

Analysis of the Effect of Influencer and Social Media Engagement on Sales Level with Brand Image as Intervening Variable(Study on the Coffee Industry in Banyuwangi)

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Abstract. In the time of the new coronavirus infection pandemic, businesses try new symbols, such as drinking a bottle of coffee from stock at home, to apply influencers as a promotional tool. They also need to build social media engagement for each cafe to improve communication with customers. In order to improve the communication interactions with consumers, businesses utilize Instagram. This study aims to study the extent of effects influencer and social media engagement have on sales level. This study is quantitative, using survey to 108 respondents in the coffe industry in Banyuwangi. The results showed that Influencer, brand image, social media engagement, and sales level had a significant positive effect on each other.

Keywords: influencer · brand image · social media engagement · sales rate

Introduction

Going to cafes became a habit, and in everyday life, everyone became a culture. In particular, income and human relations are always on the rise. The growth prospects of cafes and coffee shops are estimated to increase by 10–15% [1]. This has further facilitated the establishment of coffee shops and cafes in Indonesia, as evidenced by the increase from 1,083 outlets in 2016 to more than 3,000 outlets in 2019, a threefold increase. Because there is [1]. In the midst of increasingly fierce competition, many cafes are competing to create corporate marketing strategies and innovations that are expected to attract as many visitors as possible. This is where it is important for every business to be able to create a marketing innovation strategy that most companies try to develop marketing strategies to win the competition to increase the number of visitors and get as many visitors as possible. To help businesses reach their target market as effectively as possible, each strategy must be complemented by the marketing tools businesses think are best for their company.

Today's latest promotions don't just mean selling high-quality products, selling products at low prices, or placing products that are easy for consumers to use. Because the competition is getting tougher. This is similar both in the food and drinks served, the atmosphere served or the characteristics of the cafe that can encourage competition, and can be seen from the many cafes that offer various other advantages. One of the advantages of cafes that can affect competition is how they utilize technology. As technology develops, competition is getting tougher. According to Levitt in Kotler (1997), new competition is more important for companies to package, serve, advertise [2].

Business competition in the business world encourages companies to become winners in business competition if they can attract as many customers as possible. Of course, if a company can attract as many customers as possible, it can generate large profits [3].

In this increasingly competitive world, one way to get customers is to meet their needs from time to time. Various theories of consumer behavior and marketing state that human needs are influenced by motives and external cultural, social, and economic factors. This competitive phenomenon is increasingly changing the Indonesian economic system towards a market mechanism, enabling marketers to continue to grow and gain market share. One of the assets to achieve this condition is the brand.

Today, consumer preferences are becoming increasingly important for the market to offer goods and services in terms of quality, brand, packaging and price, as well as the services provided. This allows businesses to tailor their products to consumer tastes, enabling businesses to increase sales, increase customer loyalty and, in some cases, create new customers., the coffee lifestyle (slack while drinking coffee) is on the rise [4]. There are many cafes and farms that are starting to think about consumer tastes. This encourages the Banyuwangi coffee industry.

According to data from the Central Statistics Agency (BPS), Banyuwangi has consistently ranked in the top five coffee-producing regions in 38 East Java prefectures and urban centers over the past few years. For example, in 2010, coffee production in Banyuwangi was 2,917 tons of the total coffee production in East Java of 56,200 tons. On the other hand, in 2017, Banyuwangi was chosen as the best coffee producing area in East Java. At that time Banyuwangi coffee production was 13,839 tons. In the same year, the total coffee production in East Java was 65,414 tons. On the other hand, according to the latest data released by the Banyuwangi Agriculture and Food Service (Disperta-Pangan), Banyuwangi coffee production in 2019 again increased to 16,340 tons. Most of the production is due to the efforts of people. Coffee yields reached 10, 422 tons. While remaining,

Coffee production continues to grow, one of which is influenced by the number of cafes selling specialty coffee products, and farmers being actively involved in coffee production. From this it can be seen that Banyuwangi coffee connoisseurs tend to increase, and the taste is divided. Preferences are formed by the consumer's mindset based on several reasons for previous experiences. Consumers are satisfied with their purchases and deserve to consume the products purchased. Consumers continue to use or use the product when the consumer's expectations for the product are realized or when the consumer feels comfortable staying in that place for a long period of time. The services provided create satisfaction and affect customer loyalty.

