

CHAPTER I

INTRODUCTION

A. Research Background

Social media has become part of humans' daily life. Based on data from (Statista, 2024), As of 2023, 67% of the world's population, or 5,4 billion people, were internet users. People use social media to engage in online conversation with their friends and colleagues and to share information with them. As indicated by van Dijck & Poell (2013) social media serves as a platform emphasizing user presence, enabling and enhancing their interactions and collaborative efforts. Consequently, social media can be viewed as a digital channel (enabler) that reinforces connections among users and fosters social bonds (van Dijck & Poell, 2013). However, social media is all about online communication and the electronic exchange of information and ideas. It is the combination of technology, socialization, and the verbal or visual exchange of ideas (Ansari et al., 2019).

In Indonesia, there are approximately 167 million active social media users, who regularly access social media via mobile phones (Statista, 2024). Moreover, studies indicate that 58.9% of individuals in the 18 to 34 age brackets, who are inclined to spend an average of three hours and 14 minutes online daily, largely dominated this trend (Kemp, 2021). Ngoc (2018) affirmed the significant impact of social media on the behavior, brand perception, and purchasing habits of Indonesian youth. Consequently, Indonesian young adults

have evolved into more sophisticated, resilient, and informed consumers (Hinz et al., 2014).

The existence of social media benefit organizations or brands (Abed et al., 2015). Digital and social media marketing helps brands or organizations to achieve the objectives of their marketing with low cost (Ajina, 2019). The rise of social media has changed the way businesses and brands interact with and reach out to their customers. Businesses use social media platforms to share brand-related information, such as updates and feedback, in addition to gathering insights into consumer preferences and fostering consumer relationship, these activities collectively aid in the establishment of consumer-brand engagement (CBE) and the development of robust brand identities (De Vries & Carlson, 2014). This rapidly developing marketing channel offers unique prospects for increasing brand awareness and, eventually, influencing purchase decisions (Godey et al., 2016).

Based on recent survey conducted by Sprout Social, consumers demonstrate a tendency to follow social media accounts of brands they like for various reasons, one of which is to acquire product information (McCarthy et al., 2017). Since the content disseminates information about the brand and its products, it aids consumers in developing a connection with the brand and fosters a positive relationship between brands and consumers, leading to prosperity (Ansari et al., 2019). Information from brand will influence customers' buying decision (Ancillai et al., 2019).

Previous research shown that content quality and its impact on purchase intention and brand awareness indicate that high quality content and high level of interactivity with users, it leads to an enhanced hedonic motive experienced by social media users (Dabbous & Barakat, 2020). Consequently, this heightened hedonic motive contributes to greater online consumer engagement. These findings emphasize the significance of the hedonic motive as a primary motivator for increased social media engagement, which, in turn, indirectly influences the offline purchase intention of brands featured on social media platforms. Another research that discussed the relationship between content quality and purchase intention is from (Onofrei et al., 2022). The study showed that the high content quality that is shared by brands and friends can establish trustworthy relationships with consumers and fosters the purchase intention. A study from Abou-Shouk & Soliman (2021) stated that consumer engagement has a crucial role in boosting brand awareness and brand loyalty.

Previous study has shown the relationship between the variables. There is a contradiction from the two previous studies. Dabbous & Barakat (2020) state that there is no positive relationship between consumer engagement and brand awareness, in contrast to the study by Abou-Shouk & Soliman (2021) which states that there is a positive relationship between consumer engagement and brand awareness. (Xi & Hamari, 2020) also stated that consumer engagement significantly influences brand awareness. The paragraphs shown below explain the variables that are used in this study.

Content quality is one of the independent variables in this study. These days, brands establish pages on social networking sites where they share product information with consumers and share their content via videos and images in order to attract the attention of their target audience (Ansari et al., 2019). As the content promotes information about the brand and its offerings, it will assist consumers to connect with the brand and establish a positive connection between brands and consumers (Ansari et al., 2019). Based on (Potgieter & Naidoo, 2017; Rosenthal & Brito, 2017), by providing information on social networking sites, the company is able to increase its market share.

Self-congruity maintains the alignment between a consumer's self-concept and the value-expression associated with a product or service (Sirgy, 2018). The concept of value congruity plays a crucial role in fostering and nurturing enduring customer relationships with a particular brand or supplier (J. U. Islam et al., 2018; S. Lee & Jeong, 2014) Customers are more likely to engage with brands that enable them to realize their self-beliefs and self-values, as this legitimizes and empowers their sense of self (J. U. Islam et al., 2018; Tuškej et al., 2013). According to the congruity theory, consumers exhibit positive behaviors for focal brands when they have positive experiences with them (Rather et al., 2018).

Brand interactivity within social media is an essential but relatively new marketing-strategy area (Dessart et al., 2015). With the development of social media, marketers are increasingly utilizing social media brand communication to elicit consumer–brand interaction in order to accomplish positive business

outcomes (France et al., 2016). Customers are more likely to purchase a brand's products/services if they perceive the brand to be extremely interactive on social media (Bozkurt et al., 2021).

