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## THE INFLUENCE OF SOCIAL MEDIA MARKETING AND **BRAND IMAGE TOWARDS CUSTOMER'S PURCHASE DECISION AT FISH & CO. CENTRE POINT MEDAN**

By

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#### **ABSTRACT**

Fish & Co. located at Centre Point Medan is a seafood restaurants, a part of Bisa Group, being famous with its tagline "Best Fish & Chips in Town", have implemented the social media marketing activities in its Instagram page. However, Fish & Co. have faced a decreasing in the number of orders, where many of the customers only purchase Fish & Co. during promotions, less interaction in its social media, and less reviews on Fish & Co. foods. This research aims to find out whether there is an influence from social media marketing and brand image towards customer's purchase decision. This research use quantitative research, which by distributing questionnaires to 100 of respondents who have ever purchased at Fish & Co. Centre Point Medan in last 2 years. This research also use multiple linear regression by using the SPSS application v. 26 to analyze the data. The result of this research shows that the social media marketing and brand image simultaneously influence the customer's purchase decision at Fish & Co. Centre Point Medan by 69%. The social media marketing partially influence the customer's purchase decision at Fish & Co. Centre Point Medan by 31%. In addition, the brand image have the most significant, with 83% influence on the customer's purchase decision at Fish & Co. Centre Point Medan.

Keywords: Social Media Marketing, Brand Image, Purchase Decision

#### INTRODUCTION

Nowadays, many businesses are using digital marketing to attract their customers, compared to the old marketing tools that use television, radio, newspaper, and so on to do the marketing activities. Companies are starting to switch into online marketing platforms as the technology has evolved through time, where many people have started to use more social media in their daily activities. The amount of active social media user in 2021 have increased over 13% from 2020 as many as 490 million becomes 4.20 billion worldwide (We Are Social, 2021).

In Indonesia there are 170 million of active social media users in 2021. From 2020, the number of active social media users in Indonesia have risen to 10 million or more than 6.3 percent. The number of social media users is equal to 61.8 percent including its people in 2021. In addition, the top 5 most social media used in Indonesia are YouTube, WhatsApp, Instagram, Facebook, and Twitter (Datareportal, 2021).

Fish & Co. is a seafood restaurant franchise and part of the Bisa Group, a Food and Beverage Company in Medan. Fish & Co. is famous for its fresh seafood with its tagline "Best Fish & Chips in Town".

Table 1. Fish & Co. Number of Transaction and Pax

Month	Total Transaction	Pax
Jan-20	1382	3571
Feb-20	1137	2581
Mar-20	546	1225
Apr-20	67	68
May-20	262	274
Jun-20	364	661
Jul-20	423	802
Aug-20	412	799
Sep-20	378	679
Oct-20	689	1470
Nov-20	856	1815
Dec-20	890	2105
Jan-21	840	1711
Feb-21	511	1220
Mar-21	486	1087
Apr-21	827	1913
May-21	742	1695
Total	10812	23676

Resource: Fish & Co. Centre Point (January 2020 - May 2021)

From the table above, most Fish & Co. customers were mainly purchased during promotion time, for example GRABBISA 30% discount during November - December 2020, Dealjava promotion in November 2020 and April 2021, 10.10 promotion and Octo 30% in October 2020, and other credit card promotions, therefore there is an increase in transaction and pax during those months. Although Fish & Co. give a free delivery to its customers during Covid-19, the number of order is decreased from February to May 2021. The company need to boosts the numbers by using social media marketing strategies and increase their brand image in order to increase the number of transaction and pax when there is no promotion going on.

Tuten and Solomon (2016) in their research wrote that SMM uses social media technology, sites and software to create, communicate, transmit and exchange information that delivers value to stakeholders of a company. This is supported also by Yadav and Rahman (2017) where SMM is an activity that companies develop, connect and provide online marketing offerings through social media platforms to establish and preserve relationships between customers that improve the value to organizations' stakeholders by developing the interaction, shared information, recommending personal purchase and enhancing the word of mouth on existing and best-selling products. The social media marketing have been considered as entertainment, interaction, trendiness, and advertisement.