One of the positive images is formed from good communication with consumers. One way of communicating to reach consumers directly is through social media. Social media is a place where people can interact online without any limitation of place or time. Social media has a huge impact on social change in society, especially among

millennials. Internet users aged 15 to 19 years in Indonesia reached 91%, followed by 88.5% between 20 and 24, 82.7% between 25 and 29, 76.5% between 30 and 34, and 68.5 between 35 and 39.,% [23].

Influence is the ability to influence and change one's opinions and actions [5]. In the current era of the industrial revolution, the rapid development of technology has made it easier for individuals to influence many people on various media and platforms and social networks. Sites, also known as social networking sites (SNSs) or social networks, have been defined as web-based services that allow any user to build social relationships through cyberspace [6].

In the era of the Industrial Revolution, everyone can be noticed by many people because anyone can influence many people and become a trend setter. This is often referred to as the concept of micro-celebrity, a new online performance style that is gaining popularity through web technologies such as videos, blogs, and social networking sites [7]. People's consumption patterns. A lifestyle that pays more attention to prestige makes people focus on the styles that are currently popular because of the social media influencer. The general consumption of products promoted by social media influencers has a significant impact on the growth of the digital economy. This is supported by trust in social media which reached 51% in 2018 [8].

Purchase decisions are steps that consumers take after considering buying goods and services. However, there are several factors that help consumers make purchasing decisions. One of them is situational factor. Therefore, timing preferences and purchase intentions do not always lead to actual purchases. The 2020–2019 Covid pandemic caused the coffee industry to decline. The Ministry of Industry said the current decline in coffee sales was between 50–90% due to pressure from the current COVID-19 pandemic (BPS, 2021). This is due to restrictions on the movement of people, such as cafes, restaurants and coffee shops being forced to close due to lack of visitors, or the effects of lockdowns in the exporting country.

Based on the previous survey, there is a strong correlation between branding carried out by social media for the influencer and promotions carried out by the influencer on consumers' buying motivation by 89.7%. [9]. Because of this high level of influence, many companies use influencers to increase engagement with the products they sell. Based on the credibility, communication skills, and high global interest in influencers observed from a large number of followers on social media, the attraction caused by influencers can increase the level of product awareness and marketing to the wider community.

In times of the novel coronavirus infection pandemic, businesses should try new symbols, such as drinking a bottle of coffee from stock at home, to apply influencers as a promotional tool. Businesses should also build social media engagement for each cafe to improve communication with customers. If businesses improve their communication interactions with consumers, one of them is Instagram. According to Kotler (2002), the impression of a good product can affect consumer perceptions, and the fact that the impression appears affects consumers' purchase intentions on the image displayed by the product itself [2]. This is widely known.

2 Method

This investigative method uses quantitative methods. In this quantitative research, the researcher formulates a new problem by identifying it through a hypothesis. This is a provisional answer to the research question formulation. The quantitative research method by Given (2008) is a substantive research approach to collect, analyze, and present data in numerical form, not in narrative form.

This research was conducted in the coffee industry of Banyuwangi Province. This survey, which was conducted from January 2021 to July 2021, provides an overview of the impact of influencers and social media engagement on sales levels through brand image, which was updated from 2020.

Population is the extension or range of properties of each item under investigation. For example, the number of certain qualities of some people with similar qualities to that person. A public is a collection of all components (individuals, opportunities, items) that can be used to achieve various goals. In this survey, this survey was conducted within the scope of the Vanuwani coffee industry, so that the public are all buyers of the Banyuwangi coffee industry.

