



The Influence of Social Media Marketing Activities on Brand Equity and Customer Response on Laidlunos

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ABSTRACT: The Indonesian cosmetics industry is expected to experience sustainable growth from 2023 to 2028, driven by a growing interest in health and beauty among the public. This increased awareness has led to higher revenues in the beauty and skincare sectors, especially for local skincare brands. With 213 million internet users and 167 million active social media users, social media plays a crucial role in brand marketing in this industry. Despite producing more content, Laidlunos has struggled to increase social media engagement. This study investigates how social media marketing impacts brand equity and customer response to Laidlunos in Indonesia's growing cosmetics market. Using a quantitative approach with causal and descriptive objectives, the research surveyed a non-probability sample of 385 respondents. It proposes that various aspects of social media marketing, including entertainment, interaction, trendiness, customization, and risk reduction, have a positive influence on brand equity and customer response. The study aims to improve Laidlunos' social media strategy by identifying the factors that contribute to brand equity and elicit positive customer reactions. By examining these dynamics, this research provides insights into optimizing social media marketing to enhance brand equity and customer response in the Indonesian skincare sector.

KEYWORDS: Brand Awareness, Brand Image, Customer Response, e-WOM, Social Media Marketing Activity.

INTRODUCTION

Indonesia's cosmetics industry is experiencing a significant boom, fueled by a growing national interest in self-care and maintaining a healthy appearance. This trend can be attributed to several factors, including the recent COVID-19 pandemic. With more people spending extended periods at home, there's been a heightened focus on personal well-being, leading to a surge in the popularity of local skincare products.

As a result of this growing interest in local skincare, Indonesia's beauty and personal care industry has seen a significant boost in revenue (Statista Research Departement, 2023a). The beauty industry's growth in Indonesia isn't just about income; it's fueling a boom in local cosmetics and personal care products. This surge in demand has led to a wider variety of skincare products available, catering to the growing focus on individual skin health (Statista Research Departement, 2023b). People are placing a greater emphasis on skin health and looks, leading to an increased need for skincare products (Mariska & Middot, 2023). The abundance of skincare products creates a springboard for innovative newcomers. These businesses can introduce targeted solutions with powerful ingredients to address the wide range of skin concerns consumers face today (Putra, 2023).

Further evidence of the industry's potential comes from the Perhimpunan Perusahaan dan Asosiasi Kosmetika Indonesia (PPA Kosmetika Indonesia). According to their data, the number of Indonesian cosmetics companies has witnessed a remarkable growth of 21.9%, rising from 913 companies in 2022 to 1,010 by mid-2023. This rapid increase signifies a highly competitive landscape, where local brands are influenced by consumer lifestyles, perceptions, and product usage patterns. This competitive environment allows them to develop products that can stand toe-to-toe with imported brands.

Social media use is also on the rise, reaching 167 million active users (60.4%) in January 2023, with an expected upward trend (Hootsuite, 2024). The digital age has transformed marketing, with social media becoming an essential tool across all industries, especially in the economic sector (Hafez, 2022). Social media has become a cornerstone of marketing, offering businesses innovative tools to connect and engage with existing and potential customers (Ebrahim, 2020). Technological advancements have fueled a social media boom, with platforms like Facebook, YouTube, WhatsApp, and Instagram boasting massive user bases globally (Dencheva,



2023). Fueled by this booming digital landscape, social media has become a powerful marketing tool for the Indonesian cosmetics industry.

These highly active platforms act as trend accelerators, rapidly spreading ideas and trends across the world, including Indonesia (Dixon, 2023). Indonesian brands are jumping on the social media marketing bandwagon, with Facebook and Instagram leading the charge. Statista data shows Facebook is the top platform for marketers globally (January 2023), and Indonesia boasts a massive user base on both platforms (Dencheva, 2023). Recognizing this potential, Indonesian brands are increasingly embracing social media marketing. Statista data suggests Facebook will remain the top platform for global marketers in 2023, with a survey revealing 89% of social media marketers utilizing it. Instagram also holds significant weight, with 80% of marketers leveraging its power. This trend extends to Indonesia, boasting a substantial user base of approximately 104.8 million on Instagram (as of November 2023), ranking fourth globally. Businesses have capitalized on this by leveraging social media to boost brand and product awareness, ultimately driving traffic to their websites.

The rise in skincare enthusiasts in Indonesia directly correlates with the increasing number of social media users. This trend is further fuelled by an expanding digital population with improved internet access and affordable smartphones. Social media has become an integral part of Indonesian life, acting as a primary platform for communication and interaction. Recognizing its vast potential, local skincare brands, including Laidlunos, have embraced social media marketing, primarily utilizing Instagram to raise brand awareness and promote their products. Collaborations with influencers and endorsers further amplify their reach and product visibility. This highlights the crucial role social media plays in the current Indonesian cosmetics landscape, offering a powerful platform for brands like Laidlunos to connect with a growing base of potential customers.