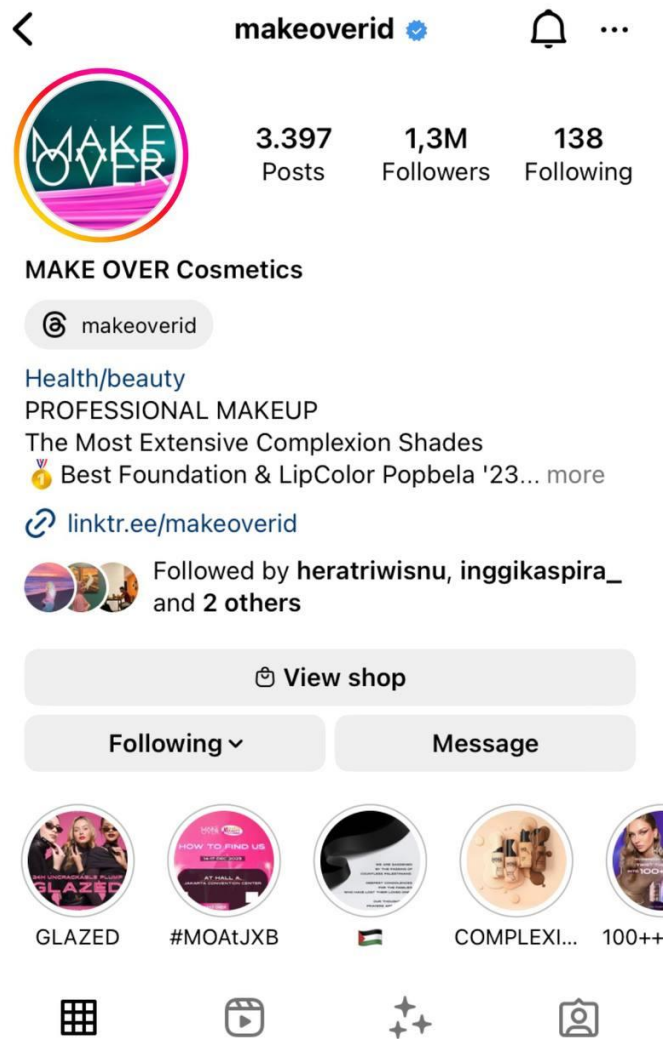
Consumer engagement is one of the primary factors that influence the consumer decision-making process (Espe et al., 2018). Consumer engagement frequently reflects a brand's desire to communicate with and relate to its customers (France et al., 2016). The concept of customer engagement is of particular interest in relationship marketing because it is widely regarded as a vital agenda that marketers must actively pursue if they wish to develop long-term customer interactions and relationships and solidify customer loyalty for their brands. (Lim et al., 2022; Firth et al., 2017).

Brand awareness is a pivotal aspect of brand knowledge (Keller, 2016). It ensures potential consumers' capacity to recognize or recall a brand, thereby facilitating the linkage of products to brands (Aaker, 1991). This recognition serves as a fundamental prerequisite for brands to be encompassed within consumers' consideration set during their decision-making process (Langaro et al., 2018; Su, 2016). The establishment of brand awareness stems from repeated and memorable exposure to the brand (Aaker, 1991; Kim et al., 2018). This exposure is fostered by brand elements such as brand names, slogans, and packaging (Keller, 2013), complemented by diverse forms of advertising (Datta et al., 2017; Yoo et al., 2000).

The purchase decision concept is a series of activities and processes carried out by an individual or organization to purchase and choose a product or service

