polbeng

Inovbiz: Jurnal Inovasi Bisnis 12 (2024) 54-64

INOVBIZ

Website: www.ejournal.polbeng.ac.id/index.php/IBP
Email: inovbiz@polbeng.ac.id



Purchase Intention Through Engagement as Mediation and Brand Equity as Moderation on Social Media Users

Rensia Ester Herdinasari¹, Renny Christiarini², Erilia Kusumahati³

^{1,2,3} Universitas Internasional Batam / Management Faculty / Batam, Kepulauan Riau, Indonesia, 29400. ¹rensiaester12@gmail.com, ²renny@uib.ac.id, ³erilia.kusumahati@uib.ac.id

ARTICLE INFO

Received: (February 10, 2024) Received in revised: (February 12, 2024)

Accepted: (June 19, 2024) **Published:** (June 26, 2024)

Open Access

ABSTRACT

This study aims to further investigate the purchase intention of social media users. The research explores the impact of social presence, psychological distance, trust, engagement, social media marketing, electronic word of mouth, and brand equity on purchase intention. Engagement functions as a mediator, while brand equity plays a moderating role in the relationships studied. Research data was gathered through the distribution of questionnaires to 290 respondents and processed using the SmartPLS 3.0 program. The findings indicate that trust, engagement, electronic word of mouth (e-WOM), and brand equity have a significant impact on purchase intention. However, no influence was observed from social presence, psychological distance, and social media marketing. Additionally, the study revealed that there is no mediating effect through engagement, and the moderating effect of brand equity is less than 5%.

Keywords: Social Present, Psychological Distance, Trust, Engagement, Digital Marketing, Purchase Intention.

1. Introduction

Social media platforms such as Google TikTok and even Facebook are starting to develop services for online shopping like other ecommerce. Meanwhile, this online shopping service feature has been implemented by WhatsApp and Instagram since 2016. Many consumers who have switched to shopping digitally are supporters of this innovation. It is estimated that the number of online consumers in Indonesia will increase from 119 consumers to 137 million in 2020. incorporation of social media into online shopping can increase the choice of shopping platforms for consumers in Indonesia. Apart from that, due to the Covid-19 pandemic, the use of social media by MSMEs increased by 54% according to a survey by SEA Insights, this shows that there is a shift from online shopping to social commerce via social media (Setyowati, 2023). This increase is certainly a very good opportunity for business people considering that currently many buying and selling activities are carried out on social media.

The change from social media to online shopping is in line with the growth of internet users which of course drives up the number of

social media users. Active social media users in Indonesia were recorded at 191.4 million users in February 2022, making Indonesia the third largest social media user in the world (Nurhayati, 2023). A survey by Populix showed that 86% of social media user respondents in Indonesia had done online shopping via social media platforms. TikTok is a popular social media and is often used for shopping, followed by other social media which of course has features for live streaming (Shahnaz, 2022).

The growth and development of the use of social media has of course influenced the online shopping behavior of consumers who like to make purchases online. Such as the driving factors for their purchase intention. Many things can stimulate the wrong purchase intention of social media users, such as social present, psychological distance, and consumer trust in online shops or social media platforms. Because online shopping transactions have psychological limitations, the trust factor is the key to maintaining transaction security. Even though online transactions are physically limited, sellers must always ensure that sellers stay in touch and interact or have a social presence with

^{*} Corresponding author

consumers (Ma et al., 2022). Trust must be built closely so that consumers are not only comfortable with the products they use, but also consumers can trust in detail what is conveyed in online buying and selling.

Social media is also an effective digital marketing platform to attract consumer interest. Social media marketing is one way to reach consumers widely and encourage their purchase intention. Apart from that, comments and reviews shared by fellow social media users have become a new form of e-WOM in digital marketing, which has positive influence on purchase intention (Christiarini & Rahmadilla, 2021). Because of positive e-WOM, the purchase intention of social media users will also increase The better the service provided regarding digital marketing, the greater the opportunity for people to spread information about the product and vice versa, if the service or product does not meet expectations, it will be omerang for the company resulting in a bad rating (Alwan & Alshurideh, 2022).

The information and data obtained from this study lead the author to emphasize the significance of conducting a scientific structured investigation into online consumer particularly purchase intention, among consumers engaging in transactions through social media. The author highlights the potential economic and social impacts of such activities. The research employs independent variables, including social presence, psychological distance, trust, social media marketing, and electronic word of mouth (e-WOM), to assess their influence on the dependent variable, namely the purchase intention of social media users, with a specific focus on the residents of Batam City. The findings from this research can serve as a valuable reference for decision-making related to purchase intention.

1.1 Effect Social Present toward Purchase Intention

Social present was first introduced in information systems research which was then applied to e-education and e-commerce. Social present is an important attribute in mediating communication media. Communication and interaction between sellers or e-commerce consumers on social media will form a community. These relationships and interactions on an ongoing basis will certainly build social relationships. The social present felt by consumers can encourage purchase intention (Ma et al., 2022). This research argues that there is a significant influence of social present on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Amin et al. (2021), Jiang et al. (2019), and Ma et al. (2022).

H1: There is a significant influence of social present on the purchase intention of social media users in Batam City.

1.2 Effect Psychological Distance toward Purchase Intention

The distance between an object and another object is also called psychological distance (physical distance). Compared to traditional purchasing transactions, buying, and selling transactions in social commerce can shorten the social distance between sellers and consumers. This social distance influences psychological distance assessments and of course will influence consumers when shopping online (Ma et al., 2022a). This research argues that there is a significant influence of psychological distance on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Gao and Zhang (2020), Ma et al. (2022), and (Yang, 2022).

