3.62	3.84	3.85
Standard Deviation		0.683	0.667	0.686	0.745	0.836

Note: N=151; \*\*p < 0.01; Diagonal entries represent Cronbach's Coefficient Alpha

**Table 2** presents the descriptive statistics, reliability coefficients, and zero-order correlations among the study variables: brand awareness, brand association, brand loyalty, brand image, and brand equity. The Cronbach's alpha values, shown along the diagonal, range from 0.747 to 0.872, indicating a high level of internal consistency for all constructs. According to the guidelines established by [Nunnally and Bernstein \(1994\)](#), Cronbach's alpha values between 0.70 and 0.95 are considered acceptable, suggesting that all measurement items used in this study are reliable and suitable for further analysis. The mean values of the variables range from 3.62 to 3.85, reflecting generally positive perceptions among respondents toward AirAsia's brand attributes. The standard deviations, which vary between 0.667 and 0.836, indicate moderate variability in participants' responses. The correlation analysis further reveals significant positive relationships among all variables at the 0.01 significance level, with correlation coefficients ranging from 0.692 to 0.865. These results imply that higher levels of brand

awareness, brand association, brand loyalty, and brand image are strongly associated with greater brand equity. Overall, the descriptive, reliability, and correlation results collectively affirm the robustness of the measurement model and the interrelated nature of the constructs examined in this study.

**Table 3.** Summary of Regression Analysis

Variables		Brand Equity
1.	Brand Awareness	0.260**
2.	Brand Association	0.146
3.	Brand Loyalty	0.104
4.	Brand Image	0.394***
R <sup>2</sup>		0.696
F value		86.704
Durbin Watson Statistic		2.167

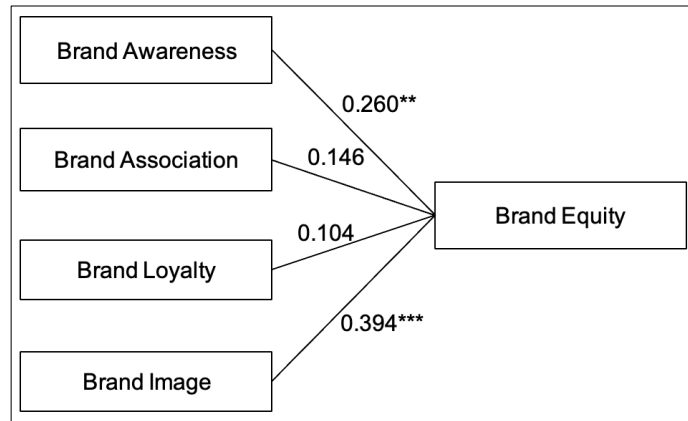
Note: N=151; \*p < 0.05, \*\*p < 0.01, \*\*\*p < 0.001.

As shown in [Table 3](#), the regression analysis summarizes the relationship between brand equity (the dependent variable) and the independent variables of brand awareness, brand association, brand loyalty, and brand image. The analysis demonstrates the strength and significance of these relationships through statistical testing. The results indicate that H1, which proposes a positive effect of brand awareness on brand equity, is supported at a significance level of  $p < 0.01$ , while H4, which posits a positive effect of brand image on brand equity, is strongly supported at  $p < 0.001$ . These findings highlight significant positive relationships between brand awareness and brand image, with brand equity.

In contrast, H2 (the effect of brand association on brand equity) and H3 (the effect of brand loyalty on brand equity) are not supported, as their beta coefficients ( $\beta = 0.146$  and  $\beta = 0.104$ , respectively) do not reach statistical significance. Despite these non-significant results, the independent variables collectively contribute to the overall model. The model demonstrates strong explanatory power, as indicated by an  $R^2$  value of 0.696, meaning that 69.6% of the variance in brand equity is explained by the independent variables, particularly brand awareness and brand image. Additionally, the F-value of 86.704 confirms that the overall regression model is statistically significant. The Durbin–Watson statistic of 2.167, being close to 2, suggests no significant autocorrelation among residuals, thereby affirming the reliability of the analysis.

