The Effect of Brand Image and Design Innovation on Consumer Purchase Interest in Export Bag Products through Perceptions of Product Quality after Rebranding

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Abstract

This study aims to analyze the effect of brand image and design innovation on consumer buying interest in Exsport Bag products through the mediating variable of perceived product quality. This study focuses on Exsport Bag products following a rebranding effort, with the objective of assessing the impact of the implemented brand image and design innovations on quality perceptions and consumer appeal. It is posited that brand image has the capacity to engender favourable associations, whereas design innovation confers additional value in terms of both aesthetics and functionality, which in turn affects purchase intention. This study employs a quantitative methodology utilizing a survey approach with respondents who are familiar with the Exsport brand and the subsequent rebranding efforts. The data were analyzed using the structural equation modeling (SEM) method to test the relationship between the independent variables (brand image and design innovation), the mediating variables (perceived product quality), and the dependent variable (consumer purchase intention). The findings of this study are anticipated to inform the refinement of a more efficacious rebranding strategy for Exsport, particularly in terms of fortifying brand image and devising designs that align with consumer needs and preferences. Moreover, this research is also expected to offer novel insights for academics in comprehending consumer behavior pertaining to rebranding within Indonesia's local fashion industry.

Keyword: Brand Image; Design Innovation; Consumer Purchase Intention; Rebranding; Product Quality Perception

1. Introduction

Sourcing local expertise is critical as the fashion industry in Indonesia is growing rapidly at both the regional and global level. Statista (2024) reports that the fashion market in Indonesia is forecasted to reach revenue of $22.66 billion in 2024, followed by an annual growth of 3.85% in the period 2024-2029. This favorable economic perspective emphasizes the enormous prospects of the fashion industry and therefore, comprehension of what drives customers to spend and how they spend is important.

With the COVID-19 pandemic compelling society to shift from physical shopping to e-commerce platforms, technology has greatly affected not only the processes of businesses but also actions of consumers. According to Invest in Asia (2024), in 2023, the revenue generated from e-commerce in the fashion industry of Indonesia was around 6.02 billion dollars and it is expected to grow by 5.22% over the next five years. This change was influenced by the absence of mobility and the availability of online shopping. But, after the pandemic era, shopping habits of consumers changed so much that they became encouraged to shop from physical stores (the 'revenge shopping' phenomenon) leading to offline shopping more than doubling (SWA, 2023). These aspects put further pressure on companies to deliver in the modern socially complex business world while still upholding promotion efforts in traditional manners.

Exsport holds a strong domestic market position in Indonesia's bag sector with a 15% domestic market share. While conducting his research in 2021, Nabila and Firmanshah identified Exsport's strong positioning relative to its competitors. However, the brand faces stiff competition from both local brands such as Eiger, and foreign brands such as Zara. Eiger has managed to capture the outdoor and vintage bag markets by concentrating on durability and use; whereas, Zara follows a fast fashion model and quickly makes and stocks new products that are in demand and in style. The environment offers plenty of added challenges because its competitors are actively pursuing aggressive growth. On the backdrop of this, how branding and rebranding strategies can assist Exsport in strengthening its presence in such a competitive landscape is an area that deserves further scrutiny.

Rebranding is one of the strategies Exsport uses to respond to the changes that arise in consumer's viewpoints. It has been written that the brand's image or reputation is critical when assessing the capacity of the brand. Eisingerich and Rubera (2010) highlighted a strong relationship between the presence of a good brand image and the improvement of perceived quality of product up to thirty five percent. This is consistent with the results of Risyafani et al. (2022) who stated that customers link established brands with a certain level of quality. For Exsport, which has already changed its positioning to youthfulness as well as a modern company, the shifts in visuals are not as difficult. In contrast, new marketing models require a more sophisticated approach to current market trends.

