

THE EFFECT OF SOCIAL MEDIA MARKETING ACTIVITY, PROMOTION, PRICE AND CONSUMER ATTITUDE ON PURCHASING DECISION: BRAND IMAGE AS A MEDIATION VARIABLE

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ABSTRACT

In line with progress, the corporate world's development is also expanding and progressing quickly in the economic sphere. Everybody is attempting to provide goods and services to satisfy the growing demands and preferences of customers. However, achieving this is not easy, because nowadays competition between companies has reached a very competitive stage. Research is to ascertain how social media marketing, or marketing through social media, affects consumer attitudes, prices, and promotions at PT. Indofood Sukses Makmur Tbk. These factors are mediated by brand image. With 116 respondents in the sample, this kind of research is quantitative, and SEM with the Smart PLS version 3.2.9 tool is the methodology employed. The tests that are employed include the hypothesis test, mediation test, inner model, and outer model. Based on the findings of the validity test, loading factor values greater than 0.7 and AVE values greater than 0.5 are regarded as valid. Cronbach Alpha and Composite Reliability ratings larger than 0.7 are indicators of reliability. In the reliability test. It is possible to draw the conclusion that social media marketing activity, promotion, price, and customer attitude all have a significant favorable impact (X1), (X2), (X3), and (X4) on purchasing decisions (Y). Direct-only nonmediation, as defined by the mediation test, includes price (X3), promotion (X2), social media marketing activity (X1), and purchasing decisions (Y) influenced by brand image (Z).

Keywords: SMMA, Promotion, Price, Consumer Attitude, Purchasing Decision, Brand Image

INTRODUCTION

One of the goals of starting a business is to make the most money possible because with that money, the enterprise may grow and continue to exist (Basmar et al., 2021). The achievement of company profits is carried out through sales activities of production products (Nuratriningrum et al., 2020). Social media has emerged as one of the most powerful and efficient marketing platforms available in the modern digital age (Kurniawan, 2021).

Many companies have utilized social media to develop a strong brand identity and to advertise their goods and services (Darmansah & Yosepha, 2020). In making consumer purchasing decisions, of course, it is influenced by various things, one of which is by seeking information and one of the main sources of information is commercial in various forms.

Since most consumers have a variety of offers to pick from, price is typically one of the comparing factors that influences their decision to buy (Geraldine, 2021). In this study, to impact consumer purchase decisions in addition to promotions, prices, and consumer attitudes. A product's brand image communicates a particular degree of quality so that happy customers can quickly select the same item again (Kotler & Armstrong, 2008).

In the formation of brand image, in this study it is influenced by promotion, price and consumer behavior, this is based on differences of opinion regarding (Dairina, 2022). This study demonstrates that customer demands are positively impacted by brand image in a major way and concludes that purchasing decisions are generally positively influenced by brand image. The purpose of the study is to look into how brand perception affects consumer choices.

Apart from promotion and price, brand image is also influenced by consumer attitudes. Consumer attitudes play a role in shaping brand image because by looking at consumer

attitudes, consumer responses to a product can be seen through the feedback given by consumers (Wijaya & Octafilia, 2022). It is known that product sales figures have fluctuated from month to month for 3 years of sales. The ups and downs in the number of sales identify that the marketing strategy implemented has not been able to drastically increase the sales of PT Indofood Sukses Makmur Tbk.

In general, consumers who want to purchase a product always look for product introductions whose purpose is to make comparisons and conduct direct reviews according to the form of promotion which is information for consumers in making a decision (Kotler & Armstrong, 2008). This is one of the things that causes fluctuations due to competitors so that consumers are more likely to make comparisons so that a strong marketing strategy is needed. Based on the background that has been explained and with the differences in research results in previous studies accompanied by sales data that fluctuates every month, it encourages researchers to conduct further research.

LITERATURE REVIEW

Attribution Theory

Attribution theory is defined by Fiske and Taylor in 1991 (Cited on Hanina Halimah Sa'diyah et al., 2021) as the process by which people use causal explanation for an event. This theory was first introduced by Fritz Heider in 1958 who was compiled by Schmitt (Schmitt, 2015) and believed that humans are naive psychologists trying to understand the social world. Heider identified two main types of attributions: dispositional and situational.

