

UDC 331

## THE INFLUENCE OF SOCIAL MEDIA MARKETING ON BRAND AWARENESS OF INTERNATIONAL PRODUCTS: A SURVEY TO INDONESIAN XIAOMI COMMUNITY

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### ABSTRACT

This research involved several variables of social media marketing known to influence the brand awareness which was regarded an interesting issue. The independent variables of this research were customer engagement (X<sub>1</sub>), viral marketing (X<sub>2</sub>), buzz marketing (X<sub>3</sub>), peer influence (X<sub>4</sub>), and online communities (X<sub>5</sub>), while the dependent variable was the brand awareness (Y). This explanatory research was done using a quantitative approach. There were 101 responses given by respondents to be analyzed using multiple linear regression test. The results of the analysis indicated that online community (X<sub>5</sub>) was found as the most influential variable of social media marketing toward brand awareness.

### KEY WORDS

Social media marketing, customer engagement, viral marketing, buzz marketing, peer influence, and online communities, brand awareness.

The globalization in this modern era has emerged sophisticated technology. The rapid development of technology allows the society to access various information they need, and it influences various aspects in life including the aspects of social, economy, culture, education, and technology. Information technology is widely utilized in communication process as it facilitates efficient and practical interaction without having to meet face to face. The technology has also changed the way people communicate from small things such as texting, up to big things such as socializing.

The advancement of information and communication technology allows people to access information regardless of time and place. Even Internet makes it possible for people to communicate from anywhere. Internet also allows communication to occur without having to meet face to face with other users. Along with the development of Internet, the number of sites and social media keep rising. Social media employs Internet to provide chat services, allowing people to share information related to their hobby and interests. Social media marketing refers to the marketing strategy that utilizes social network such as online community, blog, wiki and other online collaborative platforms to support the marketing, sales, public relationship, and customer service. Some social media are commonly used for online marketing including twitter, blog, linkedin, facebook and many more (Barker, Barker, Bormann, Neher, 2010). Businessman will always try to make improvement based on customers' expectation expressed in social media. Social media allows businessman to actively monitor the trend that goes viral which might be utilized in such ways to enhance the brand awareness of certain brand and to employ more workers. Facebook and twitter are sometimes strongly beneficial in publishing various information related to certain products, making people curious to find out more information related to the product.

Advanced companies and companies that quickly adapt with the advancement of technology and information tend to immediately use social media as marketing tools. They will find ways to maximize the role of social media in passing various information to consumers. More users create massive amount of talk about certain product, allowing the producer to see the current trend in the social media including the products that are released to the market and the consumers' expectation. The rapid information exchange supports brand awareness to occur among social media users.

The function of social media has dramatically shifted the marketing strategies from using brochure, television advertisement, newspapers to the use of modern media in the

forms of digital content. Higher brand awareness is an expected output among marketers. Marketers always try to achieve this goal as the social media can make certain product go viral and they can also use buzz marketing using online WOM (Word of Mouth). This conforms with the reason of using social media that is to share information, opinion, and experience. Several social media platforms are also able to show certain advertisement according to users' characteristics. For marketers, this feature is absolutely beneficial as it makes the segmentation of target market done easily. For instance, they use interesting pictures with catchy and easy-to-memorize captions to raise the brand awareness of certain product.

The trend of marketing in Indonesia develops very rapidly through social media because most of Indonesian people are rather consumptive, and they always want to compete and get the latest products. The development of cellphone goes rapidly and nowadays, smartphone has various designs with innovative technology inside. Smartphone provides various easiness of communication using internet and social media, in which before the invention of smartphone, people relied on printed media for information exchange. Then, social media started to emerge, allowing anyone to access information from all over the world. In addition, the use of social media has changed the lifestyle among the social. The social media itself has been known to have considerable effect on brand awareness among various products, including international products, one of which is Xiaomi. Xiaomi is an international product made in China.

## LITERATURE REVIEW

The term marketing refers to a managerial process to make a person or a group of people obtain what they expect and need by creating, offering or bartering certain product with other products, which process includes information sharing and services from the producers to the consumers (Shinta, 2011). Meanwhile, according to Davey & Jacks (2000) marketing is the oversight of business from consumers' perspectives and the attempt to obtain profit by making the consumer to feel satisfied, identifying consumers' demand to be responded with appropriate products through effective advertising strategies, market research and pricing.

Social media refers to the attempts of creating and uploading certain content in one or all of these following hosts: online, virtual phone and untitled. The core concept of social media is to exchange and share various information and content via online to the followers of certain account (Stephanie Agresta, 2010). Whereas according to Barker, Barker, Bormann, and Neher (2010) social media is an online service where members can build relationships based on friendship, family, mutual interests, business benefits, or other reasons.