The goal of social media marketing is to help customers understand the products and services offered by businesses (Utami & Sugiati, 2023). Social media marketing activity are key tactics used by brands to build brand awareness and attract potential customers, ultimately leading to customer acquisition (Saputra & Fadhilah, 2022). By consistently showcasing and reinforcing their brand on social media, companies can leverage its power to elevate brand awareness in the eyes of customers (Ana Margarida Barreto, 2019). According to Laidlunos' social media activity histories, Laidlunos had a thriving presence on Instagram, with significant growth until March 2023, suggesting a strong focus on social media marketing during that time. There was a shift starting from April 2023, and the activity showed inconsistent declines and occasional surges. Interestingly, despite this instability, October 2023 marked a record high in Instagram posts. This aims to achieve what should be achieved, namely brand awareness, which leads to customer response (Seo & Park, 2018).

Although Laidlunos' Instagram activity fluctuated, the overall trend indicates an upward trajectory, aligning with their goals of boosting brand awareness, image, and customer engagement through social media marketing on Instagram. Research by Bilgin (2018) supports this approach, showing a significant correlation between social media marketing activities and positive impacts on brand awareness, image, and even loyalty. Significantly, social media activity influences brand awareness, making it essential for reminding consumers about a brand and maintaining a solid presence in their minds (Bilgin, 2018).

Several studies highlight the positive impact of social media marketing activities (SMMA) on brand equity. Seo and Park (2018) and Anugerah & Kusumahadi (2021) demonstrate that SMMA effectively enhance brand awareness and image, fostering a more robust customer connection. This aligns with Ajaib's potential to leverage social media for similar gains. However, Bilgin (2018) suggests a potentially nuanced relationship. While Bilgin acknowledges a positive impact on brand loyalty and image, its findings indicate a weaker influence on brand awareness. This potential contradiction might be attributed to different research methodologies or industry specificities.

Building brand awareness is crucial, but it is just the first step. Increased visibility through SMMA can lead to more substantial customer commitment (Seo & Park, 2018). This is further supported by the findings of this study, which reveal a positive and significant impact of brand awareness and image on e-WOM and commitment. In conclusion, social media marketing is valuable in building brand equity. By fostering brand awareness and image, SMMA can create a foundation for stronger customer relationships and loyalty. However, it is essential to acknowledge potential variations in the strength of these relationships across different industries or research approaches.

This study delves into the elements that contribute to strong brand equity and encourage customer interaction on social media platforms. Five key factors that influence a brand's social media marketing effectiveness: entertainment, interaction, trendiness,



customization, and word-of-mouth (Godey et al., 2016). By analyzing these factors, we aim to understand how brands can leverage social media to build lasting customer relationships and achieve positive brand perception.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Social Media Marketing Activity

Social media platforms have become integrated into marketing strategies, enabling businesses to utilize the novel mechanisms and communication tools afforded by this technology for engaging and communicating with both existing and prospective customers (Ebrahim, 2020). According to Steinhoff et al., 2019, and Lamberton and Stephen, 2016 in (Johansson & Zhu, 2023) social media marketing capitalises on the seamless, omnichannel, highly personalised, and anthropomorphized nature of online relationships. It has been applied in theory and practice as a market intelligence source, a decision-support tool, and a facilitator of individual expression. It makes it possible for people to communicate with each other in a variety of ways and for companies and marketers to engage with customers and businesses directly (Appel et al., 2020). Numerous researchers have examined the aspects of social media marketing in their own contexts in earlier studies. In studies carried out by (Yadav & Rahman (2018); Chen & Lin (2019)) activities that related to social media marketing have been divided into categories such as word-of-mouth, customisation, trends, information, and interactions.

The five dimensions of social media marketing activity that were taken up by this study were taken from research done by Seo & Park (2018). They are as follows:

a. Entertainment

According to Bilgin (2018), entertainment plays a significant role in motivating consumer behaviour and fostering favourable brand perceptions among social media followers. In the meantime, (Seo & Park, 2018) clarify that enjoyment from social media leads to entertainment. People use social media as an excuse to have fun, find entertainment, and create online communities around their interests.

b. Interaction

Social media has developed into a forum for consumer discussion and idea sharing. Social media interactions allow users to meet and engage with other users as well as gain insight and knowledge about how to use and respect particular brands or products (Muntinga et al., 2011). The ability to share and exchange information with others is referred to as an interaction characteristic in social media (Liu et al., 2021). Users learn about a brand through social media interactions, (Seo & Park, 2018).

c. Trendiness

Another aspect of social media marketing activities is trendiness, which involves providing customers with the most recent and relevant product information (Godey et al., 2016). According to Godey et al. (2016), trendiness refers to offering the most recent information about products and services on social media.

d. Customization

Businesses can use social media for customisation, specifically as a way to interact with customers and build brand preference and loyalty (Martin & Todorov, 2010). According to Godey et al. (2016), customisation in social media refers to the intended consumer target.

e. Perceived Risk

As a part of social media marketing activities (SMMA), perceived risk is the risk that customers choose and accept. It can help to lessen the anxiety and concern that customers feel directly (Seo & Park, 2018).

