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# Co-Branding Strategy in Cross-Industry Business: A Case of Mobile Games and Food Products Collaboration on Indonesian Mobile Games Players

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**Abstract**

Purpose: This study discusses the cross-industry co-branding strategy of Player Unknown's Battle Grounds (PUBG) Mobile x Indomie products by analyzing the influence of self-congruity and brand fit variables on co-branding and its impact on brand equity and purchase intention carried out on mobile game players in Indonesia.

Method: This study used quantitative research methods with the population of Indonesian mobile game players. The study used purposive sampling with a sample of 180 respondents. Data was processed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method with SmartPLS 3.0 software.

Result: The results of this study prove that co-branding is influenced by brands that have more value and appeal and are influenced by brand combinations that match both symbolic and functional effects. Co-branding with a combination of brands with an equivalent level of equity shares the benefits of co-branding equally, so co-branding with a combination of high and low-equity brands is believed to influence brand equity significantly. Good co-branding will provide a positive evaluation of a brand to encourage consumer purchase intention.

## INTRODUCTION

Changes in technology and the global environment have led to increasingly high competition in the industrial world, requiring companies to think creatively and innovatively to survive amidst intense competition. Branding is one of the efforts that can be made to face business competition. One form of branding strategy that can provide a competitive advantage to products or services is co-branding (Besharat & Langan, 2014).

Co-branding strategies have received increasing attention from managers and researchers, as evidenced by practitioner-oriented articles and empirical studies published since the mid-1990s (Helmig et al., 2008). Starting from brand problems perceived as very complex and rarely easy to understand, many companies identify co-branding as a way to increase the scope and influence of the company brand, enter new markets, embrace new technologies, reduce costs through economies of scale, and refresh the brand image (Blackett & Russell, 1999).

Initially, the co-branding strategy focused on utilitarian products until it expanded to include hedonic products and domestic travel (Oeppen & Jamal, 2014). Over time, based on cases of advantages and disadvantages of co-branding strategies in various industries, company managers are considering the right way to use this strategy, and some companies are even innovating co-branding strategies by combining brands from different industries to produce other unique products (Lakuuu, 2022). For example, co-branding is carried out by several brands in the



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beauty industry with food products, namely, Mizzu Cosmetics x Khong Guan Biscuits, Dear Me Beauty x KFC, Implora x Relaxa, and Luxcrime x Tango. Currently, the food and beverage industry has done much co-branding with famous K-Pop Idol brands, namely, BTS x McDonald's, Oreo x Blackpink, Lemonilo x NCT, and so on.

The development of the co-branding strategy, which is widely used by various industries with all its innovations and opportunities for advantages and disadvantages, has attracted researchers to conduct further research on the effectiveness and opportunities arising from using this strategy. Initial research that formulated the potential benefits of co-branding products was conducted by Norris (1992). Furthermore, research on co-branding strategies focuses on utilitarian products, such as food and beverages, electronic goods, and financial services, to develop hedonic and domestic travel products, such as fashion products, travel services, and luxury automotive (Oeppen & Jamal, 2014; Shen et al., 2017).

Research in Indonesia includes Daihatsu x Toyota, a co-branding company in the automotive industry that produces identical products, namely Daihatsu Xenia (Kurniawan, 2013). However, little previous research discusses the application of co-branding strategies in different industries. To fill the research gaps, the current study examines the effectiveness and opportunities of co-branding strategies in a cross-industry, particularly the games and food industries.

A real case of a cross-industry co-branding strategy in Indonesia was carried out by two well-known brands, namely Player Unknown's Battle Grounds (PUBG) Mobile x Indomie (Septiyani, 2022). This collaboration creates PUBG Mobile's first co-branding with food products. PUBG Mobile and Indomie are popular brands that dominate the market in their respective industries. It proves that these two brands have more value and appeal among their competitors. The presence of PUBG Mobile as one of the most successful mobile games and Indomie as the leading instant noodle brand also shows that most consumers choose these two brands, so it can be said that PUBG Mobile and Indomie have much influence on consumer self-congruity compared to other brands. Self-congruity is a concept that shows that consumers tend to choose products that reflect their self-image (Singh et al., 2016).

Prior research on co-branding primarily concentrates on investigating customers' reactions to co-branding initiatives (e.g., Motion, Leitch, & Brodie, 2003; Rao, Qu, & Ruekert, 1999; Simonin & Ruth, 1998; Washburn, Till, & Priluck, 2000). However, according to Riley et al. (2015), brand fit is vital in shaping consumer perceptions of co-branding. Brand fit refers to the compatibility of images, characteristics, and values between brands collaborating in co-branding (Simonin & Ruth, 1998). It is crucial to analyze whether consumers believe that the collaboration between PUBG Mobile and Indomie complements each other. Thus, strengthening the perception of the value of co-branding is important by considering the brand fit variable in the analysis. The lack of studies on cross-industry co-branding strategies and the need to understand their impact on brand equity and purchase intention make this current study of PUBG Mobile x Indomie important because this research is the first research to discuss cross-industry co-branding between mobile games and food products in Indonesia.

