

The Impact of Social Network Marketing on University Students' Purchase Intention and How It Is Affected of Consumer Engagement

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Abstract - The research conducted is to know the impact of social network marketing on consumer purchase intention and consumers who become research are active students at private universities in Jakarta, and how social network marketing also affect consumer engagement (as moderate variable). The research method used in this research is quantitative research method. A method of data collection used in this research is a questionnaire distributed to 119 university students. The results of this study showed that social network marketing has a strong and significant impact on customer engagement, customer engagement has a strong and significant impact on consumer purchase intention, social network marketing has a strong and significant impact consumer purchase intention, and also there is a significant impact from social network marketing on consumer purchase intention through consumer engagement.

Keywords: Social media, social network, marketing, consumer engagement, consumer purchase intention

I. INTRODUCTION

The rapid development of digital technology has changed the lives of people in various fields as well as traditional grind. One of them is in finding information. The main difference between social media and other traditional media such as television, newspapers, magazines, billboards is that social media offers two-way communication between the company and its customers, not the one-way communication offered by traditional media.

Using social media is much easier for marketers to reach a large number of people at very cost-effective. In addition, social media offers Web 2.0 features of interactive, collaborative, knowledge sharing, and other user empowering tools.

Social network marketing is any marketing and communication effort that uses social media as its channel to promote a product, service, or brand. Social network marketing allows companies to create their

own content through new web technologies and distribute them to millions of people for free.

Previous studies have identified that one factor affecting brand loyalty is students, as they comprise a significant portion of active users in social media [1].

The youth segment also consists of a segment of active buyers in various industries of products and services such as technology, sports, entertainment, clothing etc. [2]. The youth segment has emerged as a strong market segment that has the capacity to influence the purchasing and decision making of others [3]. The youth market can be considered an indicator of the surrounding cultural and social changes [4].

The use of social media may affect customer purchase intentions, [5]. In today's marketing, increased use of social media has significantly changed the way communication between sellers and buyers (the marketing field). This evolution has resulted in new potentials and opportunities in marketing and commerce that are changing the way consumers respond to purchases as exposure to different brands of products and services.

Many marketing experts have considered the issue of consumer engagement, especially those that refer to research involving social media [6]. This is stated in the research The importance of a general measure of brand engagement on market behavior: Development and validation of a scale by Sprout, Czellar, & Spangenberg [7], which states that consumer engagement as a key driver in the consumer decision making process the existence of consumer engagement can result in customer satisfaction, loyalty, trust and commitment [8].

Over the last decade, the role of social media has increased in developing countries. Social media has changed the way organizations and consumers interact. As individual consumers have a platform to improve their voice because of better access to product information and purchasing decisions [9].

The most dominant social media used in Indonesia as well as in the world is facebook, twitter, youtube, instagram and blog. Until January 2018, the number of

Facebook users from Indonesia reached 130 million accounts with a percentage of 6% of the total users.

Table 1. Facebook's Top Countries on Jan 2018

#	Top Countries	Users	%Total*
1	India	250,000,000	12%
2	United States	230,000,000	11%
3	Brazil	130,000,000	6%
4	Indonesia	130,000,000	6%
5	Mexico	83,000,000	4%
6	Philippines	67,000,000	3%
7	Vietnam	55,000,000	3%
8	Thailand	51,000,000	2%
9	Turkey	51,000,000	2%
10	United Kingdom	44,000,000	2%

Resource: We Are Social and Hootsuite research reports released on LinkedIn

Internet users in Indonesia are always increasing every year. From 1998 to 2017 there was an increase in internet users by 285.6%. Based on data from APJII (Asosiasi Penyelenggara Jasa Internet Indonesia), the majority of Internet users as much as 72.41 percent are still from the urban community and those aged 19 to 34 years and 79.23 percent are S1 and diploma graduates. At some universities and vocational colleges, the internet has indeed become an important part of the teaching and learning process.