The results validate hypotheses H1 and H4, confirming that brand awareness and brand image significantly and positively influence brand equity. Although H2 and H3 are not supported, the high explanatory power ( $R^2 = 0.696$ ) and overall model significance underscore the theoretical and empirical relevance of the findings. These results emphasize that brand awareness and brand image play pivotal roles in shaping brand equity, particularly within the airline industry context.

Figure 2. Hypothesized Framework



## DISCUSSION

The results of this study provide comprehensive insights into the key components influencing brand equity, namely brand awareness, brand association, brand loyalty, and brand image, specifically in the context of AirAsia as a major low-cost carrier in the Asia-Pacific region. As presented in Table 3, the regression model explains 69.6% of the variance in brand equity ( $R^2 = 0.696$ ,  $F = 86.704$ ), indicating that these four predictors collectively have a strong explanatory power in determining how consumers perceive AirAsia's brand value. The Durbin-Watson statistic of 2.167 further confirms that the data are free from autocorrelation, validating the reliability of the regression model. Understanding the relative significance of each factor is essential for AirAsia's management in formulating effective brand strategies that enhance competitiveness, consumer confidence, and long-term sustainability in the aviation industry (Aaker, 1996; Keller, 2016; Wilson et al., 2020).

### Brand Awareness

The regression analysis reveals that brand awareness has a positive and significant effect on brand equity ( $\beta = 0.260$ ,  $p < 0.01$ ), supporting H1. This finding underscores that greater familiarity and recognition of AirAsia strengthen customers' overall perception of its brand value. As Imaningsih and Vega (2020) note, brand awareness fosters customer trust and purchase confidence, particularly in high-risk industries such as aviation. Thakshak (2018) and Sarker et al. (2021) similarly argue that brand familiarity enhances perceived safety and credibility. In AirAsia's case, high visibility across Asia has historically contributed to its strong market presence. However, recent service disruptions and customer complaints indicate the need to rebuild public perception. Maintaining top-of-mind awareness through digital engagement, advertising, and corporate social responsibility (CSR) initiatives can reinforce trust and recognition (Buil et al., 2013). Furthermore, the quality of awareness should communicate AirAsia's reliability, affordability, and sustainability, which are crucial to sustaining a competitive advantage in the post-pandemic aviation industry (Azzahra et al., 2024).

### Brand Association

Brand association shows a positive but statistically insignificant effect on brand equity ( $\beta = 0.146$ ,  $p > 0.05$ ), even though the correlation value is relatively high ( $r = 0.769$ ). Hence, H2 is rejected. This suggests that while consumers hold favorable perceptions of AirAsia, such as affordability and accessibility, these associations alone do not strongly determine overall brand value. The result partially diverges from prior studies by Jayswal & Vora (2019) and Sasmita & Suki (2015), which found brand association to be a major driver of brand equity. One explanation may be that operational inconsistencies, such as

refund delays or system disruptions, have weakened emotional and symbolic connections. [López-Rodríguez and Forero \(2024\)](#) emphasize that in the aviation sector, reliability and service consistency are crucial for sustaining positive associations. To strengthen this dimension, AirAsia should emphasize emotional branding through storytelling, cultural alignment, and innovation in customer experience. Highlighting safety improvements, staff professionalism, and eco-friendly operations could rebuild trust and restore positive associations that resonate with consumers ([Keller & Brexendorf, 2019](#)).

### **Brand Loyalty**

The regression analysis indicates that brand loyalty has a positive yet weak effect on brand equity ( $\beta = 0.104$ ,  $p > 0.05$ ), rejecting H3. Although its individual contribution is modest, the overall model significance ( $F = 86.704$ ) confirms that loyalty remains an integral part of the brand equity structure. This finding aligns with [Sarker et al. \(2021\)](#), who argue that loyalty supports brand strength but depends heavily on consistent satisfaction and perceived value. For AirAsia, loyalty appears to be primarily transactional, driven by low prices and extensive routes rather than emotional commitment. As [Siqueira et al. \(2023\)](#) note, emotional loyalty emerges only when customers feel valued beyond economic benefits. To strengthen this aspect, AirAsia should enhance its customer relationship management (CRM) and reward systems, such as AirAsia MOVE and BIG Rewards, by personalizing offers and creating tiered benefits ([Wilson et al., 2020](#)). Furthermore, transparent communication during service failures and responsive post-service recovery can convert customer satisfaction into enduring loyalty. Continuous engagement and innovation in loyalty programs can transform price-based loyalty into value-driven attachment, thereby reinforcing long-term brand equity ([Buil et al., 2013](#)).

