The Role Of Social Media Marketing Towards Customer Repurchase Intention For Fashion Apparel With Brand Image As Mediating Variable (A Study In Levi Strauss & Co.)

By: Kana Octafikri Marphy

Faculty of Economics and Business Universitas Brawijaya

kanaocta@student.ub.ac.id

Sri Palupi Prabandari, SE., MM., Ph. D
Faculty of Economics and Business Universitas Brawijaya palupi@ub.ac.id

Abstract

The use of social media in this globalization era is increasing rapidly. Social media is not only used as a communication tool between the user, but also it becomes a platform to purchase, especially for the Gen Z, who tends to shop online. Therefore, many companies use social media marketing to promote their brand and sell their products, including Levi's. This study aimed to investigate the effect of social media marketing (X) towards repurchase intention (Y) through the brand image (Z) of Levi's. This study used a quantitative method to analyze the effect between independent, dependent, and mediating variables. The samples were taken from purposive sampling, consisting of 150 Gen Z who live in Malang, have followed or opened Levi's social media and ever purchased Levi Strauss & Co. Statistical software Smart-PLS was used to analyze the data. The result of this research indicated that social media marketing and brand image positively influence repurchase intention. The other findings showed that brand image has no significant influence in bridging social media marketing on repurchase intention.

Keywords: *Social Media Marketing, Brand Image, Repurchase Intention*

MEMORANDUM OF INTERNATIONAL JOURNAL APPROVAL PAGE

Entitled:

THE ROLE OF SOCIAL MEDIA MARKETING TOWARDS CUSTOMER REPURCHASE INTENTION FOR FASHION APPAREL WITH BRAND IMAGE AS MEDIATING VARIABLE (A STUDY IN LEVI STRAUSS & CO.)

Written by:

Name : Kana Octafikri Marphy

Student Number :175020207141005

Faculty : Economics and Business

Department : Management

Study Program : Management

This journal article has been made for requirement of Minor Thesis Examination that maintained in front of the examiners on July 2nd, 2021. This letter also stated that the journal will not given to JIM FEB UB because it will be release on International Journal

Malang, 2 Juli, 2021.
Dosen Pembimbing,

Sri Palupi Prabandari, SE., MM., Ph.D.
NIP. 198208202008012009

1. Introduction

Nowadays, social media is not only use for communication but also for business purpose. According to (Dollarhide, 2020), social media is a technology-based computer that facilitates sharing opinions, notions, and information through communities and virtual networks In Indonesia there are 160 million social media users in January 2020 (Kemp, 2020). Because of the huge number of users in social media, many companies start using social media as their marketing platform because it is more cost-effective and flexible than any other form of marketing.

A good and strong brand will give many advantages to the company, such as getting recognition and giving a more secure feeling to buy the product. In addition, social media can facilitate a lot of advantages to the brand, for instance, securing the reputation of the brand, expanding sales and so on.

Repurchase intention is a decision of an individual after give an assessment from a previous purchased and have an intention to repurchasing (Subagio et al, 2018). Having a product or services that attract customer repurchase intention is every company target because with repurchase activity it will gain the company sale and profit.

Levi Strauss & Co. or known as Levi's, is an American clothing company brand of denim jeans established in 1853 and became one of the famous clothing brands in the world. Since Levi's was established, the company is still growing and making a lot of revenue for almost 168 years and this would be impossible to achieve without innovation on the marketing strategy.

As time passes, the behavior of consumers also changes. Like nowadays, especially for the Gen Z group of people aged 11-26 years old, their behavior to purchase is different from the older people. With the help of technology and the internet, many people start to use e-commerce to shop. Therefore, Levi's created social media to make repurchase intention and keep the brand image memorable for their customer.

This study aimed to explore how repurchase intention affected by the social media marketing and brand image. For furthermore, this study analyzed on how social media marketing will affect repurchase intention to buy fashion apparel mediated by brand image.