Design innovation lies within the top echelons of elements that help shape the perception of a consumer's value. Improvements in product design are vital for any brand image in the fashion sector. Homburg et al. (2015) have seen that new designs can boost perceptions to as much as forty-two percent, leading to an increase in purchase intention (Pauwels-Delassus &

Descotes, 2013). Moreover, Radford and Bloch (2011) emphasize that product presentation has a strong impact on how consumers rigorously regard a product especially when it comes to innovative features (Karniawan, 2023). The recent approaches to bag design focus on a lot of things but particularly a ‘less is more’ mindset alongside eco-friendliness. Moon et al. (2014) explain that design alone, is not the only consideration as the consumers strive for practicality and eco- friendliness, hence the need to reconsider the design change. The change presents Exsport with an opportunity to create more innovative designs focusing on the new trends to gain competitive advantage in the market.

Perceptions of quality strongly affect brand awareness which in turn is strongly associated with the quality of products aimed at the market in hand, and the link-up effort can go up to and sometimes past 68 percent (Purbohastuti et al 2020). (Chen et al, 2021) Having established this brand quality measure, it is clear why companies should ensure that their goods or services exceed customer expectations. This is of utmost importance when it comes to Generation Z, as they care about the authenticity of the brand and the values that the company stands for. In the context of social connectivity by Variety of means which aid Generation z demographic which makes up for quite the customer base achieved New Exsport Brand Equity through Enhancement in Social Media Marketing Effort in the years 2023.

While the components of brand image, design innovation, and perceived quality have been investigated as isolated concepts, there is a dearth of literature that looks into the relationship of these concepts, especially when the perceived quality is treated as a mediator in a rebranding effort. This research seeks to fill this gap by investigating the effects of the brand image and design innovation, on the perceived product quality and purchase intention, within the backdrop of Exsport’s rebranding. The results are anticipated to contribute in the development of marketing and designing strategies that can be utilized by Exsport as well as its other competitors in the fashion industry of Indonesia.

2. Literature Review

2.1 Brand Image

Brand Image, or what is known as brand image, has been defined by many researchers as consumers' beliefs, perceptions and attitudes towards certain products or services. As suggested by various studies, Brand Image is not only an expression of the brand itself but is formed from consumer interactions with the brand through experiences, marketing strategies, and the product offering itself. For example, Laili and Sophisticated's research on companies in Indonesia explains how Brand Image categorization involves measuring how the public views the company and its products. Therefore, this is an important element in creating brand loyalty (Laili & Canggih, 2021). This statement also supports the conclusion made by Pratami et al., which states that consumers' understanding of the Brand Image of a brand tends to influence their choice of that brand, which in the context of their research is the purchase of motorbikes (Pratami et al., 2020).

According to the Brand Image concept, the combination of consumer perceptions of a brand is the result of various factors such as the type of product offered, marketing techniques,

and consumer experience. Soedargo stated that a marketing communications strategy that includes advertising and other promotions is needed to create a positive impression of Suchora Dean University (Soedargo, 2023). Apart from that, Setiawan's research shows that product innovation, quality and brand image are determining factors in the possibility of purchasing a product. These findings clarify the relevance of Brand Image in a competitive business environment (Setiawan, 2023).

Brand image plays an important role in influencing consumer purchasing decisions, where perceptions of product quality and design innovation are significant determinants. Research by Achsan and Dhewi shows that store image can influence purchase intention through perceptions of product quality, which shows the importance of brand image in the context of private label products (Achsan & Dhewi, 2018). In addition, research by Napik et al. confirms that brand image, price perception, and product quality have a significant influence on purchasing decisions, which supports the importance of brand image in influencing purchase intention (Napik et al., 2018).

H1: Brand Image positively influences Perceived Product Quality.

H7: Brand Image positively influences Purchase Interest through Perceived Product Quality as a mediating variable.