The sample is part of the population obtained or determined according to certain characteristics and techniques. To obtain the characteristics of a population, the sample must truly represent the population. Therefore, a representative study should be carried out using the procedure used to select a subset of the sample. Businesses can get samples like population characteristics. Given the large population and limited research time and costs, sampling should be limited. The sampling technique used is simple sampling.

According to Hair, Anderson, Tatham, & Black, (2010), it is suggested that if the sample size is too large, it is difficult to get a suitable model and the appropriate sample size can be used between 100-200 respondents. Structural equation model (SEM) was used to estimate the analysis. Based on 2,160 coffee industry consumers as of February 2021, the sample size was taken using the opinion of Sugiyono (2013) that the determination of the ideal sample ranges from 5% to 10% of the total sample. So, this survey uses 5% * 2160 = 108 respondents.

We use Sugiyono's opinion because the number of respondents is a discrete variable, so rounding is done. This of course depends on the size of the SEM sample by using an estimation model using the minimum maximum likelihood (ML) method which requires 100 samples (Ghazali, 2011).

3 Result

3.1 Calculate Direct Effect Path Coeffcient

This section uses a review method to present all the model segmentation methods. All of the methods tried demonstrated a direct and seamless impact of the force to be reckoned with (X1) and commitment to web-based entertainment (X2) on brand image (Z) and transaction rate (Y). Espresso industry in Banyuwangi Prefecture. Knowing whether all methods is a big answer whether the proposed guess is accepted or rejected. All the methods I tried to solve the guesswork in this review. How the coefficient values are displayed in the attached table:

no.	theory	path coefficient	- score	notes:
One.	$X1 \rightarrow Z$	0.173	0.032	sign
2.	$X2 \rightarrow Z$	0.442	0.001	sign
3.	$X1 \rightarrow yo$. This	0.411	0.001	sign
4.	$X2 \rightarrow yo$. This	0.218	0.009	sign
5.	$Z \rightarrow yo$. This	0.356	0.001	sign

Table 1. Table Value of Direct Effect Path Coefficient

a. Effect of influencer (X1) on brand image (Z)

Based on Table 1, it can be seen that when testing the influencer variable (X1) brand image, the path coefficient value is 0.173 and the value - is 0.032. Because the value is smaller than (0.032 < 0.05) then H0 is rejected and has a big effect on influencer (X1) on brand image (Z).

b. The effect of social media engagement (X2) on brand image (Z)

Based on Table 1, in testing the social media engagement variable (X2) on brand image (Z), it can be seen that the path coefficient value is 0.442 and the value is -0.001. Because the value is smaller than (0.001 < 0.05), H0 is rejected and has a significant effect on social media engagement (X2) on brand image (Z).

c. Effect of influencer (X1) on sales (Y)

Compared to Table 1, if businesses examine the influencer variable (X1) on the level of sales (Y), businesses can see that the path coefficient value is 0.411 and the value is -0.009. H0 is rejected because its value is smaller than (0.001 < 0.05). So, influencer (X1) has a big influence on the level of sales (Y).

d. Effect of Social Media Engagement (X2) on Sales Level (Y)

In Table 1, if businesses test the social media engagement variable (X2) on the level of sales (Y), businesses can see that the path coefficient value is 0.218 and the value is -0.001. H0 is rejected because its value is smaller than (0.009 < 0.05). So social media engagement (X2) has a significant effect on the level of sales (Y).

e. Effect of Brand Image (Z) on Sales (Y)

Based on Table 1, if businesses test the brand image variable (Z) on sales (Y), businesses can see that the path coefficient value is 0.356 and the value is -0.001. Ho is rejected because the -value is smaller than (0.001 < 0.05). So, their brand image (Z) has a big impact on their sales rate (Y).