Social Media Marketing Activity

Social media marketing activity is a framework used to understand the sociocultural aspects of human behavior and the consequences of engagement with social media platforms. This theory is defined by Gursoy (Gursoy et al., 2022) which provides a structured approach to analyzing how the use of social media affects work activities and organizational processes.

Purchasing Decision

Purchasing decision according to Kotler (Kotler & Armstrong, 2008) is a method for addressing problems that involves assessing sources of information, identifying requirements and wants, making judgments about what to buy, acting upon those decisions, and making purchases. Purchasing decisions according to Schiffman (Schiffman & Wisenblit, 2015) are choices from two or more alternatives. In order for someone to have the option to choose what to buy, there need to be a number of different options.

Promotion

According to Baker (Baker & Saren, 2010), promotion is a communication from the seller and the right buyer who seeks to alter the mindset and actions of consumers who were unaware of the product in order to convert them into purchasers and keep it in mindmarketin According to Hunt (Hunt, 2014), A marketing strategy known as promotion seeks to educate, reaffirm, and/or persuade the target market about the business and its offerings in order to get them to accept and purchase them from the participating company.

Price

According to Glen Weyl (Glen Weyl, 2019) price is a basic measuring tool of an economic system that affects production and sales levels in marketing. According to Friedman (Friedman, 2021) One of the key marketing factors that might affect consumers' decisions for a variety of factors and considerations is price.

Consumer Attitude

According to Marhaini's research (2008) in (Rajagopal, 2021), attitude is a relatively stable organization of feelings, beliefs and behavioral tendencies towards other people, groups of ideas or objects in the form of expressing whether or not they are happy about a particular object. Based on this conclusion, it can be interpreted that consumer attitudes are individual

reactions or evaluations, in this case consumers regarding a product being offered and responding with the action of buying or not buying the product that has been offered.

Brand Image

A brand is any term, word, sign, symbol, design, or combination of these that is used to set one vendor's or a group of vendors' products and services apart from those of their rivals (Kotler & Amstrong, 2008). Furthermore, Kotler (Kotler & Amstrong, 2008) defines brand image as a person's thoughts, ideas, and impressions of a brand; brand image influences consumer attitudes and behavior toward a brand.

HYPOTHESIS

(1) Social media marketing activity at PT. Indofood Sukses Makmur Tbk has a noteworthy and positive influence on purchasing decisions; (2) PT. Indofood Sukses Makmur Tbk's social media marketing activity has a noteworthy and positive impact on the brand's image; and (3) Promotion has a noteworthy and positive impact on purchasing decisions at PT. Indofood Sukses Makmur Tbk. Promotion positively and significantly affects the brand image of PT. Indofood Sukses Makmur Tbk. Pricing has a positive and important role in PT. Indofood Sukses Makmur Tbk customers' decisions regarding what to purchase (6) price has a favorable and large impact on brand image, and (7) customer attitudes about purchase decisions have a positive and significant influence. (8) Consumer perceptions of PT. Indofood Sukses Makmur Tbk's brand image are positively and significantly influenced, (9) At PT. Indofood Sukses Makmur Tbk, purchasing decisions are positively and significantly influenced by brand image, which also acts as a mediator between social media marketing activity and purchasing decisions.

METHODS

This quantitative study type is being conducted in the Lamongan district. The consumers of PT. Indofood Sukses Makmur Tbk in Lamongan make up the population being tested, and The outer model test is the instrument used for assessing hypotheses, validity and reliability, inner model, and mediation test. There are 116 samples in all, and SEM-PLS version 3.2.9 is the analysis tool utilized.