2.2 Design Innovation

Design innovation, also known as design innovation, is a conceptual framework that integrates design, marketing, and other dimensions of creativity into one unified work. Simply put, design innovation involves the creation and development of new or improved products, services, or processes to meet consumer and market needs. However, design innovation is not just about aesthetic modifications; the concept goes far beyond that to include approaches to branding, user needs, technology applications, and even bio-based sustainability (Akbarullah, 2024). The most important aspect of design innovation is its ability to provide a competitive advantage for a company through product or service differentiation, which ultimately increases brand equity and consumer loyalty to the brand (Kenyon & Sen, 2012). This concept understands that design is not just about the artistic aspect, but also about creating solutions to problems and optimizing the way users interact with products or services (Tsiotsou, 2005). This idea is reinforced by various studies that emphasize the importance of implementing a user-centered design process based on consumer needs and preferences (Huddleston et al., 2001). In addition, design innovation is often associated with sustainability, as modern design trends tend to adopt the use of environmentally friendly materials and processes (Suhaily et al., 2020). This integrated strategic approach not only enriches the consumer experience of the product but also responds to the increasing market interest in sustainable and ethically produced products.

Design innovation is measured using a variety of approaches, combining quantitative and qualitative techniques. Previous research by Awal & Tanner (2022) reviewed studies showing that companies in various industries asked consumers about their opinions on new designs through surveys and focus groups, as well as the effectiveness of the design after it

was introduced to the market. In addition, it was found that the structural equation modeling approach can link design attributes to perceived and actual satisfaction with the product. As an understanding tool, the Customer Perceived Model (CPM) is very useful because it shows the relationship between the value that consumers are willing to pay and the design features of the product (Kupiec & Revell, 2001). All of these processes allow companies to better understand how design changes affect consumers and how their designs should be changed.

Design innovation is also a key element in attracting consumer buying interest. Research by Tjhan shows that product innovation influences purchasing decisions, where attractive designs can increase positive perceptions of product quality (Tjhan, 2024). This is in line with research by Kusumadewi and Sopiyan which found that innovation in products can increase purchasing decisions by increasing perceptions of quality (Kusumadewi & Sopiyan, 2023). Thus, design innovation not only serves to attract consumer attention but also contributes to better perceptions of quality.

H2: Design Innovation positively influences Perceived Product Quality.
H6: Design Innovation positively influences Purchase Interest through Perceived Product Quality as a mediating variable.

2.3 Perception of Product Quality

Perception of Product Quality is an important element in consumer behavior research. This concept focuses on how consumers assess the quality of a product based on its performance, attributes, durability, and reliability, among other aspects. Based on relevant literature, perception of product quality has a strong impact on consumer attitudes and behavior, especially in influencing their purchase intentions. For example, Tsiotsou argues that product marketing strategies should focus on improving product quality perceptions through appropriate marketing effects to generate better assessments and increase purchase intentions (Tsiotsou, 2005). This opinion is in line with the view of Chekima et al., who stated that the extent to which consumers feel a product meets their quality standards greatly influences their plans to purchase it, especially in the context of environmentally friendly products (Chekima et al., 2015).

Furthermore, the interpretation of Perception of Product Quality is not limited to product attributes. There is a broader aspect related to customer experience and perceptions of brand equity. Mohr and Webb stated that the use of corporate social responsibility (CSR) initiatives can improve consumer perceptions of product quality by strengthening brand image and customer trust (Mohr & Webb, 2005). The implication is that consumers do not only judge product quality based on its attributes, but also by considering the broader context, including ethical issues and brand image, which can significantly affect their quality assessments.

To determine the level of Perception of Product Quality, various researchers use different approaches, often through surveys and structured questionnaires to assess consumer views. For example, research by Wells and Valacich (2011) shows that there is a natural bias about a person's quality expertise based on the quality of their website. From these findings, it is reasonable to consider that internet users' online behavior is driven by quality perceptions. Yu (2023) also analyzed other aspects, such as brand image and trust, which then affect purchase intentions. In addition, research by Suhaily et al. (2020) shows that product quality perceptions, customer satisfaction, and purchase intentions can be modeled and predicted using a structural

equation system.

