



The Influence of Social Media, Price and Brand Equity on Purchasing Decisions at Tiktok and Instagram Platforms

Rony Jaya Sentosa¹; Ali Maddinsyah²; Juhaeri³

^{1,2,3} University of Pamulang, South Tangerang

E-mail: ronnyjs1993@gmail.com

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ABSTRACT

The objectives in this study are to test each variable partially, and simultaneously on each variable studied. The population used in this study was 1 department with 320 students. By using the slovin method in determining the sample, 178 samples were selected according to the formula determined by the SPSS 22 testing tool. The data analysis method is multiple linear regression, with partial, simultaneous hypothesis testing. The results of this study found that Social Media, Price and Brand Equity together have a significant effect on Purchasing Decisions. Social Media has a significant effect on Purchasing Decisions, Price has an effect on Purchasing Decisions, and Brand Equity has an effect on Purchasing Decisions

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INTRODUCTION

Now the world has entered a new era of globalization, this is shown with increasing technological and digital aspects of the economy. With the support of increasingly advanced technology and infrastructure, now society made even easier by the speed offered in doing so economic activity. This is what changes the economic pattern in society is becoming a digital-based economy. These changes occurred both from in terms of marketing systems, payment systems, product distribution, and so on.

The number of e-commerce users is skyrocketing each year in Indonesia. In 2017, the total number of e-commerce users reached 139 million. Two years later, that number surged by 10.8%, resulting in an accumulation of over 150 million people using e-commerce.

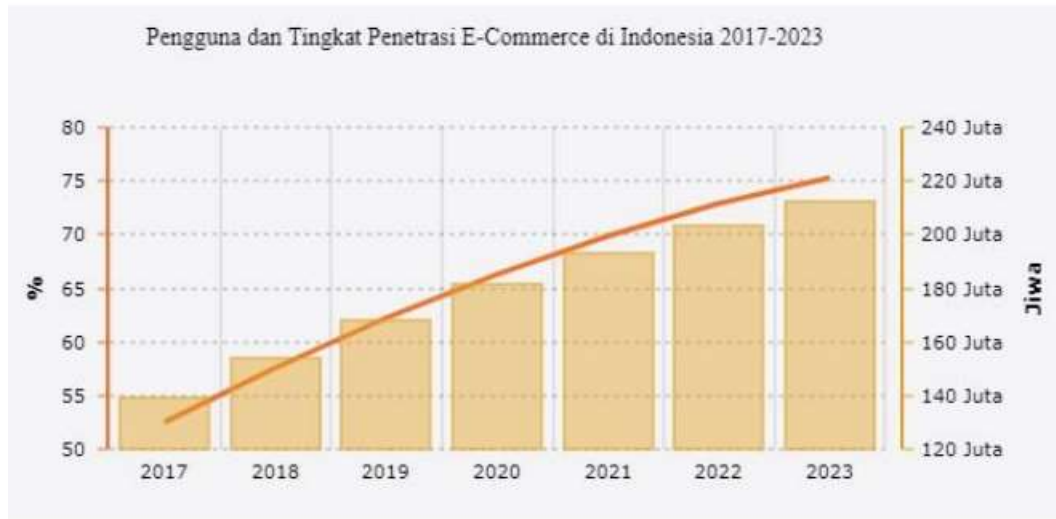


Figure 1 E-Commerce Penetration Rate in Indonesia 2017-2023

Source: Statista (Jayani, 2019)

LITERATURE REVIEW

Social Media

Social media is a form of marketing using social media to market a product, service, brand or issue by utilizing the audience who participates in social media.

Price

Price is the only element in the marketing mix that generates income, while the other elements are only cost elements. Price affects the level of sales, the level of market share profits that can be achieved by the company. According to Swastha and Sukotjo (2000: 211) "Price is the amount of money (plus several products if possible) needed to get a combination of products and services".