Problems of the study

This study examined the following problems:

1. Does social media marketing have a significant positive influence on the repurchase intention to buy fashion apparel?
2. Does social media marketing have a significant positive influence on the brand image?
3. Does the brand image has a significant positive influence on repurchase intention to buy fashion apparel?
4. Does social media marketing have a significant positive influence on repurchase intention mediated by brand image?

2. Theoretical Review

Social Media Marketing

Social media marketing (SMM) is a form of internet utilization like social media and website as a marketing tool (Rohit, Rana, & Varsha, 2020). According to Watson et al. (cited by Chen & Lin, 2019), due to the popularity of digital marketing, many businesses are investigating how social media can help them promote their products and services to be potential and exist.

There are many benefits that company can get by using social media as a marketing tool; social media marketing is cheaper compared with the conventional promotion tools such as billboard, TV, middlemen or distributor, and social media can create a condition where communication between customer and company is easier to reach

Brand Image

According to Kotler (as cited in Foster, 2017), brand image is the customer's point of view and trust consumer as reflected in the associations that come in consumer's memory. (Switala, Reformat, & Gamort, 2018) brand image associated with symbol, special font, colour design, or customer perception of a product or services represented by its brand is defined as a brand image because brand image is a part of recognizable but unspeakable.

It can be interpreted as a trust held and perception by the consumer, which is inherent in the memory and mind of the consumer themselves. This perception can be made from the consumer experience by using the product or service and the consumer's information regarding the brand. A good brand image will increase the sales or users for the company because the consumer will always consider the company's brand when they want to make a purchase decision.

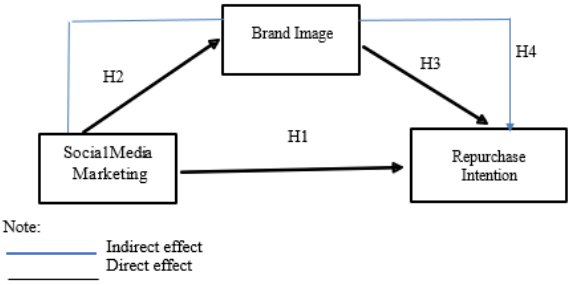
Repurchase Intention

Repurchase intention is a behavior that appear as a response towards object. According to (Pham et al, 2018) repurchase intention is a purchase intention that shows customer desire to make a repeat purchase. Repurchase is describe as a customer real action on using or purchasing the product again. It can be interpreted that repurchase intention is a desire that appear from the consumer to buy the product or service that he loves and previously has every purchased based on the evaluation that fulfil the expectation on the product benefits or performance

It means the repurchase intention occur due to the fulfilment of the customer expectation towards the experience on purchasing the product. This statement also supported from Anggraeni, et al (cited in Thomas, 2020) said that repurchase intention is consumers' wants to do future purchases based on the experienced that they got.

Hypothesis Concept

Figure 2.1. Description of Hypothesis



H1: Social media marketing has a significant positive influence on the repurchase intention to buy fashion apparel

H2: Social media marketing has significant positive influence on brand image

H3: Brand image has a significant positive influence on repurchase intention to buy fashion apparel

H4: Social media marketing has a significant positive influence on repurchase intention mediated by brand image

3. Research Method

Type of Research

Based on the background and purposes aforementioned, this study is a descriptive study that used a quantitative approach. According to (Sekaran, 2003), a descriptive study has a sense of describing and confirm the characteristic of the variable interest in a situation. This study used a quantitative approach since it examined hypotheses or specific problems, and it is commonly used for explanatory or descriptive research. The purpose is to describe phenomenon and explain the connection between the variables in this study. The researcher also proposed hypotheses as initial assumption to elaborate the connection between the variable studied.

Population and Sampling

The population for this study is Gen Z in Malang City who are Levi's potential customers. According to (Dorsey & Villa, 2020), Gen Z are born in 1995 and before 2010. This study not use the maximum number of sample due to the time limitation to gather the information, Thus, the sample size is 150 samples. It is supported by Roscoe (as cited in Sekaran, 2003) who proposes the rule of thumb for determining the sample size, which are the minimum sample size is 30 and maximum 500 and the sample size could be determined by minimum 30 for each sub-sample. This study has five sub-samples consist of two gender and three age categories. Therefore, making 150 is appropriate sample for this study.

