

The effect of social network marketing, attitudes towards social network marketing and consumer engagement on consumer purchase intention on batik

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ABSTRACT: This research aims to examine the effect of social network marketing, attitudes towards social network marketing, and consumer engagement on consumer purchase intention on Batik. This study was quantitative and causal type research. Sampling used non-probability and purposive sampling methods. The data was taken from 210 active users of social network marketing, who are Batik consumers in Surabaya and know any sellers or brands of Batik that carry out a social network marketing and have once commented on those social network marketing sites. Data were further analyzed by structural equation modeling using SPSS 22.0 and AMOS 22.0. The results found that there was no direct effect of social network marketing towards consumer purchase intention on Batik, but there was an indirect effect of consumer engagement between the relationship of social network marketing and consumer purchase intention on Batik. There was also an indirect effect of attitudes towards social network marketing between the relationship of social network marketing and consumer purchase intention on Batik.

Keyword: Social Network Marketing, Consumer Engagement, Consumer Purchase Intention

1 INTRODUCTION

Digital era is slowly shifting many things in this world from traditional into the digital form, including marketing. Traditional marketing is perceived as an intrusive manner, where in order to interact with a product, people have to be interrupted first. This old way of doing business is unsustainable for marketers (Opreana & Vinerean, 2015). In Indonesia, the internet users are growing every year, it grew 50% in 2010 to 2012, 39.8% in 2012 to 2014, 50.6% in 2014 to 2016, and 7.9% in 2016 to 2017 (Indonesian Internet Service Provider Association, 2017).

Batik is one of the handcrafted products that need to be preserved in Indonesia and was recognized into a Representative List of the Intangible Cultural Heritage of Humanity by UNESCO in 2009. In Indonesia, Batik has a very diverse pattern and style depending on which region it comes from. The export value of batik and batik products until October 2017 reached US\$ 51.15 million, which is increasing from US\$ 39.4 million in the first semester of 2017. There are 101 Batik Small-Medium Enterprises (SMEs) in Central Java, West Java, East Java, and Special Region of Yogyakarta, and the current batik SMEs are still traditional and have not

been managed well (Farida, Naryoso, & Yuniawan, 2017). The government targeted 6 million for Micro, Small and Medium Enterprises (MSMEs) in Indonesia to start using digital technology this year. Social media can be seen as a good platform for digital marketing since it has the highest rank of most accessed content. Social media marketing like Facebook, Instagram, and Twitter have reached hundreds of millions and become a large market share for MSMEs in Indonesia.

A preliminary study was done by interviewing 17 batik consumers in order to investigate how familiar they are with the social network marketing of batik. The informants were quite aware of social network marketing such as Instagram, Facebook, and Twitter, and there were 21 different names of batik on social network marketing. Several facts mentioned above are supporting the need for digital marketing development when doing business in this digital era, especially social network marketing. This study focuses on the impact of its social network marketing on purchase intention and the relationship between social network marketing, attitudes towards social network marketing, and consumer engagement on consumer purchase intentions on batik. It is essential to broaden the perspective on the customer experience beyond

marketing to support the development of ethically responsible and effective digital customer experiences. Nevertheless, there is a lack of study about the impact of social network marketing on purchase intention on batik in Surabaya.

The research model developed by Toor, Husnain, & Hussain (2017) showed there is a positive direct impact of social network marketing on consumer engagement and consumer purchase intention. There is also a positive direct impact of consumer engagement on consumer purchase intention.

This study expanded the model developed by Toor, Husnain, & Hussain (2017) by adding a new variable of Attitudes towards social network marketing, which study conducted by Akar & Topçu (2011).

Social network marketing is expected to have a positive direct impact on attitudes towards social network marketing, & attitudes towards social network marketing are also expected to have a positive direct impact on consumer purchase intention on batik.

The research problems are as follows; (1) Does social network marketing positively affect consumer purchase intention on batik?; (2) Does social network marketing positively affect consumer engagement on batik?; (3) Does consumer engagement positively affect consumer purchase intention on batik?; (4) Does social network marketing positively affect attitudes towards social network marketing?; & (5) Do attitudes towards social network marketing positively affect consumer purchase intention on batik?

Beyond its marketing content & two-dimensional interaction on websites & applications, social network marketing offers an opportunity to immerse consumers directly in the simulated product or service experience. Strategic marketers use social network marketing as a marketing tool because these social networks are hugely popular among individuals & thus become visible media for advertising. Other than its expedient access, the environments can be customized to accommodate the profiles of the consumers (Toor, Husnain, & Hussain, 2017). Attitude is defined as a person's enduring whether or not the evaluations are favorable, emotional feelings, & action tendencies towards some object or idea. It shapes people's minds to like or dislike an object, as well as move towards or away from it (Kotler & Keller, 2012). Customer engagement refers to the intensity of customer participation with both representatives of the organization & with other customers in a collaborative

knowledge exchange process (Wagner & Majchrzak, 2006). Purchase intention is the prediction of the buyer regarding which brand, the consumer will choose to buy. The intention can be described as a response short of actual purchase behavior (Mehmood & Khan, 2011).