### **Brand Image**

Among the four variables, brand image demonstrates the strongest positive and significant impact on brand equity ( $\beta = 0.394$ ,  $p < 0.001$ ), confirming it as the most influential determinant in this study. Therefore, H4 is confirmed. This result aligns with previous research by [Keller \(2016\)](#), [Thakshak \(2018\)](#), and [Sasmita and Suki \(2015\)](#), who emphasize that brand image serves as the core driver of perceived value in service-based industries. The high reliability of this construct (Cronbach's  $\alpha = 0.872$ ) reinforces its consistency and importance. For AirAsia, brand image has traditionally been associated with innovation, affordability, and accessibility; however, incidents such as the 2024 cybersecurity breach and IT disruptions ([Fam, 2024](#); [AirAsia, 2024b](#)) have temporarily weakened public trust. To restore its image, AirAsia must focus on transparent communication, improved service reliability, and sustainability-oriented initiatives ([López-Rodríguez & Forero, 2024](#)). Strengthening CSR activities, promoting environmental responsibility, and delivering consistent service experiences will rebuild confidence and positive perceptions. A coherent brand image that reflects safety, innovation, and customer-centricity will ultimately enhance satisfaction, loyalty, and long-term brand equity.

## **CONCLUSION**

This study aimed to examine the factors influencing brand equity by analyzing the effects of brand awareness, brand association, brand loyalty, and brand image. The findings reveal that brand image and brand awareness exert the most significant impact on brand equity, while brand loyalty and brand association, though positive, do not show statistically significant relationships. Specifically, the regression results indicate that brand image ( $\beta = 0.394$ ,  $p < 0.001$ ) and brand awareness ( $\beta = 0.260$ ,  $p < 0.01$ ) are strong

predictors of brand equity, whereas brand loyalty ( $\beta = 0.104$ ,  $p > 0.05$ ) and brand association ( $\beta = 0.146$ ,  $p > 0.05$ ) have no significant direct effects. The model's explanatory power ( $R^2 = 0.696$ ) demonstrates that these variables collectively account for 69.6% of the variance in brand equity, underscoring the model's robustness and reliability.

These findings conclude that the development of brand equity is primarily driven by the strength of brand image and brand awareness. This indicates that customers' overall perception of the brand and their familiarity with it play crucial roles in shaping brand equity compared to emotional attachment or associative memory. Therefore, enhancing both brand image and awareness should be prioritized in strategic brand management efforts.

From a managerial perspective, companies should strengthen brand awareness by leveraging digital marketing platforms, improving customer experiences, and maintaining consistent communication across various online and offline channels. Reinforcing brand image can be achieved through consistent service quality, effective complaint resolution, and building a reputation for reliability and trust. Promotional efforts such as discounts, loyalty programs, and reward systems could also stimulate repeat engagement and gradually foster stronger brand attachment.

Although brand loyalty and brand association did not demonstrate significant effects, their positive directions suggest potential indirect contributions to brand equity through customer retention and long-term familiarity. Future research could explore mediating or moderating factors, such as customer satisfaction or perceived value, to better understand these indirect pathways. Overall, this study contributes valuable insights into how companies can enhance brand equity through the strategic reinforcement of brand image and brand awareness to achieve sustained competitive advantage.

### **LIMITATION**

There are several limitations in this study. Firstly, the sample size of 150 respondents, most of whom are university students aged between 18 and 24 years old, may not fully represent AirAsia's overall customer population. As a result, the findings may have limited generalizability across different demographic groups. Secondly, this study focused only on Malaysia as the target country, which restricts the ability to generalize the results to other regions where AirAsia operates. Future research should include a more diverse sample from multiple countries to enhance the reliability, validity, and accuracy of the findings.

