

## THE INFLUENCE OF DIGITAL BRANDING ON BRAND AWARENESS AND PURCHASE DECISIONS AMONG MSMES IN PALEMBANG: A CASE STUDY ON ZANAIA ACRYLIC

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### *Abstract*

*Digital branding has become a necessity in the contemporary business landscape. These branding efforts often involve leveraging social media marketing and influencer marketing techniques to enhance brand awareness and drive product sales. This study aims to investigate the role of digital branding strategies at ZANAIA Acrylic Palembang in influencing brand awareness and purchase decisions for MSMEs' products or services. The independent variables encompass social media marketing and influencer marketing, while brand awareness acts as the intervening or mediating variable, and purchasing decisions represent the dependent variable. Primary data was collected using a questionnaire as the research instrument and analyzed using SPSS. The study involved a total sample of 100 respondents in Palembang City. The anticipated results of this research are expected to contribute valuable insights and serve as a reference for other SMMEs in formulating effective business strategies, targeting consumers, and optimizing their profits.*

**Keywords:** *Digital Branding, Social Media Marketing, Influencer Marketing, Brand Awareness, Purchasing Decision*

### INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) constitute a crucial sector perpetually navigating exigencies, especially during the challenging year of 2021. Despite facing initial adversity in the aftermath of the initial wave of the COVID-19 pandemic, this sector exhibited commendable resilience and a discernible trajectory toward recovery. Evidently, there was a discernible upturn as indicated by a modest growth of 0.2% in the number of MSMEs, rising from 64.18 million units in 2018 to 64.2 million units in 2021 (BPS, 2019). This resilience and resilience-induced growth illuminate the adaptability and enduring capacity of MSMEs, crucial factors for fostering stability and sustainability within the broader economic framework (Rayo & Rantung, 2020).

In 2021, a pivotal phase emerged for the Indonesian economy, signifying a concerted effort towards recovery. The improvement in the mobility of the populace was catalyzed by the extensive deployment of COVID-19 vaccinations. However, it is important to note that the trajectory of this recovery has been challenged by the persistent threat posed by the OMICRON Variant of the COVID-19 virus, as outlined by the COVID-19 Handling Task Force in 2022.

This variant has introduced an element of uncertainty into the ongoing growth process, necessitating continued vigilance and adaptive strategies to ensure sustained economic revival.

MSME sector significantly contributes to Indonesia's Gross Domestic Product (GDP), accounting for approximately 61.07% or IDR 8.57 trillion as of March 2021 (Statistics Indonesia, 2019). This sector also plays a pivotal role in the economy by absorbing a substantial portion of Indonesia's workforce, accounting for 97% of the employed population, and attracting 60.4% of the total investment (Fahrezi & Rizaldi, 2023).

However, recent data from the KataData Insight Center (KIC) reveals a notable challenge faced by the MSMEs, with approximately 82.9% reporting a negative impact, while only 5.9% experience a positive effect (Fitri, 2021). This adverse situation has manifested in various ways, including job terminations, financial strain leading to difficulties in bill payments, a reduction in the customer base, and challenges in adapting marketing strategies due to significant shifts in consumer behavior (Maryanto et al., 2022). These impediments underscore the pressing need to address and support MSMEs, ensuring their resilience and sustainable growth within the Indonesian economic landscape (Toding & Mandagi, 2022).

In 2021, Indonesia witnessed a substantial growth in its internet user base, totaling 202.2 million individuals, constituting 73.7% of the populace. Concurrently, the number of active social media users surged to 170 million, encompassing 61.8% of the overall population (DataReportal, 2021). Such extensive digital penetration presents a propitious juncture for MSMEs to integrate robust digital strategies into their operational framework (Fahrezi & Rizaldi, 2023). One prominent strategy, supported by Fadly et al. (2020), is the digital branding strategy, which holds promise in capitalizing on this digital surge and leveraging its potential for augmenting brand presence and influence in the market.

Digital Branding has emerged as an essential strategy in contemporary business operations (Sinaga et al., 2020; Mandagi, 2023). The fusion of compelling content with strategic social media marketing has proven to be a potent tool (Lengkawati et al., 2021). Moreover, when complemented with influencer marketing, this amalgamation possesses the potential to significantly augment sales outcomes, providing a rapid boost to enterprises, particularly MSMEs (Komaling & Taliwongso, 2023; Sijabat et al., 2022). This confluence of strategies enables MSMEs to enhance their brand positioning and attain a higher market share, thereby facilitating growth and sustainability in a competitive digital landscape (Mandagi & Aseng, 2021).

