

SOCIAL MEDIA MARKETING FACTORS AFFECTING CONSUMER PURCHASE INTENTION OF COSMETIC PRODUCTS IN JAKARTA, INDONESIA: THE MEDIATING ROLE OF CUSTOMER TRUST

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Abstract

Today, customer depend on social media for product and service information which indirectly lead companies to optimise their spending on it. The research aimed to bridge the gap in the difficulty in quantifying the extent to which social media marketing could affect the purchase intention and impacts customers' purchasing decisions. The study examined impact of information quality on a brand's social media content and electronic word of mouth on customer purchase intention; social media influencer impact on purchase intention of cosmetic product and trust as mediator of social media influencers and consumer purchase intention on the cosmetic product. Quantitative methodology was used to test the association between social media marketing factors (information quality, e-WOM, and social media influencers) toward purchase intention. 100 customers aged 18 to 50 from Jakarta, Indonesia completed online questionnaire through social media platforms (WhatsApp, Facebook, Instagram, and telegram). Smart PLS 4.0 software was used to analysed the data. The findings showed that social media information quality and electronic word of mouth positively affected customer purchasing intention; The effect of social media influencers' negative direct effect on influenced customer intention. However, customer trust has a significant mediator effect between social media influencers and consumer purchase intention on the cosmetic product. The contribution of findings included better social media advertising; improve information quality; effective EWOM; need the right social media influencer to improve customer purchasing intention. The novelty of the research was that the study was conducted among Indonesian during post pandemic and the insignificant effect of social media influencers on customer purchase intention in Jakarta, which is contrary to several previous literatures.

Keywords

Information Quality, Electronic Word Of Mouth, Social Media Influencer, Trust,
Consumer Purchase Intention

Introduction

Existence of social media is currently considered as one of the most innovative and important electronic marketing tools. Social media is evolving and the latest social media trends can help brands and companies to improve their social media marketing plan and make them stand out in the crowd. Consumers nowadays are more conscious and curious; they post and search for

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reviews of certain products and services. Some customers create video of their purchase unboxing, reviewing, and expressing their thoughts, warnings, and recommendations about the things on various social networks (Autio, 2020). These posting provide virtual word-of-mouth resulting 80% of customers base their purchasing decisions on a friend's social media post (Kowalewicz,2022).

Over the past few decades, the shopping method of people had shifted dramatically, from shopping at physical stores to shopping over the Internet using different type of social media platforms. (Toomey & Wysocki, 2009). Thus, marketers must understand consumer buying behaviour and how the social media influence purchasing intention (Ying et al, 2021). Nowadays, consumers using different social media to gather the product information, and continually share their views or thoughts of retailer's service, products and quality (Autio, 2020). According to Global Web Index (2022), 54% of social media users doing product research using social media, and 71% were more willing to acquire items and services based on social media recommendations. The social phenomena addressed in the research study were to determine the features of consumers' online shopping behaviour and the impact of social media marketing on consumers' purchase decisions. The research study aimed to bridge the gap in the difficulty in quantifying the extent to which social media marketing could affect the purchase intention and impacts customers' purchasing decisions. The research primary objective was to examine the influence of social media marketing as a research tool on the customer purchase intention in Jakarta, Indonesia post pandemic.

Research Objectives

RO1. To determine the key factors of social media marketing on influence customer purchase intention.

RO2. To investigate which key factors of social media marketing is most significant that influence customer purchase intention.

RO3. To examine if there is significant mediation between trust and social media influencer towards customer purchase intention of cosmetic products

Research Questions

RQ1. Does information quality, E-word of mouth and social media influencer positively influence the customer purchase intention of cosmetic products?

RQ2 Which factors between information quality, E-word of mouth and social media influencer have the most significant effect on influence customer purchase intention.

RQ3 Does trust mediate social media influencers toward customer purchase intention of cosmetic products.

Information Quality

In 2020, McClure & Seock.,found that consumer engagement with a brand's social media sites was highly influenced by the information quality of its social media content. Brands that give valuable information are seen more desirable. Over time, the information quality influences the Brand awareness level and allows customer to recognize and recall the brand. Once customers become aware of brand-related information, their purchase intention is more likely to grow (Al-Qudah,2020). Other research that has examined the credibility and quality of information in Internet discussion forums, stated the information quality of a website page has a major impact on online purchasing intention. (Jones & Kim,2010). The quality of the content displayed on a website

has a major impact on consumers' perceptions of the brand's dependability and increases their desire to purchase (Eppler et al., 2003)

E-Word of Mouth

Electronic word-of-mouth (eWOM) has long been considered a powerful marketing tool. The Internet has given various suitable platforms for eWOM, including blogs, discussion forums, review websites, e-commerce websites, and social networking websites. However, social media are relatively new eWOM platforms, but Social Media have added a new dimension to eWOM by allowing users to engage and communicate with their current networks. On social media. User can now share their ideas and experiences regarding products and services with their friends and acquaintances (Erkan & Evan, 2016). According to Leong et al., 2021, Social media marketing and electronic word of mouth rely on content created by users. Majority of users are customers, influencers, and/or opinion leaders. The material in the form of social media posts, shares, comments, reviews, and ratings plays an important role in the consumer's decision-making process.

