THE INFLUENCE OF BRAND EQUITY AND RELATIONSHIP QUALITY ON REPEATED PURCHASE INTENTIONS OF COSMETIC ACTIVE INGREDIENTS IN PT XYZ

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Abstract:

Background: Indonesia's cosmetics industry is growing rapidly, driven by increasing consumer interest in beauty and skincare product. Derma-cosmetics, which treats skin problem, needs good-quality cosmetic active ingredients. In a competitive market, recurring purchases are influenced by relationship quality and brand equity

Purpose: This study seeks to examine the impact of brand equity and the factors influencing relationship quality on consumer intentions to repurchase PT XYZ's cosmetic active ingredient. Furthermore, it investigates the role of relationship quality as a mediating variable between brand equity and repurchase intention.

Design/methodology/approach: PT XYZ cosmetic active ingredient customers in Indonesia were evaluated in May 2024 through of 80 local industry clients via Google Forms. SEM and Partial Least Square were used to analyze in the structural model (inner model) and measurement model (outer model).

Finding/result: The findings show that in PT XYZ, brand equity influences relationship quality, including satisfaction, trust, and commitment, and affects repurchase decisions. Relationship quality mediates the link between brand equity and repurchase intention.

Conclusion: Enhancing brand equity and relationship quality boosts repeat purchase intentions for cosmetic active ingredients. Trust, satisfaction, and commitment among manufacturers, distributors, and customers are crucial, with relationship quality mediating brand equity's impact on repeat purchases.

Originality/value (State of the Art): This study explores brand equity and relationship quality in a B2B context, focusing on cosmetic active ingredients rather than finished products. It examines these factors impact on repeated purchase decision through distributor, providing role insight the cosmetic ingredient supply chain.

Keywords: cosmetic active ingredients, B2B, brand equity, relationship quality, repeated purchase intention

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INTRODUCTION

Indonesian beauty customers are increasingly focused on health and skin care, which boosts the beauty and skin care business. The rapid growth of social media coverage of skin care products and ingredients, especially online, makes it easier for consumers to learn about skin health issues or follow advice from online influencers or friends on social media (Mulyawan and Ismail 2023). This social media trend has boosted skin care sales by double digits with Facial care dominates these growth areas, outselling body care in 2019. The epidemic increased online cosmetic buying by 80%, according to the Ministry Republic of Indonesia Industry (Issac 2022)

Cosmetics is a trade sector that is quite stable and promising. Retail value sales value grow by 12 % in 2021 to IDR 30.3 trillion as shows in Figure 1 (Euromonitor 2022). Another fact it is reflected in exports of Indonesian cosmetic products in 2021 which reached $241.3 million, an increase of 18.4% from the same period the previous year, valued at $203.7 million. The export trend of Indonesian cosmetic products over the last 5 years (2017 - 2021) has also grown positively by 3.37%. Meanwhile, in terms of world demand, there was an increase of 1.31%, from $83.73 billion in 2019 to $84.82 billion in 2020 (Lutfi 2022).

Cosmetic products need confident clinical results to ensure safety and transparency, and consumers are increasingly relying on medical advice. This phenomenon led to dermo-cosmetics, a back-to-nature beauty strategy supported by science and promoting a healthy lifestyle (Villena 2022). Dermo-cosmetics, according to Euromonitor, combine cosmetic (cleaning, moisturizing, and beauty) and dermatological (skin and scalp) products to improve skin and hair health. In 2019, 2020, and 2021, 36.1% of Euromonitor International beauty survey respondents said skin or hair health was their main reason for using dermo-cosmetics as shows in Figure 2 (Villena 2022). Dermo-cosmetics is predicted to increase rapidly through 2022 and beyond. Dermo-cosmetics can treat skin issues like hyper-pigmentation, acne, and more, as well as preserve healthy skin and scalp. Product brands must continue to employ raw materials, dermatology collaborations, and digitalization. Dermo-cosmetics may outperform personal care growth due to its wider appeal, broad price spectrum, broad channel availability, and science-backed efficacy (Villena 2022).

Currently the world skin care market is driven by product innovation, especially new products and innovative products which are a form of sustainable growth in the skin care industry. One of the most prominent drivers is the development of consumer skin care rituals. The raw material industry offers new innovations to support the development of skin care rituals. One of the supporters of the rapidly growing cosmetics industry is that the registration process for cosmetic products is simpler than medicines or pharmaceuticals such as tablets. Of course, it must meet the rules of good cosmetic manufacturing practices and clinical studies with adequate results are required to demonstrate the intended activity for the treatment of certain minor skin disorders or conditions, and there must be a guarantee that safety requirements are met and that no side effects are caused.
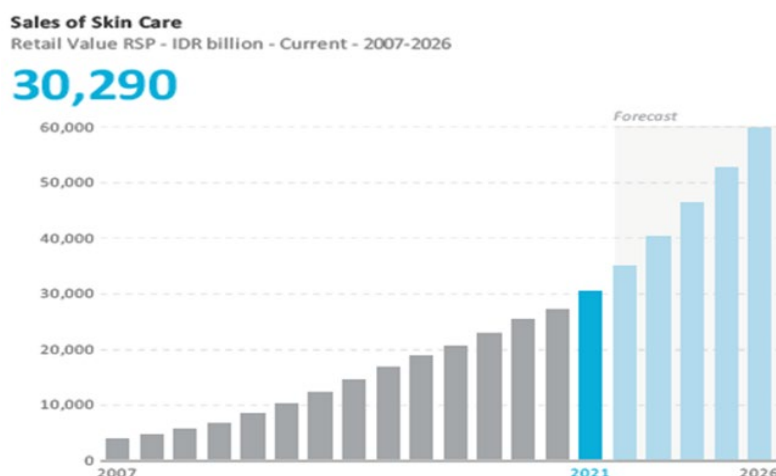