Perception of product quality is a very influential factor in shaping purchase intention. Cahyono examined the influence of perception of quality and value on consumer satisfaction and repurchase intention, showing that good perception of quality can increase satisfaction and, in turn, purchase intention (Cahyono, 2016). In addition, research by Christian shows that brand perception and product quality have a significant positive effect on repurchase intention, confirming the importance of quality perception in the context of purchasing decisions (Christian, 2023).

H3: Brand Image and Design Innovation simultaneously positively influence Perceived Product Quality.
H4: Perceived Product Quality positively influences Purchase Interest.

2.4 Purchase Intention

Purchase intention is one of the most important aspects in marketing and consumer behavior literature. Purchase intention refers to the probability of a customer to purchase a product or service, which is influenced by various factors such as brand name, product quality, and price perception. Wu et al. argue that purchase intention is greatly influenced by store image and services provided, which ultimately reflect the brand image of private label products (Wu et al., 2011). This shows that purchase intention is not only a situational decision, but also influenced by general assessments of the brand and the atmosphere of the place of sale.

Purchase intention also describes a consumer's tendency to buy a product, which can be influenced by emotions and cognition. This concept summarizes the willingness of consumers to conduct business transactions with certain parties, reflecting their preferences and the level of satisfaction felt. According to Susila et al., elements in the marketing mix such as product quality, price, and brand equity are fundamental factors in determining and influencing the level of satisfaction and switching behavior related to purchase intention (Susila et al., 2014). This indicates that purchase intention is not just an impulse, but an accumulation of previous experiences and views on the brand's products.

To assess purchase intention, researchers often use various quantitative instruments such as questionnaires and SEM analysis. For example, in Komaludin's study, respondents were sampled to determine whether product quality and brand awareness affect their repurchase intention using a structured questionnaire as an effective way to measure consumer attitudes (Komaludin, 2023). In a similar study, Lestari and Nurhadi (2021) conducted multiple regression analysis to determine the effect of brand image and product quality on brand loyalty, which has a relationship with purchase intention. The methods mentioned above explain the best practices for investigating various factors that influence consumer purchase intention.

H5: Brand Image and Design Innovation simultaneously positively influence Purchase Interest through Perceived Product Quality as a mediating variable.

3. Material and Method

3.1 Design Study

The scope of this research is centered on three key variables: Exsport Brand Image, Exsport Design Innovation, and Exsport Consumer Purchase Intention. The goal of the project is to determine how effective Exsport bag brand rebranding is to the perception of quality and purchase intent among Generation Z in Indonesia. The research design adopted in this study was quantitative survey based and the targets were Exsport bag consumers in Indonesia. A purposive sampling technique was employed and one hundred respondents from Jabodetabek who are aware of Exsport rebranding were selected as a sample. One of the most popular statistical techniques is the Partial Least Squares Structural Equation Modeling (PLS-SEM) expounded by SmartPLS 4 software which is what we used after collecting data through closed questionnaires that utilized a 5 point Likert scale. The analysis comprised two stages, (1) Structural Analysis focusing on the evaluation of the relationship between latent variables (2) measurement analysis focused on R-Square value, path coefficient, and bootstrapping test. The current study seeks to understand how to effectively enhance Exsport's market insights and alter their branding campaign with a focus on Z generation.

3.2 Data Analysis

In this research, the authors undertook SmartPLS 4 software for data analysis, and opted for the PLS SEM technique as it allows the investigation of intricate models with multiple latent variables and non-recursive paths. Such analysis was divided into two phases; measurement and structural model analysis. During the measurement model phase, the evaluating metrics for a single construct's reliability and validity were conducted using, Cronbach's Alpha, Composite Reliability (CR) and Average Variance Extracted (AVE) scores. Moreover, the Fornell-Larcker criteria was applied during the discriminant validity testing to confirm the uniqueness of each construct. As for the structural model analysis, the models predictive strength was evaluated using R-squared (R^2) values as path regression value analyzed the relationships between the latent variables. This analysis was further enhanced by a significance analysis using bootstrapping to test for estimate stability.