The collaboration between PUBG Mobile and Indomie certainly opens up opportunities to improve the quality of their respective brands because, in this strategy, there is an exchange of value between the collaborating brands so that they can positively impact brand equity (Kurniawan, 2013). Brand equity is the added value of a product or service that can create brand awareness, brand associations, perceived quality, brand loyalty, and other exclusive assets (Riznal et al., 2020). The value contained in a product or service is also the main driver of consumers' desire to purchase (Ramdhani et al., 2018). The co-branding strategy on PUBG Mobile and Indomie is the right choice to encourage purchase intention because this strategy is believed to increase the value of a brand and open up opportunities for company revenue (Chang, 2009). Through a co-branding strategy, a brand can exchange or increase its brand value to increase consumer purchasing intentions and company revenue opportunities (Kotler & Keller, 2016, p. 410).



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To sum up, this study analyzes the cross-industry co-branding strategies by examining the influence of self-congruity and brand fit variables on co-branding and then co-branding's impact on brand equity and purchase intention in the PUBG Mobile x Indomie product collaboration. Based on this, the researchers formulated the research problems: (1) Does self-congruity have a positive effect on co-branding in the PUBG Mobile x Indomie collaboration?; (2) Does brand fit have a positive effect on co-branding in the PUBG Mobile x Indomie collaboration?; (3) Does co-branding have a positive effect on brand equity in the PUBG Mobile x Indomie collaboration?; (4) Does co-branding have a positive effect on purchase intention in the PUBG Mobile x Indomie collaboration?

**Co-Branding**

Co-branding is a marketing strategy in cooperation between two or more brands to produce a product or service identified simultaneously within a certain period (Helmig et al., 2008). Leuthesser et al. (2003) mentioned that co-branding is the installation of two or more brands in marketing, such as advertising, products, product placement, and distribution outlets. Co-branding is also believed to create points of differentiation and make collaborating brands more unique and interesting (Keller, 2013, p. 270). Keller (2013, p. 271) states that co-branding can be strong and successful when measured in six dimensions: adequate brand awareness, sufficiently strong brand, favorable, unique association, positive consumer judgment, and positive consumer feelings.

**Self Congruity**

Self-congruity is a match or conformity between an individual's perception of a brand or product and their perception of themselves (Sirgy, 1985). According to Sirgy (2018), self-congruity can also be mentioned as a process and result related to consumer brand identification. In simple terms, self-congruity is how consumers identify their self-image with a particular brand or user (Sirgy, 2018). Sirgy (1985) measured the effect of self-congruity on brand evaluation using four dimensions: actual self-congruity, ideal self-congruity, social self-congruity, and dan ideal social self-congruity.

Brands are often considered to have human-like characteristics that can embody human values (Golossenko et al., 2020). According to Michel et al. (2022), self-congruity can be understood in terms of the compatibility between the values contained in a brand and the values prioritized by consumers. Therefore, it can be said that co-branding is one of the strategies that can be used to see the role of self-congruity in symbolic consumption (Mazodier & Merunka, 2014). This is also supported by Wang et al. (2020), who stated that when consumers are faced with co-branding that has multiple personalities, their self-dialectic is triggered so that it affects their attitude towards the co-branding.

H1. Self-congruity has a significant positive effect on Co-Branding

**Brand Fit**

Brand fit is the conformity of brand image and association in consumer evaluation (Simonin & Ruth, 1998). This perception of conformity lies in the extent to which consumers view brand expansion or association as something logical (Sénéchal et al., 2014). Aaker & Keller (1990) started a brand-extension fit study focusing on complement, substitute, and transfer dimensions. This model is applied to brand alliances, integrating partner brand images and product categories to create a fit concept. Similarly, Riley et al. (2015) developed criteria to measure brand fit, grouped into five dimensions: economic fit, symbolic fit, sensory fit, futuristic fit, and utilitarian fit.