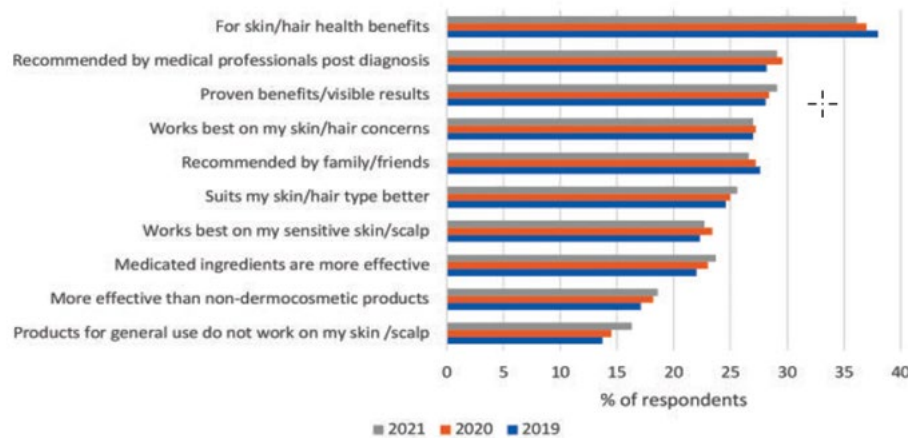Figure 1. Indonesia skin-care growth 2007 – 2026

Figure 2. Beauty survey 2019 – 2021: Reason towards using dermo-cosmetics

PT. XYZ, linked with its parent company, as sells active cosmetic ingredients. Delivery system is a cosmetic active ingredient technology category sold under brand A. Last year during the pandemic, XYZ cosmetic active ingredients brand A from advance technology delivery grew less than others. Advance delivery technology is becoming more popular in Indonesia's cosmetics business and is crucial to dermo-cosmetic formulations. Active cosmetics chemicals must reach certain skin layers to work. In addition, many cosmetic active ingredients are sensitive to light, UV radiation, heat, chemical destruction like oxidation, and acids or bases, so stability is needed in the formulation to maintain their usefulness which can be solved with delivery system technology.

Referring to Arizton (2022), Active Cosmetic Chemical Market - Global Outlook & Forecast 2022-2027, the growth of active world cosmetic ingredients is expected to reach a CAGR (Cumulative Annual Growth Rate) of 12.64% from 2022 – 2027, which is still promising. Asia Pacific is the largest market, about 35.10% globally, with a growth CAGR (Cumulative Annual Growth Rate) of 14.33% higher than global growth. This align with ministry of Industry of Republic of Indonesia that confirm that Indonesia cosmetic skincare industry shows strong growth potential (Issac 2022). In contrast, XYZ's cosmetic active ingredient brand A, under category delivery system technology products, are declining compared to the projected growth of active cosmetic ingredients in Asia Pacific. Despite XYZ promoting brand A through brochures, flyers, and corporate social media, its sales performance remains below expectations. The sales graph (Figure 3) shows a decline in 2021–2022, possibly due to factors like brand equity and relationship quality, as brand equity enhances consumer trust, satisfaction, and commitment, which are key drivers of repeat purchase intentions (Wei 2022). This highlights the urgent need to understand how brand equity and relationship quality impact repeat purchase intention within the cosmetic ingredient business, ensuring XYZ product brand A can regain its competitive position in the future. This study is more fascinating to those within the industry because of the shortage of research in this particular upstream area.