3.2 Indirect Influence Path Effect

The circuit crash test ended with a rough look at the results of the route attempted. Perhaps the impact on the detour would be very large and insignificant if all the paths traversed were important. By the way, the backhand effect shouldn't be significant. Coefficients of roundabout collision are given in Table 2.

Based on the results of the calculation of the pass coefficient is as follows.

variable Free	variable jump	directly	indirect	Amount.	Information
X1	yo. This	0.411	0.062	0.473	important
X2	yo. This	0.218	0.158	0.375	important

Table 2. Table Indirect influence path coefficient

- a. The amount of influencer influence (X1) on sales (Y) is 0.473, direct influence is 0.411 and indirect influence is 0.062.
- b. The total effect of social media engagement (X2) on sales (Y) is 0.375, the direct effect is 0.218, and the indirect effect is 0.158.

The effect of the power generation anomaly (X1) on the trading level variable (Y) through the intervention brand image variable (Z) 0.062 is more important than the direct effect on the power trading level considered in the variable (X1). Worth it. The variable (Y) is 0.411. In contrast, the broad impact of the web-based entertainment commitment variable (X2) fair trade (Y) through the median brand image variable (Z) of 0.158 is simpler than the direct impact of the virtual entertainment variable. Commitment (X2) to the dildo variable (Y) is 0.218. Thus, power generation (X1) and commitment to web-based entertainment (X2) affect the level of trade (Y) through brand image (Z) with a modest rather than direct impact. Tend to be expressed.

In the estimation above, the most rational independent factor influencing the brand image variable (Z) is the promise of web-based entertainment (X2), which is 0.218.

3.3 Model Stuctural

The guesswork test depends on the sequelae of the investigation of the PLS SEM model, including all factors that support theory testing. The PLS model that uses brand image variable options as a parameter understands that variable options offer additional promise to clarify trading levels.

3.4 Effect on Brand Image

Given the strength of the sequelae test variable on brand image, the coefficient has a value of 0.173 and a value of 0.001. Because the rating is simpler (0.001 < 0.05), then H0 is rejected and there is a big influence on the power of judgment on the brand image of the Banyuwangi espresso business. Rules checked or H1 allowed. This may be due to the perspective related to the powerhouse that influences the brand image. Strengths considered in the angle include item upgrades, item transformations, item styles, and item planning.

In this study, Seo and Park (2018) explained that marketing through social media using active and aggressive influencers can contribute to the creation of brand image value, and social media marketing activities using influencer-specific influencers. It is important for consumer brand awareness, brand image and brand loyalty. In addition,

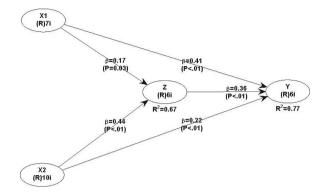


Fig. 1. Model structural

a study by Kristen and Dharmayanti (2017) found that social media marketing with influencers affects brand image. Several other studies have shown that social media marketing affects brand image (Bilgin, 2018; Perera and Perera, 2016; Wijaya and Putri, 2013).

3.5 Impact of Social Media Engangement on Sales Levels

Based on the results of the quadratic test of the web fair and trade-based entertainment commitment variable, the coefficient value is 0.218 and is 0.009. - H0 is rejected because pride is simpler than (0.009 < 0.05), and commitment to virtual entertainment has a significant effect on transaction rates. Therefore, the fourth conjecture that online entertainment commitment affects the level of espresso business transactions in the Barnuwangi regime is verified or accepted H4. This may be due to views related to the response of online entertainment, which has several trading options for the espresso business in the Barnuwangi regime. For this situation, if the Banyuwangi Government's espresso business has a large virtual entertainment commitment,

Virtual entertainment engagement has been shown to have a significant impact on brand image. Promotion of virtual entertainment can include explicit strategies, such as making drawing fun. It can also incorporate the momentum of a broader brand push, such as talking to individuals. There are four components that pave the way for the advancement of online entertainment advertising. Creating concrete content, sharing content, building interfaces and local realms. This, according to Gunelius (2011), facilitates direct transactions by sharing substance and the last option can expand brand mind fullness, brand image, and brand immobility.