In order to determine the characteristics and area of questionnaire distribution, and the sample would be sought. Here are the several criteria:

1. Respondent is at least 17 years old
2. Respondent lives in Malang
3. Respondent is active in social media
4. Respondent follows or has opened Levi's social media
5. Has ever purchased Levi Strauss & Co.

Data Analysis Method

This study used Partial Least Square (PLS) using Smart-PLS software. PLS is a substantial analysis method since it is not based on many assumptions. The data must not distribute normal multivariate and have a big sample. Not only that, PLS is also able to show the relationship between variables.

4. Result and Discussion

H1: Social media marketing has a significant positive influence on repurchase intention

Hypothesis	Variable	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STERR|)	p-value
H1	X -> Y	0.370	0.085	4.333	0.000
H2	X -> Z	0.390	0.055	7.121	0.000
H3	Z -> Y	0.288	0.100	2.887	0.004

The result of the hypothesis test for social media marketing variable towards repurchase intention variable is obtained path coefficient of 0.370 and t-count of 4.333. Since the t-count is greater than t-table (1.960) or p (0.000) ≤ 0.05, H1 is accepted. So, social media marketing has a significant positive influence on repurchase intention. It means that the first hypothesis is accepted. The result of significant and positive influence that the study has done between social media marketing towards repurchase intention interpret that Levi's social media has the ability to make customer intent to buy the product again.

H2: Social media marketing has a significant positive influence on brand image

The result of the hypothesis test for social media marketing variable towards brand image variable is obtained path coefficient of 0.390 and t-count of 7.121. Because the t-count is greater than t-table (1.960) or p (0.000) ≤ 0.05, H2 is accepted. Therefore, social media marketing has significant positive influence on brand image. It means that the second hypothesis is accepted.

H3: Brand image has a significant positive influence on repurchase intention

The result of the hypothesis test for the brand image variable towards the repurchase intention variable obtained a path coefficient of 0.288 and t-count of 2.887. Since the t- count is greater than t-table (1.960) or p (0.000) ≤ 0.05, H0 is rejected, and H1 is accepted. Thus, brand image has significant positive influence on repurchase intention. It means that the first hypothesis is accepted

Indirect Effect Testing

Variable	Direct Coefficient		Standard error		Indirect Coefficient	s.e Sobel	t count
	X→Z	Z→Y	X→Z	Z→Y			
X→ZEY	0.390	0.288	0.055	0.100	0.112	0.116	0.965

H4: Social media marketing has an indirect influence on repurchase intention through brand image

T-count value is smaller than t-table (1.960). This result means that the brand image has no significant influence in bridging social media marketing on repurchase intention, and the brand image does not take a role as mediating variable. Thus, the H4 is rejected

5. Discussion of Reearch Ressult

Based on the results of hypothesis testing that has been done, the next stage is an explanation of the relationship between the variables in this study, then linked it to consumer behaviour, previous studies, and management science so that it can support existing statements previous. The explanation is as follows:

The Influence of Social Media Marketing on Repurchase Intention of Levi's

Social media marketing is really important to make Levi's brand sustainable on the market and still follow the market competition because most of the brand competitors nowadays use social media to promote and sell their product. This statement is supported by (Kim & Ko, 2012), who said that social media had been widely used for marketing communication effort due to its practical and flexible characteristics and have advantages to creating no restrictions on time, place, media, and cost. As well as the indicator of

Levi's social media marketing which are context, collaboration, communication, and connection worked for the customer to give the repurchase intention to buy Levi's product and social media marketing success to become a reminder and connect the customer to keep memorize the brand to make repurchase intention.