H2: There is a significant influence of psychological distance on the purchase intention of social media users in Batam City.

1.3 Effect Trust toward Purchase Intention

The dynamics of purchase and sales transactions in social commerce, as well as other online shopping systems, are characterized by a lack of direct face-to-face interaction between sellers and consumers. This absence of personal interaction can result in a diminished level of trust that consumers place in sellers, subsequently leading to a reluctance to make purchases. Within the realm of social commerce, consumer trust emerges as a critical factor influencing purchasing behaviors, specifically impacting purchase intention, as highlighted by Ma et al. (2022a). This research argues that there is a significant influence of trust on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing. namely Athapaththu and Kulathunga (2018), Karunasingha and Abeysekera (2022), Ma et al. (2022) and Rasool Lakhan et al. (2021).

H3: There is a significant influence of trust on the purchase intention of social media users in Batam City.

1.4 Effect Engagement toward Purchase Intention

Engagement serves as a manifestation of consumer behavior, indicating the degree of investment, participation, and effort exerted in a company's product or service. It plays a crucial role in predicting buying behavior, specifically the consumer's purchase intention in the context of social commerce, as emphasized in the study conducted by Ma et al. (2022). This research argues that there is a significant influence of engagement on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Bilal et al. (2020), Joshi and Srivastava (2020), and Ma et al. (2022).

H4: There is a significant influence of engagement on the purchase intention of social media users in Batam City.

1.5 The Mediation Effect of Engagement on the Relationship between Social Present and Purchase Intention

The level of consumer engagement with a brand or company can influence purchasing levels and consumer satisfaction. One aspect that encourages consumer engagement is the social present. Apart from that, technological factors also play a role in increasing consumer engagement in social commerce (Busalim et al., 2019). This research argues that there is a mediating influence from engagement on the relationship between social present and the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Ma et al. (2022).

H5: There is a mediating effect from engagement on the relationship between social present and purchase intention of social media users in Batam City.

1.6 The Mediation Effect of Engagement on the Relationship between Psychological Distance and Purchase Intention

Online buying and selling transactions encompass numerous factors, among which distance holds significance. Consumers consistently take distance and location into account when making decisions and purchases (Gao & Zhang, 2020). The level of consumer engagement with a brand emerges as a mitigating factor in minimizing the impact of psychological distance on purchase intention. This research posits that engagement plays a mediating role in the association between psychological distance and the purchase intention of social media users. This assertion finds support in prior research, particularly the study by Ma et al. (2022).

H6: There is a mediating effect from engagement on the relationship between psychological distance and purchase intention of social media users in Batam City.

1.7 The Mediation Effect of Engagement on the Relationship between Trust and Purchase Intention

E-commerce or online stores whose sales transactions are online based, of course, must build high levels of trust with consumers. This high level of trust can make consumer bonds and engagement even closer (Wongkitrungrueng & Assarut, 2020). This research posits that engagement plays a mediating role in the association between trust and the purchase intention of social media users. This assertion finds support in prior research, particularly the study by Ma et al. (2022).

H7: There is a mediating effect from engagement on the relationship between trust and purchase intention of social media users in Batam City.

1.8 Effect Social Media Marketing toward Purchase Intention

Digital marketing is increasingly developing along with technological advances such as mar-

keting via social media (social media marketing). This type of marketing was found to influence purchase intention, especially among social media users (Alwan & Alshurideh, 2022). Social marketing media is widely used by e-commerce companies to carry out promotions, this is because advertising costs are low and more effective in reaching consumers. The use of social media as a place for promotion and marketing can have an impact on consumer purchases (Siwi, 2023). This research argues that there is a significant influence of social media marketing on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Alwan and Alshurideh (2022), Anggrenita and Sander (2022). Christiarini and Rahmadilla (2021). Dahmiri (2020), Farzin et al. (2021) and Siwi (2023).

H8: There is a significant influence of social media marketing on the purchase intention of social media users in Batam City.

1.9 Effect Electronic Word of Mouth (e-WOM) toward Purchase Intention

Electronic Word of Mouth (e-WOM) plays a crucial role in facilitating the exchange of information and knowledge through various online platforms and social media channels. It is recognized as a significant dimension in digital marketing, capable of both positive and negative impacts. The influence of e-WOM extends to consumers who have already completed purchases. as well as potential consumers, shaping their purchase intentions (Alwan & Alshurideh, 2022). This research argues that there is a significant influence of electronic word of mouth (e-WOM) on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Alwan and Alshurideh (2022), Bilal et al. (2020), Christiarini and Rahmadilla (2021), Farzin et al. (2021), Ismagilova et al. (2020) and Purwianti and Niawati (2022).

H9: There is a significant influence of electronic word of mouth (e-WOM) on the purchase intention of social media users in Batam City.

1.10 Effect Brand Equity toward Purchase Intention

Brand equity can be interpreted as the added value of a company or brand and can describe and reflect the experience of consumers who use or buy a brand's products (Alwan & Alshurideh, 2022). Companies or brands with a good level of brand equity can add value to the products or services they offer. This can influence consumer purchase intention (Dahmiri, 2020). This research argues that there is a significant influence of brand equity on the purchase intention of social media users. This opinion is supported by previous research which stated the same thing, namely Alwan and Alshurideh (2022), Bagus and Dp (2019), Kalaimahal and Kumaradeepan (2019) and (Siwi, 2023).

H10: There is a significant influence of brand equity on the purchase intention of social media users in Batam City.

