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Influence of Social Media Communication on Purchase Intention And Mediated By Hedonic Brand Image Functional Brand Image Brand Attitude And Brand Equity

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Abstract:

The purpose of this paper is to investigate the influence of social media communication (firm Created and user generated) on purchase intention through the mediation of brand image (hedonic And functional), brand attitude, and brand equity. Two hundred followers of instagram of Samsung brand were surveyed. The hypotheses were tested using pls-sem, warppls 5.0 Program. The results show that user generated communication had a positive influence on Hedonic and functional brand image. Firm created communication had a positive influence only On functional brand image. Both hedonic and functional brand image had a positive influence on Brand attitude. Brand attitude had a positive influence on brand equity. Both brand attitude and Brand equity had a positive influence on purchase intention.

Key word: Word Of Mouth, Brand Image, Brand Equity, Brand Attitude, Purchase Intention

Introduction:

The 21st century began the era of internet-based messages transmitted through the media. The media have experienced a huge transformation over the past decade (mangold & faulds, 2009). This huge transformation was marked by the shift of conventional media into internet-based media. The shifting of traditional one way communication into social media determines various aspects of consumer behavior including awareness, acquisition of information, opinions, and attitudes, buying behavior, communication evaluation. For example, consumers are turning away from traditional media such as tv, radio, or magazines and are increasingly using social media to search for information (mangold & faulds, 2009; schivinski & dabrowski, 2014). Social media platforms offer an opportunity for customers to interact with other consumers. Social media allows one person to communicate with hundreds or even thousands of other people about the products and companies that provide them (mangold & faulds, 2009). It has transformed traditional one-way communication into multi-dimensional, two-way, peer-to-peer communication (berthon, pitt, & campbell, 2008). Companies are no longer the only source of brand communication (li & bernoff, 2009). According to a study conducted by nielsen (2009), 70 percent of internet users trust the evaluations of consumers on social media platforms, making brand communication no longer solely generated by companies, but increasingly by consumers themselves through user generated social media communication therefore, it is crucial to differentiate between firm-created and user-generated social media communication and examines the impact of these two forms of social media communication separately smartphones are making communication easier using social media and making it one of the products needed nowadays. The number of smartphone brands currently circulating makes competition between companies increasingly tight. The latest report published by international data corporation (2018) reveals the market share of the five largest smartphone companies in indonesia for 2017 as presented in table 1.



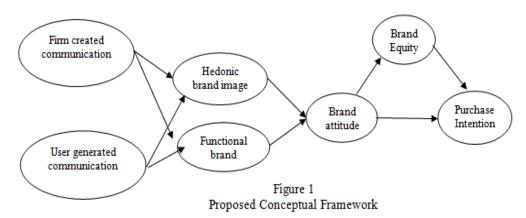
Table 1.

Five Big Market Shares Of Smartphone Companies In Indonesia 2017

Perusahaan	Pangsa Pasar
1. Samsung	32%
2. Oppo	24%
3. Xiaomi	3%
4. Advan	9%
5. Vivo	3%
Lainnya	29%

Sumber: International Data Corporation (IDC), 2018

Table 1. shows that Samsung is still ranked first in the Smartphone market share in Indonesia. This South Korean electronics manufacturer has decreased in the Smartphone market share in early 2018, which percent compared to 2017. The decline of Samsung still makes it dominate the market segment with Smartphone products. Samsung is also a brand that get Top Brand Index and ranked first in the category of telecommunications or information technology. The Samsung Company is considered capable of being the brand leader in the Smartphone market in Indonesia (IDC, 2018). This study aims to analyze the influence of social media communication made by companies and users on the intention to buy Samsung brand smartphones. This study also tested the mediation, namely brand image (hedonic and functional), brand attitude and brand equity as presented in Figure 1. Research on the impact of social media communication on new functional and hedonic brand images was carried out by Bruhn, Schoenmueller, & Schäfer (2012) and its relation to brand attitude (Abzari, et al, 2014; Bruhn, et al., 2012; Schivinski & Dabrowski, 2014) and brand equity (Jha & Balaji, 2015; Schivinski & Dabrowski, 2014; Ural & Yuksel, 2015) still need further testing to predict consumer purchase intentions. This research is intended to fill the gap and contributes to