Branding strategies are an essential component for MSMEs, achievable through the diligent utilization of social media marketing and influencer marketing techniques (Tatamba & Rantung, 2021). The deployment of social media platforms, which incur no cost, facilitates the dissemination of engaging and informative content, attracting increased traffic (Poluan et al., 2022). The efficacy of Social Media Content Marketing is particularly prominent when imbued with educational content and employing a soft-selling approach (Sholikhah, 2021). MSMEs may judiciously transition to hard-selling tactics once a foundation of loyal customers has been established (Kainde & Mandagi, 2023). Illustratively, a study by Riyanto and Kartini (2021) examined how branding significantly impacts consumer purchases within the bottled tea product sector. This brand, over decades, has rigorously implemented branding strategies across diverse channels. Commencing with the cultivation of brand awareness, this strategic approach culminates in fostering brand loyalty, thereby cultivating consumer preferences for repurchasing products (Riyanto et al., 2021).

Influencer marketing is frequently perceived as a costly marketing strategy. However, it is important to emphasize that the perception of high cost is not inherent to this marketing technique. MSMEs possess the agency to select influencers who do not command exorbitant fees for their services (Sijabat et al., 2022). MSMEs can strategically opt for lesser-known influencers whose content aligns with the products or services they are promoting. Moreover,

compensating influencers need not solely entail monetary remuneration; alternative approaches such as providing complimentary products or services can also serve as a form of compensation (Zikri et al., 2021). This underscores the flexibility and adaptability of influencer marketing, enabling MSMEs to tailor their strategies within budgetary constraints while still effectively leveraging the reach and influence of social media personalities.

The primary objective of this research is to delineate the pivotal role of digital branding strategies within MSMEs and their consequential impact on brand awareness and purchasing decisions concerning MSME products or services (Warbung et al., 2023; Waworuntu et al., 2022). The sustainable prosperity of an MSME is contingent upon its capacity to persevere and sustain an upward trajectory in sales. Consequently, MSMEs are compelled to persistently innovate and refine their marketing strategies to ensure their competitive standing in the market.

Building on the earlier discussion regarding how digital branding techniques, including social media marketing and influencer marketing, impact brand awareness and, consequently, influence customer purchasing decisions—illustrated through the ZANAIA Acrylic Palembang case study—this research aims to shed light on how MSMEs can contribute to national economic recovery. The study emphasizes the significance of digitalization and branding strategies for MSMEs, presenting them as vital tools to enhance competitiveness and stimulate growth within this sector. In addition to theoretical insights, practical solutions in the form of affordable marketing strategies like social media marketing and influencer marketing are explored, aiming to assist MSMEs in overcoming challenges and improving their businesses.

## **LITERATURE REVIEW**

### **Digital Branding**

The characteristics and dynamics of branding in the digital realm possess distinct attributes, notably in formulating an effective branding strategy. The proliferation of digital media has significantly expanded, encompassing multidirectional communication from brands that are interconnected and, to some extent, beyond the complete control of marketers (Wulus et al., 2022). This shift is attributed to the broad spectrum of options available to consumers and business customers for engaging in discussions, generating and disseminating content, and engaging in peer-to-peer interactions (Hidayanto and Kartosapoetro, 2020).

The onset of the Industrial Revolution 4.0 has deeply permeated various business environments, compelling enterprises to adopt digital branding and digital marketing as potent strategies to align with this progress (Fadly and Utama, 2020). Research by Nguyen (2021) underscores the pivotal role of a robust digital branding presence in enhancing a business's position within highly competitive markets, exemplified by the case of the Rond House business unit. Maintaining a formidable digital presence emerges as a strategic asset for companies, providing a sustained advantage in competition against their peers. Additionally, insights gleaned from CEOs and marketing teams underscore the significance of acquiring expertise in social media management, search engine optimization (SEO), and online advertising, emphasizing these as indispensable and potent components for crafting a successful digital branding strategy (Mandagi et al., 2021).

### **Social Media Marketing**

Social media marketing encompasses a strategic process allowing individuals to engage in marketing activities through various social media platforms, facilitating communication with a vast community in contrast to traditional marketing approaches (Putra, 2022). This digital

domain provides marketers with a platform to promote their products and foster more personalized interactions with consumers, transforming the creation, dissemination, and consumption of brand content and thereby shaping brand perception among online consumers (Dewindaru et al., 2022).