1.11 The Moderating Effect Brand Equity on the Relationship between Social Media Marketing and Electronic Word of Mouth (e-WOM) toward Purchase Intention

Building a positive rapport between a brand and its consumers is achievable through the cultivation of strong brand equity. This, in turn, has the potential to heighten consumer interest in acquiring the company's products or services. In the domain of social commerce, the impact of social media marketing and Electronic Word of Mouth (e-WOM) on nurturing purchase intention can be strengthened through the moderating effect of brand equity, as emphasized by Alwan and Alshurideh (2022). This study posits that brand equity acts as a moderator in the correlation between social media marketing, e-WOM, and the purchase intention of social media users, a perspective supported by the consistent findings of Alwan and Alshurideh (2022).

H11: There is a moderating effect from brand equity on the relationship between social media marketing and electronic word of mouth (e-WOM) toward purchase intention.

1.12 Research Concept Framework

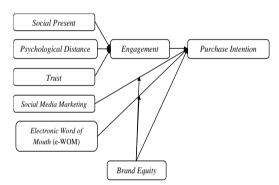


Figure 1.1 Research Model Social Present, Psychological, Trust Influence through Engagement Mediation and the Influence of Social Media Marketing, E-WOM, Brand Equity on Purchase Intention, and Moderation of Brand Equity in These Relationships.

(Source: Ma et al., 2022; Alwan & Alshurideh, 2022).

2. Research Method

This study aimed to investigate and assess the purchasing intentions of online shoppers, particularly those engaged in social media or participating in social commerce during transactions in Batam City. This research analyzed the impact of social presence, psychological distance, trust, and engagement variables on purchase intention by processing data. Additionally, the study examined the mediating effect of engagement on this relationship, drawing inspiration from prior research conducted by Ma et al. (2022). Following this, the research proceeded to examine the influence of social media marketing, electronic word of mouth (e-WOM), and brand equity on purchase intention, as well as the moderating effect of brand equity on this relationship.

This examination was guided by previous research conducted by Alwan and Alshurideh (2022). The research methodology employed was quantitative, as the data processed, and the subsequent analysis of results were presented in numerical form.

This study focused on residents of Batam City who are active social media users. The social media platforms included in the study encompassed various applications such as Instagram, Facebook, YouTube, and others. Data for the research were collected through a questionnaire structured as a Google form, which was distributed online to individuals utilizing social media in Batam City. The sample size for the study was determined by the guidelines outlined in the theory proposed by Hair et al. (2014), calculated by multiplying 10 by the total number of indicators in the questionnaire. Consequently, the minimum required sample size for this research was set at 290 respondents (10 x 29).

This research model is composed of independent, dependent, mediation, and moderation variables. Social present, psychological distance, trust, engagement, social media marketing, electronic word of mouth (e-WOM), and brand equity factors play an independent role. Furthermore, engagement also acts as a mediating variable and brand equity acts as a moderator. Meanwhile, the dependent variable in this research model is purchase intention. The variables in this study were measured using a Likert scale through a research questionnaire.

The outer model is employed to assess the relationship between variables and indicators by validating the reliability and validity of the data. The validity of a question is determined through the outer loading value test, where confirmation of validity is achieved if the data displays an outer loading value exceeding 0.6 (Suhartanto, 2020). Additionally, the research construct's validity is examined using the average variance extracted (AVE) value, with the stipulation that the AVE value must surpass 0.5 for validation (Hair et al., 2017). Reliability serves as another criterion for gauging the consistency of a variable or a group of variables in measurement. Reliability is assessed by examining composite reliability values on a scale between 0 and 1, with a value above 0.7 considered reliable (Hair et al., 2017). Cronbach's alpha value is also considered, requiring a value greater than 0.5 (Ghozali & Latan,

In this study, the inner model test is carried out to explore the relationships between research variables. This testing includes the direct relationship between the independent variable and the dependent variable, as well as the relationship between indirect variables and the moderating impact of other variables. The significance of these relationships is presented in the path coefficient table, specifically in the t-statistic column. A relationship is deemed significant if the t-statistic value exceeds (> 1.96). This significance is further confirmed in the p-values column, where a p-value less than 0.05 (< 0.05) indicates a significant relationship (Hair et al., 2017).

A variable is identified to have a 5% moderating impact if it demonstrates t-statistic results

exceeding (> 1.96) and a p-value less than 0.05 (< 0.05) (Hair et al., 2017). The indirect effect table is utilized to determine whether mediating variables significantly mediate the relationship. A variable is acknowledged as mediating if it possesses a t-statistic value greater than (> 1.96) and a p-value less than 0.05 (< 0.05), confirming its role in mediating the relationship (Hair et al., 2014).

3. Result and Discussion

Respondents in this study were differentiated based on characteristics, such as differentiating respondents based on gender, age, education, employment, experience using social media, and finally based on the amount of expenditure used for online shopping. The respondents of this study consisted of 157 (54,1%) male respondents 133 (45,9%) female respondents. and Respondents in the 18-24 year age group were 202 (69,7%); 25-30 years 69 (23,8%); 31-36 years 14 (4,8%); 37-45 years 1 (0,3%); 46-50 years 1 (0,3%) and over 50 years 3 (1%). Then, there were 162 respondents (55,9%) with a final education level of high school; bachelor's degree 124 (42,8%) and master's degree or higher 4 (1,4%). Respondents based on their work consisted of 75 employees (25,9%); selfemployed 73 (25,2%) and students or students 142 (49%). Respondents based on experience using social media, experience 1 year or less 45 (15,5%); 2-3 years 53 (18,3%); 4-5 years 129 (44,5%); 6-7 years 55 (19%) and more than 8 years 8 (2,8%). Finally, the number of respondents is based on the amount spent on online shopping, expenditure of IDR 500,000 or less 120 (41,4%) respondents; IDR 500,001 to IDR 1,500,000 90 (31%); IDR 1,500,001 to IDR 2,500,000 49 (16,9%); IDR 2,500,001 to IDR 3,500,000 10 (3,4%); IDR 3,500,001 to IDR 4,500,0005 (1,7%); IDR 4,500,001 to IDR 5,500,000 8 (2,8%); IDR 5,500,001 or more 8 (2,8%). The study involved a total of 290 respondents, constituting 100% of the participant pool.