Social Media Marketing Activity and Brand Equity

Social Media Marketing Activity is a marketing activity that utilizes social media features which are expected to increase brand awareness and brand image of the company (Lestari Adriana & Widodo, 2019). SMMA positively influence brand image, and a strong brand image in turn strengthens brand equity (Peng et al., 2024). By crafting SMMA that cultivate a positive brand image, brands can amplify the impact of their social media efforts (Peng et al., 2024). Building on prior research, [NO_PRINTED_FORM] [26] conclude that Social Media Marketing Activities (SMMA) have a direct influence of on brand equity. Therefore, the researchers have proposed the following hypotheses:

H1: Social media marketing activities have a positive effect on brand awareness.

H2: Social media marketing activities have a positive effect on brand image.



Brand Equity

According to [27], Brand equity is the monetary value of a brand that represents the premium on a company's valuation due to its brand ownership. The net present value of the total financial returns that a brand will produce over its lifetime is what brand equity entails. To ensure a company's financial well-being, it is critical to comprehend the concept of brand equity, manage its antecedents and consequences, and develop methodologies to assess brand equity. [NO_PRINTED_FORM] [27] also mentioned that the accounting concept of goodwill, which is the total monetary value of a company's intangible assets, includes brand equity. According to Keller (1993) in [13] it elaborated on brand equity by dissecting it into brand awareness and brand image, introducing the concept of 'customer-based brand equity.' Brand equity resides in a consumer's memory as a distinctive value distinguishing it from other brands, amalgamating diverse brand attributes. Hence, Keller (1993) and Seo & Park (2018) also highlight that brand equity transcends a product name, representing a socio-cultural phenomenon and symbolic meaning sought by the brand.

A. Brand Awareness

According to [NO_PRINTED_FORM] [28], brand awareness refers to a consumer's ability to identify and recall a brand that is associated with a product. According to some theories, brand awareness is a gauge of how well a brand is remembered by consumers.

B. Brand Image

In marketing terms, brand image is the schematic memory of a brand; it is the market's interpretation of the features, benefits, applications, and traits of the product or marketer. When consumers hear or see a brand name, they have these thoughts and emotions in mind. In essence, a consumer's learned associations make up a brand's image [29]. Only then will it be able to create a brand image that is relevant, trustworthy, and gains recognition among the targeted market segments [30].

Customer Response

Consumer response provides valuable insights into the post-purchase experience, reflecting customer satisfaction with a product's quality, price, and other aspects (Godey et al., 2016). When brands and consumers interact, commitment should be mutual [24]. Engagements on social media between brands and customers hold substantial influence over consumer opinions and behaviours [31]. In the earlier research, Seo & Park (2018) separated customer responses into two categories: e-WOM, which is consumer behaviour, and commitment, which is an emotional response from customers. According to (Bickart and Schindler, 2001; Pitta and Fowler, 2005) in (Seo & Park, 2018) the study divides consumer response into two categories: behavioral response and emotional response.

Brand Equity and E-WOM

Social media marketing activities (SMMAs) positively impact brand image, which consequently results in elevated electronic word-of-mouth (e-WOM) [13]. Creating a favorable brand image for a business influences online or digital sources of consumer word-of-mouth (Laelian & Widodo, 2021). Previous research by Godey et al. (2016) found that the brand image variable significantly affects e-WOM. Therefore, the researchers have proposed the following hypotheses:

H3: Brand awareness has a positive effect on e-WOM.

H4: Brand image has a positive effect on e-WOM.

Brand Equity and Commitment

Brand image significantly influences e-WOM and commitment, indicating that SMMAs benefit brands by shaping customer sentiment and e-WOM (Seo & Park, 2018). Additionally, brand image has been found to positively and significantly impact commitment (Anugerah & Kusumahadi, 2021). Laelian and Widodo (2021) similarly concluded in their research that both brand awareness and brand image significantly affect customer commitment. Based on these findings, the researchers propose the following hypotheses:

H5: Brand awareness has a positive effect on commitment.

H6: Brand image has a positive effect on commitment.

THEORETICAL FRAMEWORK

Seo and Park (2018) conducted a study that examined how social media marketing activities are related to brand equity using Structural Equation Modeling (SEM). Their model focused on five critical dimensions of social media marketing: entertainment, interaction, trendiness, customization, and perceived risk. Brand equity, as defined by Keller (1993) and cited by Seo and Park (2018),

includes brand awareness and brand image. In addition, Seo and Park (2018) categorized customer responses as behavioral and emotional, with Electronic Word-of-Mouth (e-WOM) falling into the behavioral responses category and commitment classified as an emotional response.

Expanding on this study, the research model analyzes the influence of social media marketing activities (SMMA) on e-WOM and commitment. This influence is mediated by brand awareness and brand image, which is in line with previous research (Seo & Park, 2018).