Brand image according to Keller (2019), brand image relates to customer perceptions and choices on a specific brand, which may be determined by the numerous types of brand connections that the customers have in their memory. Brand image influences the customers' purchasing decisions through affecting their perceptions of product quality, implying product value, thus influencing the brand image. A brand's performance is not purely based on how well the products feature or meet the customers'

needs, however it is linked to how the products can also provide anticipated value for the customers, which relationship between customers and brands will be maintained or improved (Amilia, 2017). The indicators of brand image are categorized into corporate image, user image, and product image.

The customers' decision-making process begins when they sees a problem or need, according to Gursoy et al. (2018, p. 60). Internal factors such as hunger or external stimuli by good advertisements or reviews can start or encourage a need. When people need to interpret the information to address a problem, they make a decision to purchase. This suggests that people's recognition of a need may motivate them to seek information on things that can suit their needs. Customers will evaluate information gathered before making a decision to purchase and look for products that satisfy or surpass their standards. Albari & Safitri (2018) said that the purchase decision process is the evaluation process where customers select the reason on purchasing their top desired brand. The indicators that will be used are product selection, brand selection, distribution method, and time of purchase.

#### **METHODS**

A quantitative research methods is used in this research. Quantitative research, according to Ainiyah et al. (2016), is the collection and analysis of numerical data using statistical methods to identify the data of numbers collected from surveys to be translated into accurate information. In quantitative research, objectivity and how heavily statistical analysis relies on the phenomenon under research are important qualities. This research also employs a descriptive methodology. The descriptive method, according to Sugiyono (2017), is used to learn more about each variable on its own, without considering how it relates to others. A descriptive research seeks to define something, usually market traits or functions, as a form of definitive research.

The main characteristic of the respondents for this research is only limited to those who have ever purchased the products of Fish & Co. Centre Point Medan in the last 2 years, and in the age ranged from 15-60 in order to be able to obtain a more accurate data. There are also occupation characteristics and income range. In addition, the data taken is only from Fish & Co. Centre Point, within the time range from January 2020 to May 2021

Each operational variable describes the behavior and features found in the research and is measured to support the research undertaken at the company (Purnama & Leli, 2018).

Table 2. Operational Variables Definition and Indicators

Variables	Definition	Indicator	Scale
Social Media Marketing	A company activity that involves the development, connection, and provision of online marketing offerings via social media platforms to establish and preserve customer relationships that improve the value to organizations' stakeholders by developing interaction, shared information, personal purchase recommendations, and the enhancement of word-of-mouth on currently available	<ul><li>2. Interaction</li><li>3. Trendiness</li></ul>	Likert

	and best-selling products (Yadav & Rahman, 2017).	
Brand Image	Brand image is a collection of ideas, beliefs, and perceptions customers have about a specific brand, which they can learn via their own thorough research or from utilizing the brand (Devina, 2021).	<ol> <li>Corporate         <ul> <li>Image</li> </ul> </li> <li>User Image</li> <li>Product Image</li> </ol>
Purchase Decision	An individual, group, or institution makes a purchase decision based on the demands of desire, then purchases and uses the items, services, experiences, or concepts to satisfy those needs. (Rachmawati et al., 2019).	<ol> <li>Product         selection</li> <li>Brand         selection</li> <li>Distribution         method</li> <li>Time of         purchase</li> </ol>

Resource: Prepared by the Writer (2021)

The research methods used for this research is descriptive analysis method, classical assumption tests, multiple linear regression test, and hypothesis test calculated using Statistical Product and Service Solution (SPSS) application v. 26.

## RESULTS AND DISCUSSION **Classical Assumption Test Normality Test**

Table 3. Normality Test

Table 5. Normanty Test								
One-Sample Kolmogorov-Smirnov Test								
		Unstandardized Residual						
N		100						
Normal Parameters <sup>a,b</sup> Mean		.0000000						
	Std. Deviation	2.94820206						
Most Extreme	Absolute	.061						
Differences	Positive	.061						
	Negative	049						
Test Statistic		.061						
Asymp. Sig. (2-tailed)		.200c,d						
a. Test distribution is No	ormal.							