1. Conceptual Framework and Hypothesis Development:

1.1 Firm – **Created Social Media Communication**Social media has led Internet users to encounter a vast amount of online exposure, and one of the most important is social networking. Social networking through online media can be understood as a variety of digital sources of information created, initiated, circulated, and



consumed by internet users as a way to educate each other about products, brands, services, personalities and issues (Chauhan & Pillai, 2013). Companies are now aware of the urgent need to focus on developing personal two-way relationships with consumers to encourage interaction (Li & Bernoff, 2009). Social media offers both firms and customers new ways to connect with each other. As a result, firm created social media communication is also considered an important element of the company's promotion mix (Mangold & Faulds, 2009). The popularity of the application of social media communication between companies can be explained by the dissemination of information via the internet (Li & Bernoff, 2009). This is done because the company always communicates a positive product brand. Firm created social media communications fully controlled by companies will always make brand-based communication content positive (Bruhn, et al ,2012). Positive evaluation of firm created social media communication assumed to positively influence the functional brand image and hedonic brand image. This research formulates the following hypothesis

H1: Firm Created Social Media Communication Positively Influences Hedonic Brand Image

H2: Firm Created Social Media Communication Positively Influences Functional Brand Image

2.2 User-Generated Social Media Communication:

Social media can be accessed and used for various things. Customers use social media to access desired products and brand information (Schivinski & Dabrowski, 2014). The growth of the online brand community, including social networking sites, has supported the improvement of user generated social media communications. Schivinski & Dabrowski (2014) define user generated social media communication as all forms of content generated online by platform users. This communication quickly gained high attention as part of the purchasing decision. The impact of communication between consumers reveals that customers are very dependent and trust the content produced by other users on the internet (Mackinnon, 2012). The effect of communication generated by users on functional and hedonic brand images can be positive and negative. In the case of functional benefits, the impact of user-generated communication relates to content that is primarily related to the quality aspects of the brand that can be assessed positively or negatively by the user, thus affecting the functional brand image both profitably or not. The same reasoning applies to the impact on a hedonic brand image. The communication effects that users generate can be expected to be positive or negative depending on the written content, because users can comment positively or negatively on the brand's attractiveness and desires on social media platforms. Thus, it is assumed that a positive evaluation of user generated communication will positively influence the hedonic brand image and functional brand image. This research formulates the following hypothesis:

H3: User Generated Social Media Communication Positively Influences Hedonic Brand Image

H4: User Generated Social Media Communication Positively Influences Functional Brand Image

2.3 Brand Image:

Brand image has many explanations in the existing literature. Brand image is defined as what consumers associate with the product or what they understand from the product (Durmaz, Çavuşoğlu, & Özer, 2018). Theory of reasoned action (Fishbein and Ajzen, 2015), attitude is a combination of multiplication of brand



based associations of attributes and benefits assuming that brand attitudes are influenced by brand awareness and brand image. Bruhn, et al., (2012) describes brand image as a consumer association with a good brand of brand associations related to product attributes and brand relationships that are not related to specific attributes. This association can be divided into two types, functional and hedonic brand images. Hedonic brand image can be explained as perceptions, feelings, or meanings made by consumers from abstract considerations and images that are not always related to brand attributes, performance or utilitarian. Functional brand image illustrates that consumer associations with brands function as information nodes connected to brand nodes in the consumer mindset and this formulates meaningful information about brand quality and value. There are several factors that shape the brand image, namely the quality or quality offered by a product and the uses or benefits associated with the function of a product. When the brand image of a product is considered good by consumers, of course it can lead to emotional value in consumers, where positive feelings will arise. This research formulates the following hypothesis:

H5: Hedonic Brand Image Positively Influences Brand Attitude

H6: Functional Brand Image Positively Influences Brand Attitude

2.4 Brand Attitude:

Evaluating a brand is a function of beliefs about the specific attributes of a brand or product. In addition to specific brand attributes, strong brand associations can lead to overall brand attitudes (Aaker & Keller, 1990). Brand attributes and benefits are often associated with brand equity. Brand attitude has a positive effect on brand equity because it will increase the market share of a brand when brand attitudes become more positive (Faircloth, Capella, & Alford, 2001). Finally, previous research also confirms brand attitudes as antecedents of brand equity, namely consumer support or dissatisfaction with a brand (Faircloth et al., 2001; Schivinski & Dabrowski, 2014; Vidyanata, et al, 2018). The results of the research study by Schivinski & Dabrowski, (2014) have been conducted in developed countries and show that the influence of brand attitudes is almost twice as strong as the influence of brand equity on consumer purchasing decisions. A positive brand attitude evaluation will contribute to brand equity. this research has become important in developing countries such as Indonesia, considering that Indonesia has a large market share for Samsung. Of course there are differences in consumer behavior patterns so that this study formulates the following hypothesis:

H7: Brand Attitude Positively Influences Brand Equity

2.5 Brand Equity:

Brand equity has many explanations in the existing literature. Communication on social media can affect brand equity. Brand equity is determined according to the brand knowledge structure created in the minds of consumers (Alhaddad, 2015). The consumer angle sees this added value not from the product or service attribute but from the marketing of the brand. Brand equity provides value to companies by increasing the effectiveness of marketing programs (Shahid, Hussain, & Zafar, 2017)The concept of brand equity is the power of strategic marketing that can build relationships between companies and their customers and encourage long-term buying behavior (Jha & Balaji, 2015). A strong brand with positive brand equity has several advantages such as greater margins, brand expansion opportunities, increasing marketing communication effectiveness, and consumer loyalty (Alhaddad, 2015). Purchase intention is widely seen as a predictor of actual purchases. Previous research conducted by Schivinski and Dabrowski, (2014) acknowledged the positive influence of



brand equity on consumer preference and purchase intention. Purchase intention represents the possibility of someone buying a particular product based on the interaction between customer needs, attitudes and perceptions of the product or brand. Brand equity has several dimensions that can influence consumer preferences, purchase intentions, and overall behavior towards products and services (Hossain & Ahmed, 2018). Purchase intention variable is incorporated into the conceptual model to assess the influence of social media communication behavior on brand equity and brand attitudes among social media users. Kim & Ko, (2010) explain this to be done because consumers increasingly switch to social media to conduct their information searches and to make their purchasing decisions. Previous research has suggested that purchasing a high level of brand equity encourages the purchase of the same brand (Yoo, et al, 2000). In addition, high brand equity leads to higher consumer preferences and purchase intentions (Alhaddad, 2015). Most research has been carried out in developed countries. Differences in results can only be obtained if research is conducted in developing countries because developing countries that have a broad market share are certainly offset by various consumer desires. Samsung's brand equity is expected to encourage consumers to buy so that this study formulates the following hypotheses:

H8: Brand Equity Positively Influences Purchase Intention

2.6 Purchase Intention:

Brand attitude illustrates the extent to which consumers trust a product to have certain attributes or benefits, and evaluative assessment of the trust about the good or bad of a product if it has these attributes or benefits. Referring to the statement above, the attitude is predisposing, formed as a result of learning, has a variety of values, and contains objects in the form of products or services (Suryani, 2013). The relationship between these variables is important because brand attitude is considered an indicator of behavioral intention. In addition, more positive consumer perceptions about brand excellence can be associated with stronger buying intentions (Aaker & Keller, 1990). Consumers who like a product tend to have a strong desire to choose and buy the product they like. And vice versa, if you behave negatively, consumers tend not to take into account the product as a purchase option. The existence of a close relationship between attitudes and behavior is what causes attitude to be seen as important to see consumer purchase intentions (Suryani, 2013: 120). Vishal, (2014) explained the theory of attitude models formed from three components, namely cognitive, affective, and conative components. Conative component can usually be measured from the intention to buy or choose (Suryani, 2013). The relationship between brand attitudes towards purchase intention of consumers of social media followers has not been well explored, especially in developing economies such as Indonesia, even though brand attitudes are important because as consumers evaluation of the Samsung brand that has the largest market share in Indonesia so the consumers can see the potential of consumers buy. This research formulates the following hypothesis:

H9: Brand Attitude Positively Influences Purchase Intention 1.Method:

This study uses primary data obtained from online surveys. The online questionnaire was sent in the form of a private message to 300 followers of the Samsung brand on Instagram. Respondents are those who are actively involved on the Instagram page. Two hundred and two people responded to the 300 questionnaires sent. Two of the questionnaires received were invalid so the analysis was based on 200 respondents. The research instrument was based on previous research. Instruments to measure firm social media communication and users were adopted from Schivinski and Dabrowski (2014), functional brand image and hedonic brand image were adopted from Bruhn et al., (2012) and Adetunji, et al. (2015). Instruments for measuring brand attitudes were adopted from Bruhn et al., (2012), Abzari, et al., (2014), and Schivinski and Dabrowski (2014). Instruments for measuring brand equity were taken from Dehghani and Tumer (2015) and Schivinski and Dabrowski (2014).



All of the above variables are measured by a Likert scale starting from 1 for "Strongly Disagree" to 5 for "Strongly Agree". The last variable is purchase intention. The instrument of purchase intention was adopted from Bruhn et al., (2012), Abzari, et al., (2014), Adetunji, et al., (2015), and Schivinski and Dabrowski (2014). Purchase intention is measured by five semantic differential scales ranging from 1 for "Very Not Want" to 5 for "Very Want". Filter questions are used to ensure that respondents are not Samsung brand smartphone users because this study aims to predict purchase intentions. This is done so that there is no confusion that refers to the intention to repurchase Samsung smartphone products and to be eligible to participate in this research. Filter questions are:1 Are you a Smartphone user other than the Samsung brand?

Respondents who answered "Yes" were considered eligible for the survey. The results of the validity and reliability test on the composite reliability value (CR) of the construct have internal consistency. The average variance values are extracted (AVE) from all constructs above 0.5 which is the minimum threshold value (Ghozali & Latan, 2017). This explains that the construct achieves acceptable convergent validity.

1.Results:

4.1 Measurement and Structural Model:

The characteristics of 200 respondents are the majority of men (52.5%) with the majority of ages being 21-30 years (58.5%), the majority of education is S1 / S2 (76.5%), the majority of employment status is private, and with the majority of income ranges from 5 - 6.9 million. Evaluation of measurement models based on composite reliability (CR) 6 0.6, loading factor \geq 0.6, and AVE> 0.5, then communication media social variables, brand image, brand attitude, brand equity, and purchase intention can be said to be reliable. Indicators that support these variables consist of 8 indicators for social media communication, 6 indicators for brand image, 3 indicators of brand attitude, 3 indicators of brand equity, and 3 indicators of purchase intention can be said to be valid.

4.2 Main Effects:

Firm-created social media communication did not show a positive influence on hedonic brand image; thus, the results do not confirm H1 ($\rho=0.06$; $\beta=0.14$). However, firm-created social media communication had a positive effect on functional brand image, thus supporting H2 ($\rho<0.001$; $\beta=0.39$). User generated communication had a positive effect on both hedonic and functional brand image, which supported H3 ($\rho<0.001$; $\beta=0.42$). and H4 ($\rho<0.001$; $\beta=0.29$). Hedonic and functional brand image had a significant influence on brand attitude, thus supporting H5 ($\rho<0.001$; $\beta=0.40$) and H6 ($\rho<0.001$; $\beta=0.21$). Brand attitude had a significant influence on brand equity, thus supporting H7 ($\rho<0.001$; $\beta=0.63$). Finally, both brand equity and brand attitude had a positive effect on brand purchase intention, leading to the confirmation of H8 ($\rho<0.001$; $\beta=0.44$). and H9 ($\rho<0.001$; $\beta=0.40$). Figure 2 presents the standardized estimates for the model. The tests of our hypotheses and estimates are displayed in Table A3. The final path model of the study is presented in Figure