RESULTS

Measurement Model (Outer Model)

Convergent Validity

According to Ghozali (Ghozali & I, 2006) Convergent Validity to assess Reflexive indicators' applicability as a variable measure, as indicated by each variable indicator's outer loading. If an indicator's outer loading value is more than 0.70, it is considered to have strong reliability. It is necessary for the average variance inflation factor (AVE) value to exceed 0.5. The outer loading values of all the variables in the convergent validity test table 1 meet the required value standards, which are greater than 0.70. The social media marketing activity variable in the table has the smallest value, which is 0.922. To ensure that each of the study's indicators is reliable or has met Convergent Validity.

Reliability Test

If the test score is more than 0.7, it can be considered trustworthy. If the Composite Reliability value of a variable is higher than 0.70, it is considered reliable. In table 2 above, all variables have The social media marketing activity variable (X1) has the lowest Composite Reliability rating at 0.983, with values larger than 0.70. If the Cronbach Alpha value of a construct or variable is more than 0.60, it is considered dependable. All of the variables in Table 2 above are regarded as dependable as their values exceed 0.60 and the Cronbach Alpha coefficient. The consumer attitudes and social media marketing activity variables (X1 and X4) have the lowest values, both having the same value, 0.979.

Table 1. Convergent Validity Test

Average Variance Extracted (AVE)	
Social Media Marketing Activity (X1)	0.922
Promotion (X2)	0.935
Price (X3)	0.929
Consumer Attitude (X4)	0.942
Purchasing Decision (Y)	0.941
Brand image (Z)	0.936

Source: Processed (2024)

Table 2. Composite Reliability dan Cronbach's Alpha

	Cronbach's Alpha	Composite Reliability	
Social Media Marketing Activity (X1)	0.979	0.983	Valid
Promotion (X2)	0.983	0.986	Valid
Price (X3)	0.981	0.985	Valid
Consumer Attitude (X4)	0.979	0.985	Valid
Purchasing Decision (Y)	0.984	0.988	Valid
Brand image (Z)	0.983	0.987	Valid

Source: Processed (2024)

Structural Model (Inner Model)

A model for forecasting causal connections between inside variables is called an inner model. An image of the structural model shown in figure 1 is provided below.

R-Square

According to Ghozali (Ghozali & I, 2006) R The -Square test is utilized to demonstrate the extent of the relationship's influence between variables X and Y. In accordance with Ghozali, an R-Square score of 0.75 indicates strength, 0.5 indicates moderation, and 0.25 indicates weakness (Table 3)

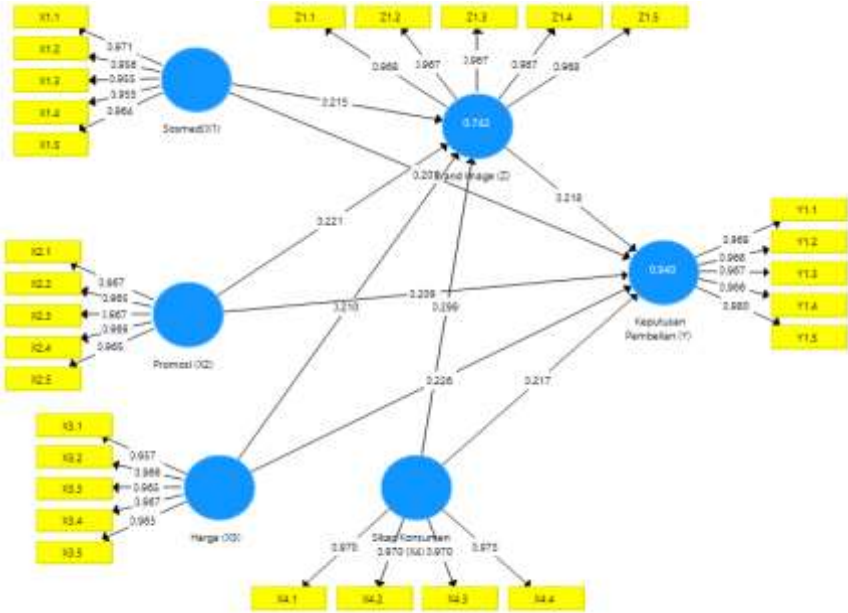


Figure 1. Structural Model
Source : Processed Data (2024)