Brand equity enhances purchase intentions for cosmetic active ingredients by influencing consumer commitment and brand switching (Devi & Suparna, 2023). It reflects consumer perceptions, where brand knowledge and loyalty drive decisions beyond mere association or quality (Gautam & Shrestha, 2018). High brand awareness boosts exposure and purchase likelihood, while loyalty stimulate emotional bonds, repeat purchases, and reduces switching (Samudro & Susanti, 2021). Moreover, brand loyalty is key to customer retention, as shown in beauty industry studies on satisfaction and loyalty (Alwinie et al. 2023).
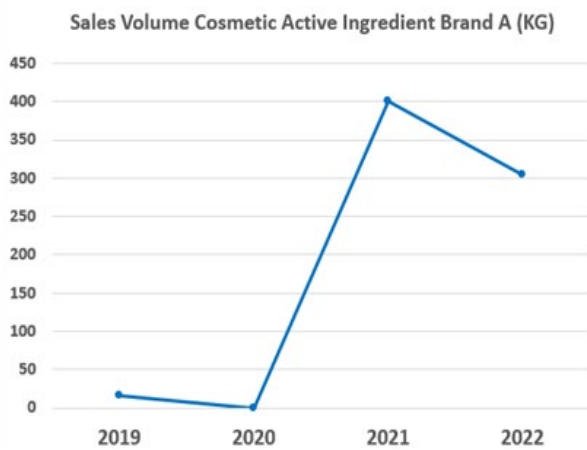
Figure 3. Brand A sales performance 2019 - 2022

Beyond brand equity, relationship quality influences purchase intentions, as brand commitment builds trust and drives repurchase behavior based on product performance, quality, and expectation satisfaction (Devi & Suparna, 2023). Brand trust is crucial, as consumers prefer brands that consistently meet their needs, reinforced by positive experiences and clear information (Ismah et al. 2023). Strong relationships and reduced role ambiguity enhance customer involvement and trust, improving product innovation performance (Tavani et al. 2022). Long-term loyalty increasing satisfaction, emotional bonds, and shared values while reducing brand switching (Samudro & Susanti, 2021). Based on the explanation above, the research questions are as follows:

1. How does brand equity influence the intention to continuously purchase the cosmetic active ingredient of XYZ brand A?
2. How does relationship quality influence the intention to continuously purchase the cosmetic active ingredients of XYZ brand A ?
3. What is the influence of brand equity through the mediation of relationship quality to continuously purchase the cosmetic active ingredients of XYZ brand A
4. What managerial recommendations can be implemented to increase the intention to purchase the cosmetic active ingredients of XYZ brand A?

METHODS

The scope of this research is limited to a single distribution marketing channel as the only marketing channel for the local cosmetics industry in Indonesia

appointed by the company XYZ. This research was conducted on the local cosmetics industry which has known or has used the active cosmetics ingredients of XYZ brand A throughout Indonesia and data collection was carried out in May 2024. The type of data used in this research is quantitative data sourced from primary data through distributing questionnaires in the form of a Google form directly and secondary data from internal company data, magazines, reports and other sources.

Population is all buyer of active cosmetic ingredients so the method is using census. In order to use every member of the population as the study sample, this technique is employed when the population size is relatively small. Eighty non-individual customers were the subject of this study, and two respondents from each of the purchasing and research and development departments represented each non-individual customer, for a total of 160 respondents.

Following a literature review and an analysis of data concerning the expansion of the skin care and facial care sectors in Indonesia, as well as the research background and objectives focused on assessing the influence of brand equity and relationship quality on the repeat purchase intention of active ingredient brand A, the proposed study framework is illustrated in Figure 4. Based on the proposed framework, the hypothesis of this research is:

H1: Brand equity has a positive influence on the intention to continuously purchase the cosmetic active ingredient product XYZ brand A

H2: Brand equity has a positive influence on satisfaction with the cosmetic active ingredient product XYZ brand A

H3: Brand equity has a positive influence on trust in the cosmetic active ingredient product XYZ brand A

H4: Brand equity has a positive influence on commitment to the cosmetic active ingredient product XYZ brand A

H5: Satisfaction has a positive influence on the intention to continuously purchase the cosmetic active ingredient product XYZ brand A

H6: Trust has a positive influence on the intention to continuously purchase the cosmetic active ingredient product XYZ brand A