In a distinct investigation, it was noted that attributes such as online communities, interaction, and content sharing did not exhibit a discernible positive impact on the dynamics of social media. Conversely, factors like accessibility and credibility demonstrated a favorable influence on the efficacy of social media. The discernible influence of social media on purchasing decisions signifies its pivotal role in the contemporary consumer landscape. However, it is noteworthy that social media cannot be strictly deemed as an intervening variable; instead, it operates as a channel through which direct and indirect relationships between independent and dependent variables manifest and evolve, albeit challenging to directly observe and measure (Alfikri & Wardana, 2021).

### **Influencer Marketing**

Influencer Marketing, as defined in scholarly literature, constitutes a form of marketing communication wherein influencers endorse brand offerings through their individual social media platforms (Belanche et al., 2021). Projections indicate that this marketing approach is expected to yield substantial returns, with an estimated value of up to \$8 billion by the year 2022 (Belanche et al., 2021).

The pervasive influence of the digital era has precipitated a notable paradigm shift in the landscape of business operations, necessitating a pronounced emphasis on digital strategies. This shift has impelled brands to augment their digital marketing activities in an effort to ensure their continued relevance and viability (Chopra et al., 2021). One such prominent digital marketing strategy is influencer marketing, which has gained considerable traction across diverse industries. However, the efficacy of this strategy in augmenting brand awareness and sales remains a subject of scrutiny and contention, as not all sectors have experienced optimal outcomes from its implementation (Chopra et al., 2021).

Furthermore, a study by Ferina et al. (2021) supplements these observations, underscoring the multifaceted impact of influencer marketing. Their findings affirm that influencer marketing serves to heighten social media engagement and follower counts while concurrently fostering a more profound level of brand awareness (Ferina et al., 2021).

### **Content Marketing**

Content Marketing is a strategic marketing approach that revolves around the creation, curation, and skillful distribution of content tailored to captivate, inform, and resonate with target audiences. It encompasses a carefully orchestrated process involving ideation, development, and dissemination of content across various platforms. The primary objective is to enhance the appeal of the content, ensuring it is not only aesthetically pleasing but also aligns seamlessly with the unique demands and preferences of the intended customer base. This tailored content not only attracts attention but also addresses specific needs, providing value and utility to distinct user groups. By fostering relevance and utility, content marketing strives to initiate meaningful discussions and engagements around the disseminated content, encouraging interactions and participation within the target audience (Saraswati and Hastasari,

2020). Through these interactions, businesses can gain deeper insights into consumer perspectives, preferences, and concerns, subsequently refining their content strategies and overall marketing approaches.

The outcomes derived from a well-executed content marketing strategy are highly impactful for businesses that adopt an approach of consistent and continuous provision of valuable content aligned with their specific industry domain or niche, and congruent with the established brand image (Hutabarat, 2021). Through this diligent content creation and dissemination, businesses can significantly enhance their overall performance and prospects for success. This proactive strategy leads to increased visibility and accessibility of the brand within the market, making it easier for the target audience to identify and engage with the brand. By crafting content that is both informative and relevant to the core field of business operations, companies establish themselves as authorities in their respective niches, thereby reinforcing brand recognition and reinforcing consumer trust. Moreover, the strategic alignment of content with the brand's image ensures a cohesive and memorable brand identity that resonates with the intended market segment, ultimately fostering stronger brand loyalty and driving business growth. In essence, the effective integration of content marketing not only elevates the brand's presence but also cultivates a dynamic business environment conducive to sustained success and enhanced market competitiveness.

## **Brand Awareness**

Brand awareness is a critical dimension in brand management, encompassing the extent to which customers can recall and recognize a brand within a specific product category. When potential customers are familiar with a brand and possess awareness of its existence, they are more likely to express interest and exhibit an intention to purchase. Conversely, for an unfamiliar or lesser-known brand, acquiring the status of a customer's choice can be challenging due to the presence of doubts and hesitations (Arianty and Andira, 2021).

Studies investigating brand awareness have yielded noteworthy insights into its impact on consumer behavior. For instance, research by Lealian and Widodo (2021) explored the influence of digital marketing activities on the Eiger trademark, revealing that these initiatives did not significantly affect the electronic word of mouth (E-WOM) effect. However, a positive and significant effect on commitment was observed, indicating that digital branding efforts can foster consumer dedication and loyalty.