Table 3. R-Square Test

	R Square	R Square Adjusted
Brand image (Z)	0.742	0.732
Purchasing Decision (Y)	0.940	0.937

Source: Processed (2024)

From According to table 3 above, The R-Square's value of 0.940 signifies its strength. Table 4.12 above indicates that the R-Square value of price (X3), promotion (X2), social media activity (X1), and customer attitude (X4) has an impact on purchase decisions (Y) and is 0.940 with an adjusted R-Square value of 0.937. This means that Y is affected by all external constructions (X) by 0.940, or 94.0 %, while the remaining 6.0 % is determined by factors that are not part of the research model. It is considered strong that this R-Square value is 0.940.

Mediation Test

In table 4 Specific Indirect Effect variable Social media activity (X1) on purchasing decision variables (Y) mediated by Brand image variables (Z) P Value = 0.039, or less than 0.05, indicates a favorable connection. Hence, social media activity (X1) and brand image (Y) have a direct impact on each other in this relationship, which is referred to as complementary mediation (Z) with purchasing decisions (Y), besides that there is an influence of social media (X1) on purchasing decision variables (Y) mediated by Brand image variables (Z) and pointing in the same direction, namely positive.

P Value = 0.037, or less than 0.05, indicates a positive association in table 4's Specific Indirect Effect of the Promotion variable (X2) on the Purchasing Decision variable (Y), which is mediated by the Brand image variable (Z). This relationship can therefore be referred to as complementary mediation, which indicates that both promotion (X2) and brand image (Z) have a direct impact on purchasing decisions (Y). In addition, promotion (X2) has an impact on the purchasing decision variable (Y) that is mediated by the brand image variable (Z) and points in the same direction, that is, positively.

In table 4 Because P Value = 0.065, or greater than 0.05, indicates a positive association, there is a specific indirect effect of the price variable (X3) on the purchasing choice variable (Y), which the brand image variable (Z) acts as a mediator for. This relationship can therefore be referred to as direct-only nonmediation, meaning that pricing (X3) and purchasing decisions (Y) are influenced directly, as is brand image (Z) and purchasing decisions (Y). However, price (X3) has no effect on the variables that determine purchasing decisions (Y), which are mediated by brand image variables (Z) and pointing in the same direction, that is, positively.

Table 4. Spesific Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
(X1) -> (Z) -> (Y)	0.047	0.048	0.023	2.066	0.039
(X2) -> (Z) -> (Y)	0.048	0.047	0.023	2.092	0.037
(X3) -> (Z) -> (Y)	0.046	0.047	0.025	1.848	0.065
(X4) -> (Z) -> (Y)	0.065	0.063	0.027	2.382	0.018

Source: Processed Data (2024)**Hypothesis Testing**

inner model testing hypothesis testing by examining the determined Path Coefficient value. Probability values and t-statistic values can be used to test a hypothesis. Using statistical values to test the hypothesis, we find that the alpha is 5%, $df=n-k-1=116-3-1=92$, and t

table=1.986. Based on these results, we can accept or reject the hypothesis: if t-count > 1,986, then H1 is accepted and H0 is rejected.

Table 5. Path Coefisien

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
(X1) -> (Y)	0.201	0.206	0.062	3.258	0.001
(X1) -> (Z)	0.215	0.226	0.089	2.413	0.016
(X2) -> (Y)	0.209	0.205	0.065	3.237	0.001
(X2) -> (Z)	0.221	0.216	0.077	2.861	0.004
(X3) -> (Y)	0.226	0.226	0.059	3.817	0.000
(X3) -> (Z)	0.210	0.210	0.079	2.664	0.008
(X4) -> (Y)	0.217	0.212	0.059	3.671	0.000
(X4) -> (Z)	0.299	0.288	0.085	3.497	0.001
(Z) -> (Y)	0.218	0.216	0.065	3.344	0.001

Source: Processed Data (2024)

H1: The influence of Social media marketing activity (X1) on Purchasing Decisions (Y).

Table 5 shows that the T-Statistic 3.258 > where 0.201 > 0.000 is the Original Sample value. It is discovered that Purchase decisions (Y) and social media marketing activity (X) have a positive and significant connection (T table 1.982, P-values 0.001 < 0.050).