H7: Commitment has a positive influence on the intention to continuously purchase the cosmetic active ingredient product XYZ brand A
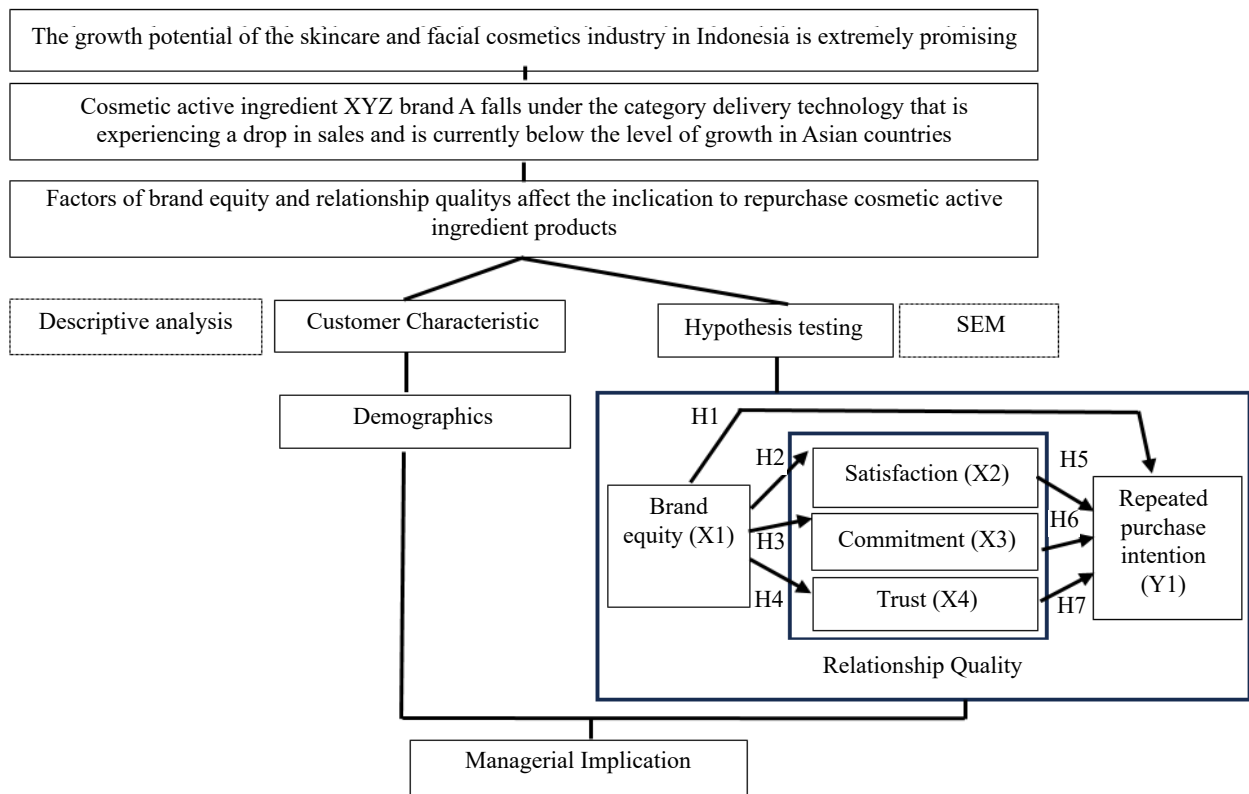
Figure 4. Research Framework

Descriptive statistics are employed to analyze data by detailing the acquired information without the aim of making conclusions (Sugiyono 2017). This study employed descriptive analysis to analyze the obtained data regarding respondents from the cosmetics sector, including gender, age, highest degree of education, and department.

This study employs the Structural Equation Modeling (SEM) analysis technique utilizing the Partial Least Squares (PLS) approach. The path analysis model comprises two components. The structural model, frequently referred to as the inner model, delineates the relationships among latent variables or constructs, while the measurement model, also known as the outer model, elucidates the connections between latent variables and their corresponding measurements (indicators/items). The weight relation estimates the value of the late, inner, and outer model variables.

RESULTS

From all customers, the customer company types were divided into two, namely 73 limited companies (PT) and 7 limited companies (CV), and the customer business types were divided into two, namely OEM (Original Equipment Manufacturer) with 59 companies and OBM (Original Brand Manufacturer) with 21 companies. The locations of the dominant customers are on the island of Java from several provinces: Banten (14), DIY (5), DKI (6), West Java (26), Banten (14), Central Java (3), East Java (20). Meanwhile, customers outside Java from Bali (4), South Sulawesi (1) and North Sumatra (1) are represented by others. Meanwhile, the characteristics of respondents are dominated by women (146) compared to men (14) with the dominant education level being S-11 (141) followed by S-2 (11) and D-3 (7) with more ages aged 31 – 40 years old (118) followed by ages 21 – 30 years (28), ages 41 – 50 years (12) and ages > 50 years (2).

Descriptive analysis indicates that the overall brand equity of XYZ cosmetic active ingredients brand A is rated as quite good, with an average score of 3.39. Satisfaction with distributor relationships for XYZ cosmetic active ingredients is also categorized as quite good, with an average score of 3.29. Trust in the relationship with the distributor of active ingredients for XYZ cosmetics is classified as good, with an average score of 3.40. Commitment to the relationship with the distributor of XYZ cosmetic active ingredients is rated as quite good, with an average score of 3.32. Overall repeated purchasing intentions through distributors of

XYZ cosmetic active ingredients are categorized as good, with an average score of 3.45.

Convergent validity testing, which is the initial step in assessing construct validity, was carried out by evaluating loading factors. The degree to which each indicator (measured variable) adds to the construct under study is indicated by the loading factor. Effective representation of the construct by the indicator is indicated by a high factor loading. All of the indicators in each variable satisfy the standards for convergent validity, according to the test findings, which showed that one indicator had the smallest loading factor value of 0.753, exceeding the regulatory limit (>0.7).

Next comes the convergent validity test, which can also be identified by the AVE value. Since the AVE value is greater than 0.5, it can be used to confirm that each variable's indicators satisfy the convergent validity requirements listed in Table 1.