3.1 Validity and Reliability Test

Table 3.1 Validity and Reliability Test

	-	-			date to vocated that all variables in the receases			
Variables	Indicators	Outer Load- ing	AVE	Cronba ch's Alpha	comodel have a composite reliability value exceed- posite 0.7 (Hair et al., 2014). Therefore, it can be Reliaserted that all research variables are reliable bilityd suitable for subsequent data processing.			
Brand Equity	BE1	0,774	0,65 6	0,827	0,884 3.2 R Square Adjusted Test			
	BE2	0,858			The level or value of the ability of an inde-			
	BE3	0,816			pendent variable in the research model to repre-			
	BE4	0,788			sent or describe the dependent variable can be seen from the results of the adjusted r-squared			
Engage- ment	EN1	0,738	0,54	0,572	0, 1678t .			
	EN2	0,760	. 0		Table 3.2 R Adjusted Square Test			
	EN3	0,703			Variables R Adjusted Square			
Electronic Word of Mouth (e- WOM)	EWOM1	0,671	0,59	0,657	0, ₹ng agement 0,375			
	EWOM2	0,834	. 0		Purchase Intention 0,606			
	EWOM3	0,787	-		Source: Data Processing Research Result (2023)			

	Moderating Effect EWOM	1,212	1,00 0	1,000	1,000
Psycho- logical	PD1	0,722	0,62 2	0,739	0,815
Distance	PD2	0,838			
	PD3	0,751	•		
Purchase Intention	PI1	0,772	0,61 3	0,788	0,863
IIICILIOII	PI2	0,791			
	PI3	0,807			
	PI4	0,758	•		
Social Media	SMM1	0,558	0,52 . 9	0,557	0,765
Marketing	SMM2	0,765	3		
	SMM3	0,825	•		
Social Present	SP1	0,721	0,60 4	0,858	0,874
ricociii	SP2	0,765			
	SP3	0,856			
	SP4	0,792	•		
	SP5	0,707	•		
	Moderating Effect SMM	1,099	1,00	1,000	1,000
Trust	T1	0,708	0,56 2	0,607	0,792
	T2	0,795			
	T3	0,740	•		

Source: Data Processing Research Result (2023)

One indicator, specifically PI5 (-0.056), demonstrated an outer loading value greater than 0.5 (Ghozali, 2014). As a result, it is necessary to exclude this indicator to proceed with the data processing for the research. The test outcomes outlined earlier indicate that all variables within this research model possess an average variance extracted (AVE) value exceeding 0.5, as per the guidelines established by Hair et al. (2017). Moreover, the results of Cronbach's alpha testing for all research variables surpassed the threshold of 0.5 (Ghozali, 2014). Furthermore, the test results revealed that all variables in this research contact have a composite reliability value exceeding 0.7 (Hair et al., 2014). Therefore, it can be also extend that all research variables are reliable with suitable for subsequent data processing.

The test outcomes indicate that engagement can be explained or represented by the variables social present, psychological distance, and trust at 37.5% (0.375). The remaining 62.5% (0.625) is accounted for or described by other factors not included in the research model. Similarly, purchase intention can be portrayed or described by the variables social present, psychological distance, trust, engagement, social media marketing, electronic word of mouth (e-WOM), and brand equity at 56.3% (0.563). The remaining 43.7% (0.437) is represented or described by other factors not encompassed in the research model.

3.3 Hypothesis Test

a. Direct Effect Test

The significance of the relationship between variables in the research model is determined based on a t-statistic value > 1.96 and a p-value (< 0.05), as derived from the path coefficient testing (Hair et al., 2014).

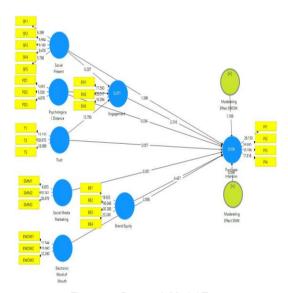


Figure 3.1 Research Model Test (Source: Data Processing Research Result, 2023)

The following is a table of the results of this research test:

Table 3.3 Path Coefficient Test Path X -> Y P Sample Hhypoth-Statisti values Mean esis (IO/ST DEVI) Brand Equity -0,288 4,437 0,000 Signif-> Purchase icant Intention 0,156 2,098 0,036 Signifi Electronic Word of cant Mouth -> Purchase Intention 2,316 Engagement -0,180 0,021 Signifi > Purchase cant Intention Moderating -0,073 1,169 0,243 Insian Effect EWOM ificant -> Purchase Intention

Moderating	-0,006	0,094	0,925	Insign
Effect SMM ->				ificant
Purchase				
Intention				
Psychological	-0,015	0,354	0,724	Insign
Distance ->				ificant
Purchase				
Intention				
Social Media	0,024	0,301	0,763	Insign
Marketing ->				ificant
Purchase				
Intention				
Social	0,082	1,399	0,162	Insign
Present ->				ificant
Purchase				
Intention				
Trust ->	0,250	3,057	0,002	Signifi
Purchase				cant
Intention				

Source: Data Processing Research Result (2023)