Moreover, a growing body of research establishes a direct and influential relationship between brand awareness and purchasing decisions. Setiawan and Rabuani's study in 2019 highlighted this association, indicating that heightened brand awareness positively and significantly correlates with an increase in purchasing decisions. Essentially, the stronger the impact of brand awareness, the greater the likelihood of driving product sales and consumer preferences within the marketplace. Understanding and effectively managing brand awareness are thus pivotal for businesses seeking to enhance their market presence and achieve sustainable growth (Setiawan and Rabuani, 2019).

## Purchase Decision

Purchasing decisions encompass a complex interplay of factors such as perceived value, quality assessment, and price considerations. These factors are pivotal in shaping consumer choices and are strongly influenced by a brand's image and the associated price points, as noted by Lubis and Hidayat (2019). Understanding the dynamics of purchasing decisions is essential for businesses to tailor their marketing strategies effectively.

Nurhayati (2017) delineates five distinctive roles individuals play in the process of making purchasing decisions, elucidating the intricate nature of consumer behavior. Firstly, initiators are individuals who initiate the buying process by identifying a need, desire, or problem, yet lack the decision-making authority to act independently. Influencers, on the other hand, wield the power to intentionally or inadvertently sway the purchase decision through recommendations, opinions, or reviews. Deciders are key decision-makers who determine whether to make a purchase, when and where to make it, what specific product or service to procure, and the preferred method of purchase. Buyers, as the label suggests, are the individuals responsible for the actual purchase transaction (Waworuntu et al., 2022). Finally, users constitute those individuals who derive utility or satisfaction from the products or services acquired, highlighting the diverse and intricate roles people play in the purchasing process.

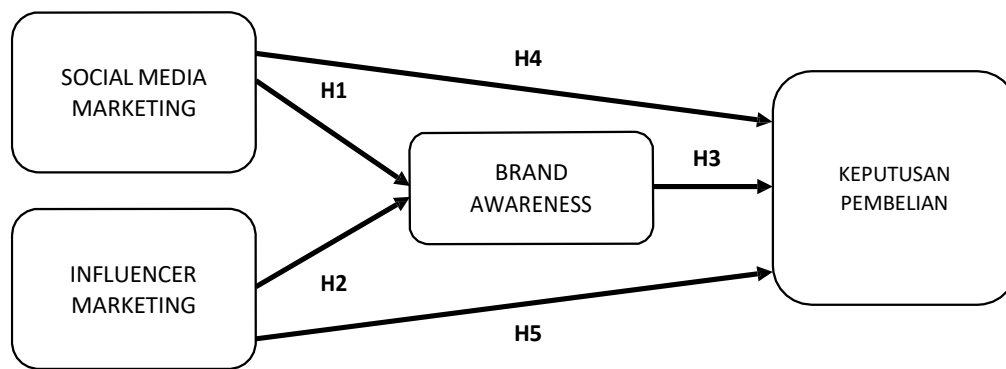
By comprehending these multifaceted roles and the impact of brand image and price on purchasing decisions, businesses can tailor their marketing endeavors to effectively target each stage of this intricate decision-making process and influence consumer behavior positively. This understanding is foundational for crafting strategies that resonate with consumers and drive successful marketing outcomes.

## Hypothesis Development

The present study encompasses a structured examination of interrelated variables categorized into independent, intervening, and dependent constructs. The independent variables, representing the inputs or stimuli in the research framework, are identified as Social Media Marketing and Influencer Marketing Strategy. These components constitute the proactive strategies and initiatives implemented by businesses to enhance their brand presence and engage with the target audience in the digital realm.

Situated within this analytical framework is the intervening variable, Brand Awareness. This construct functions as a crucial link in understanding the cognitive and perceptual mechanisms that mediate the relationship between the independent variables and the ultimate outcomes. Brand Awareness serves as a pivotal factor, elucidating the extent to which the devised marketing strategies influence the target audience's perception and recognition of a particular brand.

Conclusively, the dependent variable in this research pertains to the desired outcomes or responses, encapsulated within the construct of Purchase Decision. It represents the final stage in the consumer decision-making process, where individuals assess the brand's appeal, credibility, and alignment with their needs and preferences before making a purchase. The examination of this variable provides invaluable insights into the effectiveness and impact of the chosen marketing strategies on consumer behavior and purchase choices, contributing to a comprehensive understanding of the digital branding landscape.