The results of the discriminant validity test analysis using the Fornell-Larcker criteria show that correlation value of the variance with the same variable is greater than the correlation value of the variance of different variables. This shows that each indicator can measure the variable it forms so that it meets the requirements for discriminant validity as shows in Table 2.

The results of the reliability test shows that the indicators in each variable have high reliability, this can be seen from the Cronbach's Alpha and composite reliability values which are greater than 0.7 and getting closer to 1 in Table 3.

Reliability test result in table 4. showing that brand equity explains 45.2% of relationship satisfaction variance ($R^2 = 0.452$), 51.3% of relationship trust variance ($R^2 = 0.513$), and 61.6% of relationship commitment variance ($R^2 = 0.616$). Additionally, brand equity, relationship satisfaction, trust, and commitment together explain 87.1% of repeat purchase intention variance ($R^2 = 0.871$).

Table 1. Result of convergent Validity test with AVE

	Average Variance Extracted (AVE)
Brand equity	0.744
Trust	0.814
Satisfaction	0.748
Commitment	0.799
Repeated purchase intention	0.822

Table 2. Result of discriminant validity test (Fornell-Larcker)

	Brand equity	Trust	Satisfaction	Commitment	Repeated purchase intention
Brand equity	0.863				
Trust	0.716	0.902			
Satisfaction	0.672	0.697	0.865		
Commitment	0.785	0.777	0.696	0.894	
Repeated purchase intention	0.852	0.825	0.780	0.860	0.907

Table 3. Result of reliability test

	Cronbach's Alpha	Composite Reliability
Brand Equity	0.957	0.963
Trust	0.971	0.975
Satisfaction	0.932	0.947
Commitment	0.968	0.973
Repeated purchase intention	0.973	0.977

Q Square Test results was shown in Table 5. It shows Q2 values that are higher than 0 (small), 0.25 (medium) and 0.50 (large) illustrating the relevance of the PLS path model (Yahaya et al. 2019). Thus, brand equity has been able to predict the variables of relationship satisfaction, relationship trust and relationship commitment to a moderate level. Meanwhile, the variables brand equity, relationship satisfaction, relationship trust and relationship commitment are able to predict repeated purchase intentions to a large degree.

Direct Effect

The hypothesis results are presented in Table 6, which displays a statistical t value and probability significance (p value). The hypothesis (Ha) is accepted when the statistical t value exceeds 1.96 and the p value is less than 0.05. Consequently, hypotheses H1, H2, H3, H4, H5, H6, and H7 are accepted. The hypothesis model is displayed in Figure 5.

H1: Brand Equity → Continuous Purchase Intention

The statistical t-test confirmed H1, indicating that brand equity affected repeated purchase intentions. A positive coefficient value (0.332) shows that brand equity increases repeat purchasing intentions linearly. According to the research, there was an intention to buy more active component cosmetic XYZ brand A in the future, which is used in multiple products. The following brand equity indicators help support this hypothesis: loyalty to the active cosmetic ingredient XYZ brand A, knowledge of the ingredients and the ability to quickly identify them among other brands, and the undeniable quality of the ingredients, which is consistent with all available supporting data. According to Lee et al. (2019), brand awareness, brand associations, perceived quality, and brand loyalty favorably affect cosmetic purchases. More research shows that brand awareness and product quality increase skincare product purchases (Shamsudin et al. 2020). Brand awareness and product quality increase brand loyalty, which increases cosmetic purchases, according to Chinomona & Maziriri (2017).

Table 4. Result of R - square test

	R Square	R Square Adjusted
Trust	0.513	0.507
Satisfaction	0.452	0.445
Commitment	0.616	0.611
Repeated purchase intention	0.871	0.865
Repeated purchase intention	0.973	0.977

Table 5. Result of Q square test

	SSO (Sum of Squares Observation)	SSE (Sum of Squares Error)	Q²
Brand Equity	774.000	774.000	
Trust	774.000	453.996	0.413
Satisfaction	516.000	349.959	0.322
Commitment	774.000	397.258	0.487
Repeated purchase intention	774.000	227.366	0.706