The co-branding strategy involves the brand image of each brand collaborating, where the brand image is defined as a perception that reflects the consumer's association with the brand (Keller, 2013). Fit is important to generate a positive attitude towards co-branding (J. Ahn et al., 2020). Riley et al. (2015) also found that the fit between two brands is an important factor



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influencing perception. It is supported by Kania et al. (2021), who stated that consumers' positive perception of a collaborative brand image plays a role in building a co-branding product fit.
H2. Brand Fit has a significant positive effect on Co-Branding

**Brand Equity**

Brand equity is the value consumers associate with a brand in the form of brand assets and obligations related to brands, names, and symbols that can add or decrease value (Aaker, 1991. p. 15). Kotler & Keller (2016, p. 324) defines brand equity as the added value provided to products and services, as evidenced by how consumers think, feel, and act concerning the brand, price, market share, and profitability they control. According to Lassar et al. (1995), brand equity refers to consumers' perception of the overall superiority of a product that carries the brand name. In simple terms, brand equity is said to be the value produced by a brand based on the name, association, and emotional connection that exists in the minds of consumers (Shariq, 2018). Aaker (1991. p. 15) developed criteria to measure brand equity, which is grouped into five categories. The first represents consumer perception of brands into four dimensions of brand equity: brand awareness, brand associations, perceived quality, and brand loyalty. At the same time, the latter category combines two measures of market behavior that represent information obtained from market-based information, e.g., patents, trademarks, and channel relationships.

Brand equity can be the answer to the success or failure of a brand to carry out a co-branding strategy because co-branding can increase the value between brands that collaborate, so this strategy positively influences brand equity (Riznal et al., 2020). According to Nilasari & Putri (2023), co-branding positively and significantly affects brand equity. Many companies do co-branding to increase brand equity. It is supported by Wulandari (2019), who said that the stronger the co-branding cooperation, the better the influence on the brand equity of the collaborating products will be.
H3. Co-branding has a positive effect on Brand Equity

**Purchase Intention**

Purchase intention is an activity that arises from feelings and thoughts about a desired product or service (Schiffman et al., 2012. p. 223). According to Sari (2020), purchase intention is the tendency of consumers to act before the purchase decision is implemented. In simple terms, purchase intention is when consumers are encouraged to buy a particular product or service (Morwitz et al., 2007). Ferdinand (2014, p. 188) identifies purchase intention in transactional, preferential, and exploratory dimensions.

Previous research has proven that co-branding positively evaluates a brand (Ilicic et al., 2019). According to Kania et al. (2021), positive evaluations contained in a brand can increase consumer purchase intention towards the brand, so it can be said that co-branding has a positive effect on purchase intention. It is supported by Pratiwi & Marlien (2022), who stated that the better co-branding is done, the more consumers' purchase intention towards a brand will increase. Chen (2022) also mentioned that co-branding can create memorable qualities, build more emotional associations with consumers, and create purchase intentions. Likewise, Anggar Kusuma & Anandya (2023) stated that consumers' purchase intention will increase if consumers have a positive perception of a product.
H4. Co-branding has a positive effect on Purchase Intention

The research model is depicted in Figure 1:



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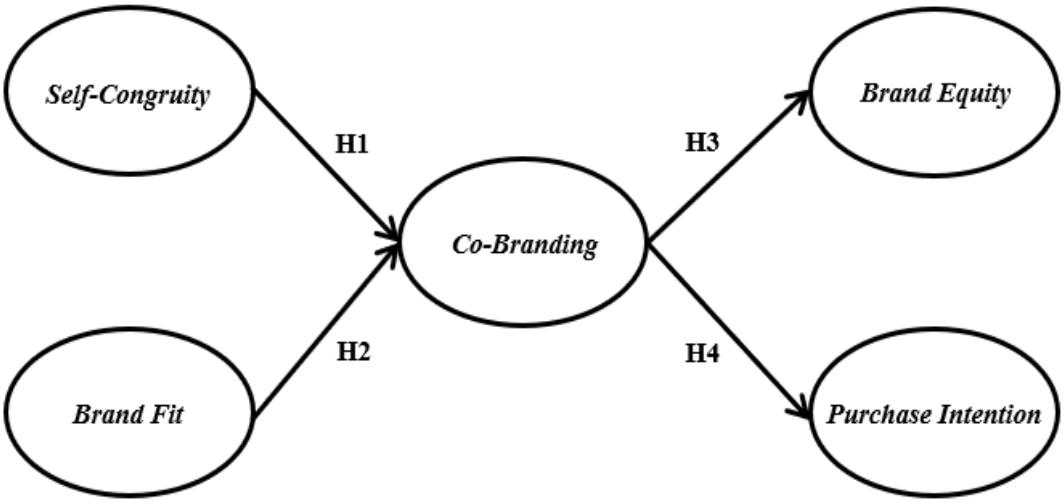


**Figure 1. Research Model**

## RESEARCH METHODS

This study discusses the cross-industry co-branding strategy of PUBG Mobile x Indomie products by analyzing the influence of self-congruity and brand fit variables on co-branding and their impact on brand equity and purchase intention carried out on mobile game players in Indonesia. This study used a quantitative descriptive analysis approach with a population of Indonesian mobile game players. This study used a nonprobability sampling technique with a purposive sampling technique. The total sample for this study was 180 respondents, with the following criteria: (1) Indonesian mobile games players aged ≥ 18 years, (2) players know the PUBG Mobile and Indomie brands, (3) players know the PUBG Mobile x Indomie Co-Branding. According to Ferdinand (2014, p. 173), the number of samples represents the population, who stated that a good sample size in SEM analysis ranges from 100-200 samples.