Social Media Influencer

Celebrities are competent persons in their fields who achieve broad public recognition among a certain group of people. A celebrity may be an artist (comedian), athlete, or actor/actress, among others, who is well-known for achievements in areas unrelated to the product or service she intended to endorse or promote. (Osei-Frimpong et al., 2019) Endorsers, experts, and celebrities can recommend products, which presents a picture of the endorsed brand that fits the personality of the endorser. (Nelson & Deborah, 2017) argue appearance of a celebrity in an advertisement positively influences the customer's perception of the brand. Advertisements presented by a celebrity who acts as social media influencer may generate more purchase intention than those without celebrities. Endorsements for a business or company by a social media influencer recognized by the potential customers have the capacity to attract consumers and increase the company's profits. They are effective in drawing attention to a brand or product, hence multiplying its recall value.

Trust

Trust in the e-seller is important in a B2C (business to customer) relationship when analyze the risk associated with all transactions (Harris & Goode, 2004). In online business, trust is important (Kwortnik & Han, 2011). The many manifestations of trust are founded on distinct characteristics of integrity, capability, competence, and reputation. Even there is still a risk and uncertainty aspects in the online world, compassion and honesty are the two essential elements of trust on which this profession relies (Beneking et al., 2017). Credibility-based trust is built on reputation and the assumption that the other party in a trade is trustworthy, whereas kindness relates to consistent relationships between seller and customer (Utz et al., 2012). In online communities, trust facilitates interactions between members and encourages them to add others to their existing network. In addition, trust plays an important role in determining a consumer's purchasing intentions and actual behaviour (Rehman et al., 2019). In the study Trust will be a mediating variable between the independent and dependent variable.

Customer Purchase Intention

Purchase intention is a form of decision-making that examines the motives of consumers to buy a specific brand. The purchasing choice of a customer is a complex procedure. Purchase intent

is typically tied to customer behaviour, perceptions, and attitudes (Mirabi et al,2015). Before purchasing a product, Kotler & Armstrong (2010) have identified six stages: awareness, knowledge, interest, preference, persuasion, and purchase. According to Martins (2019) an increase in purchase intention have correlation with the probability of making purchase. If a consumer has a favourable buy intention, then a favourable brand interaction will encourage the purchase. In the study Purchase intention will be dependent variable.

Methodology

The study involved a survey using a questionnaire constructed in close accordance with the theoretical framework, decision making process, and social media using the non-probability sampling (convenience sampling). The target respondents were 100 Indonesian social media users age range 18 to 50 years old from Jakarta, who were willing and able to purchase cosmetic products in Indonesia regardless of their gender, personality, skills, education, and occupation.

The questionnaire contains research variables: Social Media Marketing, e-Word of Mouth, Information Quality, Celebrity Influencers, Trustworthiness, and purchase intentions of cosmetic products. The E-Questionnaire has 6 sections with a total of 28 questions; the demographic part, the nominal scale was utilized; the other 5 sections used Likert scale that ranged from 1 indicating "strongly disagree" to 5 indicating "strongly agree". A pilot test was conducted with twelve Indonesian respondents living in Kuala Lumpur, Malaysia and Jakarta to verify the validity of the research and ensure that respondents will have no difficulty answering the questions (Saunders et al. 2015) prior the actual data collection. Online questionnaire was conducted through Google form format through social media platforms (WhatsApp, Facebook, Instagram, and telegram) to collect the data. Privacy of respondents, anonymity and informed consent were observed with a high degree of observance of ethical considerations. The outcome of the study was analyzed with SMART PLS 4.0 software to help to produce analytical data, the value of mean and deviation.