Brand Equity

Brand equity is the added value provided to products and services. Brand equity can be reflected in the way consumers think, feel, and act in relation to the brand, and also the price, market share, and profitability that the brand provides to the company (Kotler and Keller, 2012).

Purchase Decision

According to Howard, consumer purchasing can be viewed as a problem solving activity, and there are three types of situations. These types of situations are: Routine response behavior, limited problem solving and extensive problem solving. The consumer process for making purchasing decisions must be understood by company marketers with the aim of making the right strategy.

RESEARCH METHODOLOGY

This type of research is quantitative, according to Sugiyono (2019:8) who believes "quantitative research is a research method based on the philosophy of positivism, used to research certain populations or samples, data collection using research instruments, quantitative or statistical data analysis, with the aim of to test predetermined hypotheses". This research is an empirical study which aims to examine the influence of store atmosphere and service quality on purchasing decisions. The population of the Study is Generation Z Among SMKN 12 Students at Tangerang Regency. The sample is 178 students.

RESULTS AND DISCUSSION

Data Reliability Test

Table 1 Reliable Test Result

Variable	Cronbach Alpha	Critical Value	Result
Social Media (X1)	0,749	0,60	Reliable
Price (X2)	0,724	0,60	Reliable
Brand Equity (X3)	0,794	0,60	Reliable
Purchasing Decision (Y)	0,778	0,60	Reliable

Source : SPSS 22

Normality test

The data normality test aims to test whether in the regression model the dependent variable, independent variable or both have a normal distribution or not. A good regression model is a normal or close to normal distribution.

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Testing normality using the P-Plot method can be seen if the residual data distribution is normal then the line depicting the actual data will follow the diagonal line. The following are the results of SPSS 22 using the P-Plot method:

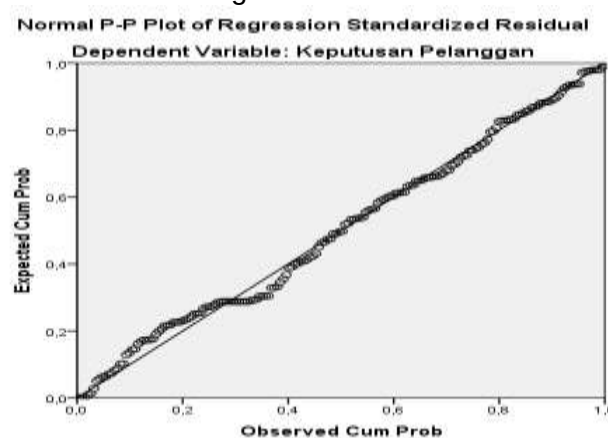


Figure 2 P-Plot Diagram

Above normal P-Plot graph, shows the dots spreading in the direction of the diagonal line, it can be concluded that the regression meets the normality assumption. Furthermore, the normality test can also use the Kolmogorov Smirnov Test with non-parametric statistics, by first determining the test hypothesis.

Table 2 One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		178
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	2,68503799
Most Extreme Differences	Absolute	,062
	Positive	,062
	Negative	-,051
Test Statistic		,062
Asymp. Sig. (2-tailed)		,095 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Spss 22

From the results of the Normality test using the Kolmogorov-Smirnov method above, the Kolmogorov-Smimov Statistical Test value is 0.095. The significance value is greater than 0.05, then HO is accepted, which means the residual data is normally distributed.

Multicollinearity

Test The multicollinearity test is needed to determine whether there are independent variables that are similar between the independent variables in a model.

The multicollinearity test is needed to determine whether there are independent variables that are similar between the independent variables in a model. Similarities between independent variables will result in very strong correlations. If the resulting VIF is between 1-10 then multicollinearity does not occur. The following are the output results of SPSS 22 multicollinearity testing:

Table 3 Multicollinerity Test Result

		Coefficients ^a	
		Collinearity Statistics	
Model		Tolerance	VIF
1	Media Sosial	,570	1,753
	Harga	,672	1,488
	Ekuitas Merk	,475	2,103
a. Dependent Variable: Purchase Decision			

Source: Spss 22

From the table above it shows that, for each of the Tolerance and VIF value variables, it appears that there is no Tolerance value below 0.1. Likewise, none of the VIF values are above 10. By using this parameter, it is not proven that multicollinearity occurs.

Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between confounding errors in period t and confounding errors in period t-1 (previously).

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Table 4 Auto Correlation Test Result

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,671 ^a	,450	,440	2,70809	2,000

a. Predictors: (Constant), Brand Equity, Price, Social Media

b. Dependent Variable: Purchase Decision

The following are the output results of SPSS 22 Autocorrelation testing:
Conclusion From the table above, the Durbin-Watson value is 2,000 and is between (1.753 - 2.246) in accordance with the provisions, so this regression model has no autocorrelation. For this reason, the questionnaire used is suitable for processing as research data.

Heteroscedasticity Test

Heteroscedasticity tests the difference in residual variance from one observation period to another observation period. The way to predict whether there is heteroscedasticity in a data model is seen using the Scatterplot graphic pattern.

Heteroscedasticity tests the difference in residual variance from one observation period to another observation period. The way to predict whether there is heteroscedasticity in a data model is seen using the Scatterplot graphic pattern.
The following are the output results of the SPSS 22 Heteroscedasticity test with a Scatterplot image pattern:

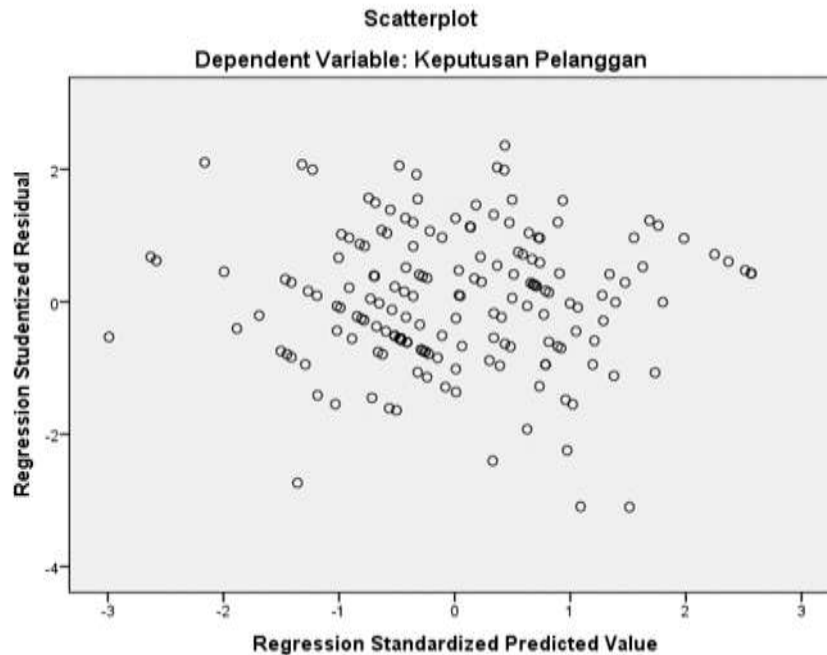


Figure 3 Scatter-plot Diagram

From the Scatter-plot image above, it shows that the points are spread above and below the number 0 on the Y axis and the distribution of the data points is not patterned, so it can be concluded that heteroscedasticity does not occur.

To strengthen the heteroscedasticity test carried out, the researchers tested it using the Glejser test.

The Glejser test is a hypothesis test to determine whether a regression model has indications of heteroscedasticity by regressing the absolute residuals. The basis for decision making with the Glejser test is:

1. If the significance value is > 0.05 then there is no heteroscedasticity in the data.
2. If the significance value is < 0.05 then the data has heteroscedasticity.

