

The Influence Of Social Media Influencers On Purchase Intention With Brand Image As A Mediator (Case Study Of Ajaib Fintech)

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Abstract

This study uses brand image as a mediator in the Ajaib fintech application to examine how social media influencers affect purchase intention. This study, which employed a survey approach and Partial Least Squares (PLS) data analysis, discovered that social media influencers like Iqbaal Ramadhan significantly alter brand image, which in turn influences user interest in making a purchase. According to the statistics, enhancing brand perception through influencer-led marketing initiatives will boost customer interest in Ajaib's digital investing services. These findings provide credence to the idea that brand image and promotion have an impact on consumers' desire to make a purchase. Furthermore, this study emphasizes how crucial financial literacy is to boosting investment participation among Indonesia's younger, more tech-savvy population. These findings offer crucial insights for fintech marketing tactics that employ social media influencers to boost brand image and draw in additional consumers, especially given Indonesia's rapidly expanding digital economy.

Keywords: *Social media influencer, continuance intention, brand image, customer engagement*

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I. Introduction

The usage of information technology and the internet has grown dramatically in the current digital era, particularly in Indonesia. In tahun 2024, 66.48 percent of Indonesians had internet connectivity, up from 62.10 percent in tahun 2023, according to BPS data from the Susenas 2024 survey findings. The public's acceptance of technical advancements and shifts towards an information society, as well as the atmosphere of openness surrounding information, are reflected in this growth. Furthermore, the high rate of mobile phone ownership, which rose from 65.87 percent in 2023 to 67.88 percent in 2024, further supports the technology's quick development.

By 2023, there will be 5 billion internet users worldwide, according to GoodStats. These technological advances in Information Technology have driven the rapid development of new financial services of innovative new financial services, often called Financial Technology (fintech). The fintech industry has grown rapidly in recent years, enabling simple, secure, and high-quality digital transaction services. Fintech is the innovation of a financial innovation of new technologies and new business models that can affect the provision of financial services and the industrial development of the financial industry, as well as creating a market culture of competition and reputation among service providers. Indonesia is a major market adoption for fintech adoption based on high levels of internet penetration rates, a large population of young generations of tech-savvy young technology people, and the rapid development of the digital economy.

In As of 2022, Indonesia has a digital economy, the largest digital economy in ASEAN, valued at USD 77 billion, and is expected to reach billion USD 130 billion by 2025. The economic growth of the digital economy in Indonesia is driven by the increasing use of the Internet and smartphones. The technological development of digital technology makes trading and investing in e-commerce faster and easier. In addition, digital applications also allow investors to monitor and manage their stock investments efficiently.

Investment is an important part in the economic implementation of the digital economy in Indonesia and is able to encourage economic growth. Investment dynamics affect the level of development and economic growth of a country. The more investment then, the higher the growth rate economic growth rate. Investment applications Stock investing apps like Ajaib leverage influencers to increase brand image and purchase intention among millennials. Ajaib is one of the most beginner-friendly stock investment applications. Stock investment

applications are beginner-friendly because its interface is easy-to-understand interface and features that support learning for novice investors.

The use of influencers such as Iqbaal Ramadhan in marketing Ajaib marketing strategies shows that collaboration with influencers can improve brand image and purchase intention. Social media influencers have the ability to reach a wide audience and influence their perception of a brand or product. Therefore, this study aims to analyze the influence of social media influencers on purchase intention with brand image as a mediator in the Ajaib fintech application.

II. Literature Review

Marketing

In essence, marketing is a social and managerial process that helps people and groups achieve their goals by creating and exchanging goods and values with others. It also highlights the managerial process, which includes planning and establishing concepts, setting prices, promoting, and distributing ideas, goods, and services to create satisfactory exchanges for both individual and organizational objectives (Edi Murdiyanto et al., 2022). An economic theory called marketing studies how capital is purchased and sold in capital markets.

Social Media Influencer

According to (Fernando Ilham Pratama & Sri Setyo Iriani, 2023) the followers of social media influencers trust and like them. Anything they use or share can inspire and influence their followers, including when it comes to promoting products. Online sellers choose to promote through digital influencers because they have a direct connection with the target audience and can maintain a close relationship with their followers.