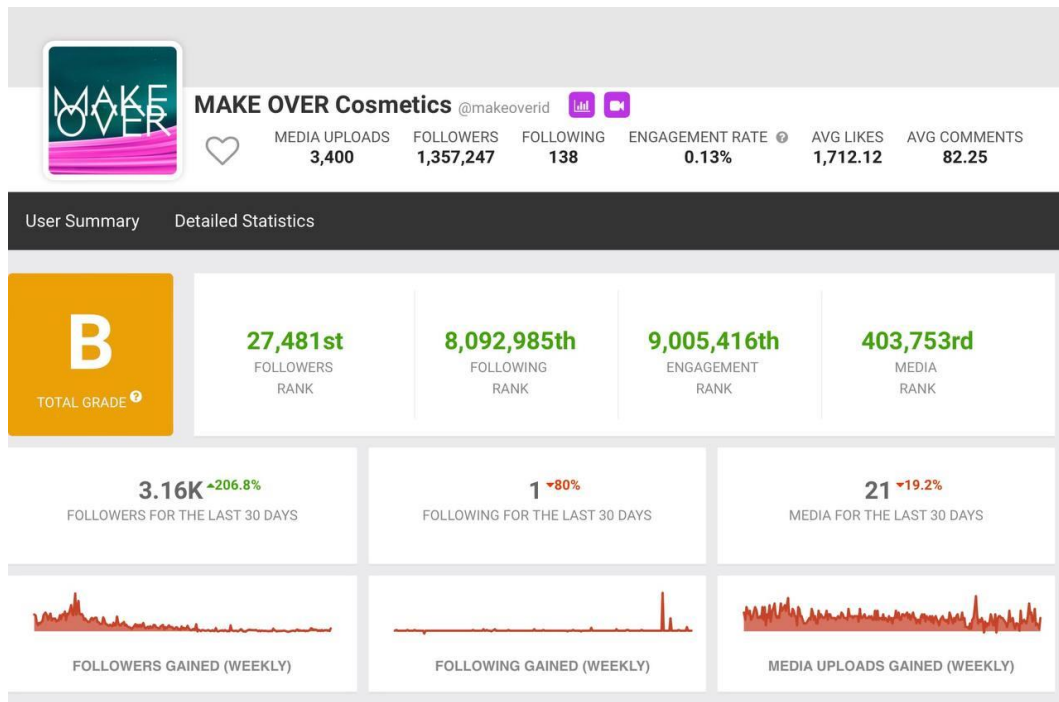
with the aim of satisfying needs and wants (Qurashi & Alkalainy, 2015). The consumer decision-making process can be described as the phases that consumers go through in making a final purchase decision (Basil et al., 2013). Customers gather information in the process of purchasing a product to aid their decision (Bai et al., 2015). Studies have shown the factors surrounding the merchant (e.g., website design, reputation, service quality) or product (e.g., specification, quality) or individual factor (e.g., trust, self-efficient) significantly impact the consumer purchase decision (Bai et al., 2015).

The setting of this study is Instagram account @makeoverid, which represents Make Over, a renowned cosmetic brand based in Indonesia. The selection of this particular setting was deliberate, driven by the data from (Social Blade, 2023) @makeoverid boasts an impressive following of over 1,3 million users with an average of 1,172 likes and average 82 comments. Instagram account @makeoverid also got an engagement rate over 0,13%. This brand also consistently creates content that garners significant levels of engagement. By analyzing the dynamics of this popular Instagram account, the study aims to gain insights into the impact of social media engagement on consumer purchase decision within the context of the beauty industry. The substantial reach and active interaction observed on @makeoverid make it an ideal platform for exploring the relationship between consumer engagement and brand success in the digital era.



Source 1.1 Instagram

Figure 1. 1 Make Over Instagram Account Page



Source 1.2 Social Blade

Figure 1.2 Make Over Instagram Account Engagement

This study intends to re-investigate the relationship between content quality, consumer engagement and brand awareness. The research model from this study is modified from previous study that conducted by (Dabbous & Barakat, 2020). This study will introduce a novel independent variable, self-congruity, this new independent variable is from previous study by (Fu et al., 2020), while also modifying the dependent variable from purchase intention to purchase decision, aspects that have not been addressed in prior research endeavors. The study seeks to explore how these factors collectively influence consumer engagement with brands. By examining the mediating role of consumer engagement, the research aims to shed light on the mechanisms through which these elements affect consumer behavior. The findings of this study are expected

to provide valuable insights for marketers and businesses, helping them understand the significance of crafting high-quality content, aligning with consumers' self-concepts, and fostering interactive experiences to enhance brand awareness and drive purchase decisions effectively.

B. Research Questions

Based on the background that has been stated above, the problems are formulated follows:

1. Does the content quality have an effect on consumer engagement?
2. Does self-congruity have an effect on consumer engagement?
3. Does brand interactivity have an effect on consumer engagement?
4. Does consumer engagement have an effect on brand awareness?
5. Does brand awareness have an effect on purchase decisions?
6. Does consumer engagement mediate the relationship between content quality and brand awareness?
7. Does consumer engagement mediate the relationship between self-congruity and brand awareness?
8. Does consumer engagement mediate the relationship between brand interactivity and brand awareness?
9. Does brand awareness mediate the relationship between consumer engagement and purchase decisions?

C. Research Objectives

Based on the formulation of the research questions, the aim of this study formulated follows:

1. To analyze the effect of content quality on consumer engagement.
2. To analyze the effect of self-congruity on consumer engagement.
3. To analyze the effect of brand interactivity on consumer engagement.
4. To analyze the effect of consumer engagement on brand awareness.
5. To analyze the effect of brand awareness on purchase decisions.
6. To analyze how consumer engagement mediates the relationship between content quality and brand awareness.
7. To analyze how consumer engagement mediates the relationship between self-congruity and brand awareness.
8. To analyze how consumer engagement mediates the relationship between brand interactivity and brand awareness.
9. To analyze how brand awareness mediates the relationship between consumer engagement and purchase decisions.

D. Research Benefits

The benefits expected from this research include:

1. Theoretically

The results of this study are expected to be a reference for future research and the development of marketing, especially content marketing and branding for all the brands in Indonesia.

2. Practically

For Academics, the results of this study are expected to be able to add insight and be used as literature to deepen knowledge on marketing, especially content marketing, brand equity, development, and progress in the future.