Table 6. Hypothesis result of Direct Effect

|		Original Sample	T Statistics	P Values	Result
H1	Brand equity → repeated purchase intention	0.332	3.436	0.001	Accepted
H2	Brand equity → satisfaction	0.672	12.481	0.000	Accepted
H3	Brand equity → trust	0.716	12.969	0.000	Accepted
H4	Brand equity → commitment	0.785	15.726	0.000	Accepted
H5	Satisfaction → repeated purchase intention	0.202	2.796	0.006	Accepted
H6	Trust → repeated purchase intention	0.228	2.502	0.014	Accepted
H7	Commitment → repeated purchase intention	0.282	2.126	0.036	Accepted
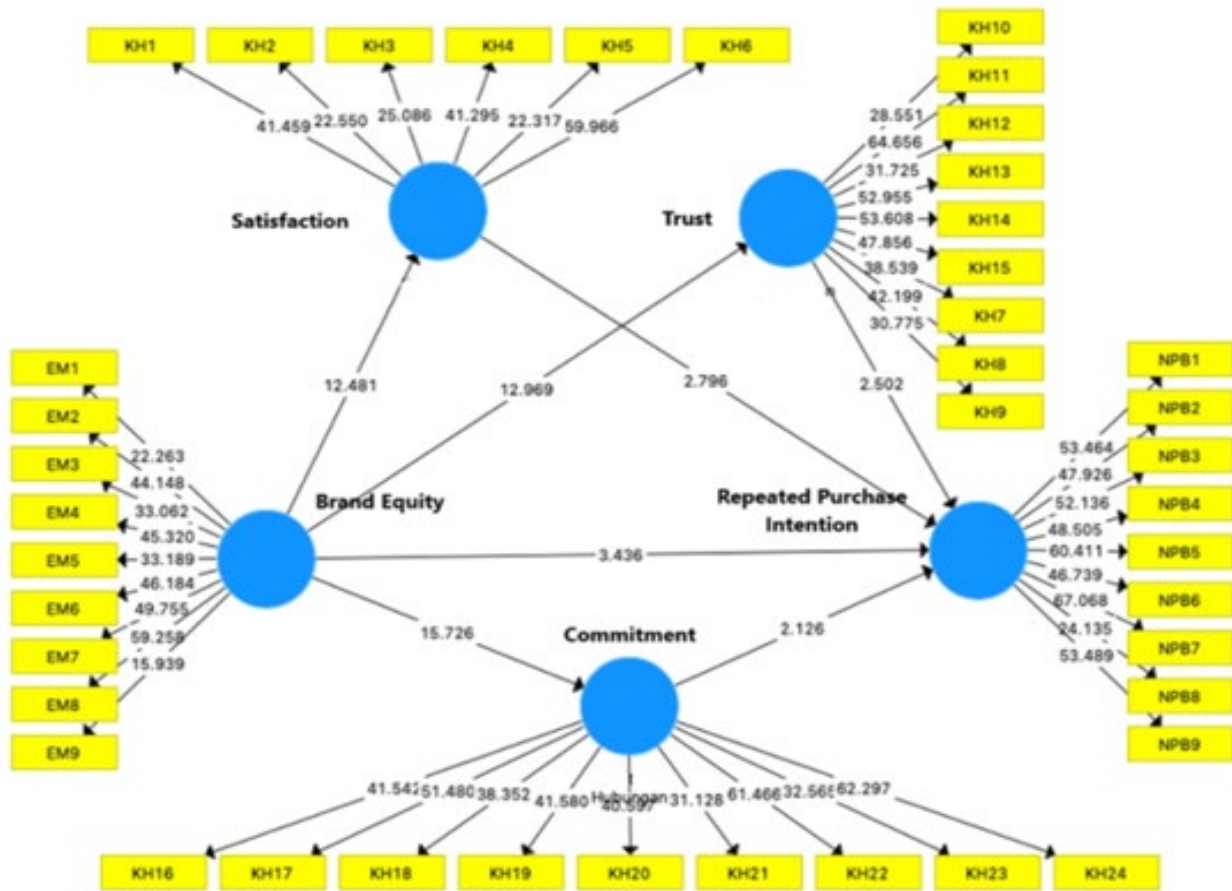
Figure 5. Result of Model

H2: Brand Equity → Relationship Satisfaction

The results of data analysis using the statistical t-test stated that H2 was accepted, meaning that the brand equity variable had a significant effect on relationship satisfaction. This significant influence is supported by a positive coefficient value (0.672), when there is an increase in brand equity it will be linear with an increase in relationship satisfaction. Acceptance of this hypothesis is supported by the role of brand equity indicators by few indicators such as satisfaction with the quality of the active cosmetic ingredients of XYZ brand A and loyalty to the active cosmetic ingredient XYZ brand A. The findings of this study align with the research conducted by Shahroodi et al. (2015), which demonstrates that brand equity affects consumer satisfaction. Additionally, Susanti et al. (2019) indicated that brand equity, via brand loyalty, significantly influences customer satisfaction.

H3: Brand Equity → Relationship Trust

H3 was accepted by the statistical t-test, indicating that brand equity affected relationship trust. A positive correlation (0.716) shows that brand equity increases linearly with relationship trust. If a product or service meets or exceeds expectations, customers trust the brand more. Acceptance of this theory is supported by brand equity measures like XYZ brand A cosmetics' active ingredient quality is unquestionable and complete data. This study supports Rahman and Sari (2020) conclusions that brand equity influences brand trust. Kristiyono and Tiatira (2022) found that brand equity—brand awareness and brand associations—improves brand trust.