Additionally, data collection was conducted online through Google Forms, which may have introduced self-selection bias. Respondents who are more active on social media or have stronger opinions about AirAsia might have been more likely to participate, thereby affecting the sample's representativeness. Future studies are encouraged to employ a combination of online and offline data collection methods to minimize potential bias and capture a broader and more representative customer base.

### **ACKNOWLEDGMENT**

The authors gratefully acknowledge the contributions of informants, colleagues, and all individuals who supported this research through their insights and engagement. Their involvement greatly enriched the quality and depth of this study.



#### DECLARATION OF CONFLICTING INTERESTS

The authors have declared no potential conflicts of interest concerning the study, authorship, and/or publication of this article.

#### REFERENCES

- Aaker, D. A. (1991). *Managing Brand Equity: Capitalizing on the Value of Brand Name*. The Free Press.
- Aaker, D. A. (1996). Measuring brand equity across products and markets. *California Management Review*, 38(3), 102–120.
- AirAsia. (2023, February 8). “We have listened.” Capital A fires chatbot AVA and introduces new AI-powered “Ask Bo” as part of commitment to a more transparent, enhanced customer experience. AirAsia Newsroom. <https://newsroom.airasia.com/news/capital-a-welcomes-ask-bo#gsc.tab=0>
- AirAsia. (2024a, June 25). AirAsia is Skytrax’s world’s best low-cost airline for 15th consecutive year. AirAsia Newsroom. <https://newsroom.airasia.com/news/airasia-is-skytraxs-worlds-best-low-cost-airline-for-15th-consecutive-year#gsc.tab=0>
- AirAsia. (2024b, July 22). AirAsia connects over half a million guests to their destinations during global tech disruption. AirAsia Newsroom. <https://newsroom.airasia.com/news/airasia-connects-over-half-a-million-guests-to-their-destinations-during-global-tech-disruption#gsc.tab=0>
- Azad, N., & Sadeghifar, M. (2019). The effect of service quality on customer loyalty, given the mediating role of customer engagement and perceived value (case study: Taban Airline, Mashhad, Iran). *International Journal of Business Innovation and Research*, 20(1), 129–144. <https://doi.org/10.1504/IJBIR.2019.101693>
- Azzahra, S., Sanjaya, I., Lukman, J., & Ermanda, J. (2024). Factors influencing overall brand equity and identification in local cultural heritage products: A case study on Indonesian millennial and Gen Z generations. *Journal of Economic, Business and Accounting (COSTING)*, 7(4), 7269–7282. <https://doi.org/10.31539/costing.v7i4.9310>
- Bigné-Alcañiz, E., Currás-Pérez, R., & Sánchez-García, I. (2009). Brand credibility in cause-related marketing: The moderating role of consumer values. *Journal of Product & Brand Management*, 18(6), 437–447. <https://doi.org/10.1108/10610420910989736>
- Buil, I., De Chernatony, L., & Martínez, E. (2013). Examining the role of advertising and sales promotions in brand equity creation. *Journal of Business Research*, 66(1), 115–122. <https://doi.org/10.1016/j.jbusres.2011.07.030>
- CheckMarket. (2019). Optimal sample size. CheckMarket. <https://www.checkmarket.com/kb/calculate-optimal-sample-size-survey/>
- Chen, A. C.-H. (2001). Using free association to examine the relationship between the characteristics of brand associations and brand equity. *Journal of Product & Brand Management*, 10(7), 439–451. <https://doi.org/10.1108/10610420110410559>
- Chung, J. Y., Lee, J., & Heath, R. L. (2013). Public relations aspects of brand attitudes and customer activity. *Public Relations Review*, 39(5), 432–439. <https://doi.org/10.1016/j.pubrev.2013.05.001>
- Colin, F. (2018, October 5). *What is a brand association?* Brand Marketing Blog. <https://brandmarketingblog.com/articles/branding-definitions/brand-association/>
- del Río, A., Vázquez, R., & Iglesias, V. (2001). The effects of brand associations on consumer response. *Journal of Consumer Marketing*, 18(5), 410–425. <https://doi.org/10.1108/07363760110398808>