H2: The effect of Social media marketing activity (X1) on Brand image (Z).

Table 5 shows that the T-Statistic 2.413 > and the P-values 0.004 < 0.050 show that social media marketing activity (X) has a positive and significant correlation direction with brand image (Z), with the original sample value being 0.215 > 0.000 T table 1.982.

H3: The Effect of Promotion (X2) on Purchasing Decisions (Y)

Original Sample 0.209 > 0.000 in value; T-Statistic 3.237 > Promotion (X2) and Purchasing Decisions (Y) have a positive and significant association, according to T table 1.982 and P-values 0.001 < 0.050.

H4: The effect of Promotion (X2) on Brand image (Z).

Original 0.221 as a sample value > 0.000, T-Statistic > 2.861 Promotion (X2) and Brand image (Z) have a positive and significant link, according to T table 1.982 and P-values 0.004 < 0.050.

H5: The effect of Price (X3) on Purchasing Decisions (Y).

Original T-Statistic 3.817 >. Sample value of 0.226 > 0.000 Price (X3) and T table 1.982 indicates that there is a positive and significant association between Purchasing Decisions (Y). P-values less than 0.0001.

H6: The effect of Price (X3) on Brand image (Z).

Original Sample 0.210 > 0.000 in value. T-Statistic 2.664 > Price (X3) and Brand image (Z) have a positive and significant link, according to T table 1.982 and P-values 0.008 < 0.050..

H7: The effect of consumer attitudes (X4) on purchasing decisions (Y).

Original 0.217 as a sample value > 0.000, T-Statistic 3.671 > T table 1.982. P-values 0.000 < 0.050 indicates that customer sentiments (X4) and purchase decisions (Y) have a significant and positive association.

H8: The effect of consumer attitudes (X4) on brand image (Z).

Original 0.299 > 0.000 for the sample value; T-Statistic 3.497 > P-values 0.001 < 0.050 in T table 1.982 indicate that there is a substantial and positive correlation between brand image (Z) and consumer attitudes (X4).

H9: The effect of Brand image (Z) on Purchasing Decisions (Y).

Original 0.218 as the sample value >0.000 , T-Statistic 3.344 $>$ P-values $0.001 < 0.050$ in T table 1.982 show that the relationship between brand image (Z) and purchase decisions (Y) is not statistically significant.

H10: Brand image (Z) does not mediate Social media marketing activity (X1) on Purchasing Decisions

Original Value sampled at $-0.047 < 0.000$. P-values $0.536 > 0.050$ and T-Statistic $0.620 <$ T table 1.986 indicate that brand image (Z) does not mediate the impact of social media marketing activity (X1) on purchasing decisions.

CONCLUSION

It is possible to deduce from the convergent validity test that all variable outer loading values above the suggested threshold of 0.70. The social media marketing activity variable in the table has the smallest value, which is 0.922. In order for every indicator in this study to be convergently valid or valid. A construct or variable is deemed reliable if its Cronbach Alpha value is higher than 0.60. It is possible to say that every variable in table 2 above is considered trustworthy because every one of the variables has values greater than 0.60 and the Cronbach Alpha value. The smallest are the social media marketing activity variables and consumer attitudes (X1 and X4) with the same value, namely 0.979. The R-Square value of Social media activity (X1), Promotion (X2), Price (X3) and Consumer Attitude (X4) has an influence on Purchasing Decisions (Y) is 0.940 with an Adjusted R-Square value of 0.937. With an R-Square of 0.940, this number is considered strong. The test of the hypothesis: The following are some instances of the relationships that exist between the following: consumer attitudes (X4) and brand image (Z), purchasing decisions (Y) and brand image (Z), brand image (Z) and social media marketing activity (X1), promotion (X2) and purchasing decisions (Y), promotion (X2) and brand image (Z), price (X3) and purchasing decisions (Y), and brand image (Z) not mediating social media marketing activity (X1), purchasing decisions (Y) and brand image (Z).

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