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Resource: Prepared by the Writer from SPSS v.26 (2021)

The Asymp Sig (2-tailed) is 0.2, which shows that the value is more than 0.05, according to the data in the table above using the Kolmogrov-Smirnov (K-S) test. This determine that the data is normally distributed.

#### **Heteroscedasticity Test**

**Table 4. Heteroscedasticity Test** 

		Correlatio	ons		
			SMMT	BIT	Unstandardized Residual
Spearman's	Social Media	Correlation	1.000	.741**	.043
rho	Marketing	Coefficient			
		Sig. (2-tailed)		.000	.669
		N	100	100	100
	Brand Image	Correlation	.741**	1.000	001
		Coefficient			
		Sig. (2-tailed)	.000		.994
		N	100	100	100
	Unstandardized	Correlation	.043	001	1.000
	Residual	Coefficient			
		Sig. (2-tailed)	.669	.994	
		N	100	100	100
**. Correlatio	n is significant at th	e 0.01 level (2-ta	iled).		

Resource: Prepared by the Writer from SPSS v.26 (2021)

This table demonstrates that when heteroscedasticity is tested using the Spearman method, the sig. value is greater than 0.05, with values of 0.669 and 0.994 being significant values. As a result, there is no evidence of heteroscedasticity in this set of data.

#### **Multicollinearity Test**

Table 5. Multicollinearity Test

Tuble of Fluideonineurity Test														
<b>Coefficients</b> <sup>a</sup>														
	Unstand	lardized	Standardized											
Coefficients			Coefficients			Collinearit	y Statistics							
Model	В	Std. Error	Beta	t	Sig.	Tolerance	VIF							
1 (Constant)	4.264	1.880		2.268	.026									
SMMT	.308	.103	.255	2.986	.004	.429	2.333							
BIT	.833	.114	.624	7.296	.000	.429	2.333							
a. Dependent	Variable: PI	)T				a. Dependent Variable: PDT								

Resource: Prepared by the Writer from SPSS v.26 (2021)

Tolerance values for both of the variables are 0.429, which is already more than or above 0.1, as seen in the table. The VIF (Variance Inflation Factor) values for both variables, on the other hand, are 2.333, which is already less than or below 10. To summarize, because the tolerance and VIF conditions were met, this regression model has no multicollinearity in the independent variables.

#### **Linearity Test**

a. Social Media Marketing to Purchase Decision

Table 6. Social Media Marketing to Purchase Decision Linearity Test

			U				
			ANOVA Table				
			Sum of Squares	df	Mean Square	F	Sig.
PDT *	Between	(Combined)	1725.572	16	107.848	8.114	.000
SMMT	Groups	Linearity	1496.085	1	1496.085	112.560	.000
		Deviation	229.487	15	15.299	1.151	.326
		from Linearity					
	Within Groups		1103.188	83	13.291		
	Total		2828.760	99			

Resource: Prepared by the Writer from SPSS v.26 (2021)

The value of the sig. deviation from the linearity test is 0.326, which is greater than 0.05, as shown by the results above. It's possible to infer that Social Media Marketing  $(X_1)$  and the Purchase Decision of customers have a linear relationship (Y).

#### b. Brand Image to Purchase Decision

**Table 7. Brand Image to Purchase Decision Linearity Test** 

ANOVA Table								
			Sum of		Mean			
			Squares	df	Square	F	Sig.	
PDT *	Between	(Combined)	1996.443	17	117.438	11.570	.000	
BIT	Groups	Linearity	1889.153	1	1889.153	186.120	.000	
		Deviation from	107.290	16	6.706	.661	.824	
		Linearity						
	Within Grou	ıps	832.317	82	10.150			
	Total		2828.760	99				

Resource: Prepared by the Writer from SPSS v.26 (2021)

This reveals that the sig. deviation from linearity test value is 0.824, which is greater than 0.05, according to the results above. In other words, it is safe to assume that the Brand Image  $(X_2)$  and the customer's Purchase Decision, are correlated (Y).