1.1 *Research Purposes*

The purpose of this research is to examine the effect of social network marketing, attitudes towards social network marketing, & consumer engagement on consumer purchase intention on Batik.

These are five hypotheses to test as follows:

- H1. Social network marketing has a positive impact on consumer purchase intention.
- H2. Social network marketing has a positive impact on consumer engagement.
- H3. Consumer engagement has a positive impact on consumer purchase intention.
- H4. Social network marketing has a positive impact on attitudes towards social network marketing.
- H5. Attitudes towards social network marketing have a positive impact on consumer purchase intention.

2 RESEARCH METHOD

This research used a quantitative approach, which is categorized as causal research, including hypotheses building based on available theories & collecting accurate data to test hypotheses. The independent variable used was social network marketing (SNM), while consumer engagement (CE), consumer purchase intention (CPI), & attitudes towards social network marketing (ASM) acted as dependent variables.

According to Cozby & Bates (2012:147), purposive sampling is one of the forms in non-probability sampling that aims to gain samples or respondents from individuals who are suitable with the criteria set by the researcher.

The researchers specifically determined the selected respondents' characteristics of active users of social network marketing, whose are Batik consumers in Surabaya & know any sellers or brands of Batik that carry out a social network marketing & have once commented on those social network marketing sites. The number of samples was 210 respondents.

The data analysis was conducted by using *Structural Equation Modeling* (SEM) with the help of the AMOS version 22.0 program,

together with the estimation technique used was *Maximum Likelihood (ML)*.

3 RESULTS AND DISCUSSIONS

The respondents were 93 males (44.3%), & 117 females (55.7%), & 84.8% of them were within the age range of 17 to 40 years old. 51.9% of respondents earned a Bachelor's degree, & 68.1% of respondents earn monthly income per month of more than IDR 6 million. 54.3% of respondents accessed SNM (Social Network Marketing) of Batik one hour daily, 35.2% of respondents accessed SNM three hours, & 10.5% of respondents accessed SNM for more than 3 hours. Most of SNM accessed were Instagram 68.6% & the Batik brands accessed were batikerisindo (20.5%); tresnaart(11.9%); batiksemar (5.2%); bateq (5.2%); & danarhadi (4.8%).

The analysis of measurement model was conducted by using *Confirmatory Factor Analysis (CFA)*, the early stage of CFA has the value of *Goodness-Of-Fit (GOF)*, which fulfills the suitable criteria (CMIN/DF = 1.766, RMSEA = 0.061, GFI = 0.852, TLI = 0.883, & CFI = 0.896). The value of GFI, CFI & TLI, according to Hair Jr., et al. (2010:643), is considered as marginal fit when the value is between 0.8 & 0.9. Hair Jr., et al. (2010:668) considered as good fit when the value is ≤ 2 , the CMIN/DF value of this study is a good fit, & the value of RMSEA is considered as a good fit when the value is ≤ 0.08 . The result of structural model is as follows:

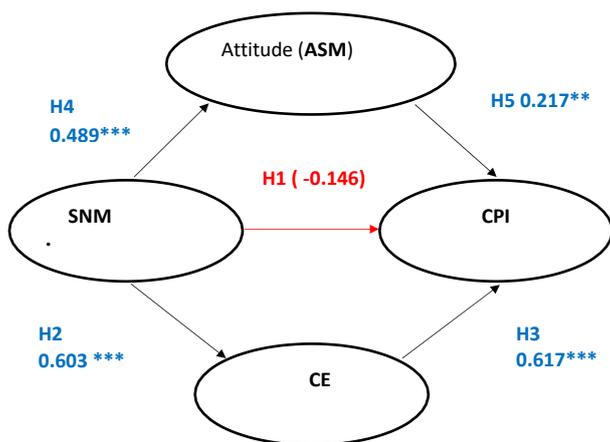


Figure 1. Structural Model. The value of st&ardized estimate. The insignificant structural relationship is described by dotted lines. * $p \leq 0.1$; ** $p \leq 0.05$; *** $p \leq 0.001$

Based on the hypotheses testing shown in Table 1, of 5 hypotheses tested, 4 hypotheses were supported, while one hypothesis was rejected. It means

that social network marketing does not affect consumer purchase intention on Batik (H1).