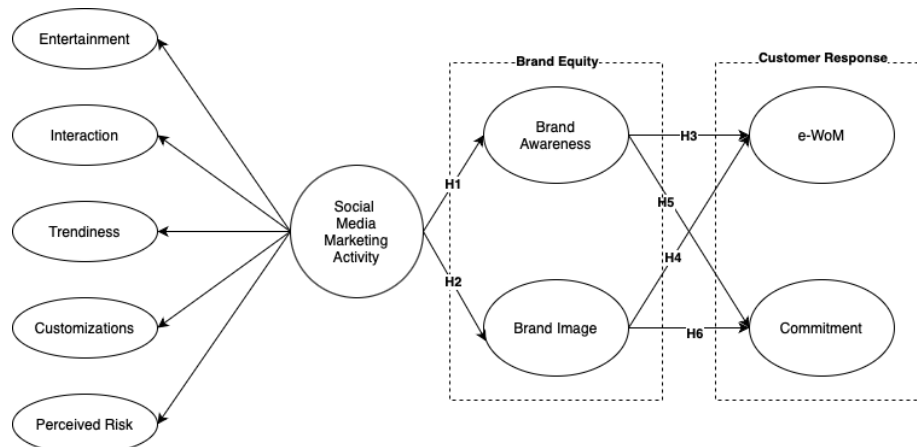


Figure 1. Research Framework, Source: Seo & Park (2018)

METHOD

Subjects

This study, categorized as a descriptive analysis, seeks to clarify the connection between social media marketing activities and their influence on brand equity and customer response. Descriptive research is research carried out to describe an object which can be an organization or company, person, event, or situation. using a qualitative approach and a quantitative approach [32]. Data will be collected through questionnaires distributed to a targeted sample of consumers who have experience using Laidlunos skincare products. The author collected data using a Google Forms questionnaire distributed through online media, namely Instagram, Line, WhatsApp, and Twitter. As a result, the author obtained valid surveys from 385 participants. The gathered data will be analysed using SmartPLS 4.0 software. The respondents' characteristics were categorized by gender, age, occupation, monthly income, and information source.

A sample is a part or component of a population, meaning that several members of the population will form a sample [32]. A sample taken will be influenced by several factors such as the costs incurred, the energy required, the researcher's time and opportunity, and the equipment needed to take the sample [33]. The research utilized a purposive sampling technique. Purposive sampling defined by Sekaran & Bougie is a limited to certain types of people who can provide information according to what the researcher needs, some of whom meet the criteria set by the researcher. The purposive sampling technique in this research refers to the criteria required, namely respondents who have used the Laidlunos skincare brand. In this study, the number of consumers who have used the Laidlunos skincare brand in Indonesia has yet to be discovered, Therefore, the sample size for this study was determined using the Bernoulli calculation. The calculation shows 384.16, so the number of samples used in the research is 384.16, rounded up to 385 respondents. Based on this sample size, the minimum number of respondents required in this research is 385. In this study, 385 respondents used skincare products from Laidlunos.

Measurement

The assessment method used in the study was an online survey, which was developed based on theories from previous research on social media marketing activity, brand awareness, brand image, e-WoM, and commitment. Table 1 provides details of the measurement instrument for each variable used. Participants answered the survey using a seven-point Likert scale, where 5 indicated "strongly agree" and 1 indicated "strongly disagree." This approach allowed for the evaluation of the content validity of each assessment question.



Table 1. Research Instrument

Variable	Indicator	Item	Source
Social Media Marketing Activities	ETT1	I feel that Laidlunos' social media account provides enjoyable contents.	[NO_PRINTED_FORM]
	ETT2	I find the contents shared by the Laidlunos social media account are entertaining.	[13]
	ITT1	I can share information interactively via Laidlunos' social media accounts.	
	ITT2	I was able to conduct discussions and exchange of opinions on Laidlunos' social media accounts.	[NO_PRINTED_FORM]
	ITT3	I find it easy to express an opinion on Laidlunos' social media accounts.	[13]
	TDS1	I feel that the information shared on Laidlunos' social media accounts is up to date.	[NO_PRINTED_FORM]
	TDS2	I feel like the content shared by Laidlunos' social media accounts already following the existing trend.	[13]
	CSM1	I got the information I needed, through Laidlunos' social media accounts.	[NO_PRINTED_FORM]
	CSM2	Laidlunos social media accounts provide the information I needed.	[13]
	PR1	With Laidlunos' social media accounts, the information I received made me not worry about the Laidlunos product anymore	[NO_PRINTED_FORM]
	PR2	With Laidlunos' social media accounts it convinced me to use Laidlunos products.	[13]
	Brand Equity	BA1	I have always been aware of Laidlunos brand.
BA2		I have always been aware of the characteristic of the Laidlunos brand.	Seo & Park (2018)
BA3		I always remember the logo of Laidlunos brand.	
BI1		Laidlunos is the leader in the local skincare brand sector.	Seo & Park (2018)
BI2		I have a good impression of the Laidlunos brand.	
Customer Response	BI3	Laidlunos is a brand that always puts customer first.	
	EWM1	I am willing to share positive opinions about the Laidlunos brand as well as its products on social media.	
	EWM2	I am willing to recommend Laidlunos product through my social media.	Seo & Park (2018)
	EWM3	I am willing to recommend Laidlunos product to my social media friends.	
	CMM1	I feel proud to be Laidlunos' customer	
	CMM2	I hope that Laidlunos will do well for a long time.	Seo & Park (2018)
	CMM3	I really like the Laidlunos brand.	