The results of the path coefficient test revealed that there is no significant influence of social present on purchase intention, as indicated by a t-statistic value of 1.399 (<1.96) and a pvalue of 0.162 (>0.05). Similarly, there is no significant influence of psychological distance on purchase intention, evidenced by a t-statistic value of 0.354 (<1.96) and a p-value of 0.724 (>0.05). Conversely, a significant influence of trust on purchase intention was observed, with a t-statistic value of 3.057 (>1.96) and a p-value of 0.002 (<0.05). Additionally, engagement was found to have a significant influence on purchase intention, supported by a t-statistic value of 2.316 (>1.96) and a p-value of 0.021 (<0.05). Furthermore, there is no significant influence of social media marketing on purchase intention, as evidenced by a t-statistic value of 0.301 (<1.96) and a p-value of 0.763 (>0.05). Electronic Word of Mouth (e-WOM) was identified to have a significant influence on purchase intention, with a tstatistic value of 2.098 (>1.96) and a p-value of 0.036 (<0.05). Lastly, brand equity was found to significantly influence purchase intention, supported by a t-statistic value of 4.437 (>1.96) and a p-value of 0.000 (<0.05).

b. Moderating Effect

The results of the path coefficient testing also reveal the moderating influence of a variable on the relationship. A moderator variable is considered to have a moderating impact if the influence on the relationship exceeds 5%. To determine the magnitude of the effect can be assessed based on the t-statistic results (>1.96) and p-value (<0.05) (Hair et al., 2017).

The results in the table of the path coefficient test indicate that the moderating effect of brand equity in the relationship between social media marketing and purchase intention has a t-statistic value of 0.062 (<1.96) and a p-value of 0.925 (>0.05). Consequently, it can be concluded that brand equity does not have a significant impact on this relationship, as its influence is less than 5%. Similarly, the moderation of brand equity in the relationship between electronic word of mouth (e-WOM) and purchase intention has a t-statistic value of 1.169 (<1.96) and a p-value of 0.243 (>0.05). Therefore, it can be stated that brand equi-

ty does not exert a substantial impact on this relationship, as its influence is below 5%.

c. Indirect Effect Test

A variable has an indirect effect or has a mediating impact if it has a t-statistic value >1,96, and a p-value <0,05 (Hair et al., 2017).

Tabel 3.4 Specific Indirect Effect Test Path X -> Z -> Sample Hhy-Stat pothesis Mean values isti CS (|0/ ЗT DF VI) 0,669 Psychological 0.012 0.50 Insianificant Distance -> Engagement -> Purchase Intention -0,003 0,85 Social Present -0.187 Insia-> Engagement -1 > Purchase Intention Trust -> 0,108 2,340 0,02 Insig-Engagement -> 0 Purchase Intention

Source: Data Processing Research Result (2023)

The test results indicate that there is no indirect influence of social present and psychological distance on purchase intention, signifying that engagement does not mediate this relationship. This conclusion is drawn from the t-statistic value and p-value for the impact of the social present through engagement on purchase intention, which are 0.187 (<1.96) and 0.851 (>0.05) respectively. Similarly, the t-statistic and p-value for the relationship between psychological distance through engagement and purchase intention are 0.669 (<1.96) and 0.504 (>0.05). However, these findings do not apply to the indirect relationship involving trust. The relationship between trust through engagement and purchase intention was found to be significant, with a t-statistic value of 2.340 (>1.96) and a p-value of 0.020 (<0.05), indicating a mediating impact by engagement.

d. Hypothesis 1

There is no effect of social present on the purchase intention of social media users in Batam City. This result can be caused by users or consumers feeling a lack of interaction with the seller. However, social media certainly has limitations such as the difficulty of increasing social present on followers or consumers on social media. The absence of physical or face-to-face relationships makes consumers or users feel less about the presence of sellers or individuals promoting a brand or product. The output of this analysis is the same as previous research by Purwianti and Dila (2021). But different from previous research by Ma et al. (2022).

e. Hypothesis 2

There is no significant impact of psychological distance on the purchase intention of social media users in Batam City. The progress in technology and logistics systems has rendered the psychological distance factor less relevant. In the

current scenario, consumers can seamlessly engage in transactions with sellers from abroad, implying that psychological distance is not a decisive factor in consumers' purchasing decisions. These findings align with the outcomes of earlier studies conducted by Ma et al. (2022) and Yosse and Wuisan (2021), although they differ from the findings of a prior study by Yang (2022).

f. Hypothesis 3

There is a significant influence of trust on the purchase intention of social media users in Batam City. Trust plays a pivotal role in facilitating buying and selling transactions, particularly in online settings. Consumers will make purchases if they feel that the seller or shop is trustworthy and responsible. Therefore, sellers or companies must build a high sense of trust with consumers to attract their interest in shopping through social commerce. The output of this analysis is the same as previous research by Athapaththu and nificant Kulathunga, (2018), Karunasingha and Abeysekera (2022), Ma et al. (2022), and Rasool Lakhan et al. (2021).

nificant g. Hypothesis 4

There is a significant influence of engagement on the purchase intention of social media users in Batam City. Engagement serves as a valuable tool in capturing consumer interest, and when established between a seller or brand and a consumer, it enhances the likelihood of a purchase. Leveraging social media to foster engagement with consumers is crucial for companies. Consumers with high levels of engagement are inclined to exhibit greater loyalty to the product or brand. These findings align with prior research conducted by Bilal et al. (2020), Joshi and Srivastava (2020), and Ma et al. (2022).

h. Hypothesis 5

No mediation effect was found from engagement on the relationship between social present and purchase intention of social media users in Batam City. This suggests that there is no indirect influence from social messaging on purchase intention. Despite the presence of the engagement factor serving as an intermediary in these relationships, the social present is still not regarded as a significant factor when consumers either desire or have intentions to make purchases. The findings of this analysis diverge from those of prior research conducted by Ma et al. (2022).