- Dilip, D., Sinha, R., Wen, C. P., Kee, D. M. H., Ching, C. S., Er, L. K., ... & Yan, Y. W. (2021). The influence of brand equity on consumer purchase decisions at Starbucks. *International Journal of Accounting & Finance in Asia Pacific*, 4(1), 37–50. <https://doi.org/10.32535/ijafap.v4i1.1031>
- Fam, C. (2024, March 12). Nacsa: Alleged AirAsia data breach being investigated. *The Star*. <https://www.thestar.com.my/tech/tech-news/2024/03/12/nacsa-alleged-airasia-data-breach-being-investigated>
- Fickry, A., Kee, D. M. H., Sallehuddin, M., Nabila, N., & Nuraishah, S. (2020). Leadership and organizational success: A study of AirAsia. *Advances in Global Economics and Business Journal*, 1(1), 12–25. <https://doi.org/10.51748/agebj.v1i1.4>
- Gaby, A. (2023, November 14). *What is brand association? + How to build it*. Brandfolder. <https://brandfolder.com/resources/brand-association/>
- Imaningsih, E. S., & Vega, Y. (2020). Toward brand equity: The effect of brand awareness, perceived quality, brand association, and brand loyalty in boutique bakery company. *Journal of Marketing and Consumer Research*, 10(3), 12–23. <https://doi.org/10.7176/JMCR/67-06>
- Jayswal, M., & Vora, P. (2019). Impact of brand association on brand equity with specific focus on advergames in India. *Journal of Creative Communications*, 14(3), 271–284. <https://doi.org/10.1177/0973258619866366>
- Keller, K. L. (2016). Reflections on customer-based brand equity: Perspectives, progress, and priorities. *AMS Review*, 6(1–2), 1–16. <https://doi.org/10.1007/s13162-016-0078-z>
- Keller, K. L., & Brexendorf, T. O. (2019). Measuring brand equity. In *Handbuch Markenführung* (pp. 1409–1439). Springer. <https://doi.org/10.1108/IJCHM-03-2020-0186>
- Khandai, S., Mathew, J., Yadav, R., Kataria, S., & Kohli, H. (2023). Ensuring brand loyalty for firms practising sustainable marketing: A roadmap. *Society and Business Review*, 18(2), 219–243. <https://doi.org/10.1108/SBR-10-2021-0189>
- Kotler, P., & Keller, K. L. (2016). *A Framework for Marketing Management* (6<sup>th</sup> ed.). Pearson Education Limited.
- Lee, Y. Y., Kee, D. M. H., Ang, V. W. N., Vehlan, L. S. S. V., Lee, L. X., Lee, S. M., & Ardel, M. R. (2024). Golden arches going green: The impact of McDonald's sustainability achievements on public image. *Advances in Global Economics and Business Journal*, 5(1), 27–43. <https://doi.org/10.51748/agebj.v5i1.89>
- Ling, G. Y., Yuang, G., Zhicheng, G., Xuan, G. T. X., Maharani, C. D., Genira, C. F., Tyagi, N., & Saidhanyakumar, M. (2023). Analysis of factors affecting brand loyalty: A study of Coca-Cola. *Asia Pacific Journal of Management and Education*, 6(3), 16–29. <https://doi.org/10.32535/apjme.v6i3.2635>
- López-Rodríguez, C. E., & Forero, J. A. M. (2024). Dimensions for measuring brand equity in the airlines industry. *Journal of Tourism and Services*, 15(28), 22–38. <https://doi.org/10.29036/jots.v15i28.552>
- Momen, M. A., Sultana, S., & Haque, A. A. (2020). Web-based marketing communication to develop brand image and brand equity of higher educational institutions: A structural equation modelling approach. *Global Knowledge, Memory and Communication*, 69(3), 151–169. <https://doi.org/10.1108/GKMC-10-2018-0088>
- Nate, H. (2021, July 12). *Brand association: Definition, advantages, and examples*. Acquia. <https://www.acquia.com/blog/brand-association>
- Niyomsart, S., & Khamwon, A. (2015, October 19–22). *Brand love, brand loyalty, and word of mouth: A case of AirAsia*. Paper presented at the *International Journal of Arts & Sciences (IJAS) International Conference for Business and Economics*, Rome, Italy. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2800887](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2800887)
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric Theory* (3<sup>rd</sup> ed.). McGraw-Hill.