The research variables consisted of exogenous and endogenous variables. The exogenous variables in this research were self-congruity and brand fit, while the endogenous variables were co-branding, brand equity, and purchase intention. The measurement of self-congruity refers to Sirgy (1985), which is measured through actual self-congruity, ideal self-congruity, social self-congruity, and ideal social self-congruity. The measurement of brand fit refers to Riley et al. (2015), which is measured through economic fit, symbolic fit, sensory fit, futuristic fit, and utilitarian fit. Co-branding refers to Keller (2013), measured through adequate brand awareness, sufficiently strong brand, favorable, unique association, positive consumer judgment, and positive consumer feelings. Brand equity measurement refers to Aaker (1991), which is measured through brand awareness, associations, perceived quality, and brand loyalty. The measurement of purchase intention refers to Ferdinand (2014), who measures it through transactional, preferential, and exploratory means.

The primary data used in this study is obtained from respondents by filling out questionnaires, including the identity and responses of respondents regarding self-congruity, brand fit, co-branding, brand equity, and purchase intention. The statement is measured on a 5-point Likert scale with an "Agree-Disagreement" statement. This research was also supported by secondary data from books, journals, the web, the internet, and others to obtain information about concepts and theories.

This research used Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze data with SmartPLS 3.0 software. The data processing in this study began with a validity and reliability test. Validity tests identify factors with the proper accuracy to be used as a measuring tool that provides accurate measurement results on existing research models. The variable is valid if the loading factor and AVE values are≥ 0.5. Reliability tests are used to measure the consistency and stability of indicators. The variable is reliable if the Composite



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Reliability and Cronbach's Alpha values are ≥ 0.7. Furthermore, they conducted structural model analysis and hypothesis testing.

## RESULTS & DISCUSSION

This study was conducted on mobile game players across various districts or cities in Indonesia. The questionnaire was distributed online to 180 respondents through followers of mobile game platforms, mobile game communities, and line square/Facebook groups of mobile game players. This study's total number of respondents was 110 male and 70 female. The majority of respondents to this research are PUBG Mobile players who are pro-players or mobile game athletes in Indonesia. Most respondents were domiciled in Jakarta, with 25 people (13.9%). In second place was Banjarmasin with 18 people (10.0%), followed by Surabaya with 17 people (9.4%), Bandung with 16 people (8.9%), Yogyakarta with 13 people (7.2%), Bekasi and Medan 11 people (6.1%), Depok 10 people (5.6%), and representatives of several other cities.

The measurement model is the first step to test validity and reliability. The validity test is used to test the feasibility of the indicator by distributing the questionnaire online through Google Forms. The data was tested by considering the Loading Factor (outer loading) indicator and Average Variance Extracted (AVE) using the SmartPLS 3.0 program. The indicator is valid if the loading factor and AVE values are ≥ 0.5. A valid questionnaire indicates that the indicators used in the questionnaire can measure each variable and be understood by respondents. In addition, the indicator is said to be reliable if the Composite Reliability and Cronbach's Alpha values ≥ 0.7.

**Table 1.**
**Loading Factor, AVE, CA, and CR Values of Each Variable**

| Indicator | Loading Factor | AVE | CA | CR | Description |
|---|---|---|---|---|---|
| SC.1 | 0.688 | 0.555 | 0.928 | 0.937 | All items are valid and reliable |
| SC.2 | 0.792 | | | | |
| SC.3 | 0.755 | | | | |
| SC.4 | 0.759 | | | | |
| SC.5 | 0.808 | | | | |
| SC.6 | 0.711 | | | | |
| SC.7 | 0.679 | | | | |
| SC.8 | 0.808 | | | | |
| SC.9 | 0.737 | | | | |
| SC.10 | 0.756 | | | | |
| SC.11 | 0.785 | | | | |
| SC.12 | 0.645 | | | | |
| BF.1 | 0.818 | 0.523 | 0.92 | 0.929 | |
| BF.2 | 0.694 | | | | |
| BF.3 | 0.734 | | | | |
| BF.4 | 0.678 | | | | |
| BF.5 | 0.784 | | | | |
| BF.6 | 0.693 | | | | |
| BF.7 | 0.780 | | | | |
| BF.8 | 0.772 | | | | |
| BF.9 | 0.657 | | | | |
| BF.10 | 0.734 | | | | |
| BF.11 | 0.645 | | | | |
| BF.12 | 0.661 | | | | |
| CB.1 | 0.708 | 0.571 | 0.942 | 0.949 | |
| CB.2 | 0.741 | | | | |
| CB.3 | 0.750 | | | | |
| CB.4 | 0.769 | | | | |
| CB.5 | 0.756 | | | | |
| CB.6 | 0.699 | | | | |
| CB.7 | 0.787 | | | | |



