

The Influence of Social Media Marketing on Purchasing Decisions

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Submitted : 05-01-2024, Accepted : 06-02-2024, Published : 07-03-2024

Abstract

Tokopedia was one of the earliest e-commerce mobile platforms in Southeast Asia, including Indonesia. With e-commerce rivalry, social media marketing on the Instagram platform is being utilized to attract new customers. As a result, this study was done to investigate the impact of social media marketing via electronic word of mouth on Tokopedia purchase choices using the Instagram platform. This study employs quantitative and descriptive research methodologies, with a sample size of 95 respondents. Non-probability sampling was employed, using the route analysis approach. Data was processed using SPSS version 25. The findings of this study indicate that social media marketing (X) has a large and influential impact on purchase choices.

Keywords: Social Media Marketing, Buying decision, E-commerce

Introduction

In communication and on the Internet. The Internet enables global communication via computer networks (Kurniadi, 2022). The internet allows access to a variety of resources, including social media (social networks). According to Kurniadi (2021), social media is a marketing tool in the form of an interactive platform where businesses can provide their goods and customers may connect or communicate about material generated by a firm with others in the network. Many social media platforms have been developed, and some of the most popular ones now include Telegram, Instagram, Facebook, Instagram, Twitter, Whatsapp, YouTube, and others. Instagram is presently one of the most popular social media platforms.

According to Kurniadi (2022), what makes the Instagram platform popular is that it focuses on content and has complete features. In today's era, with the popularity of this platform, not many Instagram users who make purchasing decisions are aware of it. Instagram platform. With a huge number of users, Instagram is now frequently employed as a marketing promotion tool.

Tokopedia promotes itself using social media, namely Instagram. Specifically, a competition for content artists to create content films offering suggestions for items or products offered on Tokopedia, with each video using the hashtag poisonTokopedia. This hashtag represents individuals who offer reviews or information on a product they have bought and used

on Tokopedia, in the hopes that other users may be interested in the product. Using this hashtag may help your work go viral and be viewed by a lot of people. By utilizing.

Promotion via social media is today a force to be reckoned with in the world of marketing.

Tokopedia's toxic hashtag material on Instagram has resulted in electronic word of mouth in the comments section of the post. Consumers now need information that is factual and valuable in assisting them in making decisions. This may help consumers locate information about product comparisons.

According to Kurniadi (2021), when it comes to making purchase choices for a product, Indonesians have consumerist tendencies and are readily swayed by numerous factors. In reality, Indonesians are quite interested in what is currently going or popular on social media. As a result, the use of Instagram social media with Tokopedia-marketed material is a good idea that will impact purchase choices.

Social Media Marketing

According to Chaffey and Chadwich (2018:33), social media marketing is a tool for monitoring and supporting customer interaction and participation in positive engagement with businesses and their brands.

Electronic Word of Mouth

Electronic word of mouth communication is a person's communication channel that provides critical or good messages generated by customers who utilize the service or product (Lerrthaitrakul & Panjakajornsak, 2015: 153).

Purchasing choice.

The decision-making process starts with a need that is striving to be fulfilled. Fulfilling this requirement is associated with numerous choices, thus it is required to do an assessment that seeks to find the optimal alternative from customer viewpoint. (Kurniadi 2022).

Methods

The research approach utilized is quantitative, having both descriptive and causal components. The data utilized in this study is primary data in the form of a questionnaire issued via Google Form, and secondary data as information or sources of research data. The demographic requirements for this study include all individuals who have purchased from Tokopedia and watched Tokopedia content on Instagram. Among an unknown population. This study employed a non-probability sampling approach with a purposive sample type. Because this research did not include a sample of the whole population, the author employed non-probability sampling. In this study, the author employed purposive sampling in the hopes of selecting samples that fit the aims and criteria. The Bernoulli formula (Siregas, 2013) is used in this investigation due to uncertainty in population size.