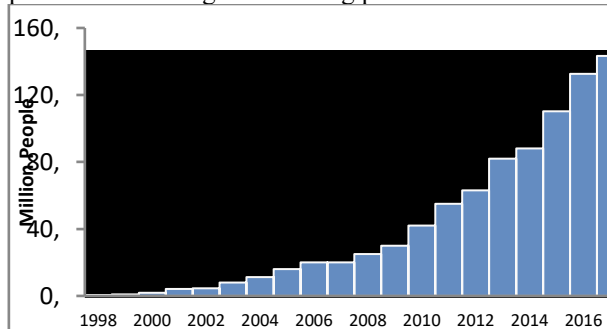


Fig 1. Internet Users in Indonesia (1998 – 2017)

Resource: Katadata Indonesia

Based on the above background, the research conducted is to know the impact of social network marketing on consumer purchase intention and consumer research into active students in private universities in Jakarta, and how social network marketing also affect consumer engagement (as moderate variable).

II. LITERATURE REVIEW

Social media have immense influence on each stage of the consumer decision making process, to form general opinion and attitude [10]. Consumer interest in traditional media has declined and shifted to social media because of its personalized features and controls. Concluded that social media has created a bridge for businesses to communicate instantly.

As users of these social media, prospective consumers thus involve themselves as groups with particular interests and it is this aspect of their peculiarity that allows for effortless marketing strategies [11].

That most respondents are familiar with social media especially Facebook. The study further shows that perceived usefulness, perceived behaviour control and attitude as factors that could influence the users to use social media [12].

Consumer involvement is an important element and has a strong meaning. Because when there is media fragmentation due to the availability of some media options there will be a decrease in consumer devotion. Businesses must refine their marketing efforts to engage consumers because consumers are more loyal and emotionally connected with brands [13].

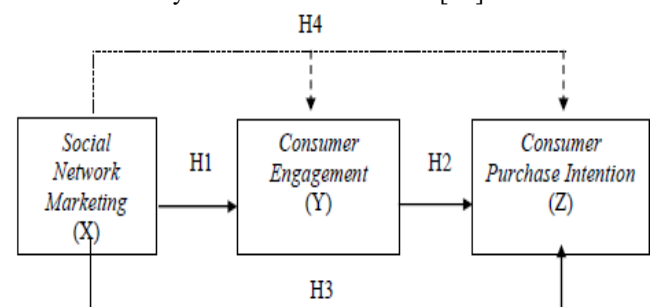


Fig. 2. Research framework

Hypotheses that can be built on the theory and previous research with the same variables:

- H1: Social network marketing (X) has a significant impact on consumer engagement (Y)
 H2: Consumer engagement (Y) has a significant impact on consumer purchase intention (Z)
 H3: Social network marketing (X) has a significant impact on consumer purchase intention (Z)
 H4: Social network marketing (X) has a significant impact on consumer purchase intention (Z) through consumer engagement (Y)

III. MATERIALS AND METHODS

Types of data used by the authors in this study are primary data. In this study, using cross sectional research method, the primary data obtained through questionnaire with respondents is 119 active students at private universities in Jakarta. Data obtained in the form of identity and perception or opinion of respondents about the impact of social network marketing to purchase intention: consumer engagement as a mediator.

Respondents aged between 20 - 25 years old were 59 people, then the age group between 26 - 35 years old as many as 58 people, and the age group 36 - 45 years as many as 2 people.

The scale used to measure the variables in this study is Likert Scale. Likert scale is used to measure attitudes, opinions, and perceptions of a person or group of people about one's phenomenon [14]. With a score of 1-5, where the score 1 shows strongly disagree and score 5 shows strongly agree.

Questionnaire data has been done several tests, the first test is validity test and reliability test. Then after obtaining valid data then proceed with normality test,

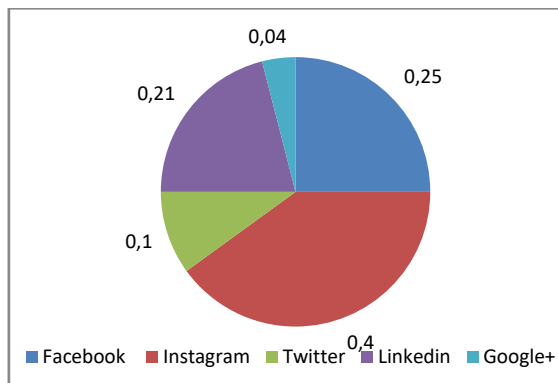


Fig. 3. Social Media is Often Used by Students

The average respondent spent time in social media, from 119 respondents studied, 60 respondents spent time in social media for more than 3 hours, 43 people spent time in social media for 1 to 3 hours and 16 people spent time in social media less than 1 hour.