i. Hypothesis 6

There is no mediating effect of engagement on the relationship between psychological distance and the purchase intention of social media users in Batam City. This signifies that there is no indirect influence stemming from psychological distance on purchase intention. This is because psychological distance is not a determinant considered by consumers when they either desire or intend to make a purchase. Despite the presence of the intermediary factor of engagement, psychological distance still does not exert an influence on consumer purchase intention. The re-

sults of this analysis diverge from the findings of prior research conducted by Ma et al. (2022).

j. Hypothesis 7

There is a mediating influence from engagement on the relationship between trust and purchase intention of social media users in Batam City. This indicates the presence of an indirect influence of trust on purchase intention. This correlation is strengthened and can be mediated through engagement. Consumers who establish a sense of engagement with a product or brand are likely to develop a higher level of trust in that specific product. This elevated level of trust can positively impact their purchase intention, particularly among social commerce consumers. These findings align with the outcomes of prior research conducted by Ma et al. (2022).

k. Hypothesis 8

There was no significant influence of social media marketing on the purchase intention of social media users in Batam City. This result may be influenced by various factors, one of which could be the lack of interest and the perceived low quality of promotions or advertisements conducted on social media. Consequently, users may not find the promotions enticing enough to make purchases. Additionally, a considerable number of respondents in this study have extensive social media usage experience, ranging from 4 to 5 years. This prolonged exposure allows consumers to distinguish and not be swayed by promotions and advertisements on social media. These findings align with previous research conducted by Dülek and Aydin (2020) but differ from the results of prior research by Alwan and Alshurideh (2022).

Hypothesis 9

There is a significant influence of electronic word of mouth (e-WOM) on the purchase intention of social media users in Batam City. Electronic Word of Mouth (e-WOM) on social media serves as a highly effective tool for enhancing consumers' purchasing desires and persuading them to adopt a product or service. Positive e-WOM has the potential to boost consumer purchase intention, as it is generally more trusted by consumers for obtaining information and reviews about a product or brand compared to other sources or promotions. The findings of this analysis align with prior research conducted by Alwan and Alshurideh (2022), Christiarini and Rahmadilla (2021), Farzin et al. (2021), Purwianti and Niawati (2022), and Ismagilova et al. (2020). However, they differ from the results of earlier research by Dülek and Aydin (2020).

m. Hypothesis 10

There is a significant influence of brand equity on the purchase intention of social media users in Batam City. Brand equity is an added value for a company or brand in marketing their products. Companies or brands with good brand equity values have good market share and revenue results (Alwan & Alshurideh, 2022). This high income indicates a high level of sales and of

course, this comes from consumer purchase intention. The output of this analysis is the same as previous research by Alwan and Alshurideh (2022), Bagus and Dp (2019), Kalaimahal and Kumaradeepan (2019), and Siwi (2023).

n. Hypothesis 11

There was no moderating influence of brand equity on the relationship between social media marketing and electronic word of mouth (e-WOM) on the purchase intention of social media users in Batam City. These results were obtained based on testing the moderating influence of brand equity on this relationship. The two moderation impact tests showed influence results below 5%. So, it can be stated that brand equity does not strengthen this relationship. The output of this analysis is different from previous research by Alwan and Alshurideh (2022).

4. Conclusion

This study focuses on exploring purchase intention, particularly among social media users residing in Batam City. The analysis aims to examine the impact of various factors predicted to influence purchase intention, including social present, psychological distance, trust, engagement, social media marketing, electronic word of mouth (e-WOM), and brand equity. Additionally, the study incorporates tests to assess the mediating influence of engagement on the relationships between social present, psychological distance, and trust with purchase intention. Furthermore, there is a moderation test employing brand equity as a moderator in the relationship between social media marketing and electronic word of mouth (e-WOM) with purchase intention. The research findings reveal significant influences from trust, engagement, e-WOM, and brand equity on purchase intention, while no significant impact is observed with social present, psychological distance, and social media marketing. Moreover, no mediation effect is identified from engagement in the relationships between psychological distance, social present, and trust with purchase intention. Lastly, brand equity moderates the relationship between social media marketing and electronic word of mouth (e-WOM) on purchase intention by less than 5%.

The research undertaken by the author is naturally subject to certain limitations. Primarily, the outcomes of this analysis only elucidate and depict the purchasing intentions specific to social media users in Batam City. Therefore, the findings and discussions in this study cannot serve as a reference or representation of the purchasing intentions of social media users in other regions. Additionally, the author acknowledges that the data collection process constitutes a weakness in this research, potentially leading to an uneven distribution of research questionnaires in terms of both geography and demographics.

For future researchers exploring similar topics, several suggestions can be considered. One recommendation is to incorporate additional independent variables, such as information quality or credibility, which have been identified to influence purchase intention. Another suggestion is to

conduct an in-depth analysis of the relationships between variables within the research model, including testing the impact of social present, psychological distance, and trust on engagement. Moreover, broadening the scope of research objects, such as increasing the number of respondents or expanding the geographical coverage for distributing questionnaires, can enhance the comprehensiveness of the study. It is anticipated that these suggestions and recommendations will contribute to and enhance the quality of future research endeavors in a comparable scope and topic.