Social media sites facilitate social interaction by allowing members to build public or private profiles, determining who can connect with them, and share connections with others. Social network services simplify the process of information sharing including interests, events, status, and images.

The phenomenon of social media has attracted companies and individuals to interact using social media and do marketing using the social media (Kaplan, & Haenlein, 2010). According to Neti (2011) social media marketing is an attempt to use social media to persuade consumers that a company, product or service is very useful. Social media marketing is done through online communities, social networks, marketing blogs and more. Social media marketing is a marketing strategy used by smart business people to become the part of a network of netizen. Today, people regard their friends' online networks to get advice, share, and socialize. Many different styles of online communities have emerged over the years. Social Media Marketing Variables according to the journal from Moriyansyah (2015), are as follows: Customer engagement; Viral marketing; Buzz marketing; Peer Influence; Online communities.

According to Tjipjono (2008) Brand Awareness is the ability of consumers to regard and remember certain product of certain brands. Brand awareness concerns with aspects of a brand's awareness, such as how easily a brand is remembered and recognized in various

situations. Brand awareness is the ability of customers to know remember certain brain in the forms of brand recognition and recall. Brand awareness can be established and improved through repeated exposure to make consumers feel familiar with certain brand (Keller, 2008). Keller (2008) mentioned two indicators of brand awareness.

*Brand recognition* refers to consumers' ability to confirm their knowledge about certain brand. This aspect can be seen by how consumers recognize certain brand when they visit a store

*Brand recall* is the tendency of consumers to think of certain brand when they remember certain product category, needs of certain product category and the situation of purchase. Consumers' memory about Xiaomi brand depends on whether they think of Xiaomi when they remember smartphone while they plan to purchase smartphone or when they are at home.

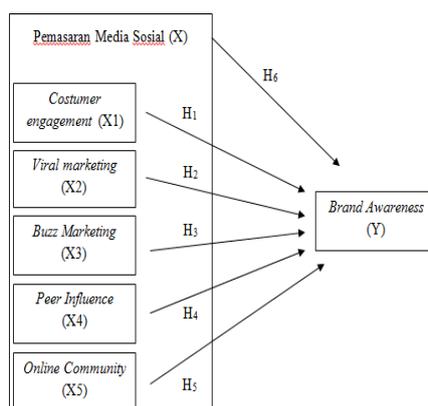


Figure 1 – Research Hypotheses

H1. There is a significant influence of customer engagement on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H2. There is a significant influence of viral marketing on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H3. There is a significant influence of buzz marketing on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H4. There is a significant influence of peer influence on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H5. There is a significant influence of online community on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H6. There is a significant influence of social media marketing on brand awareness of Xiaomi product among Indonesian Xiaomi Community

H7. Online community is the strongest variable among other variables in influencing the brand awareness

## METHODS OF RESEARCH

This research is an explanatory research which was conducted using qualitative approach. The data of this research were collected from a survey done to 101 respondents as the research samples. The obtained data were then analyzed using a multiple linear regression test.

## RESULTS AND DISCUSSION

Determinant Coefficient ( $R^2$ ). It is presented in the table that  $R^2$  is 0.318, indicating that as much as 31.8% of Brand Awareness is influenced by Customer Engagement (X1) Viral Marketing (X2) Buzz Marketing (X3) Peer Influence (X4) and Online Communities (X5), while

the remaining 68.2% is influenced by other variables which were not discussed in this research.

Table 1 – The Correlational and Determinant Coefficients

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.564 <sup>a</sup>	.318	.282	2.14677

F test was conducted to see if Customer Engagement, Viral Marketing, Buzz Marketing, Peer Influence, and Online Communities simultaneously influence the brand awareness.

Table 2 – F Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	204.420	5	40.884	8.871	.000 <sup>a</sup>
	Residual	437.817	95	4.609		
	Total	642.238	100			

Sig value.  $F(0,000) < \alpha = 0.05$  indicated that the regression analysis model is considered significant. It can be inferred that  $H_0$  is rejected while  $H_1$  is accepted. This result concludes that Brand Awareness variables can be simultaneously influenced by Customer Engagement, Viral Marketing, Buzz Marketing, Peer Influence, and Online Communities.

T-test was administered to examine the influence of the independent variable to see the separated influence of each variable to the dependent variable.