B. Testing of Research Instruments

The validity test in this study used a confidence level of 95%, where $df = n-2$. The value of n in this study was 119, so the df value was 117. Thus, the value of r -table = 0,1502 was obtained. From the results of testing the validity of all indicators on social network marketing, consumer engagement and consumer purchase intention variables has the value of r -stat > r -table at $n = 20$ so it can be concluded that all indicators are valid.

Table 2. Validity Test

Social Network Marketing			Consumer Engagement			Consumer Purchase Intention		
Indicator	r-stat	Decision	Indicator	r-stat	Decision	Indicator	r-stat	Decision
P1	0,700	Valid	P1	0,558	Valid	P1	0,701	Valid
P2	0,717	Valid	P2	0,951	Valid	P2	0,560	Valid
P3	0,795	Valid	P3	0,756	Valid	P3	0,833	Valid
P4	0,937	Valid	P4	0,801	Valid	P4	0,817	Valid
P5	0,957	Valid	P5	0,844	Valid	P5	0,850	Valid
P6	0,893	Valid	P6	0,879	Valid	P6	0,847	Valid

and after that the data processing is continued again by using correlation analysis. Data if using computer software, namely is SPSS (Statistical Program for Social Science) version 20.

IV. RESULTS AND DISCUSSIONS

A. Social Media

Social media distribution is often used from 119 respondents studied, most respondents use instagram as much as 40%, then facebook as much as 25%, then linkedin as much as 21%, twitter as much as 10% and google + as much as 4

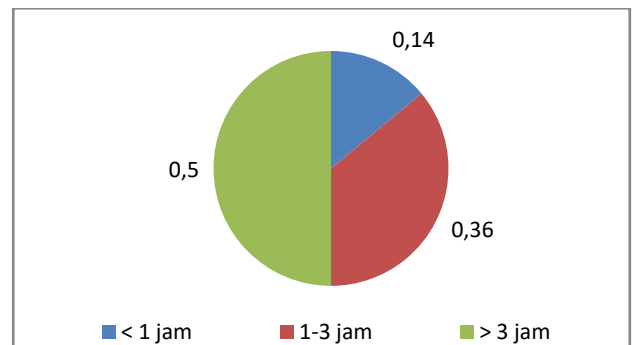


Fig. 4. Average spend time in social media

P7	0,804	Valid	P7	0,640	Valid
P8	0,766	Valid			

The reliability test results for all variables are reliable with Cronbach's Alpha > 0.60.

Table 3. Reliability Test

Variabel	Cronbach's Alpha	Cut Off	Decision
Social Network Marketing	0,929	0,60	Reliabel
Consumer	0,873	0,60	Reliabel
Purchase	0,866	0,60	Reliabel

Significance test, it is known that social network marketing (X) and consumer purchase intention (Z) variables have a positive and significant relationship. Significance test, it is known that consumer engagement (Y) and consumer purchase intention (Z) variable have positive and significant relation. The relationship between the independent variable X to the dependent variable Y is linear with 95% confidence level. The relationship between the independent variables X and Y on the dependent variable Z is linear with 95% confidence level.

Table 4. Correlations

	Social Network Marketing	Consumer Engagement	Purchase Intention
Social Network Marketing	1	0.791	0.748
Consumer Engagement	0.791	1	0.779
Purchase Intention	0.748	0.779	1

Table 5. Causal Relation

Research purposes	R ²
The impact of social network marketing on consumer engagement	0,791
The impact of consumer engagement on consumer purchase intention	0,499
The impact of social network marketing on consumer purchase intention	0,353
The impact of social network marketing on consumer purchase intention through consumer engagement	0,394

V. CONCLUSIONS

The results showed that social network marketing variables and consumer engagement variables simultaneously to consumer purchase intention variables. Social network marketing is very influential on student purchasing decisions. The student is an active user of social media and internet. In addition to being in the productive age, students are also assessed as consumptive age.

Social network marketing has a positive and significant relationship to consumer engagement variables. This is because if the content offered on Social network marketing is interesting, then the student will visit it again. Consumer engagement has a positive and significant relationship to consumer purchase intention variables. Because previous experience will help students in buying goods and services needed.

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