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| | | | | |
|---|---|---|---|---|
| CB.8 | 0.718 | | | |
| CB.9 | 0.716 | | | |
| CB.10 | 0.790 | | | |
| CB.11 | 0.757 | | | |
| CB.12 | 0.830 | | | |
| CB.13 | 0.770 | | | |
| CB.14 | 0.771 | | | |
| BE.1 | 0.732 | 0.549 | 0.938 | 0.944 |
| BE.2 | 0.715 | | | |
| BE.3 | 0.700 | | | |
| BE.4 | 0.864 | | | |
| BE.5 | 0.810 | | | |
| BE.6 | 0.725 | | | |
| BE.7 | 0.828 | | | |
| BE.8 | 0.648 | | | |
| BE.9 | 0.718 | | | |
| BE.10 | 0.719 | | | |
| BE.11 | 0.654 | | | |
| BE.12 | 0.710 | | | |
| BE.13 | 0.806 | | | |
| BE.14 | 0.706 | | | |
| PI.1 | 0.823 | 0.586 | 0.869 | 0.894 |
| PI.2 | 0.732 | | | |
| PI.3 | 0.647 | | | |
| PI.4 | 0.812 | | | |
| PI.5 | 0.812 | | | |
| PI.6 | 0.751 | | | |

Source: Processed Data by Researchers

Table 1 shows that the indicators of all research variables, namely Self Congruity (SC), Brand Fit (BF), Co-Branding (CB), Brand Equity (BE), and Purchase Intention (PI), have a Loading Factor and AVE value of ≥ 0.5 so they are declared valid. All variables also have Cronbach's alpha and Composite Reliability ≥ 0.6. Thus, it can be concluded that all indicators used to measure the variables in this questionnaire are consistent and reliable, so they can be used in this study.

After analyzing the measurement model, the next step is to test the structural model. The structural model is the stage of testing the relationship between constructs in PLS-SEM. The structural model is carried out first by testing the R-Square. The R-Square ($R^2$) value, the determination coefficient, is the most common measure for evaluating structural models. This coefficient measures the model's prediction accuracy, calculated as the square correlation between the actual value and the prediction for a given endogenous construct. R-Square ($R^2$) values of 0.67, 0.30. and 0.19 for endogenous latent variables in the structural model indicate that the model is robust, moderate, and weak.

**Table 2.**
**R-Square ($R^2$) and R-Square Adjusted**

| | R Square | R Square Adjusted |
|---|---|---|
| Brand Equity | 0.028 | 0.022 |
| Co-Branding | 0.096 | 0.086 |
| Purchase Intention | 0.043 | 0.038 |

Source: Processed Data by Researchers

Table 2 shows that the r-square value of brand equity is 0.028, meaning that the variance of the brand equity variable that can be explained by co-branding is 2.8% and is included in the level of weak influence. At co-branding of 0.096, the variance of co-branding variables that can be explained by self-congruity and brand fit is 9.6% and is included in the level of weak influence. Furthermore, the purchase intention value of the r-square is 0.043, meaning that the



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variance of the purchase intention variable that can be explained by co-branding is 4.3% and is included in the level of weak influence. Based on the data results, it can be concluded that this research model is considered weak or has poor predictions. According to Hair et al. (2019), many researchers interpret the r-square statistic as a measure of the model's predictive power. However, this interpretation is incorrect because the r-square only shows the model's explanatory power in the sample and does not explain the model's predictive power outside the sample.

Shmueli et al. (2016) proposed a series of out-of-sample prediction procedures involving model estimation on the analysis sample and evaluating its predictive performance on data other than the analysis sample, commonly called the prediction sample. This procedure assumes a complete dataset of manifest variables (antecedent measurements and outcomes) and a predictive dataset (Shmueli et al., 2016).