Structural Equation Modelling

In this study, the researcher used quantitative methods are used to gather data from specific populations or samples, and quantitative or statistical data analysis is performed to evaluate pre-existing hypotheses. Researchers used quantitative methods,

gathering data from a sample population, and applying SEM-PLS (Structural Equation Modeling-Partial Least Squares) for statistical analysis to test pre-existing hypotheses. Structural equation modelling (SEM) is a statistical method used to test the relationship between observed variables and latent variables. PLS-SEM is a variant-based statistical technique for solving matters related to multiple regression [34]. In this research, we used the PLS-SEM data analysis technique. PLS-SEM involves two main procedures: the measurement model and the structural model. The measurement model, including the reflective measurement model, evaluates the validity and reliability of the data. This involves examining individual items and conducting tests for convergent validity, discriminant validity (using measures like AVE, Fornell-Larcker, Cross-Loading, etc.), and reliability tests (commonly using composite and alpha models). After evaluating the measurement model, we assess the structural model to determine the relationships between the measured constructs. This evaluation involves examining the significance of the relationship between constructs or variables using T-tests from partial least squares and analyzing the path coefficient and R-squared value. PLS-SEM analysis consists of two essential stages: the SEM measurement model and the SEM structural model, in which the data is assessed for validity and reliability.

RESULT AND DISCUSSION

Outer Model

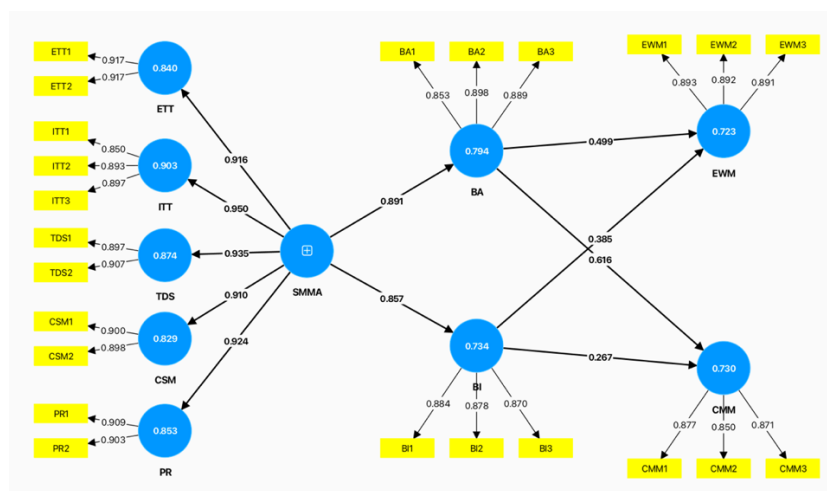


Figure 2. Outer Model Measurement Result, Source: SmartPLS 4.0 Proceed by Author (2024)

In convergent validity testing, the outer loading value is needed. Indicator variables that meet convergent validity in the good category must have an outer loading value > 0.70. The following are the outer loading values for each research variable indicator in the Table 2 below:

Table 2. Outer Loading Value

	<i>Indicator</i>	<i>Outer Loading</i>
Entertainment	ETT1	0,917
	ETT2	0,917
Interaction	ITT1	0,850
	ITT2	0,893
	ITT3	0,899
Trendiness	TDS1	0,897
	TDS2	0,907
Customization	CSM1	0,900
	CSM2	0,898
Perceived Risk	PR1	0,909



	PR2	0,903
Brand Awareness	BA1	0,855
	BA2	0,898
	BA3	0,889
	BI1	0,884
Brand Image	BI2	0,878
	BI3	0,870
	EWM1	0,893
E-WoM	EWM2	0,892
	EWM3	0,891
	Commitment	CMM1
CMM2		0,850
CMM3		0,871

Based on Table 1, it is known that each variable indicator has an outer loading value > 0.70. Thus, all indicators are valid for further research and analysis.

Discriminant Validity

According to Indrawati (2015), discriminant validity checks whether the measures used for different variables are genuinely distinct. It ensures that items measuring one concept are not accidentally capturing another concept they were not intended to measure. A variable has good discriminant validity if the square root of its Average Variance Extracted (AVE) is higher than its correlation with any other variable in the model. This means the measure captures more variance from its intended construct than shares with other constructs [35]. The findings of the correlation values between the study's variables are displayed in Table 3.

Table 3. Discriminant Validity Value

	<i>BA</i>	<i>BI</i>	<i>CMM</i>	<i>CSM</i>	<i>ETT</i>	<i>EWM</i>	<i>ITT</i>	<i>PR</i>	<i>TDS</i>
BA	0,880								
BI	0,851	0,877							
CMM	0,843	0,791	0,866						
CSM	0,808	0,783	0,822	0,899					
ETT	0,826	0,762	0,789	0,803	0,917				
EWM	0,826	0,809	0,801	0,824	0,775	0,892			
ITT	0,839	0,826	0,846	0,821	0,842	0,836	0,880		
PR	0,839	0,810	0,823	0,811	0,789	0,801	0,843	0,906	
TDS	0,825	0,788	0,822	0,810	0,826	0,795	0,859	0,854	0,902

Discriminant validity can be assessed using various metrics, with cross-loading values playing a pivotal role. According to Indrawati (2015), high cross-loading values indicate strong correlations between variables and their intended measures, exceeding correlations with other constructs. This suggests good discriminant validity, meaning the variables are distinct and capture unique concepts. Table 4 displays the cross loading value for this investigation, demonstrating discriminant validity.