Brand Image

Brand Image is an impression or image formed in the minds of consumers about a particular brand. Brand Image can also be considered as part of a brand that can be recognized without the need to say, including elements such as symbols, letter designs, or colors. In addition, brand image reflects consumers' perception of the product or service yang represented by the brand. It plays an important role in shaping consumers' views and attitudes towards the brand, which can ultimately influence their purchasing decisions.

Purchase Intention

Purchase intention, according to Chandra and Indrawati (2023), is the desire of an individual to make a purchase or engage in purchasing-related activities. Desire Advertising that presents alluring incentives to persuade consumers to purchase the goods might fuel this desire. Purchase intention is the result of a person's attention being drawn to an item by a sense of pleasure, followed by the belief that the item provides a benefit, and ultimately being persuaded to buy it.

Hypothesis

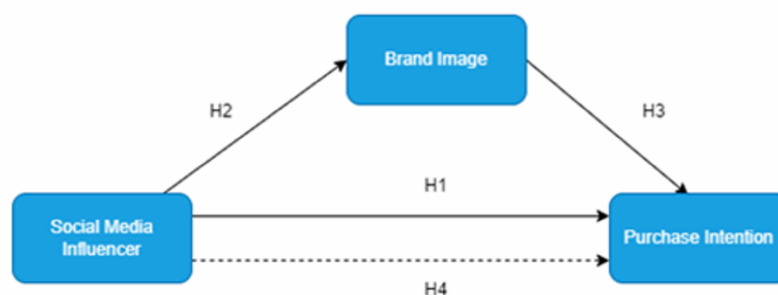


Figure 1 Research Framework

Source: Hermanda Et Al. (2019), Jiménez-Castillo & Sánchez-Fernández (2019), (Chandra & Indrawati, 2023),(Nurhandayani Et Al., 2019)

The research hypothesis is an interim statement that is estimated to support empirical data in the study. Hypothesis obtained from the theory used as the basis for the formation of conceptual models of research (Indrawati, 2015).

III. Research Methods

This study uses a quantitative approach with survey methods to test the influence of social media

influencers on purchase intention with brand image as a mediator variable on Ajaib application users. The research design used is explanatory, aimed at explaining the cause-and-effect relationship between the variables studied, namely social media influencers as an independent variable, brand image as a mediator variable, and purchase intention as a dependent variable.

Population The study population is Ajaib application users in Indonesia, with purposive sampling techniques that produced 200 respondents who actively use Ajaib application applications and have been exposed to content from Ajaib social media influencers. **Instrument** The research instrument is a closed questionnaire with a 5-point Likert scale, consisting of several parts: demographics of respondents, perceptions of social media influencers, Ajaib brand image, and purchase intention of the Ajaib application.

Data collection is carried out online through survey platforms such as Google Forms, which are shared through social media and Ajaib user communities. The data obtained were analyzed using statistical analysis techniques with SMART PLS software. Stages of analysis include test validity and reliability of the instrument, descriptive analysis for the characteristics of respondents and the distribution of answers, multiple linear regression analysis to test the influence of social media influencers on brand image and purchase intention, and mediation test to test the role of brand image as a mediator.

The study began with the planning stage, data collection for one month, data analysis, and interpretation of the results, as well as writing a report based on the findings obtained. This research method is expected to provide a deep understanding of the influence of social media influencers on purchase intention with brand image as a mediator in the Ajaibal fintech application.

IV. Results

This research questionnaire was distributed through social media for 29 days, namely on July 1, 2024 to July 25, 2024. The total of respondents collected was 107 respondents. Respondents in this study were dominated by 59% male, 37% aged 17-25, 67% last Education in the form of Bachelor, 58% work as a student/students, and 38% have per a monthly income IDR 4,000,000.

Measurement (Outer) Model

Validity testing in SEM uses construct validity with convergent validity (loading factor) and discriminant validity types (cross loading).