# **Multiple Linear Regression Analysis Regression Equation**

**Table 8. Multiple Linear Regression** 

	<b>Coefficients</b> <sup>a</sup>							
	Unstandardized	Standardized			Collinearity			
Model	Coefficients	Coefficients	t	Sig.	Statistics			

		В	Std. Error	Beta			Tolerance	VIF		
1	(Constant)	4.264	1.880		2.268	.026				
	SMMT	.308	.103	.255	2.986	.004	.429	2.333		
	BIT	.833	.114	.624	7.296	.000	.429	2.333		
a.	a. Dependent Variable: PDT									

Resource: Prepared by the Writer from SPSS v.26 (2021)

Based on the table above, the equation for regression of this model is:

 $Y = a + \beta 1X1 + \beta 2X2 + \beta 3X3$ 

Y = 4.264 + 0.308X1 + 0.833 X2

A positive coefficient of 4.264 means that the independent and dependent variables are moving in the same direction. From the equation above, it can be concluded that:

- 1. Value of the constant is viewed from the unstandardized column, which results to 4.264 and is the value if SMM and BI equals to 0.
- 2. Coefficient regression for Social Media Marketing (SMM) is 0.308 and is positive.
- 3. Coefficient regression for Brand Image (BI) is 0.833 and positive.
- 4. The social media marketing and brand image influence the customer's purchase decision by 31% and 83% respectively, this means that the brand image is more significant in influencing the customer's purchase decision.

#### **Coefficient of Determination**

**Table 9. Coefficient of Determination** 

Model Summary <sup>b</sup>									
			Adjusted R	Std. Error of the					
Model	R	R Square	Square	Estimate					
1	.834ª	.696	.690	2.978					
ĺ	ors: (Constant) lent Variable: I	,							

Resource: Prepared by the Writer from SPSS v.26 (2021)

Based to the table above, it could be seen that the value of adjusted R square is 0.690. In percentage, it is 69%. This means that the customer's purchase decision at Fish & Co. is affected by social media marketing and brand image variables as much as 69%, while the other 31% is affected by other factors which are not included in this research. For example, the service quality, price, place, word-of-mouth, product attributes, and so on.

#### Hypothesis Test F-test

	ANOVA <sup>a</sup>									
Model	l	Sum of Squares	df		Mean Square	F	Sig.			
1	Regression	1968.262		2	984.131	110.937	.000b			

Residual	860.498	97	8.871	
Total	2828.760	99		

a. Dependent Variable: PDT

b. Predictors: (Constant), BIT, SMMT

#### Table 10. F - test Result

Resource: Prepared by the Writer from SPSS v.26 (2021)

By knowing the value of df1 and df2, the value of  $F_{table}$  can be derived, which is 3.09. From the table above, the value of  $F_{count}$  is 110.937 which is greater than 3.09, it can be concluded that Social Media Marketing and Brand Image simultaneously have a significant influence towards customer's Purchase Decision at Fish & Co. Centre Point Medan.

#### T-test

#### Table 11. T - test Result

Resource: Prepared by the Writer from SPSS v.26 (2021)

The significance value for Social Media Marketing is 0.004, which is below 0.05, therefore it can be concluded that Social Media Marketing partially have an influence towards customer's Purchase Decision at Fish & Co. In addition, the significance value for Brand Image is 0.000, which is below 0.05, thus it is also concluded that Brand Image partially have an influence towards customer's Purchase Decision at Fish & Co. Centre Point Medan.

#### **DISCUSSION**

Coefficients <sup>a</sup>										
	Unstandardized									
		Coefficients		Standardized Coefficients						
Model		В	Std. Error	Beta	t	Sig.				
1	(Constant)	4.264	1.880		2.268	.026				
	SMMT	.308	.103	.255	2.986	.004				
	BIT	.833	.114	.624	7.296	.000				
a. Dependent Variable: PDT										

#### The Influence of Social Media Marketing towards Customer's Purchase Decision

From the hypothesis testing above, the T – test with 0.04 as the sig. value is resulted in Social Media Marketing partially have significant influence towards the customer's Purchase Decision at Fish & Co. Centre Point Medan. This result is supported with several previous research, from a research done by Justine (2020) who said that there is a significant relationship between social media marketing and consumer's purchase decision at Ayam Geprek Mak Judes Medan. Another writer Pamungkas (2016) also stated in his research that social media marketing and word of mouth are effective in influencing the purchase decision at Kedai Bontacos, Jombang.