- Paethrangsi, N., Sangsomboon, P., Jandaboue, W., Vijitsanguan, P., Brahmaputra, P., & Teekasap, S. (2024). Effects of social media use for communication on the airline customers' purchase intentions. *Journal of MCU Social Science Review*, 13(1), 334–341.
- Parkin, D. A. (2010). *Managing Brand Equity: Capitalizing on the Value of Brand Name*. McGraw-Hill.
- Puspaningrum, A. (2022). The role of brand preferences as mediating the influence of brand equity on purchase intention. *Journal of Economics, Finance and Management Studies*, 5(3), 738–748. <https://doi.org/10.47191/jefms/v5-i3-25>
- Romaniuk, J., & Nenycz-Thiel, M. (2013). Behavioral brand loyalty and consumer brand associations. *Journal of Business Research*, 66(1), 67–72. <https://doi.org/10.1016/j.jbusres.2011.07.024>
- Rubio, N., Oubiña, J., & Villaseñor, N. (2014). Brand awareness–brand quality inference and consumer's risk perception in store brands of food products. *Food Quality and Preference*, 32, 289–298. <https://doi.org/10.1016/j.foodqual.2013.09.006>
- Sarker, M., Mohd-Any, A. A., & Kamarulzaman, Y. (2021). Validating a consumer-based service brand equity (CBSBE) model in the airline industry. *Journal of Retailing and Consumer Services*, 59, 102354. <https://doi.org/10.1016/j.jretconser.2020.102354>
- Sasmita, J., & Suki, N. M. (2015). Young consumers' insights on brand equity: Effects of brand association, brand loyalty, brand awareness, and brand image. *International Journal of Retail & Distribution Management*, 43(3), 276–292. <https://doi.org/10.1108/IJRDM-02-2014-0024>
- Sheikh, A., & Asemani, N. (2024). The influence of brand awareness on brand equity: An investigation among dentists and their prescription behavior. *International Journal of Pharmaceutical and Healthcare Marketing*. <https://doi.org/10.1108/IJPHM-03-2022-0026>
- Siqueira, J. R., Bendixen, M., Reinoso-Carvalho, F., & Campo, R. (2023). Key drivers of brand trust in a Latin American airline: The impact of Colombia's Avianca customer experience. *Journal of Marketing Analytics*, 11(2), 186. <https://doi.org/10.1057/s41270-023-00208-8>
- Suwiryo, F. S., & Aryandha, P. N. (2024). The influence of brand awareness, perceived quality, brand associations, and brand loyalty on the brand equity of Oppo smartphones. *Business Management Analysis Journal*, 7(1), 1–10. <https://doi.org/10.24176/bmaj.v7i1.12285>
- Teoh, K. B., Gan, K. H., Darishini, L., Umamageswari, U., Neoh, K. Y., Jivega, N., ... & Ma, Y. Q. (2023). A study on customer satisfaction of AirAsia Berhad. *International Journal of Tourism and Hospitality in Asia Pasific*, 6(3), 133-147. <https://doi.org/10.32535/ijthap.v6i3.2170>
- Thakshak. (2018). Analysing customer-based airline brand equity: Perspective from Taiwan. *Future Business Journal*, 4(2), 233–245. <https://doi.org/10.1016/j.fbj.2018.07.001>
- Thellefsen, T., & Sørensen, B. (2015). What brand associations are. *Sign Systems Studies*, 43(2/3), 191-206. <https://doi.org/10.12697/SSS.2015.43.2-3.03>
- Tushanthan, A., Sekhar, L., Jian, O. Z., Liem, G. S., Ying, T. Z., Sheng, T. K., ... & Thalib, S. H. (2024). Analysis of strategy in retaining its customers: A case study of Starbucks in Malaysia. *Advances in Global Economics and Business Journal*, 5(1), 15–26. <https://doi.org/10.51748/agebj.v5i1.90>
- Wei, S. (2024). The importance of brand image. *Media and Communication Research*, 5(1), 93–98. <https://doi.org/10.23977/mediacr.2024.050115>
- Wilson, A., Zeithaml, V., Bitner, M. J., & Gremler, D. (2020). *EBK: Services Marketing: Integrating Customer Service Across the Firm* (4<sup>th</sup> ed.). McGraw-Hill.