(R)4i B=0.14 (P=0.06) RE (R)3i (R)3i $\beta = 0.63$ $R^2 = 0.39$ (2=0.28 (P<.01) 6×0.44 β=0.40 (P<.01) $\beta = 0.39$ BA $\beta = 0.40$ (P<.01) (R)3i (R)3i (P<.01) β=0.42 B=0.21 $R^2 = 0.58$ $R^2 = 0.27$ (P≤.01) (P<.01) FBI (R)3i $R^2 = 0.38$ β=0.29 (P<.01) UGC (R)4i

Figure 2 Standardized Estimates For The Model Source: Warppls 5 Output, Attachment

Discussion:

Social media have introduced new channels of brand communication. Because consumers typically judge the information provided by other individuals to be trustworthy and credible, user-generated social media communications have a greater effect on consumers overall perception of brands than firm created social media communication. more detailed analysis of social media communications, achieved by differentiating firmcreated social media communication and user generated social media communication, reveals the importance of source credibility. The different effects of firm-created compared to user-generated social media communication on the brand image dimensions demonstrate that consumers consciously differentiate between the sources of information. Moreover, this finding is also highlighted by the confirmation that firm-created communication positively influenced only functional brand image, whereas user generated social media communication positively affects hedonic brand image. The strong impact of user generated social media communication on the hedonic brand image becomes obvious by looking at the content of positive brand-based statements on social media platforms. On these platforms, consumers often refer to the overall attractiveness or desirability of the brand. Marketers should induce consumers to participate in social media campaigns by providing relevant content and information about product and participating in the user generated communication process by responding. Additionally, as highly involved consumers often simply wish to express positive feelings general about a brand, their comments are more likely to be formulated as abstract statements, which often do not refer to specific product characteristics but rather to the brand's desirability and attractiveness – thus, to the brand's hedonic image. Marketers should be strongly aware of the fact that they will not be able to use firm-created social media communication to improve hedonic brand image but they do have a certain ability to influence consumer-to-consumer communications. Therefore, companies should view social media as an essential component of their marketing communication mix, and integrate them in their marketing communications in order to increase brand equity. The rising trend of the consumer use of social media will increasingly impact



brand equity in future. However, the results show that brand attitude has a stronger effect on brand equity. As expected, both brand equity and brand attitude positively influenced the brand purchase intentions of consumers. This is attributed to the social media communication strategy used, as evidenced by the fact that for smartphone industries, brand equity and brand attitude almost had an equal effect on the consumers' brand purchase intention.

1. Conclusion and Limitations:

Social media communication has more influence on functional brand image because the information content created emphasizes the quality and value of the product. User generated social media communication influences hedonic and functional brand image because information that is shared and written by the user is a review or opinion related to the quality and attractiveness of the product. Furthermore, the hedonic and functional brand image of the product has a positive impact. When a product's brand image is valued by consumers, of course it can lead to emotional value in consumers, where there will be positive feelings towards consumer behavior intentions. Brand attitude has a positive influence on brand equity, meaning that the higher the consumer's attitude towards a particular brand, the higher the brand equity. Changes in consumer attitudes towards a product will motivate consumers to buy the product. This research has limitations while opening up space for further research. This study only uses one social media site that is considered. Social media communication is different across social media channels. This research suggests that all leading social media sites be analyzed to gain a broader understanding of social media communication made by companies and users. In addition, a broader range of industries must be examined in future research. This practice will give an indication of how customers perceive brands from various industries on social media channels. Samples originating from Indonesia were used in this study so it would be difficult to generalize results to other cultures. When replicating this research, researchers should consider social, economic and cultural differences. It is also recommended that such research be conducted in different countries to produce stronger validation and generalization of the findings.

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