H4: Brand Equity → Relationship Commitment

The results of data analysis using the statistical t-test stated that H4 was accepted, meaning that the brand equity variable had a significant effect on relationship commitment. This significant influence is supported by a positive coefficient value (0.785), when there is

an increase in brand equity it will be linear with an increase in relationship commitment between sellers and buyers. Acceptance of this hypothesis is supported by the role of brand equity indicators, especially the following indicators like attachment to the active cosmetic ingredient cosmetic brand of XYZ and also loyalty to the active cosmetic ingredient brand of XYZ. The results of this study are consistent with those of Rahman & Sari's (2020) research, which shows that brand equity has a positive and noteworthy impact on commitment.

H5: Relationship Satisfaction → Continuous Purchase Intention

H5 was accepted by the statistical t-test, indicating that relationship satisfaction affected recurrent purchase intentions. A positive coefficient value (0.202) shows that relationship satisfaction increases repeated purchase intentions linearly. Acceptance of this hypothesis is due to several indicators of relationship satisfaction that contribute to repeated purchase intentions, such as compliance with expectations about the benefits of XYZ's active cosmetic ingredients, satisfaction with their quality, and satisfaction with their distribution speed. Product and service satisfaction affect recurring purchases, according to study. The good quality and lack of difficulties with company A's active cosmetic component XYZ will increase repeat purchases. The XYZ active cosmetic ingredient distributor demonstrated the importance of service satisfaction by providing efficient and timely service to increase repeat purchases. This study supports Kim et al. (2017), who found that brand happiness increases consumer pleasure and repeat purchases.

H6: Relationship Trust → Continuous Purchase Intention

The statistical t-test confirmed H6, indicating that relationship trust affected recurrent purchase intentions. A positive coefficient value (0.228) shows that relationship trust increases repeated purchase intentions linearly. This hypothesis is accepted because several trust indicators, such as confidence in the brand of active cosmetic ingredient XYZ, product accountability, and company reputation, strongly influence repeated purchase intentions. Trusting a brand or seller increases recurrent purchases, promoting a constant intention to buy. Consumers feel more confident in repeat purchases when they trust a brand or vendor to give quality, service, and customer support. This study supports Rudzewicz and Rudzewicz (2021), who found a positive association between brand loyalty and trust in recurrent purchase intentions.

H7: Relationship Commitment → Continuous Purchase Intention

Data analysis utilizing the statistical t-test showed that H7 was accepted, indicating that relationship commitment positively influences repeat purchase intentions (coefficient = 0.282). Key factors include the desire for long-term partnerships with XYZ distributors, maintaining harmonious relationships, and consistently sourcing cosmetic raw materials. Emotional connections with brands or vendors stimulate loyalty, reducing brand switching and encouraging repeat purchases. This study supports Anora et al. (2024), confirming that customer commitment significantly impacts purchase intention.

This study demonstrates that brand equity significantly affects consumers' tendencies to make repeat purchases, with brand equity positively impacting repeat purchase intention (0.332, p = 0.001), satisfaction (0.672, p = 0.000), trust (0.716, p = 0.000), and commitment (0.785, p = 0.000). Consumer loyalty, perceived quality, and brand awareness are key indicators of a cosmetic active ingredient product. Strong client connections are built on high brand awareness, which also boosts trust and promotes repeat business. Ensuring data consistency and compliance with regulatory standards minimizes perceived risks and reinforces purchase decisions, strengthening trust in product quality. Repeat business and product usage across various formulations demonstrate customer loyalty and brand satisfaction. To support this, the distribution team must maintain a strong reputation, deep expertise, in-depth technical knowledge, and a positive track record in the raw materials market. Distributor teams help build trust and long-term customer relationships by providing accurate information and reliable service. Customers are more likely to remain loyal when the product meets expectations and effectively addresses formulation challenges. These findings support the approach of enhancing brand equity for long-term business growth, aligning with research that highlights the positive impact of brand recognition, product quality, and loyalty on repeat purchase intentions (Panyekar & Marsasi, 2024). This is in line with Supapon &

Sukhawatthanakun (2023), who stress that brand equity, including perceived quality, brand loyalty, and brand awareness, has a big impact on decisions to buy and repeat. Furthermore, Pramesti et al. (2024) highlight that brand trust, strengthened by a positive brand image, is a key driver of consumer loyalty, reinforcing the importance of maintaining a strong and reputable brand presence.

This study also shows how important relationship commitment, trust, and satisfaction are in influencing the likelihood of repeat purchases, with trust (0.228, p = 0.014), commitment (0.282, p = 0.036), and satisfaction (0.202, p = 0.006) all positively contributing to customer retention. These findings demonstrate that satisfying client interactions not only boost satisfaction but also continuously promote recurring business. Loyalty is increased by customer happiness strengthened by high-quality products and effective distribution, while purchase intentions are reinforced by trust in the brand, product, and company reputation. Long-term loyalty is strengthened by relationship commitment (Samudro 2019), which incorporates both rational and emotional attachment, even in the face of market alternatives. In order to build enduring and mutually beneficial partnerships, these findings highlight the significance of customer relationship management techniques that prioritize quality, trust, and commitment.