### **ABOUT THE AUTHOR(S)**

#### **1<sup>st</sup> Author**

Kok Ban Teoh is affiliated with the Department of Business and Management at ViTrox College, Pulau Pinang, Malaysia. He holds a bachelor's degree in Business Administration and is currently pursuing further studies in marketing management. His research interests include consumer behavior, brand management, and digital marketing strategy. He is also actively involved in academic research and student development initiatives at ViTrox College.

ORCID ID: <https://orcid.org/0000-0003-3252-8531>

#### **2<sup>nd</sup> Author**

Kia Hui Gan is a lecturer at INTI International College Penang, Malaysia, under the Faculty of Business and Communication. She earned her master's degree in Marketing and Communication from Universiti Sains Malaysia and has extensive experience in marketing education and industry collaboration projects. Her research focuses on brand equity, consumer engagement, and sustainable marketing practices in the hospitality and service sectors.

ORCID ID: <https://orcid.org/0000-0002-9245-3386>

#### **3<sup>rd</sup> Author**

Foong Jia Yee is currently pursuing her studies at the School of Management, Universiti Sains Malaysia (USM), Penang. Her academic background includes a bachelor's degree in Business Administration, specializing in marketing. She serves as a student researcher focusing on brand management, customer satisfaction, and digital transformation in the aviation industry. She is also the corresponding author for this article.

ORCID ID: <https://orcid.org/0009-0008-4771-6926>

Email: [foongjiayee@student.usm.my](mailto:foongjiayee@student.usm.my)

#### **4<sup>th</sup> Author**

Gan Lee Fan is a researcher from Universiti Sains Malaysia (USM) specializing in consumer behavior and service marketing. She obtained her bachelor's degree in Business Management and is passionate about understanding consumer decision-making and brand perception in the airline industry.

#### **5<sup>th</sup> Author**

Lin Shihui is a marketing researcher from Universiti Sains Malaysia. She holds a bachelor's degree in Business Administration and is interested in marketing analytics, digital branding, and service quality assessment.

#### **6<sup>th</sup> Author**

Fathimah Az-Zahra Binti Harudin is affiliated with the School of Management, Universiti Sains Malaysia. She holds a bachelor's degree in Management and has research interests in brand loyalty, customer satisfaction, and marketing communication.

#### **7<sup>th</sup> Author**

Fu Wei is a student researcher at Universiti Sains Malaysia, majoring in Marketing Management. His research interests include service marketing, consumer psychology, and strategic brand positioning.

**8<sup>th</sup> Author**

A. J. Ali is a senior lecturer at Universiti Sains Malaysia. He holds a Ph.D. in Marketing and has extensive experience in academic supervision and publication. His areas of expertise include brand strategy, consumer insight, and service innovation.

**9<sup>th</sup> Author**

Dr. Daisy Mui Hung Kee is an Associate Professor at the School of Management, Universiti Sains Malaysia. She holds a Ph.D. in Management from Universiti Sains Malaysia and specializes in organizational behavior, leadership, entrepreneurship, and branding. She has published widely in international journals and currently serves on editorial boards of several academic publications.

Email: [daisy@usm.my](mailto:daisy@usm.my)

ORCID ID: <https://orcid.org/0000-0002-7748-8230>