Fish & Co. social media marketing is not good enough to attract customers or trigger the customers' decision to purchase Fish & Co. The first reason is Fish & Co. followers seldom share, mention, and comment on the posts. Customers feel that Fish & Co. Instagram is not interesting enough to catch their attention and leave their

comments. Less interaction with its customers on social media might bring the potential where customers do not interested, and evetually skip, in Fish & Co. food and may decrease their decision to purchase. This is supported by Lovett and Staelin (2016) research where the interactions from social media have influenced the customer decision to purchase, and they will eventually buy the product.

In addition, Fish & Co advertisements seldom appear on the customer's Instagram page, this will eventually decrease the customers' needs recognition as they seldom see Fish & Co. food. This means that when the customers do not see any of Fish & Co. advertisement, they will not recognize that whether they actually need to eat Fish & Co. or not. Because this can eventually trigger their purchase decision behavior, as mentioned by Khatib (2016) where an advertisement that appear in a Facebook page or an online discussion can make the customer's unfulfilled needs to be realized.

#### The Influence of Social Media Marketing towards Customer's Purchase Decision

According to the hypothesis test above, the T – test with 0.00 as the sig. value is resulted in Brand Image partially have significant influence towards customer's Purchase Decision at Fish & Co. Centre Point Medan. This result is supported with several previous research, from Devina (2021) with the result of positive significant influence between brand awareness, brand image, and customer purchase decision of Yamku Products at PT Expravet Nasuba. Another writer, Sinaga (2017) also stated in his research that the brand image is quite influential on purchasing decision at Cocorico Café & Resto, Bandung.

In the writer's analysis, Fish & Co. brand image is weak in some of the customers' mind, however there are also some customers that think Fish & Co. is a good seafood restaurant. The reasons are first, with many writtern reviews that are written about other seafood restaurants make the customers hard to decide on purchasing Fish & Co. because other local seafood restaurants are more famous compared to Fish & Co. This statement is supported with Wulansari (2016) research, during the stage of evaluation alternatives when making a decision process, customers will highly evaluate and compare Fish & Co. with other seafood restaurants before come into the decision of purchasing. Meanwhile, Rachmawati and Andjarwati (2020) said that it is important to bring a good and positive brand image for the brand to be recognized and remembered as the customers' top of mind brand, therefore the customers will be more likely to make a decision to purchase.

## The Influence of Social Media Marketing and Brand Image towards Customer's Purchase Decision

From the hypothesis testing above, the F – test with value of Fcount > Ftable equals to 110.937 > 3.09 is resulted in Social Media Marketing and Brand Image simultaneously have significant influence towards the customer's Purchase Decision at Fish & Co. Centre Point Medan. This result is supported with the previous research of Putri & Nilowardono (2021) with the result of brand image, service quality, and social media marketing simultaneously influence the purchase decision at restaurant Navy Seals Surabaya.

#### **CONCLUSION**

According to the calculations and findings in previous chapter, the conclusion of the research on the influence of social media marketing and brand image towards customer's purchase decision are as follows:

- 1. Social Media Marketing and Brand Image simultaneously have a significant influence on customer's Purchase Decision at Fish & Co. Centre Point Medan. The social media marketing and brand image influence the customer's purchase decision at Fish & Co. by 69% and the other 31% is influenced by other variables such as price, place, word-of-mouth, product attributes, service quality, and so on.
- 2. Social Media Marketing has a significant influence on customer's Purchase Decision at Fish & Co Centre Point Medan.
- 3. Brand Image has a significant influence on customer's Purchase Decision at Fish & Co. Centre Point Medan.
- 4. The brand image is more significant by 83% in influencing the customer's purchase decision, while the social media marketing influence the customer's purchase decision by 31%.

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