**Table 3.**
**Prediction Summary**

| | PLS Model | | | LM (Linear Prediction) | | |
|---|---|---|---|---|---|---|
| | RMSE | MAE | Q²_predict | RMSE | MAE | Q²_predict |
| BE.6 | 1.050 | 0.764 | 0.016 | 1.133 | 0.869 | -0.146 |
| BE.1 | 0.933 | 0.618 | 0.011 | 1.002 | 0.744 | -0.141 |
| BE.7 | 0.999 | 0.688 | 0.014 | 1.099 | 0.839 | -0.194 |
| BE.3 | 0.833 | 0.700 | 0.019 | 0.897 | 0.743 | -0.140 |
| BE.2 | 0.826 | 0.681 | 0.011 | 0.894 | 0.725 | -0.158 |
| BE.14 | 0.866 | 0.637 | 0.009 | 0.954 | 0.739 | -0.201 |
| BE.9 | 0.744 | 0.607 | 0.001 | 0.773 | 0.614 | -0.080 |
| BE.13 | 1.000 | 0.733 | 0.014 | 1.073 | 0.848 | -0.133 |
| BE.10 | 0.797 | 0.668 | 0.002 | 0.851 | 0.688 | -0.136 |
| BE.12 | 0.780 | 0.664 | -0.001 | 0.841 | 0.698 | -0.163 |
| BE.8 | 0.774 | 0.678 | 0.004 | 0.830 | 0.698 | -0.146 |
| BE.11 | 0.796 | 0.668 | 0.008 | 0.849 | 0.687 | -0.129 |
| BE.4 | 0.942 | 0.702 | 0.014 | 1.020 | 0.803 | -0.157 |
| BE.5 | 1.015 | 0.769 | 0.012 | 1.118 | 0.889 | -0.200 |
| CB.2 | 0.651 | 0.565 | 0.044 | 0.699 | 0.582 | -0.105 |
| CB.1 | 0.709 | 0.611 | 0.036 | 0.781 | 0.647 | -0.168 |
| CB.3 | 0.739 | 0.633 | 0.015 | 0.803 | 0.682 | -0.162 |
| CB.14 | 1.036 | 0.792 | 0.029 | 1.135 | 0.884 | -0.166 |
| CB.4 | 0.886 | 0.710 | 0.047 | 0.940 | 0.775 | -0.071 |
| CB.5 | 1.000 | 0.792 | 0.012 | 1.079 | 0.866 | -0.149 |
| CB.11 | 0.963 | 0.734 | 0.010 | 1.019 | 0.784 | -0.107 |
| CB.10 | 0.822 | 0.689 | 0.033 | 0.881 | 0.721 | -0.112 |
| CB.6 | 0.880 | 0.672 | 0.032 | 0.957 | 0.752 | -0.144 |
| CB.13 | 0.911 | 0.755 | 0.041 | 0.979 | 0.818 | -0.108 |
| CB.7 | 0.868 | 0.676 | 0.026 | 0.932 | 0.738 | -0.123 |
| CB.8 | 0.783 | 0.651 | -0.002 | 0.855 | 0.701 | -0.194 |
| CB.9 | 0.700 | 0.588 | 0.006 | 0.776 | 0.644 | -0.221 |
| CB.12 | 1.173 | 0.941 | 0.017 | 1.194 | 0.960 | -0.020 |
| PI.4 | 0.841 | 0.667 | 0.015 | 0.920 | 0.702 | -0.180 |
| PI.1 | 0.764 | 0.623 | 0.018 | 0.803 | 0.665 | -0.085 |
| PI.5 | 0.901 | 0.694 | 0.019 | 0.999 | 0.783 | -0.206 |
| PI.6 | 0.865 | 0.643 | 0.017 | 0.908 | 0.713 | -0.083 |
| PI.2 | 0.798 | 0.665 | 0.016 | 0.878 | 0.713 | -0.192 |
| PI.3 | 0.769 | 0.629 | 0.010 | 0.853 | 0.665 | -0.216 |

Source: Processed Data by Researchers

Based on Table 3, it is shown that most of the measurement items of endogenous variables Brand Equity (BE), Co-Branding (CB), and Purchase Intention (PI) in the proposed PLS model have lower RMSE and MAE values than the LM model (linear prediction). In addition, most of the proposed PLS models have a higher Q2predict value than the LM model. So, it can be said that the proposed PLS model has a moderate or reasonably good prediction.



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PLS-SEM was initially designed for prediction purposes, but many researchers are now trying to expand its ability to test theories by developing the Fit Model size. The fit model is measured by the Standardized Root Mean square Residual (SRMR) value or the magnitude of the average difference between the observed correlation and the expected correlation as an absolute measure of the fit criterion (model), a value less than 0.10 or 0.08 is considered suitable. In addition, an NFI value between 0 and 1 also indicates a suitable fit model.

**Table 4.**
**Fit Summary**

| | Estimated Model |
|---|---|
| SRMR | 0.08 |
| NFI | 0.66 |

Source: Processed Data by Researchers

Table 4 shows that the SRMR value is 0.08, which meets the criteria for a suitable fit model because it is less than 0.10. In addition, the NFI value shows a value of 0.66, which also meets the requirements for a fit model that matches the value between 0-1. So, it can be concluded that the model in this study is suitable.

The research continued by conducting hypothesis testing. Hypothesis testing with significance testing using t-value. Hypothesis testing is seen from the statistical t-value and p-value using an alpha value of 5%, and the statistical value used is 1.96. The test analysis using the Bootstrapping model will accept the hypothesis if the t-statistic value is > 1.96. The path coefficient output results are presented in Table 3.