**Figure 1**  
Conceptual Framework

Drawing insights from the depicted relationship between variables in Figure 1, hypotheses can be formulated to establish a clear framework for the study's expectations and subsequent analysis.

- H1: Social Media Marketing affects Brand Awareness at UMKM Zanaia Acrylic Palembang
- H2: Influencer Marketing affects Brand Awareness at UMKM Zanaia Acrylic Palembang
- H3: Brand Awareness affects Purchasing Decisions at UMKM Zanaia Acrylic Palembang
- H4: Social Media Marketing Affects Purchasing Decisions at Zanaia Acrylic Palembang MSMEs
- H5: Influencer Marketing affects Purchasing Decisions at Zanaia Acrylic Palembang MSMEs.

## RESEARCH METHODOLOGY

This research was conducted the impact of Social Media Marketing and Influencer Marketing on Brand Awareness and Purchasing Decisions within the context of UMKM ZANAIA Acrylic Palembang. The research adopts a deductive approach, commencing from a broader theoretical framework and progressively refining it into specific hypotheses for investigation.

In the pursuit of comprehensive data acquisition, a survey-based methodology was employed. The primary data utilized in this research is quantitative in nature and was collected through a meticulously designed questionnaire distributed among the demographically diverse productive age community of Palembang City, which constitutes approximately 1.13 million individuals, in addition to followers of the social media accounts associated with UMKM ZANAIA Acrylic Palembang (BPS, 2020). To ensure a representative sample, probability sampling was implemented using a convenience sampling technique. The sample size was determined employing the Slovin formula, with a total of 100 respondents from the productive age group in Palembang City participating in the study.

The questionnaire was meticulously crafted, incorporating precise operational definitions for each variable. Subsequently, dimensions were formulated after a comprehensive definition of the variables, facilitating a more nuanced measurement. The Likert Scale was employed as the measurement scale, ranging from 1 to 5. The data underwent thorough analysis, encompassing descriptive analysis, path analysis, and hypothesis testing. Path Analysis proved particularly valuable, offering insights into the underlying mechanisms and reasons behind conventional regression calculations, allowing for a deeper interpretation of the problem at hand (Duncan, 1966).

## RESEARCH RESULTS AND DISCUSSION

### Respondent's Demographic Profile

Respondents are productive age people of Palembang City or followers of social media accounts of UMKM ZANAIA Acrylic Palembang. Respondent profiles consist of gender, age, and occupation. Table 1 provides valuable insights into the composition of the respondent pool in terms of gender, age groups, and occupational status. The majority of respondents are female (72 out of 100), indicating a higher participation of females in the study. In terms of age distribution, a significant portion falls under the age of 30 (61 out of 100), followed by those between 31 and 50 years old (37 out of 100). Only a small percentage of respondents are aged above 50 (2 out of 100). Regarding occupation, the highest number of respondents are employees (53 out of 100), followed by students (35 out of 100), and a smaller portion being unemployed (12 out of 100). These demographic insights are essential for understanding the representative nature of the study's sample and for interpreting the results within specific demographic contexts

**Table 1**  
**Respondent's Demographic Profile**

Demographic Variables		Frequency
Gender	Male	28
	Female	72
Age	< 30	61
	31 - 50	37
	> 50	2
	Students	35
Occupation	Employee	53
	Unemployed	12

### Descriptive Analysis

The objective of conducting a descriptive analysis of variables in this study is to meticulously elucidate the perceptions of respondents regarding the distinct items within each studied variable. The variables under investigation encompass Social Media Marketing (X1), Influencer Marketing (X2), Brand Awareness (Y), and Purchasing Decisions (Z). Each of these variables represents a critical aspect of the research, shedding light on the interplay and impact they have on consumer behavior and brand dynamics.

Upon scrutinizing the obtained data, it becomes evident that the Influencer Marketing variable (X2) garnered the highest average score of 4.12 among the respondents. This suggests



a significant and positive perception of influencer marketing and its potential influence on consumer decision-making and brand affinity. Following closely is the Brand Awareness variable (Y), securing an average score of 4.05. This indicates a strong recognition and cognizance of the brand among the target audience, underscoring the brand's successful efforts in establishing a prominent presence in the market.

Additionally, the Purchase Decision variable (Z) acquired an average score of 4.04, signifying a favorable perception of the impact purchasing decisions have on consumer behavior within the context of this study. Finally, the Social Media Marketing variable (X1) obtained a respectable average score of 3.98, implying a noteworthy influence and perception of social media marketing strategies in the respondents' eyes. This descriptive analysis illuminates the relative importance and impact each variable holds in the minds of the audience being studied, offering valuable insights into consumer perceptions and preferences.