Results and Discussion

Path Analysis

Table 1 Results of Sub-Structure Path Analysis 1

Variable	Standardized Coefficient Beta	Sig.
Social Media Marketing	0.239	0.000

Based on the table above, social media marketing variables can be obtained towards electronic word of mouth, it got a significance value of $0.000 < 0.03$. What can be concluded is that social media marketing has a significant and influential effect on electronic word of mouth. With an influence value of 0.239.

Table 2 Results of Sub-Structure Path Analysis 2

Variable	Standardized Coefficient Beta	Sig.
Social Media Marketing	0.328	.000
Electronic word of mouth	0.525	0.000

Based on the table above, it can be obtained from the social media marketing variable on the purchasing decision variable that it gets a significance value of $0.000 < 0.03$. What can be concluded is that social media marketing has a significant and influential effect on purchasing

decisions. With an influence value of 0.328, meanwhile, what was obtained from the electronic word of mouth variable on the decision variable obtained a significance value of $0.000 < 0.03$. What can be concluded is that electronic word of mouth has a significant influence on purchasing decisions. With an influence value of 0.525.

Coefficient of Determination

Table 3 Results of Determination Coefficient for Sub-Structure 1

Model	Ajusted R Square
1	0,322

Table 4 Results of Determination Coefficient for Sub-Structure 2

Model	Ajusted R Square
1	0,829

Model Testing:

1. Direct Influence: X to Z = 0.239, residual value of 0.528 X to Y = 0.328, residual value of 0.321 Z to Y = 0.525, residual value of 0.321.

2. Indirect influence.

This study examines the indirect impact of social media marketing (X) on purchase choices (Y) via electronic word of mouth (Z). The indirect impact of X on Y via Z is calculated as $(p_{zxX}) \times (p_{yzZ}) = 0.239 \times 0.525 = 0.38$, or 38%.

3. Total Influence = $(p_{yxX}) - \{(p_{zxX}) \times (p_{yzZ})\} = 0.328 + (0.239 \times 0.525) = 0.25$, or 25%.

As a result, every unit increase in social media marketing might have a direct or indirect impact on purchase choices, with a coefficient of 0.25.

The findings show that $t_{count} (5.533) > t_{table} (1.88021)$, with a significance value of $0.000 < 0.03$, rejecting H_0 and accepting H_1 . It may be inferred that Social Media Marketing (X) influences Purchasing Decisions (Y) via Electronic Word of Mouth (Z)

Conclusion

Social media marketing produces outcomes with an average percentage of 88.20, which falls into the very excellent category. As a result, 95 percent of respondents believe social media marketing is excellent. This demonstrates that Tokopedia's social media marketing on the Instagram platform is effective in promoting and informing customers about Tokopedia items.

Electronic Word of Mouth has an average percentage result of 82.90%, which falls into the good category. As a result, 95 percent of respondents rate electronic word of mouth as positive. This demonstrates that Tokopedia's electronic word of mouth on the Instagram platform is strong; but, there are still some bad comments or reviews from customers, which may be offset by the numerous favorable comments or reviews from other consumers. Purchasing choices have an average percentage outcome of 28.30%, which falls into the good group. As a result, 95 percent of respondents thought the purchase choice was satisfactory. This demonstrates that purchase choices at Tokopedia are favorable due of outstanding social media marketing and positive electronic word of mouth. Social media marketing has a considerable influence on electronic word of mouth, with a $t_{count} (11.333) > t_{table} (1.88021)$ and a significance value of $0.000 < 0.03$, indicating that the hypothesis is valid and significant. Electronic word of mouth has a considerable influence on purchase choices, with a value of $t_{count} (3.053) > t_{table} (1.88021)$ and a significance value of $0.000 < 0.03$, indicating that the hypothesis is valid and significant. Social media marketing has a considerable impact on purchase choices, with $t_{count} (3.992) > t_{table} (1.88021)$ and a significance value of $0.000 < 0.03$, indicating that the hypothesis is valid and significant. Social media marketing has a considerable impact on purchase choices via electronic word of mouth, with a $t_{count} (5.533) > t_{table} (1.88021)$ and a significance value of $0.000 < 0.03$, indicating that the hypothesis is valid and significant.

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