3.6 Impact of Brand Image on Sales

Based on testing the Brand Image variable at the level of sales, the coefficient value is 0.356 and the value - is 0.001. Because the -value is smaller than (0.001 < 0.05), H0 is rejected and brand image greatly affects the level of sales. Therefore, we confirm or accept H5 if the fifth hypothesis that brand image affects the sales level of the Vanuwangi

coffee industry is true. This can happen in terms of brand image related to the sale of the coffee industry in Banyuwangi Province.

Brand image has a huge impact on consumer purchasing decisions. The popularity of a company and its ability to respond to consumer needs determine the world's impression of the company's image. Companies with a good product brand image tend to be preferred and more acceptable than companies with a bad brand image or a neutral brand image. A company's brand image often helps consumers make purchasing decisions when they have no experience or product knowledge.

3.7 The Influence of Brand Image on Influencer Sales Rate

Given the sixth conjecture, the forces that must be considered affect the level of transactions through brand image. The results obtained show the indirect effect of the force (X1) on various degrees of trade (Y). This value needs to be considered more than the direct effect of the power plant variable (X1) on the dildo variable (Y) of 0.411.

The number of influencers (X1) on the level of sales (Y) is 0.473, the direct influence is 0.411, and the indirect effect is 0.062. This finding follows the findings of [22]. According to [22], influencers are parties who can identify the main communications that tend to give opinions about a product or product. Sales increase because businesses provide a service and have the power to influence other people's buying decisions. This can happen because marketing influencers have the right image to consistently build communication with their followers and improve the brand image of the products they offer. The marketing influencer variable increases and so does the purchasing decision variable, creating a one-way relationship.

3.8 Effect of Social Media Engangement Sales Rate by Brand Image

According to the seventh hypothesis, social media involvement affects the level of sales through brand image. Testing and data analysis showed that the indirect effect of the social media involvement variable (X2) on the level of sales (Y) through the brand image intervention variable (Z) was 0.158, greater than the direct effect. Set (X2) the social media involvement variable to the level of the sales variable (Y) of 0.218.

The total effect of social media engagement (X2) on sales (Y) is 0.375, the direct effect is 0.218, and the indirect effect is 0.158. It can be concluded that social media engagement in the Banuwangi coffee industry affects brand image and sales levels. Thus, social media involvement can indirectly affect the level of sales through brand image. When the Vanuwangi coffee industry succeeds in social media engagement, it enhances its brand image and increases sales.

4 Conclusion and Recommendations

4.1 Conclusion

Based on the results of the investigation conducted, the following conclusions can be drawn:

- 1. Influencer variable has a significant effect on the brand image of the Banyuwangi coffee industry.
- 2. The social media engagement variable has a big influence on the brand image of the Banyuwangi coffee industry.
- 3. Influenza variable has a significant influence on the level of sales in the Banuwangi coffee industry.
- 4. The social media engagement variable has a significant effect on sales of the Banyuwangi coffee industry.
- 5. The brand image variable has a significant effect on sales of the Vanuwangi coffee industry.
- 6. Influenza variable has a significant effect on the level of sales of the Banyuwangi coffee industry through brand image mediation.
- 7. The social media engagement variable has a significant effect on the level of sales of the Banyuwangi coffee industry through brand image mediation.

4.2 Recommendation

Based on the results of research and discussion in this study, some suggestions can be made as follows.

- 1. For influencers, we hope that the Banyuwangi coffee industry will choose influencers that match the brand image that the coffee industry wants to express. This should be expected to attract new customers as well as retain existing ones.
- To feel a connection with the Vanuwangi coffee industry and drive customer feedback and feedback, businesses need to manage social media engagement, strategize and plan accordingly.
- 3. For further research, it is hoped that this research can be developed further, such as adding other variables outside of this research, so that this research becomes more useful.

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