References

- Alwan, M., & Alshurideh, M. T. (2022). The effect of digital marketing on purchase intention: Moderating effect of brand equity. *International Journal of Data and Network Science*, 6(3), 837–848. https://doi.org/10.5267/j.ijdns.2022.2.012
- Amin, M., Ryu, K., Cobanoglu, C., & Nizam, A. (2021). Determinants of online hotel booking intentions: website quality, social presence, affective commitment, and etrust. *Journal of Hospitality Marketing & Management*, 30(7), 845–870. https://doi.org/10.1080/19368623.2021.189 9095
- Anggrenita, E., & Sander, O. A. (2022). Pengaruh Social Media Marketing Terhadap Consumer Purchase Intentions Yang Dimediasi Oleh Customer Trust Produk MS Glow. *Jurnal of Business and Applied Management*, 15(2), 143–152. https://doi.org/10.30813/jbam.v15i2.3774
- Athapaththu, J. C., & Kulathunga, D. (2018).
 Factors Affecting Online Purchase Intention: Effects of Technology and Social Commerce. International Business Research, 11(10), 111. https://doi.org/10.5539/ibr.v11n10p111
- Bagus, I., & Dp, B. (2019). DIMEDIASI BRAND PREFERENCE Fakultas Ekonomi dan Bisnis Universitas Udayana , Bali , Indonesia Perkembangan dunia usaha saat ini mengalami kemajuan yang sangat pesat . Setiap perusahaan berusaha untuk menciptakan produk baru ataupun melakukan inovasi terha. 8(5), 2697–2721.
- Bilal, M., Jianqu, Z., & Ming, J. (2020). How Consumer Brand Engagement Effect on Purchase Intention? The Role of Social Media Elements. *Journal of Business* Strategy Finance and Management, 2(1–2), 44–55.
- https://doi.org/10.12944/jbsfm.02.01-02.06
 Busalim, A. H., Che Hussin, A. R., & lahad, N. A.
 (2019). Factors Influencing Customer
 Engagement in Social Commerce
 Websites: A Systematic Literature Review.
 Journal of Theoretical and Applied
 Electronic Commerce Research, 14(2), 0–
 0. https://doi.org/10.4067/s071818762019000200102
- Chen, L. R., Chen, F. S., & Chen, D. F. (2023). Effect of Social Presence toward Livestream E-Commerce on Consumers'

- Purchase Intention. Sustainability (Switzerland), 15(4). https://doi.org/10.3390/su15043571
- Christiarini, R., & Rahmadilla, A. (2021).**FAKTOR-FAKTOR** ANALISIS YANG **MEMPENGARUHI PURCHASE** INTENTION **SKINCARE KOREA** MAHASISWA KOTA BATAM. Journal of Global Business and Management Review, No 2(1), 15-29. https://doi.org/http://dx.doi.org/10.37253/jgb mr.v3i2.6274
- Dahmiri. (2020). Pengaruh Sosial Media Marketing dan Brand Equity terhadap Minat Beli. *Kinerja*, 17(2), 194–201.
- Dülek, B., & Aydin, İ. (2020). Sosyal Medya PazarlamaninElektronik Ağizdan Ağilletişim, MarkaSadakati Ve Satin AlmNiyetinEtkisi. *Bingöl Üniversitesi Sosyal Bilimler Enstitüsü Dergisi*, 20, 271– 288.
 - https://doi.org/10.29029/busbed.734350
- Farzin, M., Sadeghi, M., Fattahi, M., & Eghbal, M. R. (2021). Effect of Social Media Marketing and eWOM on Willingness to Pay in the Etailing: Mediating Role of Brand Equity and Brand Identity. Business Perspectives and Research, 10(3), 327–343. https://doi.org/10.1177/2278533721102492
- Gao, X., & Zhang, Y. (2020). Research of the Influence of Psychological Distance on Online Shopping Decision. 2020 5th International Conference on Economics Development, Business & Management (EDBM 2020), Iwass, 773–776. https://doi.org/10.25236/edbm.2020.015
- Ghozali, I. (2014). Structural Equation Modeling Metode Alternatif dengan Partial Least Squares (PLS).
- Ghozali, I., & Latan, H. (2015). Partial least squares konsep, teknik dan aplikasi menggunakan program smartpls 3.0 untuk penelitian empiris. Badan Penerbit UNDIP.
- Hair, J. F., C.Black, W., Babin, B. J., & Anderson, R. . (2014). *Multivariate Data Analysis* (Seventh Ed). Pearson Education Limited.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2017).

 Partial Least Squares Structural Equation

 Modeling (Issue September).

 https://doi.org/10.1007/978-3-319-05542-8
- Hidayat, A. (2021). Role of Electronic Word of Mouth and Social Media Marketing on Brand Image and Purchase Intention toward E-Commerce Cosmetic Products.

 Archives of Business Research, 9(10), 178–191.
 - https://doi.org/10.14738/abr.910.11025
- Ismagilova, E., Slade, E. L., Rana, N. P., & Dwivedi, Y. K. (2020). The Effect of Electronic Word of Mouth Communications on Intention to Buy: A Meta-Analysis. *Information Systems Frontiers*, 22(5), 1203–1226.
 - https://doi.org/10.1007/s10796-019-09924-
- Jiang, C., Rashid, R. M., & Wang, J. (2019). Investigating the role of social presence