In this case, this analysis is supported from the previous research by (Putter, 2017), where the result of his research states that companies which adapt on integrating strategic of social media platform most likely succeed in reach, engage, and maintain consumer. By using social media as marketing tool, it will lead to creating customer engagement and repurchase intention to purchase a product.

The Influence of Social Media Marketing on Brand Image

Levi's is the oldest company that produces denim and jeans existed for 167 years and still become the top of the market in the fashion industry, where everyone knows the brand all over the world. This could not happen if Levi's does not have a good brand image. According to (Razy & Lajevardi, 2015), a well-known brand with a good image will create customer's feeling of safety to purchase their product.

Levi's is using social media technology as one of their marketing strategies. It is also supported by the previous research by (Yusuf, 2018) who said that social media is a significant marketing tool industry that affects brand awareness and brand image positively. Brand image will get more exposure due to the marketing activities of Levi's social media. Therefore, social media marketing is affecting the brand image of Levi's products.

The Influence Brand Image on Repurchase Intention

Levi's has a huge advantage on the company brand image because of the first denim brand, the campaign and their promotion to become a sustainable brand and innovative promotion for their customer. With the age of 167 years old brand, it can represent the quality of Levi's product. In Indonesia, Levi's has become the top-of-mind product on denim, and many tailors use Levi's name as a symbol of repair tailor. With this popularity and famous brand image, it significantly influences customers to purchase Levi's product. It means brand image is considered as a representative of the company like symbolic meaning associated with consumers through particular attributes on the product or services.

In this case, the brand image influenced repurchase intention hypothesis, and this study result is positive. It is also supported by the statement from (Razy & Lajevardi, 2015) that a famous brand with a good image will create customer's feeling of safety to repurchase their product. Thus, with the well-known of Levi's brand image, it influenced the customer repurchase intention.

The Influence of Social Media Marketing on Repurchase Intention of Levi's Through Brand Image as Mediating Variable (Indirect Effect)

This study found that social media is not successful in raising the brand image to make the customer repurchase Levi's product. Even though social media marketing and brand image influence repurchase intention with a direct effect,

the result will be different if it influences repurchase intention with an indirect effect. This result of data analysis is in contrast with the result from (Haixin & Yali, 2019), where they found that social media marketing activity indirectly influenced customers repurchase intention, and the indirect influence of brand image on repurchase intention is mediated by perceived value and trust

The differentiation that happened from the previous study could happen due to the different industrial object research, variables that contribute to the research, and measurement requirement. For practically, this could be happened due to Levi's brand image is already well-known since long time ago, so with or without social media marketing the rise brand image of Levi's currently has no significant difference.

6. Research Implications

The implication of this study is divided into two parts: theoretical implications and practical implications:

Theoretical Implications

First, this study gives a theoretical contribution by disclosing that Levi's social media marketing is positively significant affecting the repurchase intention on Levi's product. It is supported by the previous research that concludes social media marketing was found to affect repurchase intention (Kim & Ko, 2012).

Second, this study gives theoretical contribution by revealing that social media marketing has significant positive influence on brand image. According to (Bilgin, 2018) social media is a significant industry marketing tools which affect the and brand image positively.

Third, this study found that brand image has a significant positive influence on repurchase intention on Levi's product. It is supported the previous research by (Razy & Lajevardi, 2015) stated that a famous brand with a good image will create customer's feeling of safety to purchase their product.

Lastly, the finding of social media marketing towards repurchase intention through brand image as the indirect effect has no significant influence on repurchase intention. It shows that the social media marketing of Levi's is not successful to raise the brand image to make the customer repurchase Levi's product.

Practical Implications

This study gives practical implications for the marketer to develop repurchase intention for their product, especially in the fashion industry. First, to develop repurchase intention for Levi's products, it can focus on keeping the product interesting to the customer. Because by making the product interesting for the customer, it will affect the intention to repeat buy the product where the intention of customer to purchase is built from their needs and wants. Moreover, Levi's create sustainable denim that environmentally friendly. Then, it will persuade many people to purchase Levi's products.