Table 4. Cross Loading Value

	<i>BA</i>	<i>BI</i>	<i>CMM</i>	<i>CSM</i>	<i>ETT</i>	<i>EWM</i>	<i>ITT</i>	<i>PR</i>	<i>TDS</i>
BA1	0,853	0,802	0,731	0,663	0,674	0,678	0,699	0,740	0,705
BA2	0,898	0,724	0,731	0,716	0,748	0,753	0,741	0,735	0,731
BA3	0,889	0,725	0,764	0,750	0,757	0,749	0,771	0,742	0,740
BI1	0,768	0,884	0,696	0,667	0,653	0,681	0,685	0,687	0,661
BI2	0,744	0,878	0,651	0,678	0,664	0,715	0,716	0,704	0,693
BI3	0,729	0,870	0,732	0,713	0,687	0,732	0,766	0,738	0,715
CMM1	0,742	0,697	0,877	0,711	0,713	0,709	0,781	0,739	0,738
CMM2	0,712	0,646	0,850	0,701	0,639	0,659	0,674	0,655	0,661
CMM3	0,736	0,710	0,871	0,723	0,696	0,711	0,741	0,740	0,734
CSM1	0,707	0,704	0,713	0,900	0,730	0,692	0,751	0,722	0,724
CSM2	0,745	0,703	0,765	0,898	0,714	0,788	0,726	0,736	0,733
ETT1	0,754	0,679	0,732	0,738	0,917	0,692	0,778	0,721	0,752
ETT2	0,760	0,719	0,715	0,734	0,917	0,729	0,765	0,725	0,763
EWM1	0,697	0,705	0,682	0,747	0,692	0,893	0,714	0,680	0,674
EWM2	0,772	0,751	0,714	0,694	0,719	0,892	0,783	0,759	0,736
EWM3	0,738	0,707	0,746	0,764	0,661	0,891	0,734	0,702	0,712
ITT1	0,673	0,643	0,724	0,680	0,675	0,645	0,850	0,697	0,693
ITT2	0,771	0,783	0,749	0,770	0,783	0,806	0,893	0,783	0,800
PR1	0,764	0,745	0,761	0,715	0,758	0,746	0,897	0,740	0,766
PR2	0,787	0,741	0,774	0,747	0,730	0,715	0,794	0,909	0,766
TDS1	0,732	0,727	0,715	0,722	0,699	0,737	0,732	0,903	0,782
TDS2	0,710	0,674	0,728	0,721	0,729	0,682	0,740	0,750	0,897

Table 4 reveals high cross-loadings for each indicator, indicating that each item aligns more strongly with its intended construct compared to other constructs. This suggests that the research questionnaire meets the criteria for discriminant validity.

Assessment of Structural Model

Indrawati (2015) states that evaluating the structural model—also known as the inner model—The second test assesses the relationships between a focal latent variable and other latent variables in the structural inner model (Indrawati, 2015).

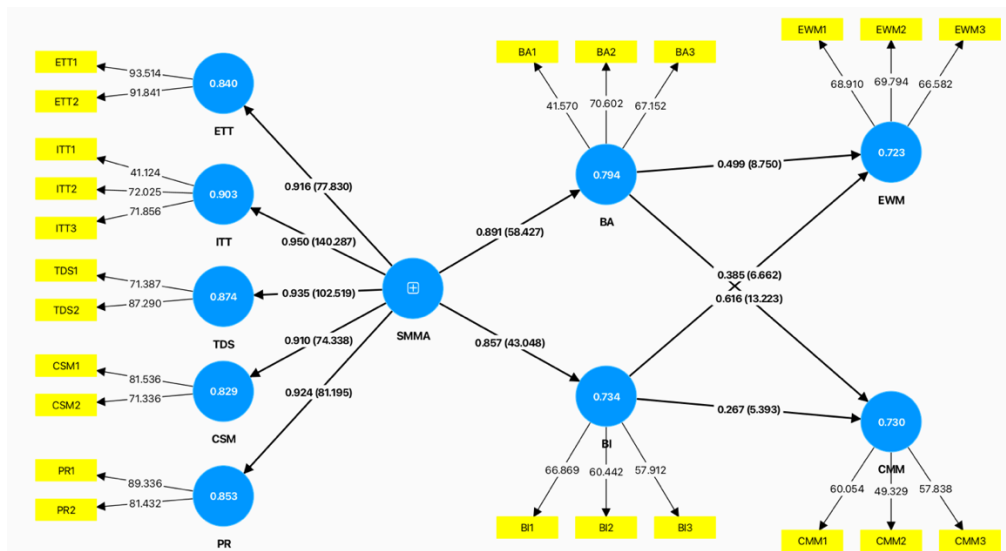


Figure 3. Inner Model Measurement Result, Source: SmartPLS 4.0 Proceed by Author (2024)

Testing involves examining the path value to determine if the effect is significant. Additionally, we used PLS bootstrapping to calculate the study's t-value. The path coefficients, t-values, and p-values, along with the results, are computed and displayed in Table 5.