Table 1: Composite Reliability

	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
Information Quality	0.880	0.880	0.878	0.643
e-WOM	0.929	0.938	0.930	0.769
Social Media Influencer	0.952	0.956	0.952	0.800
Trust	0.877	0.886	0.876	0.590
Purchase Intention	0.857	0.857	0.857	0.600

Table 2: Summary of Research Objectives & related Hypothesis

Hypothesis Number	Hypothesis
H1	Content information Quality has a significant and positive effect on the customer purchase intention of cosmetic products
H2	Electronic word of Mouth has a significant and positive effect on the customer purchase intention of cosmetic products
H3	Social media influencer has a significant and positive effect on purchase intention of cosmetic products
H4	Social Media Influencer positively impact customers' trust
H5	Trust Positively impact customer purchase intention
H6	Trust mediates the relationship between Social Media influencer and customer purchase intention of cosmetic products

Table 3: Summary of Hypothesis Result

Hypothesis	Path Coefficient	T Statistic	P Value	Descriptions
H1: Information Quality → Purchase Intention	0.288	2.891**	0.004	Supported
H2: Electronic Word of Mouth → Purchase Intention	0.255	3.049**	0.002	Supported
H3: Social Media Influencer → Purchase Intention	0.161	1.746	0.081	Not Supported
H4: Social Media Influencer → Trust	0.691	8.660**	0.000	Supported
H5: Trust → Purchase Intention	0.499	5.585**	0.000	Supported
H6: Social Media Influencer → Trust → Purchase Intention	0.345	5.082**	0.000	Supported

Note : ** p < 0.01 , *p < 0.05

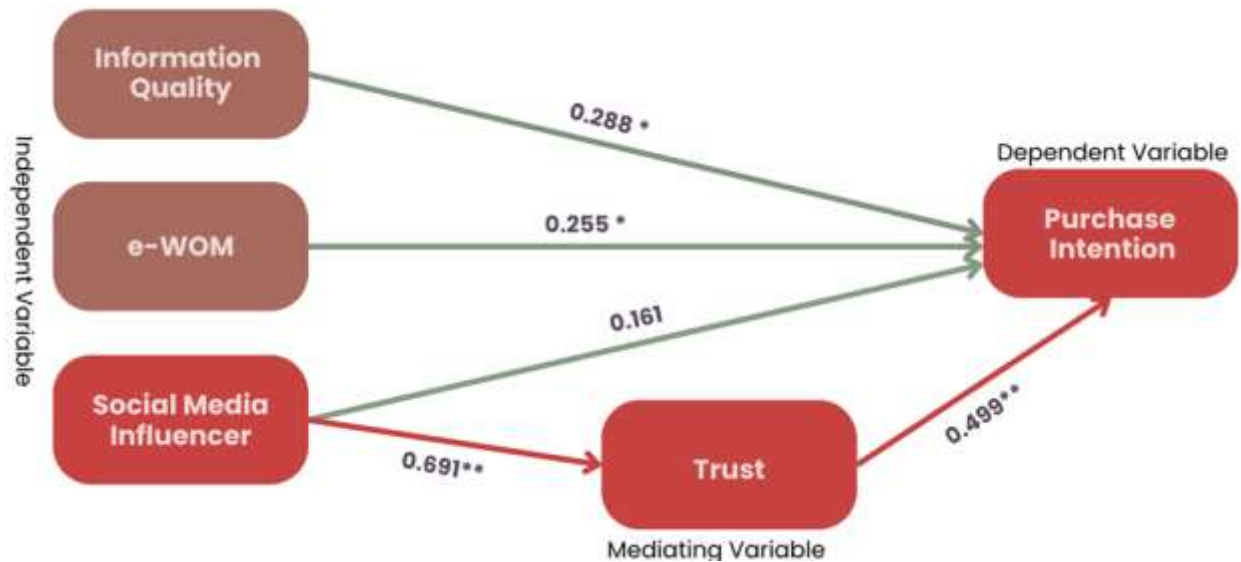


Figure 1 Conceptual framework with the mediator and path coefficients calculated used bootstrapping.

Mediation analysis (Table4) was performed to assess the mediating role of **Trust** on the linkage between Social media Influencer (**SMI**) and Purchase Intention (**PI**). Table X bellow revealed that the total effect of **SMI** on **PI** is significant ($\beta = 0.506, t = 8.231, P < 0.001$). With the inclusion of mediating variable **Trust**, the impact of Social media Influencer (**SMI**) on **PI** became insignificant ($H3: \beta = 0.161, t = 1.746, P > 0.050$). The indirect effect of Social media Influencer (**SMI**) on Purchase Intention (**PI**) through **Trust** was found significant ($\beta = 0.345, t = 5.082, P < 0.001$). This show that the relationship between Social media Influencer (**SMI**) and Purchase Intention (**PI**) is mediated by Trust.