### Path Analysis

In this study, a comprehensive analytical framework is employed, incorporating two distinct structural equations for path analysis. The primary structural equation, denoted as Structural Equation 1, delves into elucidating the intricate relationship between Social Media Marketing and Influencer Marketing concerning their impact on Brand Awareness. Through rigorous statistical analysis, this equation seeks to establish and quantify the influence that these marketing strategies exert on the level of brand awareness within the target audience.

Parallely, Structural Equation 2 constitutes the secondary analytical pathway in this study. Its objective is to unravel the direct and indirect relationships between Brand Awareness and Purchasing Decisions. By scrutinizing these correlations, researchers aim to ascertain the extent to which an elevated brand awareness, likely influenced by the aforementioned marketing strategies, contributes to consumers' subsequent purchasing decisions. This equation provides crucial insights into the pivotal role played by brand awareness in shaping consumer behaviors and choices within the market landscape.

By employing these structural equations, this study adopts a robust analytical approach that encompasses various elements of contemporary marketing strategies. Through rigorous quantitative analysis and statistical modeling, researchers endeavor to unravel the intricate dynamics underpinning the interrelationships between social media and influencer marketing, brand awareness, and the consequential impact on consumers' purchasing decisions. Ultimately, these analytical frameworks furnish a comprehensive understanding of the intricate network of factors shaping the modern consumer's journey in the realm of marketing and commerce.

**Table 2**  
**Results of Path Analysis of Social Media Marketing and Influencer Marketing on Brand Awareness**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1.085	3.656		-.297	.767
X1	.187	.060	.229	3.123	.002
X2	.738	.085	.638	8.697	.000

Table 2 presents the results of a path analysis that examines the impact of Social Media Marketing (X1) and Influencer Marketing (X2) on Brand Awareness. The analysis provides both unstandardized and standardized coefficients, along with additional statistical measures. In summary, the results demonstrate that both Social Media Marketing (X1) and Influencer Marketing (X2) have significant positive effects on Brand Awareness. Influencer Marketing (X2) appears to have a stronger impact, as evidenced by its higher standardized coefficient and t-value compared to Social Media Marketing (X1). These findings provide valuable insights into the relationship between marketing strategies and brand awareness, shedding light on potential areas of focus for businesses aiming to enhance their brand visibility and recognition.

**Table 3**  
**Coefficient of Determination 1**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.774 <sup>a</sup>	.599	.591	6.10349

Table 3 presents the results related to the coefficient of determination ( $R^2$ ) for Model 1. In summary, the model (Model 1) with Social Media Marketing and Influencer Marketing as predictor variables explains approximately 59.9% of the variance in Brand Awareness, suggesting that these marketing strategies significantly contribute to the observed variability in Brand Awareness. The relatively high  $R^2$  value implies a good fit of the model to the data, demonstrating the relevance and effectiveness of these marketing strategies in influencing Brand Awareness.

Moreover, when computing the path coefficient (e), we employ the formula  $e1 = \sqrt{1 - R^2}$ , yielding  $e1 = \sqrt{1 - 0.599} = 0.633$ . With this path coefficient calculation, we can outline the structural model for path analysis 1 as follows:

$$Y = 0.229 X1 + 0.638 X2 + 0.633 e1$$

**Tabel 4**  
**Path Analysis Results of Brand Awareness and Purchasing Decisions**

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	-4.030	2.447			-1.647	.103
X1	.137	.042	.216		3.256	.002
X2	.160	.076	.179		2.119	.037
Y	.431	.068	.557		6.349	.000

Table 4 presents the results of a path analysis investigating the relationship between Brand Awareness (Y) and Purchasing Decisions, considering the impact of two independent variables: X1 (Social Media Marketing) and X2 (Influencer Marketing). The table displays both unstandardized and standardized coefficients, along with relevant statistical measures. The results demonstrate that both Social Media Marketing (X1) and Influencer Marketing (X2) have significant positive effects on Brand Awareness (Y), which in turn strongly influences Purchasing Decisions. Particularly, Brand Awareness (Y) plays a vital role in determining

consumer choices and ultimately impacting their purchasing decisions. These findings provide valuable insights for businesses aiming to optimize their marketing strategies to enhance brand awareness and drive favorable purchasing outcomes