This technique of analysis evaluates direct and indirect relationships and was conducted in three parts: Analytical Model Specifications performance evaluation of whether the loading image is greater than or equal to seventy percent (SEVENTY%), determination of reliability using both Cronbach0s Alpha and Composite Reliability (CR) more than seventy percent; Evaluation of model fit measures SRMR and NFI, path analysis, multicollinearity check VIF less than and Evaluation of research evaluation in which the criteria point is set at more than 1.96 for tstatistics and less than 0.05 for the level pvalue to establish the nature of influence whether direct or mediated on the purchase intentions. The research model as conceptualised was:

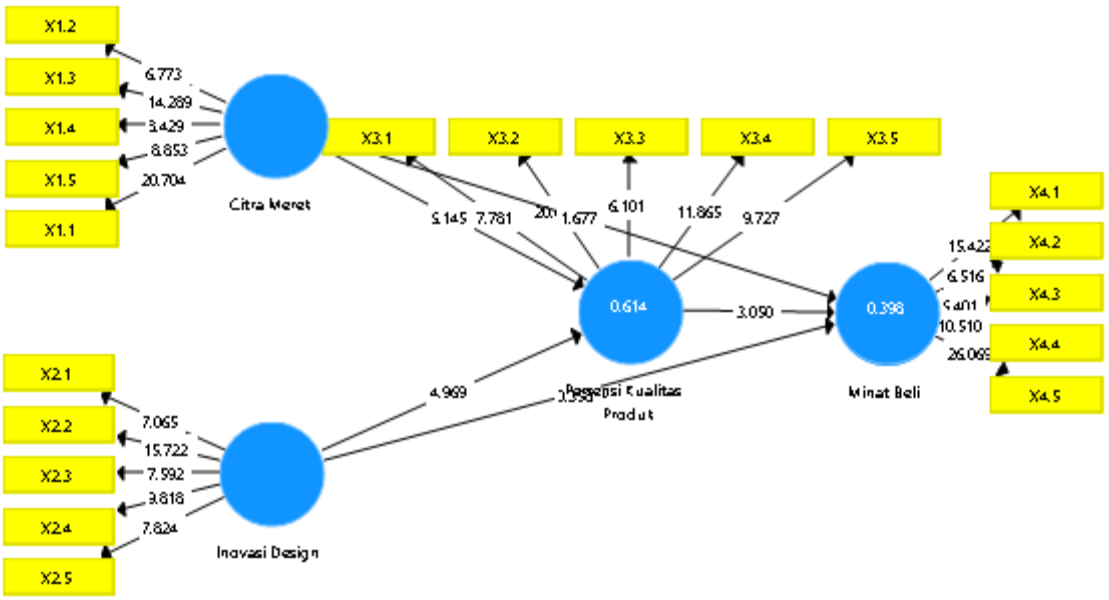

Figure 1. Research Model

(Source : Author 2024)

4. Result

There are 3 stages in the measurement model, and the first is to analyze internal consistency. Second, evaluate the validity of the construct. Furthermore, the final step is to determine discriminant validity. The internal consistency value is obtained by assessing Cronbach alpha (CA) and Composite Reliability (CR) values, as shown in Table 2. The recommended value to meet good reliability is above 0.7.

Table 1. Fornell-Larcker Criterion

	Brand Image	Brand Image	Purchase Intention	Perceived Product Quality
Brand Image	0.713			
Brand Image	0.450	0.725		
Purchase Intention	0.538	0.427	0.732	
Perceived Product Quality	0.669	0.666	0.603	0.732

The Fornell-Larcker Criterion refers to a method which is common used in SEM, model equations to assess discriminant validity in the sense that it ensures that the constructs are different and do not overlap. When the square of the Average Variance Extracted (AVE) value of each of the constructs which is indicated on the diagonal exceeds the off diagonal ratios of the other constructs, then it provides evidence for discriminant validity. This criterion ascertains that a construct possesses a greater degree of variance with its indicators than other constructs. The Fornell-Larcker approach relies on the concept that the analysis is concentrating on reflective measurement models and that the constructs are not conceptually identical. This is important since it leads to misinterpretation of path models and causal relationships.