The research does not support the theoretical argument proposed by Toor, Husnain, & Hussain (2017), which stated that social network marketing is found to have a significant effect on consumer purchase intention. This result supports the previous study conducted by Ahmed & Zahid (2014), which found that marketers that use virtual social networks as a channel for br&ing or marketing does not directly affect consumer purchase intention of their garments, but it needs another indirect factor which is br& equity & customer relationship management on the context of their study. Furthermore, Hajli (2014) found that social media does not directly affect purchase intention, but trust, encouraged by social media, significantly affects purchase intention. In the context of this study, consumer engagement acts as an indirect variable of the relationship between social network marketing & consumer purchase intention on batik because consumers prefer to take parts in communicating both with the companies & other consumers as well as attitudes towards social network marketing which then can indirectly affect purchase intention. When individuals are emotionally attached to social media platforms, it can be expected that consumers will become more engaged with companies (Vanmeter, Grisaffe, & Chonko, 2015).

Table 1. The Results of Hypothesis testing

Effect	Critical Ratio	P-Values	Remarks
SNM → CPI	-1.384	0.166	Not Supported
SNM → CE	6.233	***	Supported
CE → CPI	5.028	***	Supported
SNM → ASM	5.263	***	Supported
ASM → CPI	2.383	0.017	Supported

*Source: Data processed by AMOS 22.0

This research shows that Social Network Marketing positively affects Consumer Engagement (H2) & Consumer Engagement positively affects Consumer Purchase Intention (H3). As stated by Maguire (2015), today's companies need to utilize the influence of social media to engage consumers instead of using it only as a platform for intensifying the products & brand promotions. Barhemmati & Ahmad (2015) also supported this finding that the existence of emotional ties between buyers & companies, which will lead them to make better decisions before purchasing batik & increase the intention to buy batik as recommended by friends on social networking sites. Consumer Purchase Intention occurred in this study because consumers

of batik in Surabaya tend to trust the engagement process occurred on the social networking sites of batik in order to gain more knowledge about the products, & batik sellers can stimulate consumers to visit, read, like, or even comments on their social networking sites.

The research result shows that Social Network Marketing has a significant effect on Attitudes Towards Social Network Marketing (H4), This research supporting the theoretical argument by So-hail & Al-Jabri (2017), which stated that information & engaged contents on social media which are uploaded by firms, in return will affect consumers' attitudes towards social media. Akar & Topçu (2011) also supported this result, if consumers follow or monitor social media of a company, it can significantly affect their attitudes towards social network marketing. Batik consumers in Surabaya think that batik companies are doing well in social network marketing as the social network marketing of batik is very attractive & essential for batik companies; therefore, it will be good if Batik companies can use social network sites such as Facebook & Instagram for marketing.

This research supports the theoretical argument conducted by Arli (2017) & Stevenson, et al. (2000), which stated that consumer purchase intention is positively affected by consumer's attitudes towards the social network marketing (H5). Attitudes towards social network marketing have a positive impact on consumer purchase intention because the growth of internet users in Indonesia is increasing every year, & social media is still the most accessed platform on the internet. Batik consumers have positive attitudes towards social network marketing that will lead their intention to buy batik as recommended by their friends on social networking sites

4 CONCLUSION

The conclusions of this research are:

- Social Network Marketing does not significantly affect Consumer Purchase Intention on batik.
- Social Network Marketing of batik in Surabaya has a positive impact on Consumer Engagement.
- Consumer Engagement has a positive impact on Consumer Purchase Intention on batik.
- Social Network Marketing of batik in Surabaya has a positive impact on Attitudes towards Social Network Marketing.

- Attitudes towards social network marketing have a positive impact on Consumer Purchase Intention on batik.

This research shows that consumer engagement indirectly affects the relationship between social network marketing & consumer purchase intention on batik; consumers tend to like to communicate & participate more on social networking sites both to companies & another consumer in order to increase purchase intention on batik. The research implication is that consumers should be given a more significant opportunity to share their experience or knowledge about batik on social networking sites. This strategy can enhance communication between batik companies & consumers & stimulate better engagement. Good engagement can be gained when there is two-way communication between batik companies & consumers, as well as among fellow consumers. This, in return, will increase customer loyalty & consumer purchase decision.

Companies should create an exciting feed with a complete description of the batik products so that consumers are interested & amused by the contents. The contents should be updated regularly, so consumers will not get bored with the existing content. Furthermore, batik companies can ask consumers regarding what content is expected from social networking sites. Instagram should be considered as the preferred platform of social network marketing of batik since the majority of respondents answered Instagram as their primary social networking sites. Batik companies should focus on using Instagram more as their platform to do digital marketing.

Further research is needed to find out the generalization of this research model, mainly by choosing other social network marketing as an object because this research is only limited to batik. Further research is expected to distribute the questionnaires more heterogeneously in order to gather more types of respondents. Sellers of batik on social network marketing are expected to be involved (Dewing, 2010). Interviews should also be used in future research to understand better social media users & their insights as well as experiences (Toor, Husnain, & Hussain, 2017).

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