**Table 5**  
**Coefficient of Determination 2**

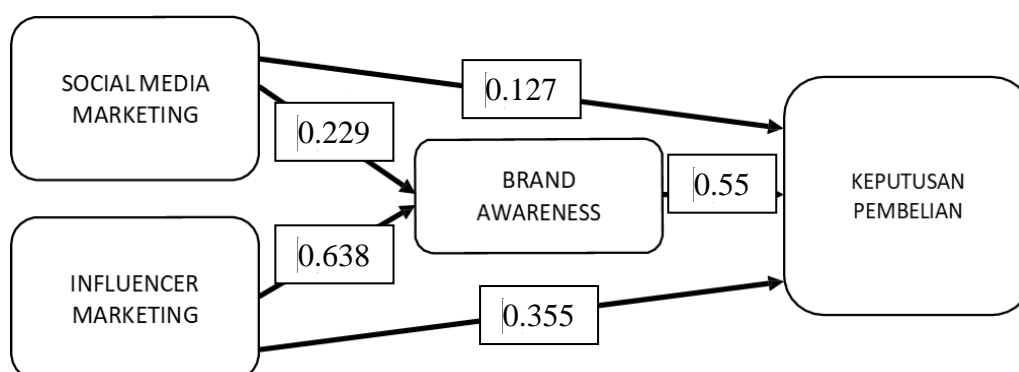
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.839 <sup>a</sup>	.704	.695	4.08364

Table 5 displays the coefficient of determination ( $R^2$ ) for Model 1, providing insights into the variance and goodness-of-fit associated with the relationship between Brand Awareness (Y) and Purchasing Decisions. Model 1, which examines the relationship between Brand Awareness and Purchasing Decisions, demonstrates a robust correlation ( $R = 0.839a$ ). The coefficient of determination ( $R^2 = 0.704$ ) suggests that a significant portion of the variability in Purchasing Decisions can be elucidated by Brand Awareness, underscoring the crucial role that Brand Awareness plays in influencing consumer purchase choices. The Adjusted R Square ( $= 0.695$ ) reaffirms this, considering the model's complexity. Overall, these statistics underscore the strength and relevance of Brand Awareness as a determinant of Purchasing Decisions within the context of this study. Furthermore, in calculating the path coefficient (e) using,  $e1 = \sqrt{1 - R^2} = \sqrt{1 - 0.704} = 0.296$ . Based on the calculation of the path coefficient, the structural model of path analysis 2 can be known as follows:

$$Z = 0.557 Y + 0.296 e2$$

**Table 6**  
**Results of the Direct and Indirect Effect**

Variable	Path Coefficient	Direct Influence	Indirect Influence
X1 > Y		0.229	
X2 > Y		0.638	
Y > Z		0.557	
X1 > Y > Z			$0.229 \times 0.557 = 0,127$
X2 > Y > Z			$0.638 \times 0.557 = 0,355$
e1	0.633		
e2	0.296		



**Figure 2**  
**Structural Model of the Path Analysis**

Table 6 and figure 2 presents the results of the direct and indirect effects in the studied model involving variables X1, X2, Y, and Z. The results shows the direct effects of Social Media Marketing (X1) and Influencer Marketing (X2) on Brand Awareness (Y), as well as the direct effect of Brand Awareness (Y) on Purchasing Decisions (Z). Additionally, it calculates the indirect effects of X1 and X2 on Z through their influence on Y. These results provide a comprehensive understanding of the various pathways through which marketing strategies (X1 and X2) influence Brand Awareness (Y) and, subsequently, how Brand Awareness impacts Purchasing Decisions (Z). The error coefficients (e1 and e2) represent the unexplained variance in the respective paths, signifying the inherent uncertainty or variability not accounted for by the specified model.

### Hypothesis Test

In order to examine the direct effects on the dependent variable, the standard t-test was applied utilizing the results obtained from SPSS. The assessment of Hypotheses H1a, H2a, and H3a involved evaluating the significance of the path coefficients at a specified significance level. Specifically, we verified the significance of the direct effects by scrutinizing whether the probability of the t-count error rate (Sig.t) was less than or equal to 0.05. In the event where the Sig.t was less than or equal to 0.05, it indicated that the direct effect, corresponding to H1a, H2a, and H3a, was statistically significant at the 0.05 significance level.