For each construct, Weighted Square Roots of AVEs are presented inside the diagonal (JWMA = .713, INO = .725, BMW = .732, PKP = .732). Once more, all these figures are greater than the relevant offdiagonal, and hence all the constructs have satisfied Fornell-Larcker Criterion for discriminant validity, Tabela 3 shows this relations, e.g. the relationship between Brand Image and Perceived Product Quality (0.669) is smaller than the Weighted Square Roots of AVE for each of the mentioned constructs, in this case 0.713 and 0.732. These findings indicate that the constructs in question are indeed different and can be interpreted appropriately in the analysis that follows. This kind of validity allows a meaningful assessment of the structural model in the sense that the relationships among the variables are not indeterminate due to overlapping of measurement. Moreover, further analysis such as hypothesis testing can continue for such constructs trusting their discriminant validity.

Table 2. Reliability Table

	Cronbach's Alpha	rho_A	Composite Reliability
Brand Image	0.758	0.776	0.837
Design Innovation	0.772	0.789	0.846
Purchase Intention	0.783	0.789	0.851
Perceived Product Quality	0.781	0.797	0.851

Cronbach's Alpha, rho_A, and Composite Reliability are metrics aimed at assessing the internal consistency and reliability of constructs in SEM analysis. With values ranging from 0 to 1, where anything over 0.7 is presumed to be acceptable, Cronbach's Alpha, which correlates with the plausibility of a set of indicators, estimates the reliability of a set to measure a single latent construct. Rho_A aptly named as Dijkstra-Henseler rho, is a variant of alpha that is reasonable with any range, and particularly useful in estimating in PLS-SEM. Composite Reliability develops Cronbach's Alpha but extends the computation by determining the ratio of the sum of the individual indicator loadings, this makes it a more reliable measure of internal consistency . Ranging between 0.7-0.9 in values, Composite Reliability necessitates an assurance on the dependability of the indicators, thereby making sure that the indicators are consistent in estimating their constructs.

From the tables provided, all constructs display acceptable reliabilities when metrics one, two and three are put into consideration. Take, for example, Brand Image which has a value of Cronbach's Alpha of 0.758, rho_A of 0.776, and Composite Reliability of 0.837 which is also above70%. In the same context, Design Innovation, Purchase Intention and Perceived Product Quality also have reliable values within the acceptable range whereby the values of Composite Reliability (846, 851, 851) registered within the upper range suggest strong internal consistency. These results suggest that the indicators applied in each construct are able to reliably assess the relevant latent variables. The relations of the constructs satisfy the reliability criteria and their relations in the structural model can be correctly interpreted.

Table 3. R Square

	R Square	R Square Adjusted	Criteria
Purchase Intention	0.398	0.379	Moderate
Perceived Product Quality	0.614	0.606	Moderate

In structural equation modeling, R-Square (R^2) is used to measure how much portion of variance within a dependent variable can be accounted for by its independent variables. R-Square

Adjusted on the other hand adjusts the R^2 value such that it allows for an accurate depiction whereby more than one independent variable is used. Categorization of R^2 values as Chin (1998) puts it, there are weak values (0.19 or below), moderate values (0.33–0.66), or substantial values (0.67 or higher). Seeing an extensive R^2 value comes hand in hand with the independent variables capturing the variance of the dependent variable well, however too extensive of a value can be taken as over fitting

In the table given above, for Purchase Intention construct the R^2 =0.398 and the R^2 Adjusted =0.379 hence satisfying the criterion set by Chin of being slightly above moderate. This means that 39.8 % of the variance in Purchase Intention can be attributed to its predictors. Likewise, taking Perceived Product Quality into consideration, the R^2 is also 0.614 and R^2 Adjusted of 0.606 which also speaks of a moderate rating, explaining that the independent variable accounts for more than half 61.4% of the variance. These values provide evidence that both types of structures in the model possess a moderate form of reliability enabling an acceptable variance.