Construct	Indicator	Loading Factor (>0,5)	AVE (>0,5)	Conclusion
Social Media Influencer	SMI.1	0.86	0.77	Valid
	SMI.2	0.86		Valid
	SMI.3	0.92		Valid
Brand Image	BI.1	0.86	0.67	Valid
	BI.2	0.80		Valid
	BI.3	0.79		Valid
	BI.4	0.82		Valid
	BI.5	0.76		Valid
	BI.6	0.84		Valid
	BI.7	0.88		Valid
	BI.8	0.82		Valid
Purchase Intention	PI.1	0.83	0.73	Valid
	PI.2	0.84		Valid
	PI.3	0.89		Valid
	PI.4	0.85		Valid
	PI.5	0.87		Valid
	PI.6	0.85		Valid
	PI.7	0.83		Valid

Table 1. Convergent Validity
Source: Result of data processing (2024)

Each indicator's loading factor has a result greater than 0.5, as Table 1 demonstrates. In other words, any construct on the social media influencer variable may be reflected in every indication. The social media influencer variable's Average Variance Extracted (AVE) value is more than 0.5, indicating that the results are reliable. In other words, each construct may explain the variation of each indicator. last The outcome demonstrates the strong convergent validity of social media influencer characteristics.

Indicator	Brand Image	Purchase Intention	Social Media
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			Influence r
SML1	0.86	0.86	0.73
SML2	0.80	0.73	0.64
SML3	0.79	0.81	0.63
BL1	0.82	0.72	0.84
BL2	0.76	0.68	0.79
BL3	0.84	0.82	0.88
BL4	0.88	0.86	0.73
BL5	0.82	0.76	0.62
BL6	0.76	0.83	0.63
BL7	0.81	0.84	0.86
BL8	0.86	0.89	0.73
PL1	0.78	0.85	0.63
PL2	0.86	0.87	0.71
PL3	0.83	0.85	0.89
PL4	0.77	0.83	0.63
PL5	0.76	0.69	0.86
PL6	0.77	0.72	0.86
PL7	0.83	0.83	0.92

Table 2. Cross Loading

Hypothesis Testing

Hypothesis testing testing in this study was conducted using multiple linear regression analysis and Sobel test method for mediation test. Here are the results of testing the proposed hypothesis:

Hypothesis	Path Coefficient	T Statistic	P Value	f ²	Result
H1	0,90	52,07	0,000	4,12	Accepted
H2	0,95	15,81	0,000	1,90	Accepted
H3	0,00	0,05	0,960	0,00	Rejected
H4	0,96	14,39	0,000	0,86	Accepted

Table 3. Hypothesis Testing

Source: Result of data processing (2024)

- The findings of statistical testing indicate that social media influencers have a favorable and significant impact on users' intentions to make purchases through the Ajaib app. In other words, Iqbal Ramadhan might influence or boost the inclination to buy Ajaibal items through his social media profiles. Purchase intentions for Ajaibal items may rise in proportion to the quality of Iqbal Ramadan's advertising.
- The findings of statistical testing indicate that social media influencers have a favorable and substantial impact on the Ajaib application's brand image. The more effectively Iqbal Ramadhan uses his social media profiles to promote Ajaib items, the more it may help improve the company's reputation. The image of the Ajaib brand is superior.
- According to the findings of statistical testing, brand image and purchase intention had no discernible and favorable effects on the Ajaib application.
- The findings of statistical testing indicate that social media influencers significantly and favorably affect purchase intention through brand image on the Ajaib app. If Iqbal Ramadhan is able to create and communicate a positive and favorable picture of the Ajaib brand, then consumers are more likely to purchase Ajaib items. Ajaib uses his social media channels to promote a favorable brand image.

Statistical testing results show that social media influencers have a positive and significant influence on purchase intention and brand image on the Ajaib application, where promotions carried out by Iqbal Ramadhan through his social media accounts can increase purchase intention and build a better Ajaib good brand image; although the brand image does not affect purchase intention directly, the influence of social media on influencers towards purchase intention occurs through the brand image that is built.

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