Second, social media marketing and brand image are the key aspects of the development of repurchase intention. In the era of globalization, where everything is easily accessible, social media becomes an enormous advantage for Levi's to promote its product because it is cheap and flexible. It becomes very important for the marketer to engage the customer and persuade them on their social media to keep updated on Levi's product, especially for the generation

Z who is active on social media to seek information or even purchase something

7. Limitation

This study is far from perfect, and there are several limitations that the researcher experienced, such as:

1. The primary data gathering was conducted by only using questionnaires, so there are possibilities of limited data and subjectivity.
2. This study only investigated three variables which are social media marketing, brand image, and repurchase intention.
3. The questionnaire of this study is not anticipate for multiple submission, for that the prevention is matter.

8. Conclusions and Suggestions

Conclusions

1. Social media marketing has a significant positive influence on repurchase intention
2. Social media marketing has a significant positive influence on brand image
3. Brand image has a significant positive influence on repurchase intention
4. The effect of social media marketing towards repurchase intention through brand image as a mediating variable is not significant

Suggestions

For Levi's company:

1. Levi's has to maintain and increase the use of its social media marketing activities. Because it has a significant influence on the repurchase intention of Levi's product.
2. Levi's can make a bonus or discount on their next purchase if their customer writes a review or shares experience on their purchase experience on social media or e-commerce.
3. Levi's has to make a competitive advantage on their product to make their brand ahead compare with another brand.

For the next researcher

1. Expected to be able to expand the type and increase the number of samples used to obtain comprehensive results. Not only that, the researcher can further improve limitations in the study.
2. Use moderation variable analysis as the option to analyze the variables
3. Maximize the sample size to make stronger valid data.

REFERENCES

Chen, S & Lin, C, P. (2019). Understanding the effect of social media marketing activites: The mediation of social identification, perceived value, and satisfaction. *Technol Forecast.* 22-32

Dollarhide, Maya E. Investopedia: Social Media. Accsessd on 23rd October 2020, from Social Media Definition (investopedia.com)

Dorsey, Jason. (2020). Zconomy: How Gen Z Will Change the Future of Business—and What to Do About It. New York. NY: Springer

Foster. (2017) Impact of brand image on purchasing decision on mineral water product "amidis" (case study on bintang trading company). American Research Journal of Humanities and Social Science. 2(1), 1-11

Kevin, T, H, S. (2020). Analisa pengaruh social media markeitng terhadap repurchase intention melalui brand trust sebagai variable mediasi pada instagram adidas indonesia di surabaya. Jurnal Strategi Pemasaran. 7(1)

Kim, A. J., & Ko, E. (2012). Do social media marketing activities enhance customer equity? an empirical study of luxury fashion brand. Journal of business Research, 65(10), 1480-1486

Pham, Q., T., Tran, X., P., Misra, S., Maskeliunas, R., & Damasevicius, R. (2018). Relationship between convenience, perceived value and repurchase intention in online shopping in Vietnam, Sustainabilty, 10, 156-169

Putter, M. (2017). The impact of social media on consumer buying intention. Journal of International Business Research and Marketing. 3(1)

Razy, F. F., & Lajevardi, M. (2015). Investigating relationship between brand image, price discount and purchase intention. Journal of Marketing and Consumer Research, 17(2000), 49-56.

Rohit, B., Rana, Z, M., & Varsha, D. (2014). Social media marketing-A tool of innovative marketing. Journal of Organizational Management, 3(1).

Sekaran, U. (2003). Research and markets: Research methods for business - A skill building approach (4th ed). New York: John Wiley & Sons.

Subagio, D., & Mugiono, M., & Hadiwidjojo, D. (2018). Pengaruh perceived ease of use terhadap repurchase intention dan trust sebagai variable mediasi. *Jurnal Manajemen dan Kewirausahaan*,6(1), 35-44

Switala, M., Reformat, B., & Gamort, W. (2018). The influence of brand awareness and brand image on brand equity- an empirical study of logistic provider. *Journal of Economics and Management.* 33(3), 97-119