Table 4. Direct Influence Table

Path	**Original sample (O)**	**Sample mean (M)**	**Standard deviation (STDEV)**	**T statistics (|O/STDEV|)**	**P values**	Description
Brand Image -> Purchase Intention	0,244	0,266	0,147	1,656	**0,098**	Rejected
Brand Image -> Perceived Product Quality	0,463	0,472	0,074	6,275	**0,000**	Accepted
Design Innovation -> Purchase Intention	0,044	0,032	0,128	0,345	**0,730**	Rejected
Design Innovation -> Perceived Product Quality	0,458	0,453	0,089	5,165	**0,000**	Accepted
Perceived Product Quality -> Purchase Intention	0,411	0,394	0,141	2,920	**0,004**	Accepted

Brand Image and Purchase Intention: Expectation shows that this value results in confirming one of the null hypotheses at the 5% significance level. Reminding that the rejection of the hypothesis was based on a p-value of 0.098 being larger than 0.05, it follows the rationale when modeling the brand image emphasizing this relationship is feasible. Brand emphasis however

would run contrary to the popular view that the brand as practiced in the international arena always serves to give a better perception of the product. Considering the purchase intention first on the perceived product quality improves the viability of the model then this indeed is the case because the formulation receives a p-value of 0.000.

Design Innovation and Purchase Intention: A p-value is again greater than .05, this time the decision is overridden, the h0 is confirmed. But Design Innovation and Perceived Product Quality and More emphasis placed on design features and novelties leads to significant p value being achieved, 0.000 p value of less than .050 As result leads to the achievement of increasing in the Eyeball Market increases over a longer period. Moving on to the Explanatory Statement of the Purchase Intention I would assume that the existence of an improvement in perceived product quality would suffice in explaining the Purchase Intention when viewed after the fact.

Table 5. Indirect Influence table

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	
Brand Image -> Purchase Intention	0,190	0,184	0,068	2,788	**0,005**	Accepted
Design Innovation -> Purchase Intention	0,188	0,180	0,077	2,433	**0,015**	Accepted

Brand Image on Hypothesized Effect on Purchase Intention through Perceived Product Quality: The p-value acquired is 0.005 which is greater than zero and less than five, hence it suggests that there exists a significant relationship. This suggests that Brand Image in a roundabout way affects the Purchase Intention as explained by Perceived Product Quality.

Design Innovation on Hypothesized Effect on Purchase Intention by Perceived Product Quality: The p-value attained is 0.015 which supports the proposition that a relationship exists. Scope exists not only for Constructive Product Design to Impact Purchase Intention but also for it to do so through Perceived Product Quality.

5. Discussion

This research emphasize Perceived Product Quality as a mediator between Brand Image and Design Innovation Purchase Intention. These findings and their contribution to the existing

literature are further elaborated upon below.

A positive correlation was noted when Eisingerich et al, (2010) demonstrated the impact that strong brand image has on expectations regarding the quality of a product due to its image by having an intensive brand marketing approach when compared to a company with poor marketing strategies that did not exceed 35%. Subsequently, Risyafani et al, (2022) explained that consumers define product quality with the brand image. In light of Exsport's new Brand Image: modernized and positioned for the youthful market; We achieve a consistent enhancement in product quality perceptions and performance through better branding which creates positive associations with visual elements. The strategic relevance of Brand Image when shaping expectations in a market is evident as the example industry is Indonesia's apparel sector.