Table 5. Structural Model Result

	Path Coefficient	T Statistics (O/STDEV)	P Values	Conclusion
SMMA -> BA	0,891	58,427	0,000	H1 Accepted
SMMA -> BI	0,857	43,048	0,000	H2 Accepted
BA -> EWM	0,499	8,750	0,000	H3 Accepted
BI -> EWM	0,385	6,662	0,000	H4 Accepted
BA -> CMM	0,616	13,223	0,000	H5 Accepted
BI -> CMM	0,267	5,393	0,000	H6 Accepted

With an acceptable level of significance of 5% in this study, an important correlation between the independent and dependent variables is present if the t-value is greater than 1.65 and the p-value is less than 0.

Goodness of Fit Testing

Fitness is a statistical measure that reflects how closely a model, or a set of estimated values aligns with the actual data, which is a predetermined reference of the exact dimensions (Zikmund et al., 2013). The GoF equation is as follows:

$$GoF = \sqrt{AVE \times R^2}$$

$$GoF = \sqrt{0,794 \times 0,748}$$

$$= 0,771$$

In general, GoF values range from 0 to 1. Higher values indicate a better fit between the model and the data (Ghozali & Latan, 2012). With a Goodness-of-Fit of 0.771, this model demonstrates an acceptable fit to the data.

Hypothesis Testing

When addressing research hypotheses, researchers can utilize previous data processing results. Hypothesis testing involves examining T-statistics and P-values. The criteria for accepting or rejecting the hypothesis are determined by P-values < 0.05. Here are the results of the research hypothesis testing obtained through the inner model:

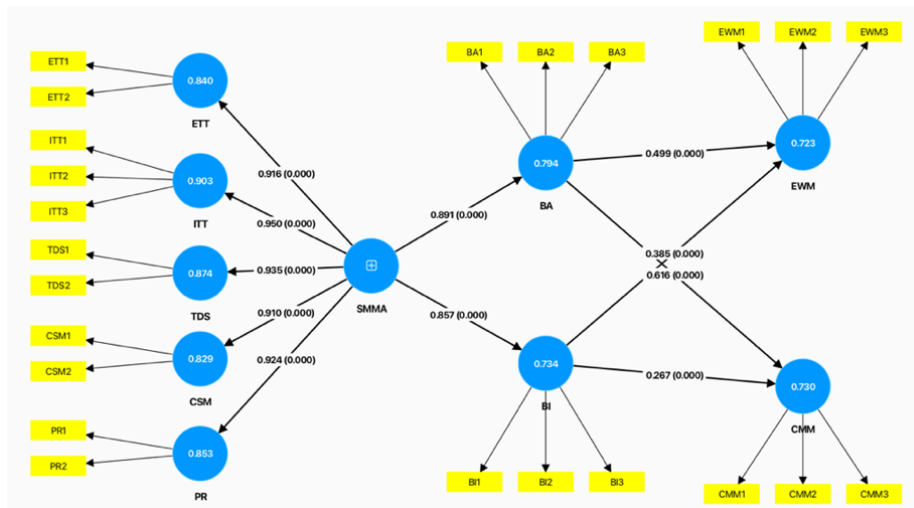


Figure 4. Bootstrapping Measurement Result, Source: SmartPLS 4.0 Proceed by Author (2024)

It is known that each research hypothesis can be accepted if the effect shown has P-values > 0.05, as follows:

- 1) The first hypothesis (H1), stating that Social Media Marketing Activities (SMMA) positively influence brand awareness, is supported. The bootstrapping analysis using SmartPLS confirms H1's acceptance, with the T-statistic at 58.427 and a p-value of 0, signifying a significant impact of SMMA on brand awareness. These results align with previous studies indicating that SMMA positively impacts brand awareness (Seo & Park, 2018; Godey et al., 2016; Laelian & Widodo, 2021; Bilgin, 2018; Mehr et al., 2018). The innovative style and perspective of SMMA can significantly enhance brand awareness and create opportunities for favorable customer responses (Akgun, 2020). SMMA can serve as an initial step in attracting consumer attention to a brand. Specifically, SMMA has been shown to positively affect brand awareness, with studies emphasizing that SMMA is a crucial factor contributing to airline brand awareness (Seo & Park, 2018).
- 2) The second hypothesis (H2), stating that Social Media Marketing Activities (SMMA) positively influence brand image, is supported. The bootstrapping analysis using SmartPLS confirms H2's acceptance, with the T-statistic at 43.048 and a p-value of 0, signifying a significant impact of SMMA on brand image. Therefore, SMMA positively impacts Laidlunos' brand image. The findings of this study align with previous research indicating that SMMA positively influences brand image (Seo & Park, 2018; Godey et al., 2016; Laelian & Widodo, 2021; Bilgin, 2018; Mehr et al., 2018). SMMA serves as an effective tool for enhancing brand image, contributing to the overall brand value of airlines. Airlines must encourage customers to engage more actively with social media by adopting aggressive SMMA strategies (Seo & Park, 2018). This study corroborates that current marketing strategies leveraging social media can significantly and positively impact brand image (Godey et al., 2016).
- 3) The third hypothesis (H3), stating that brand awareness positively influences electronic word-of-mouth (e-WoM), is supported. The bootstrapping analysis using SmartPLS confirms H3's acceptance, with the T-statistic at 8.750 and a p-value of 0, signifying a significant impact of brand awareness on e-WoM. Therefore, brand awareness positively affects Laidlunos' e-WoM. This study contradicts previous research that indicates brand awareness does not influence e-WoM. For instance, a study on Tokopedia e-commerce found that brand awareness had no impact on e-WoM, suggesting it does not motivate consumers to interact voluntarily through online media (Adriana & Widodo, 2019). Similarly, research on the Eiger clothing industry showed that brand awareness did not affect e-WoM (Laelian & Widodo, 2021). Additionally, a study on South Korean