**Table 7**  
**Hypothesis Test on Direct Effect**

<b>Hypothesis</b>	<b>Sig. Value</b>	<b>Remarks</b>
Social Media Marketing has a positive effect on Brand Awareness (H1a)	.002	Accepted
Influencer Marketing has a positive effect on Brand Awareness (H2a)	.000	Accepted
Brand Awareness has a positive effect on Purchasing Decisions (H3a)	.000	Accepted

Table 7 presents the results of the hypothesis testing for the direct effects in the model. the results confirm that all three hypotheses (H1a, H2a, and H3a) are supported. Social Media Marketing and Influencer Marketing exhibit a positive influence on Brand Awareness, and Brand Awareness, in turn, has a positive effect on Purchasing Decisions, as indicated by their statistically significant Sig. Values. These findings provide empirical support for the hypothesized relationships in the model.

Hypothesis testing for indirect effects involves employing the Sobel test, a widely recognized statistical method. The Sobel test serves the purpose of examining the presence of variable mediation between the independent and dependent variables within the model. To validate the hypothesis, the Sobel test calculation involves comparing the calculated z-value with the t-value. The hypothesis is deemed accepted if the z-value surpasses the t-value. Furthermore, the z-value is computed using the Sobel test formula:

$$Z = \frac{a \cdot b}{\sqrt{b^2 S_a^2 + a^2 S_b^2 + S_a^2 S_b^2}}$$

a = regression coefficient that represents the effect of X on Y

b = regression coefficient representing the effect of Y on Z

Sa = standard error at a

Sb = standard error at b

**Table 8**  
**Hypothesis Test Results of Indirect Influence**

No	Hypothesis	Z value	Ttab	Remarks
1	Social Media Marketing has a positive effect on Purchasing Decisions through Brand Awareness (H1b)	3,439	1.984	Accepted
2	Influencer Marketing has a positive effect on Purchasing Decisions through Brand Awareness (H2b)	5,512		Accepted

Table 8 provides the results of the hypothesis testing for indirect influence, specifically examining the effects of social media marketing and influencer marketing on purchasing decisions through the mediating variable, brand awareness. The results confirm that both hypotheses (H1b and H2b) are accepted. Social Media Marketing and Influencer Marketing demonstrate a positive indirect influence on Purchasing Decisions through the mediating variable, Brand Awareness. These findings highlight the role of Brand Awareness as a mediator in influencing Purchasing Decisions based on marketing strategies, providing empirical support for the hypothesized relationships in the model.

## CONCLUSION

Based on the research findings, both Social Media Marketing and Influencer Marketing exert a positive influence on Purchasing Decisions, either directly or through the mediating role of Brand Awareness. In this study, Social Media Marketing was effectively executed by UMKM ZANAIA Acrylic Palembang through well-conceptualized content creation, adept communication with followers, and active promotion on Instagram and WhatsApp social media platforms. The study affirms that a well-implemented social media marketing strategy significantly impacts purchasing decisions, albeit to a lesser degree compared to influencer marketing. These outcomes align with prior research by Dewi et al. (2020), emphasizing the positive yet somewhat modest impact of content creation in social media marketing on purchasing decisions within the MSMEs of the Boyolali area.

In the realm of Influencer Marketing, endorsement services were strategically employed in Palembang City, engaging influencers aligned with ZANAIA's customer segment. Additionally, dedicated Instagram accounts facilitated promotional services. The study establishes that purchasing decisions are notably influenced by influencers, driven by their experience, presentation, and credibility in product endorsements. These conclusions are consistent with the research of Khairani et al. (2022), highlighting the efficacy of influencer endorsement services in fostering effective business communication within MSMEs in Padang City. The study also underscores the impact of brand awareness generated through social media and influencer marketing on purchasing decisions. Notably, individuals remain attentive to a brand's image irrespective of their trust in endorsing influencers. This corroborates research by Chrismaya & Fatmala (2021), affirming that brand image profoundly affects purchasing decisions in Magetan leather shoe MSMEs.

However, this study acknowledges certain limitations, particularly in the sample population size, which remains relatively small and predominantly comprises followers of ZANAIA Acrylic on Instagram. This could potentially introduce subjectivity into the results. A promising avenue for future research involves expanding the sample size and incorporating additional factors that have not been explored. Subsequent research should consider integrating elements such as price, promotion, and product quality, offering a more comprehensive understanding of the dynamics influencing purchasing decisions. As research advances,

addressing these limitations and broadening the scope will enhance the depth and applicability of the insights garnered.

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