Multiple Linear Regression Test

Table 5 Multiple Linear Regression Test Result

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	12,103	2,673		4,528	,000
Media Sosial	,128	,063	,151	2,030	,044
Harga	,385	,101	,261	3,809	,000
Ekuitas Merk	,350	,076	,374	4,587	,000

a. Dependent Variable: Keputusan Pembelian

Based on the output table above, it can be explained that the t value is simple linear regression equation $Y = 12,103 + 0,128X_1 + 0,385X_2 + 0,350X_3$. It can be concluded from this regression equation that there is a positive influence between Social Media, Price and Brand Equity on Purchase Decisions.

Coefficient of Determination

Table 5 Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,077 ^a	,006	-,011	1,63701

a. Predictors: (Constant), Brand Equity, Price, Social Media

From the results of the regression calculations, it can be seen that the coefficient of determination (adjusted R²) obtained is 0.006. This means 6% of the variation in the customer Purchase Decision variable can be explained by the Social Media, Price and Brand Equity variables, while the remaining 94% is explained by other variables not proposed in this research.

Hypothesis testing

Partial Test (t Test)

Partially, hypothesis testing was carried out using the t-test. According to Wiranta Sujarweni (2014:56), to test the truth of the hypothesis, the first step is partial testing via the t test.

Table 6 Partially test Result

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	21,734	2,687		,000
	Social Media	,430	,055	,507	,000

a. Dependent Variable: buying decision

Social Media Variables on Purchasing Decisions

Based on the output of t test above, it can be explained that the t value is 7.812 > 165.4 It can be concluded that there is a positive influence between Social Media (X₁) and Purchase Decisions (Y).

Table 7 Partial t Test Results (X₂ to Y)

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	

1	(Constant)	22,155	2,428		9,125	,000
	Harga	,794	,094	,538	8,478	,000

a. Dependent Variable: buying decision

Price Variables on Purchasing Decisions

Based on the output table above, it can be explained that t value is 8.478 > 165.4. It can be concluded that there is a positive influence between Price (X1) on Purchasing Decisions (Y).

Table 8 Partial t Test Results (X3 to Y)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18,810	2,280		8,251	,000
	Ekuitas Merk	,581	,055	,621	10,503	,000

Dependent Variable: buying decision

Brand Equity Variables on Purchasing Decisions

Based on the output table above, it can be explained that the t value is 10.503 > 165.4. It can be concluded that there is a positive influence between Brand Equity (X1) on Purchase Decisions (Y).

Simultaneous Test

To determine the influence of the independent variables, here the significance testing rules:

- 1) If F count < F table 2.65 or Sig value > 0.05, then Ho is accepted and Ha is rejected (not significant).
- 2) If calculated F > F table 2.65 or Sig value < 0.05, then Ho is rejected and Ha is accepted (significant).

The following is the output of SPSS 25 simultaneous tests:

Table 9 Simultaneous Hypothesis Testing Results

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1142.597	3	380.866	52.419	.000 ^b
	Residual	1395.035	192	7.266		
	Total	2537.633	195			

a. Dependent Variable: KP

b. Predictors: (Constant), EK, HG, MS

From the table above it shows that, the results of F count show that F count is 52.419 > F table 2.65 and Sig a 0.000 < 0.05, then Ho is rejected and Ha is accepted (significant), so it can be concluded that, there is a positive influence and Simultaneously significant between Social Media (X1), Price (X2), and Brand Equity (X3) on Purchasing Decisions (Y).

Discussion

Based on the results of statistical tests, it can be clearly seen that partially (individually) all independent variables have an effect on the dependent variable.

Based on the results of statistical tests, it can be clearly seen that partially (individually) all independent variables have an effect on the dependent variable.

Influence of Social Media (X1) on Purchasing Decisions (Y)

Partially, Social Media (X1) has a positive and significant influence on Purchasing Decisions (Y). It can be seen that the higher the Social Media activity, the Purchasing Decisions will also increase.