Table 4: Mediation analysis test

Total Effect (SMI → PI)		Direct Effect (SMI → PI)		Indirect Effect of SMI on PI					
Coefficient	p-value	Coefficient	p-value		Coefficient	SD	t-value	p-value	BI 2.5%;97.5%
0.506	0.000	0.161	0.081	H6: SMI→T→PI	0.345	0.353	5.082	0.000	0.239; 0.503

Results and Discussion

This study established that social media marketing factors indeed influenced consumers' purchase intention on the cosmetic product in Jakarta, Indonesia. In addition, the study also confirmed that the information quality of social media content such as positive reviews of electronic word of mouth does influence purchase intention. These results are consistent with the previous research conducted by Wang et al. (2021), Catindig et al. (2022), and Vinnakota & Marwat (2017). The results confirmed that these two factors positively related to purchase intentions. However, the research results also confirmed an insignificant effect of social media influencers on customer purchase intention in Jakarta, which is contrary to several previous literatures. This irrelevant result brings new content to the literature. However, customer trust, as the mediation effect of social media influencers, has a positive and significant effect on purchase intentions. This conclusion is contrary to research conducted by Saima and Khan (2020), which also found that trustworthiness has significant implications on both the credibility of the influencer and the customers' intention to purchase. Among the independent variables, the Information quality factor is the most relevant and has a significant effect on purchasing intentions, followed by electronic word of mouth. Alternatively, the result proved that trusted social media influencers positively impact customer purchase intention.

Limitations and direction for future research

First, the research only focused on the consequences of social media marketing efforts. Other elements of social networking websites and their influence on user needs or usage behavior must be investigated in future research. Secondly, the study had shown many shortcomings that must be considered. The first weakness was the research's time, which leads to a limited sample size. The sample size was unable to generalize the over 10 million Jakarta population. It would be good if a bigger sample size could be collected to verify the consistency and generalization of the city's population. Lastly, the research utilized a quantitative methodology to confirm the association between social media marketing factors (information quality, e-WOM, and social media influencers toward purchase intention. However, if the purpose of the research was to contribute to a comprehensive knowledge of the phenomena, then the qualitative method would be preferable. As social media platforms become extremely important to people's daily lives, the importance of social media marketing had also evolved. To understand the influence of social media marketing on consumers and companies, social media marketing factors were essential to the research context.

Conclusion

The study established that only five out of six hypotheses were supported. The results indicate that Information quality and electronic word of mouth positively influence consumer purchase intention. However, social media influencers were found to be insignificant to customer purchase intention. On the other hand, an influencer's trustworthiness significantly influences customer purchase intention on the cosmetic product. There was a mediation effect of Trust between Social media influencers and consumer purchase intention on the cosmetic product in Jakarta.

The research also provided insight into the cosmetic industry on social media factors that would impact customer purchase intention. Their customers were more willing to purchase cosmetic products when social media content information had good quality. Therefore, the results suggest marketers should focus on their social media content quality. Besides that, marketers also had to encourage the customers to share their feedback after using the cosmetic product on social media like Instagram to reach their target customers in Jakarta and achieve their marketing objectives.

In addition, the result indicated that social media Influencer and purchase intention was insignificant in influencing customer purchase intention. The insignificant direct effects of social media influencers on consumer purchase intention show that Indonesian consumers do not depend on and rely on social media influencers.

However, the result indicated a positive relationship between Social media Influencers and Purchase Intention when mediated by Trust. If marketers chose the right and trustworthy influencer, their investment in social media influencers would pay off in the form and encourage consumer intention to purchase. Marketers must focus more on finding a social media influencer whose content was credible and could be trusted by the customer.

The academic contribution of this research includes a better understanding of customers' purchase intentions regarding social media marketing aspects, Information quality, e-WOM, and social media influencers in a massive market like Jakarta, Indonesia. Numerous research has explored the influence of these three social media marketing factors on purchase intentions, but the research concentrates on the Indonesian cosmetics industry. The findings of the study contribute to the existing literature by giving a complete framework to explain the involvement of Information quality, Electronic word of mouth, and social media influencers in influencing consumers' purchase intentions for cosmetic products via the mediation of trust between social media influencers and purchase intention.

Based on the study of beauty industry, cosmetic product marketers would have greater insights which social media marketing activities most significantly impact customer purchase intentions towards cosmetic products by determining the specific social media platform that customers frequently use in Jakarta. The quality of information on social media was the most significant factor in building the intention to buy. Both information quality and electronic word of mouth play essential roles in the research. The combination of these traits and other variables would positively impact the consumers' purchase intention. Thus, marketers should strive to provide simple and informative information about their cosmetic products. They should encourage the user to provide an online review and experience after purchasing the product.

In addition, if the company chooses the right and trustworthy influencer, its investment in social media influencers would pay off in the form of an increase in consumer intention to purchase. Marketers must focus more on finding a social media influencer whose content is credible and trusted. They should collaborate with social media influencers who can provide promotional materials that are both educational and interesting to their followers.

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