**Table 5.**
**Hypothesis Testing Result**

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (\|O/STDEV\|) | P Values |
|---|---|---|---|---|---|
| SC -> CB | 0.209 | 0.224 | 0.084 | 2.499 | 0.013 |
| BF-> CB | 0.178 | 0.205 | 0.073 | 2.430 | 0.015 |
| CB -> BE | 0.167 | 0.192 | 0.126 | 1.320 | 0.187 |
| CB -> PI | 0.208 | 0.241 | 0.078 | 2.676 | 0.008 |

Source: Processed Data by Researchers

Table 5 shows the relationship between constructs with significant and insignificant results. Based on the t-table value of 1.96 and a significance level of 5%, it can be concluded that three hypotheses in this study are accepted, and one hypothesis is not accepted (CB → BE).

**Discussion**

The hypothesis that self-congruity positively affects co-branding was accepted with a statistical t-value of 2.499 and a probability value of 0.013 (t-table > 1.96 and p < 0.05). Thus, self-congruity significantly affects the co-branding variable. Apart from that, the original sample (in Table 5), which has a positive value, shows that the direction of the relationship between self-congruity and co-branding is positive, meaning that the stronger the perceived self-congruity, the more positive attitudes towards co-branding will increase. PUBG Mobile and Indomie are popular brands that dominate the market in their respective industries. According to sensortower.com (2022), PUBG Mobile has become the best-selling mobile game worldwide by reaping a profit of around $237 million, surpassing other mobile game revenues as well, and Indomie is still a local brand that ranks first in the best-selling instant noodle sales in Indonesia with a sales volume of 40.5% on instant noodle sales data on Shopee and Tokopedia (Wiwaha, 2022). It proves that the two brands have more value and attractiveness among their competitors, so it can be said that PUBG Mobile and Indomie have much influence on consumer self-congruity, which has an impact on consumers' positive attitudes towards the co-branding of the two brands. Gamers not only have good self-congruity in the PUBG Mobile game, but Indomie



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is also a strong influence on self-congruity for gamers who are respondents to this study. Therefore, the PUBG Mobile x Indomie collaboration product has received a positive response due to the strong self-congruity of respondents to partners who collaborate. This study's results align with the theory put forward by Ahn et al. (2009); namely, self-congruity is a form of consumer behavior that seeks to maintain a balanced and consistent association between themselves and the brand. Therefore, self-congruity is one of the determinants of co-branding success. Wang et al. (2020) stated that when consumers are faced with co-branding that has multiple personalities, their self-dialectic is triggered so that it affects their attitude towards the co-branding. In this study, gamers felt that the PUBG Mobile x Indomie collaboration product followed the style they expected when playing mobile games, so they supported the co-branding carried out by PUBG Mobile and Indomie. This research also aligns with previous research by Mazodier & Merunka (2014), which stated that self-congruity significantly affects co-branding.

The hypothesis that brand fit positively affects co-branding was accepted, meaning that the stronger the brand fit between co-branding partners, the more positive attitudes towards co-branding will increase. Riley et al. (2015) found that the fit between two brands is an essential factor influencing perception. The right decision for PUBG Mobile and Indomie is to carry out a co-branding strategy because both brands are popular and are widely chosen by consumers, thus increasing a positive attitude towards co-branding. This is supported by Kania et al. (2021), who stated that consumers' favorable perception of a collaborative brand image plays a role in building a co-branding product fit. The study also showed that the symbolic fit effect of the collaboration brand was more dominating than the sensory fit effect. Some respondents think this collaboration lacks the impression of complementarity in terms of functionality because it is an unrelated cross-industry collaboration. The results of this study are in line with the findings of Ahn et al. (2020), who stated that symbolic fit has a greater effect on brand evaluation compared to functional fit, thus showing that the similarity of symbolic meaning between partners plays a vital role in increasing the success of co-branding activities. It causes many cross-industry co-brandings to get a positive response from consumers even though there is no similarity in product categories among collaboration partners.

The hypothesis that co-branding positively affects brand equity is rejected. It can be interpreted that the co-branding variable does not significantly affect the brand equity variable. However, the original sample that had a positive value still showed that the direction of the relationship between co-branding and brand equity was positive, meaning that the better the attitude towards co-branding, the more brand equity of the collaboration partner would increase. Many studies argue that brand equity is an essential factor in co-branding success. Washburn et al. (2004) stated that most consumers think co-branding products are better quality than independent products. It shows that consumers have a better impression of co-branding, which can affect brand equity. However, the results of this study are not in line with this statement. The results of this study show that PUBG Mobile and Indomie will remain popular and remembered by respondents who use co-branded and independent products. PUBG Mobile and Indomie are popular brands that dominate the market in their respective industries, so it can be said that PUBG Mobile and Indomie are brands that have high equity.