Influence of Price (X2) on Purchasing Decisions (Y)

Partially Price (X2) has a positive and significant influence on Purchasing Decisions (Y), it can be concluded that the more competitive the price received by customers, the Purchasing Decision will increase.

Influence of Brand Equity (X3) on Purchasing Decisions (Y)

Partially Brand Equity (X3) has an influence on Purchasing Decisions (Y). If Purchase decisions are high, then brand equity should be increased. Especially determining brand trustworthiness to customers. Companies should carry out marketing activities that create a mindset of product excellence in customers so that they can be sure to increase purchasing decisions.

Influence of Social Media (X1), Price (X2), Brand Equity (X3) Purchase Decision (Y)

Simultaneously, Social Media (X1), Price (X2), Brand Equity (X3) influence Purchase Decisions (Y). In the research above, it can be concluded that social media, price and brand equity greatly influence purchasing decisions. Companies must pay attention to which indicators they focus on improving so that customers and the company both get the desired results. For example, in terms of price, the company must be able to take into account the average market price. This is intended so that the products sold by the company are in accordance with their portions

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the analysis carried out previously, it can be concluded as follows: 1. Partially, Social Media (X1) has a positive and significant effect on Purchasing Decisions (Y). 2. Partially, price (X2) has a positive and significant effect on purchasing decisions (Y). 3. Partially Brand Equity (X3) influences Purchasing Decisions (Y). 4. Simultaneously, Social Media (X1), Price (X2), Brand Equity (X3) have a significant and influential effect on Purchasing Decisions (Y).

Suggestion

Based on the results of previous research on perceptions of Social Media, Price and Brand Equity. are in good condition, as well as for customer purchasing decisions. So the author realizes that there are still many limitations and errors in this research. Berdasarkan Uraian pembahasan dan kesimpulan diatas, peneliti dapat mengungkapkan beberapa saran antara lain sebagai berikut :

- 1) For Companies Looking at the discussion and conclusions, it is a good idea for each seller to be able to optimize social media, price setting and increase brand equity so

that purchasing decisions are made higher and of course they must still comply with the SOP.

- 2) For further research, further researchers can use other variables that have not been studied in this research, such as within the company's internal scope, such as time management, SOPs and KPIs. So this research can become a basis for further research.
- 3) For academics and readers For academics and readers to expand research by considering variables that influence other policies. And for future researchers, it is hoped that in the future it can be used as a source of data and reference for research and carry out further research based on more complete and broader information.

Based on the results of the analysis that has been carried out previously, it can be concluded as follows:

1. Partially, Social Media (X1) has a positive and significant effect on Purchasing Decisions (Y).
2. Partially, price (X2) has a positive and significant effect on purchasing decisions (Y).
3. Partially Brand Equity (X3) influences Purchasing Decisions (Y).
4. Simultaneously, Social Media (X1), Price (X2), Brand Equity (X3) have a significant and influential effect on Purchasing Decisions (Y).

B. Suggestions

Based on the results of previous research on perceptions of Social Media, Price and Brand Equity. are in good condition, as well as for customer purchasing decisions. So the author realizes that there are still many limitations and errors in this research. Based on the discussion and conclusions of the description above, researchers can express several suggestions, including the following:

- 1) For Companies
Looking at the discussion and conclusions, it would be a good idea for each seller to be able to optimize social media, set prices and increase brand equity so that purchasing decisions are higher and of course they must still comply with SOPs.
- 2) For Further Research
Future researchers can use other variables that have not been studied in this research, such as within the company's internal scope, such as time management, SOPs, and KPIs. So this research can become a basis for further research.
- 3) For historians and readers
For students and readers to expand research by considering variables that influence other policies. And for future researchers, it is hoped that in the future it can be used as a source of data and reference for research and carry out further research based on more complete and broader information.

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