airlines concluded that brand awareness is not crucial for increasing word-of-mouth communication among consumers (Seo & Park, 2018).

- 4) The fourth hypothesis (H4), stating that brand image positively influences electronic word-of-mouth (e-WoM), is supported. The bootstrapping analysis using SmartPLS confirms H4's acceptance, with the T-statistic at 6.662 and a p-value of 0, signifying a significant impact of brand image on e-WoM. Therefore, brand image positively affects Laidlunos' e-WoM. These findings align with previous research, which indicates that establishing a positive brand image can enhance online or digital word-of-mouth communication among consumers (Laelian & Widodo, 2022). This is consistent with the research by Godey et al. (2016), which also found that brand image significantly affects e-WoM.
- 5) The fifth hypothesis (H5), stating that brand awareness positively influences commitment, is supported. The bootstrapping analysis using SmartPLS confirms H5's acceptance, with the T-statistic at 13.223 and a p-value of 0, signifying a significant impact of brand awareness on commitment. Similarly, the sixth hypothesis (H6), stating that brand image positively influences commitment, is also supported, with a T-statistic of 5.393 and a p-value of 0, signifying a significant impact of brand image on commitment. Therefore, brand awareness and brand image positively affect Laidlunos' commitment. These findings align with previous studies, showing that brand image and awareness significantly and positively impact customer commitment (Seo & Park, 2018). The relationship between consumers and companies is crucial, as highlighted by Adriana and Widodo (2019), who found that brand awareness and brand image positively influence e-WoM and explained that commitment plays a crucial role in consumer communication with Merck. Furthermore, Godey et al. (2016) stated that brand awareness and image significantly influence value creation and commitment. This study indicates that brand awareness and brand image significantly impact Laidlunos' commitment, suggesting that respondents hope Laidlunos continues to excel in the long term.

CONCLUSION

Based on the research on the influence of social media marketing activities on brand equity and customer response for Laidlunos, several key conclusions can be drawn. The findings indicate that all examined social media marketing sub-variables—entertainment, interaction, customization, and perceived risk—significantly enhance brand awareness. Among these, perceived risk reduction has the most substantial impact. Additionally, these sub-variables also significantly improve brand image, with interaction emerging as the most influential factoring. Encouraging customer interaction on social media helps foster a sense of community and positively impacts the brand's image.

Moreover, the results confirm that increased brand awareness significantly promotes electronic word-of-mouth (e-WoM). This suggests that a well-recognized brand is more likely to be discussed and recommended in online interactions. Furthermore, brand awareness also significantly strengthens customer commitment, indicating that familiar and trusted brands inspire deeper consumer loyalty. A strong brand image similarly enhances e-WoM, demonstrating that consumers are more likely to share positive views about brands they perceive favourably. Finally, the research confirms that a positive brand image significantly increases customer commitment. This indicates that favourable perceptions of a brand foster stronger emotional connections and loyalty, leading consumers to prefer the brand over its competitors.

The research findings emphasize the importance of customization in boosting Laidlunos' brand awareness through social media marketing. However, respondents pointed out that Laidlunos needs to improve in effectively providing the required information. To enhance their social media impact, Laidlunos should consider a comprehensive strategy including personalized content based on user data, promoting interaction through live chats and focused communities, strengthening CRM, and ensuring high-quality information through market research and updated content. Moreover, leveraging diverse social media channels, creating engaging content, forming influencer partnerships, and aligning social media efforts with specific company goals can further elevate their presence.

The study indicates that entertainment-focused activities led to more precise audience segmentation compared to other approaches in terms of brand image. However, respondents expressed that Laidlunos needs to offer more enjoyable content. To address this, Laidlunos could introduce contests or polls to generate user-created content that resonates with the brand's identity and appeals to the entertainment factor. Encouraging interaction through such engaging methods can also provide insights into the content types the audience finds most enjoyable. The research suggests that addressing perceived risks can significantly enhance brand awareness, foster follower interaction, and positively impact brand image. By implementing strategies such as creating entertaining, informative



content and facilitating two-way communication through Q&A sessions or user-generated content, Laidlunos can build a strong social media presence, stimulate positive online discussions, and strengthen customer loyalty.

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