According to Warraich et al. (2014), combining brands with high equity strengthens the combined brand image, but when a brand with high equity is combined with low equity, it will add to the combined brand image. Combining brands with high and low equity will significantly influence co-branding products more than a combination of equivalent brands. Kalafatis et al. (2012) also support this by stating that brands with equal equity levels share the benefits of co-branding equally, while brands with lower equity benefit more from the collaboration. Therefore, it is concluded that PUBG Mobile x Indomie co-branding positively affects brand equity but has a low or insignificant influence on brand equity. The results of this study are not in line with previous research by Wulandari (2019), Riznal et al. (2020), and Nilasari & Putri (2023), which showed a positive and significant influence of co-branding on brand equity.

The hypothesis was accepted that co-branding positively affects purchase intention. It can be interpreted as the co-branding variable significantly affecting purchase intention, and the



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better the attitude towards co-branding, the more consumer purchase intention will increase. Positive evaluations contained in a brand can increase consumer purchase intention towards the brand (Kania et al., 2021). PUBG Mobile and Indomie's decision to carry out a co-branding strategy is correct because both brands have positive consumer evaluations, encouraging purchase intention and opening up company revenue opportunities. It is supported by Pratiwi & Marlien (2022), who stated that the better co-branding is done, the more consumers' purchase intention towards a brand will increase. Chen (2022) also mentioned that co-branding can create memorable qualities, build more emotional associations with consumers, and create purchase intentions. In this study, gamers were happy with the unique collaboration with the PUBG Mobile x Indomie limited edition product, so this co-branding attracted more attention to respondents compared to other similar collaboration products, or it can be said that PUBG Mobile x Indomie co-branding affected respondents' purchase intentions. It aligns with Anggar Kusuma & Anandya's (2023) findings, which state that consumer purchase intention will increase if consumers positively perceive a product.

The research's limitation is that it only focuses on the influence of self-congruity and brand fit on co-branding and its impact on brand equity and purchase intention. Therefore, examining other variables or factors that can influence co-branding attitudes and purchasing interest in collaboration products is necessary. Survey-based studies have weaknesses over time, such as changes in the economic, societal, and the influence of technology. This research sample does not cover all regions in Indonesia. It only represents a few regions due to the research's limited space and time coverage. Further research could be conducted on different aspects of the organization or organizations representing various industries, regions, or countries. Future studies can also test other variables or factors influencing co-branding attitudes and purchasing interest in cross-industry co-branding products, such as brand attitude, brand familiarity, brand consciousness, brand involvement, variety seeking, dialectical self, et cetera.

## CONCLUSION

The findings prove that brands with greater value and attractiveness can influence consumer self-congruity, impacting consumers' positive attitudes toward co-branded products. These follow the theoretical framework proposed by S. K. Ahn et al. (2009) and S. C. Wang et al. (2012). In addition, brand fit positively influences co-branding in the PUBG Mobile x Indomie collaboration. Therefore, the stronger the brand fit between co-branding partners, the more positive attitudes towards co-branding will increase. This research also shows that the symbolic fit effect of brand collaboration is more dominant than the sensory fit effect, thus supporting the theory suggested by Mazodier & Merunka (2014).

Co-branding has a significant positive effect on purchase intention in the PUBG Mobile x Indomie collaboration. This finding supports Kania et al. (2021), suggesting that positive brand evaluations can increase consumer purchase intention. However, the co-branding variable does not significantly affect the brand equity variable.

This paper identifies several implications for research and practice. This research contributes to the knowledge of co-branding, especially in a cross-industry context. The findings of this study can be used to inform future research on this topic in other product categories and industries. In terms of practice, this study provides insight for marketers and brand managers about the importance of brand suitability to consumers and inter-brand suitability in collaboration products to build brand equity and attract consumer purchase intention. These findings can be used to inform marketing strategies and brand management practices to maintain high brand equity, as well as consider the brand fit of partners in carrying out co-branding strategies, especially in cross-industry co-branding.

Furthermore, research findings might have implications in other areas, including public policy, teaching, economic and commercial impact, and broader societal implications. This study can enlighten policymakers about the need for regulations that protect consumers, especially children, from aggressive marketing tactics and ensure transparency in co-branding



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efforts. Insights from the study can guide policies that support the growth of the digital economy by encouraging innovative marketing strategies that benefit multiple industries.

The study's findings can be integrated into marketing, business strategy, and digital economy courses for teaching purposes, providing real-world examples of cross-industry collaboration. Educators can use this case study to teach students about the practical applications of co-branding strategies, the importance of market research, and consumer behavior analysis. Last, for broader societal implications, co-branding that includes local food products in popular games could help promote local cuisine and traditions, making them more appealing to the younger generation and even international audiences.

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