Table 3 – t Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.179	2.974		1.405	.163
	x1	.036	.090	.035	.404	.687
	x2	.007	.059	.010	.111	.912
	x3	.299	.125	.205	2.403	.018
	x4	.005	.085	.005	.061	.951
	x5	.483	.085	.513	5.710	.000

Table 3 Presents that:

- The t test between X1 and Y obtained t value and sig.  $t(0.687) > \alpha = 0.05$ , indicating that the influence of X1 on Brand awareness is considered significant. This result accepted the  $H_0$ , indicating that Brand Awareness is not significantly influenced by the X1.
- The t-test done to investigate the influence of X2 and Y (Brand Awareness) obtained value sig  $t(0.912) > \alpha = 0.05$ , indicating that the influence of X2 on Brand Awareness is not significant at alpha 5%. It can be inferred from this result that  $H_0$  is accepted and Y is not significantly influenced by X2.
- The t-test administered between X3 and Y (Brand Awareness) showed t value sig  $t(0.018) < \alpha = 0.05$ . Hence, the influence of X3 at 5% alpha on Brand Awareness is not significant. It can be inferred from this result that  $H_0$  is accepted and Y is significantly influenced by X3.
- The t-test administered between X4 and Y (Brand Awareness) showed t value sig  $t(0.951) < \alpha = 0.05$ . Hence, the influence of X4 at 5% alpha on Brand Awareness is

not significant. This result accepted the  $H_0$ , indicating that Brand Awareness is not significantly influenced by the  $X_4$ .

- The t-test done to investigate the influence of  $X_5$  and Y (Brand Awareness) obtained value  $\text{sig } t(0.000) > \alpha = 0.05$ , indicating that the influence of  $X_5$  on Brand Awareness is not significant at alpha 5%. This result indicate the existence of significant influence of  $X_5$  on Brand Awareness. Therefore,  $H_0$  is rejected, and Brand Awareness is found to be significantly influenced by  $X_5$ .

*The Influence of Online Marketing on Brand Awareness.* Sig value F (0.000)  $< \alpha = 0.05$  from regression analysis is regarded significant. This result rejected the  $H_0$  and accepted  $H_1$ . Therefore, it can be concluded that Brand Awareness can be simultaneously influenced by Customer Engagement, Viral Marketing, Buzz Marketing, Peer Influence, and Online Communities.

*The Influences of Costumer Engagement, Viral Marketing, Buzz Marketing, Peer Influence and Online Communities on Brand Awareness:*

H1: The results of this research indicate that Customer engagement ( $X_1$ ) does not have any significant influence on brand awareness.

H2: It is confirmed in this research that viral marketing ( $X_2$ ) does not significantly influence brand awareness.

H3: This research provides empirical evidence that the word of mouth from buzz marketing ( $X_3$ ) facilitates the improvement of brand awareness among customers.

H4: It is shown in this research that peer influence ( $X_4$ ) does not significantly influence brand awareness.

H5: The experience as the member of online community in the variable of online community ( $X_5$ ) is employed as a positive means to develop the brand awareness among customers toward certain product.

*The Most Dominant Variable Influencing the Brand Awareness:*

H7: Online communities has been found to have the most dominant influence among other variables with a beta coefficient of 0.513 at sig level of  $0,000 < \alpha = 0$ .

## CONCLUSION

Brand Awareness as the dependent variable can be simultaneously influenced by several independent variables including Customer Engagement ( $X_1$ ), Viral Marketing ( $X_2$ ), Buzz Marketing ( $X_3$ ), Peer Influence ( $X_4$ ), and Online Communities ( $X_5$ ). It is also seen from the result of F test that the Variable Social Media Marketing can simultaneously influence the Brand Awareness.

The results of this research indicate that Customer Engagement within social media marketing has certain influence yet not significant on Brand Awareness as shown by the result of the t test (partial testing) which rejected the hypothesis stating that customer engagement has an influence on brand awareness

Viral Marketing in social media marketing is known to have certain insignificant influence on Brand Awareness as inferred from the results of t test (partial testing), rejecting the hypothesis that Viral Marketing has an influence on brand awareness.

Buzz Marketing in social media marketing significantly influences Brand Awareness as seen from the result of t test (partial testing), accepting the hypothesis that Buzz Marketing influences brand awareness.

Influence in social media marketing has an influence yet insignificant on Brand Awareness as indicated by the result of t test (partial testing) that the hypothesis which is stated Peer Influence influences brand awareness is rejected.

Online Communities in social media marketing has been confirmed to share a significant influence on Brand Awareness as shown by the result of t test (partial testing) which accepts the hypothesis which states that Online Communities influences brand awareness.

One of the sub-variable of social media marketing, online community, has been identified to have the most dominant influence on the Brand Awareness. Therefore, the hypothesis which states the most dominant online communities' variable can be accepted

### **SUGGESTIONS**

This research provides valuable information that Online Communities strongly influence the Brand Awareness. Therefore, companies are encouraged to apply their marketing strategies through online community and buzz marketing by selecting official representatives of the company to engage in the community to maintain two-way interaction between the communities and companies. It is also suggested that companies advertise the products through social media to be seen by social media users when they accessed their accounts.

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