- dimensions and information support on consumers' trust and shopping intentions. Journal of Retailing and Consumer Services, 51, 263–270. https://doi.org/10.1016/j.jretconser.2019.06. 007
- Jörg Henseler, M. S. (2013). Goodness-of-Fit Indices for Partial Least Squares Path Modeling. April. https://doi.org/10.1007/s00180-012-0317-1
- Joshi, Y., & Srivastava, A. P. (2020). Examining the effects of CE and BE on consumers' purchase intention toward green apparels. Young Consumers, 21(2), 255–272. https://doi.org/10.1108/YC-01-2019-0947
- Kalaimanal, S., & Kumaradeepan, V. (2019). Brand Equity Influencing the Purchase Intention: A Concept Paper. European Modern Studies Journal, 3(1).
- Karunasingha, A., & Abeysekera, N. (2022). The mediating effect of trust on consumer behavior in social media marketing environments. South Asian Journal of Marketing, 3(2), 135–149. https://doi.org/10.1108/sajm-10-2021-0126
- Ma, L., Gao, S., & Zhang, X. (2022a). How to Use Live Streaming to Improve Consumer Purchase Intentions: Evidence from China. Sustainability (Switzerland), 14(2), 1–21. https://doi.org/10.3390/su14021045
- Ma, L., Gao, S., & Zhang, X. (2022b). How to Use Live Streaming to Improve Consumer Purchase Intentions: Evidence from China. Sustainability (Switzerland), 14(2). https://doi.org/10.3390/su14021045
- Maria, S., Pusriadi, T., & Darma, D. (2020). The Effect of Social Media Marketing, Word of Mouth, and Effectiveness of Advertising on Brand Awareness and Intention to Buy. *KnE Social Sciences*, 19(2), 107–122. https://doi.org/10.18502/kss.v4i3.6373
- Monfared, A. R. K., Ghaffari, M., Barootkoob, M., & Malmiri, M. M. (2021). The role of social commerce in online purchase intention: mediating role of social interactions, trust, and electronic word of mouth. *J. for International Business and Entrepreneurship Development*, 13(1), 22. https://doi.org/10.1504/JIBED.2021.112264
- Moslehpour, M., Dadvari, A., Nugroho, W., & Do, B.-R. (2021). The dynamic stimulus of social media marketing on purchase intention of Indonesian airline products and services. Asia Pacific Journal of Marketing and Logistics, 33(2), 561–583. https://doi.org/10.1108/APJML-07-2019-0442
- Nurhayati, H. (2023). Social media in Indonesia statistics & facts. https://www.statista.com/topics/8306/social-media-in-indonesia/#topicOverview
- Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, 88(5), 879–903. https://doi.org/10.1037/0021-9010.88.5.879
- Purwianti, L., & Dila, W. N. (2021). Analisis

- Faktor-Faktor vand Mempengaruhi Purchase Intention pada Pembelian Produk Commerce Fashion melalui Social terhadap masyarakat Kota Batam. CoMBInES - Conference on Management, Business, Innovation, Education and Social Sciences, 1(1), 2010-2028. https://journal.uib.ac.id/index.php/combines /article/view/4741
- Purwianti, L., & Niawati. (2022). Analysis of e-WOM, Brand Attitude, Brand Image on Purchase Intention Abstrak. *SEIKO: Journal of Management & Business*, *5*(1), 2022–2356.
- https://doi.org/10.37531/sejaman.v5i1.1664
 Rasool Lakhan, G., Ullah, M., Channa, A., Abbas, M., & Azizullah Khan, M. (2021). Factors Effecting Consumer Purchase Intention: Live Streaming Commerce. *Psychology and Education*, *58*(5), 1–11. www.psychologyandeducation.net
- Rizwan, S., Al-Malkawi, H. A., Gadar, K., Sentosa, I., & Abdullah, N. (2021). Impact of brand equity on purchase intentions: empirical evidence from the health takāful industry of the United Arab Emirates. *ISRA International Journal of Islamic Finance*, 13(3), 349–365. https://doi.org/10.1108/IJIF-07-2019-0105
- Setyowati, D. (2023). TikTok, Google, Facebook Rambah Belanja Online, E-Commerce Tersingkir? https://katadata.co.id/desysetyowati/digital/ 5f856c8e4fd61/tiktok-google-facebookrambah-belanja-online-e-commercetersingkir
- Shahnaz, K. (2022). Tiktok Shop Jadi Social Commerce Paling Populer di Indonesia. https://teknologi.bisnis.com/read/20221003/ 266/1583477/tiktok-shop-jadi-socialcommerce-paling-populer-di-indonesia
- Sharma, A., Fadahunsi, A., Abbas, H., & Pathak, V. K. (2022). A multi-analytic approach to predict social media marketing influence on consumer purchase intention. *Journal of Indian Business Research*, *14*(2), 125–149. https://doi.org/10.1108/JIBR-08-2021-0313
- Siwi, P. R. (2023). Dampak Social Media Marketing Terhadap Niat Beli dan Loyalitas Pelanggan Scarlett Whitening Official. 6(2), 213–222.
- Suhartanto, D. (2020). Analisa Data Untuk Riset Bisnis: SPSS, AMOS, PLS (Edisi 2).
- Winarno, K., & Indrawati, I. (2022). IMPACT OF SOCIAL MEDIA MARKETING AND ELECTRONIC WORD OF MOUTH (E-WOM) ON PURCHASE INTENTION. *Jurnal Aplikasi Manajemen*, 20. https://doi.org/10.21776/ub.jam.2022.020.0 3.15
- Wongkitrungrueng, A., & Assarut, N. (2020). The role of live streaming in building consumer trust and engagement with social commerce sellers. *Journal of Business Research*, 117, 543–556. https://doi.org/10.1016/j.jbusres.2018.08.03 2
- Yang, X. (2022). Consumers' purchase intentions in social commerce: the role of social

psychological distance, perceived value, and perceived cognitive effort. *Information Technology and People*, *35*(8), 330–348. https://doi.org/10.1108/ITP-02-2022-0091

Yosse, F., & Wuisan, D. S. S. (2021). Pengaruh Information Quality, Social Psychological Distance, Sense of Power dan Trust terhadap Consumer Purchase Intentions pada Social Commerce (Studi Kasus: TikTok). *Jurnal Administrasi Bisnis (JAB)*, 11(1), 43–52.