Indirect Effect

Indirect effect result was shown in Table 7 presents the influence of brand equity on repeat purchase intentions, mediated by relationship quality. The hypothesis test results show that when t-value > 1.96 and p-value < 0.05, the hypothesis (Ha) is accepted.

According to this study, brand equity significantly influences repurchase intentions for cosmetic ingredients under XYZ, mediated by relationship commitment (0.221, p = 0.048) (Hwang et al. 2022), satisfaction (0.163, p = 0.007), and trust (0.135, p = 0.024) (Hogevold, 2021). Positive distributor experiences enhance satisfaction, while trust strengthens confidence in brand A's reliability. Relationship commitment reflects a customer's dedication to long-term ties, making it a key factor in repeat purchases. Experienced and reputable distributors with a strong track record in the raw materials sector are crucial in enhancing trust and loyalty. These findings align with research highlighting the role of relationship quality in

sustaining customer connections and business growth (Zhang, 2024). Managing these factors effectively can strengthen brand equity, increase retention, and drive long-term success for cosmetic active ingredient XYZ brand A.

Managerial Implication

This research confirms that brand equity significantly influences repeat purchase intentions, both directly and indirectly through trust, satisfaction, and commitment. Strengthening brand equity is crucial for XYZ, particularly in perceived quality, brand loyalty, and awareness, as these factors shape brand reputation and trust (Kristiyono & Tiatira, 2022). Additionally, brand loyalty plays a key role in consumer purchasing behavior, driven by both emotional and rational factors that contribute to long-term commitment (Samudro & Susanti, 2021). In the cosmetic active ingredient industry, where business operates in a B2B environment, scientific validation, regulatory compliance, and supplier credibility are essential in purchase decisions. Companies must focus not only on consumer perception but also on building professional trust and differentiation to sustain competitive advantage (Ismah et al. 2023).

In addition to brand equity, relationship quality plays a crucial role in customer retention. This study supports that relationship satisfaction directly impacts repeat purchases, reinforcing the idea that customer experience and service quality must consistently meet or exceed expectations (Susanti et al. 2019). Distributors and their teams are very important by providing technical expertise, correct product information, and ongoing assistance to sustain customer relationships. Overall quality management can help XYZ maintain high product and service standards. Regular customer satisfaction surveys and feedback analysis can reveal opportunities for development and strengthen these relationships (Rahman & Sari, 2020). Trust-building strategies should emphasize scientific credibility, proven efficacy, and compliance with safety standards, as trust in B2B markets is based on rational and professional validation rather than emotional appeal (Ha et al. 2019).

This study confirms that scientific credibility, regulatory assurance, and supplier reliability are key to brand equity in B2B industries. Distributors contribute to maintaining these attributes by communicating product

knowledge to customers and supporting formulation. It extends brand equity and trust-commitment models to show that commitment reduces switching and builds long-term relationships (Samudro et al. 2019). Repeat purchases are driven by brand reputation and relationship quality, supporting customer retention research in high-involvement businesses (Susanti et al. 2019). Pitaloka & Gumanti (2019) also found that brand equity and relationship quality strongly influence repurchase intentions.

In conclusion, brand equity affects repeat purchases directly and through trust, satisfaction, and commitment. Improved perceived quality, brand loyalty, and awareness boost brand reputation and customer confidence. Competitive advantage in the B2B cosmetic active ingredient sector requires scientific assurance, regulatory compliance, and supplier reputation. Customer retention depends on relationship quality, with commitment and trust generating repeat purchases more than satisfaction. Technical expertise and correct product information from distributors are essential for successful relationships. Total quality management and scientific credibility build confidence and long-term business relationships.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The analysis and discussion indicate that brand equity enhances relationship quality, as reflected in satisfaction, trust, and commitment within a single distribution channel for the active cosmetic ingredient XYZ brand A. Furthermore, it can be stated that brand equity positively influences repeated purchasing intentions for active cosmetic ingredients. In the fast-evolving and highly competitive cosmetics industry, particularly in its upstream sector, the cosmetics raw material industry, strong relationships are essential for business success. This study confirms that satisfaction, trust, and commitment significantly influence repeated purchasing intention of the active cosmetic ingredient XYZ brand A within a single distribution channel, both directly and indirectly.

To enhance repeat purchases of XYZ cosmetic active ingredients brand A, manufacturers should strengthen brand equity and relationship quality by enhancing product and service quality. Clear communication of technical updates and ongoing distributor training, including frequent seminars, are crucial for building trust, satisfaction, and long-term commitment.

Recommendations

Future research should take into account the limitations of this study in order to create a more comprehensive model. Using a census technique, the study is limited to a specific population and a single distribution channel for XYZ brand A's active cosmetic products. Future research should expand its scope by including non-local businesses, a larger population, and probability sampling for broader applicability. Additionally, factors like switching costs and product prices could be explored to better understand repeat purchase intentions. Further studies may also focus on actual purchase behavior as the ultimate goal of business transactions.

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