One prominent similarity between design innovation and perceived product quality, as Homburg et al (2015) indicate, is that the designs of products have the ability to change those opinions regarding quality up to being 42 percent more positive. Moreover, Tjhan (2024) emphasized the attribute and its two dimensions in improving quality of design and its effects in raising Purchase Intention. For Exsport's case, the use of contemporary design elements such as a 'clean' look and the use of natural materials appeals to the target market such as the eco-friendly Generation Z. By so doing, they increased the appeal of their products. This observation provides further support for the assertion that Design Innovation is not just a means of differentiation but aids in boosting the perceived value of the products.

There is no doubting how critical the perception of product quality is, these inferences are made after having looked at the direct relationship between Purchase Intention and Perceived Product Quality, it can be concluded that along with being significant it is also rather huge in size. This result is similar to that of Mohr and Webb (2005) who made an emphasis reacting to the perception of product quality while trying to create purchase premises. Likewise, Christian (2023) showed that the perception of high quality expectably will result into higher probability of making purchase decisions. For Exsport, a case in point, rebranding to support environmentally friendly growth alongside improvements in product quality enhances the probability of its representatives to buy such products. Such views are really essential to sustain and even grow in today's business environment which the brands do.

The results also verify the mediation role of Perceived Product Quality on Brand Image and Design Innovation in relation to Purchase Intention. The Purchase Intention is determined by Perceived Product Quality which assumes the mediating role. The frame as suggested by Homburg et al. (2015) and Purbohastuti et al. (2020) is largely valid in this case where perceived quality acts as an important link between the elements of the brand and the purchase behaviour of the consumers. For Exsport means that brand is build only if customer focus on the quality reasons and in this case quality act as means of bridging between the branding and the market.

It is surprising that the direct effects of Brand Image and Design Innovation on Purchase Intention can be described as non-existent. It means that these variables are not totally useless in addressing the strategies but their effectiveness on the decisions is significantly from the mediation of Perceived Product Quality. This position is supported by Chen et al. (2021) where it was found that the product quality is sometimes the core aspect which drives purchase intention. These

findings underscored the importance of quality in shaping brand and design ideologies for better consumer attitude.

6. Conclusion, Implication, and Recommendation

The findings of this research confirms that Perceived Product Quality acts as a crucial mediating factor between Brand Image, Design Innovation and Purchase Intention. Both Brand Image and Design Innovation are not determinants of an intention to purchase, but they have such an intention through Perceived Product Quality. It is clear from these results that both Brand Image and Design Innovation need to be enhanced to increase product quality perceptions so that buying decisions are made by consumers. The results further provide the knowledge of the mechanisms of the consumer behavior with respect to rebranding of the local fashion industry in Indonesia.

In this regard, the results provide for both practitioners and academics necessary reflections. For example, the research output shows that Exsport business practitioners are required to improve on their Perceived Product Quality in relation to all facets of their branding and designing steps. Improvements in Brand Image should be developed with authenticity and trust to foster an emotional appeal to the consumers which improves their quality perception. In the same vein, new trends like embarking on minimalism and sustainability in design must be employed to meet customer's expectations. At the theorists' levels, the study validates the role of mediated relationships in marketing strategy and emphasizes the importance of perceived quality as a significant factor in the process of buying decisions by consumers.

For Exsport to be able to mainstream from the insights of the research, there are concrete measures that can be taken in the rebranding efforts. To begin with, the Finnish company Exsport aims to reposition its weak brand equity by employing inclusive marketing, thus, marketing communications should aim to promote its' products' quality to support the positive associations likely to emerge from the rebranding exercise. On the second point on brand enhancement, funds should also be channeled towards eco-friendly and functional design breakthroughs, this will increase the value of the brand while also enhancing its' appeal to environmentally sensitive consumers. Social media and other such platforms should be actively utilized in the branding exercises to help Exsport interact with the main stakeholders and enhance the company's image while also collecting information on the quality and design of the products. Further studies may also extend the research by measuring intermidiaries like customer satisfaction or brand trust satisfaction, in order to have more in depth insights on the consumer behavior in the fashion industry.

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9. Appendix (if any)

This section should be placed at the end of the manuscript after the reference list.