# Factor Affecting Brand Awareness on Adoption Social Media Marketing with Facebook as the Communication Media on MSME

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## **Abstract**

Based on information from the Ministry of Cooperatives and Small and Medium Enterprises that SMEs are the main players in the trade sector in Indonesia. However, there is a fact that digital transformation has not been carried out, this makes it difficult for these products to be developed in other areas and causes the income of SMEs to fluctuate because they are still using conventional methods. Therefore, the aim of this study is to determine the factors that affect brand awareness on adoption of social media marketing using Facebook as the communication media on MSME products in Cimanggung Village because it is important for MSME sellers to know customer perceptions of MSME products. Quantitative is the method that used by this study with non-probability sampling type purposive sampling and data analysis using multiple linear regression. Questionnaires were distributed to 385 Facebook users who live in Rancaekek – Cicalengka and follow MSME Facebook accounts in Cimanggung Village. After being analyzed, the factors that influence and significantly influence brand awareness on the adoption of social media marketing using Facebook as the communication medium on MSME products are Entertainment, Interaction, Informativeness, Advertisement, and E-Word of Mouth. These factors were tested using the Classical Assumption Test, Linearity Test, Multiple Regression Test, Partial and Simultaneous Test and The Coefficient Determination Test. The test shows five factors that have a positive and significant effect to brand awareness of 69.8%.

# Keywords

Brand Awareness, Social Media Marketing Facebook, Communication Media, SME players, SPSS.

# 1. Introduction

The information technology revolution affects various aspects, one of which is the business aspect. According to (Rizaldi and Hidayat, 2020) one of the real impacts of the information technology revolution is the habit of marketing communication media from conventional to digital-based or commonly called Social Media Marketing. One of the platforms used as a marketing communication medium is Facebook. According to Katadata (2021) Indonesia is in the second position as the largest number of Facebook user in Asia, which means that there are already many Facebook users in Indonesia, including SMEs. As stated by the Ministry of Finance (2021), the government targets 30 million SMEs that market their products digitally in 2030. However, in the SME sector, only 1.3 million SMEs have entered the digital platform, which means that there are still many SMEs that have not yet carried out digital transformation (Kompas 2021) with the main reason being the lack of digital literacy in marketing by SME actors. This problem causes sales fluctuations in certain months due to the lack of public awareness of SME products that are still marketed using conventional marketing methods.

# 1.1 Objectives

Therefore, this study aims to identify the factor affecting brand awareness on adopt social media marketing with facebook as the communication media when applied to SME products by asking the following questions:

- 1. What are factors that affecting brand awareness on social media marketing adoption?
- 2. What is the most influential on brand awareness on social media marketing adoption?

## 2. Literature Review

#### 2.1 Entertainment

The important component that drives participant behavior and follow-up the continuity, that creates positive emotions/feelings to the brand in followers' minds is an Entertainment (Kang 2005). Below is the hypothesis in this study;

H1: Entertainment will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

#### 2.2 Interaction

Interaction is how far customers can be facilitated by social media to share content with other companies and customers (Yadav & Rahman 2017). According to Seo 2017 and Bilgin 2018 many businesses have used online interactions to encouraging their customers to share their product purchasing experiences using social media channels by their customers. Below is the hypothesis in this study;

H2: Interaction will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

#### 2.3 Informativeness

Informativeness is the availability of information about products and their alternatives, that can satisfy to customers when purchasing a product (Yunita et al. 2019). According to Hamid et al. (2016) social media is the latest source of information for customers because the informations are shared in real time on social media. Below is the hypothesis in this study;

H3: Informativeness will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

#### 2.4 Advertisements

Tritama 2016 said all forms of non-personal presentation and promotion of ideas, goods, or services that are paid for through an identified sponsor is namely Advertising. Advertising on the internet makes a big contribution to brand competition in the market (Vukasovic 2013). Below is the hypothesis in this study;

H4: Advertisement will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

## 2.5 Electronics Word of Mouth

Based on Ahmed et al. 2014 contained in the journal Wicaksono and Seminari (2016) electronics word of mouth is a the way to get marketing distribution target. Electronics Word of mouth could influence other people, the images by theirs, thought, and decision. Below is the hypothesis in this study;

H5: E-Word of Mouth will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

#### 2.6 Marketing of Social Media

Based on Kotler and Armstrong (2018), the online social network that has an independent and commercial nature for people to gather socialize and share messages, opinions, videos, and other content namely Social Media. Gunelius (2011) states that marketing of social media is all aspects of marketing that can be used directly or indirectly to build brand awareness, industry, service goods, individuals, and other entities. Below is the hypothesis in this study;

H6: Entertainment, Interaction, Informativeness, Advertisement, and E-Word of Mouth will positively influence and significant brand awareness on adopt social media marketing among MSMEs.

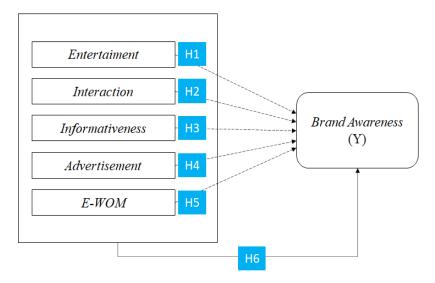


Figure 1. The proposed model

Figure 1 shows the proposed model social media marketing consisting of Entertainment, Interaction, Informativeness, Advertisement, and E-WOM (Word of Mouth) as Independent Variable and Brand Awareness as Dependent Variables. Which consists of six hypotheses to be tested.

### 3. Methods

This research will take place in Cimanggung Village and the population will be people who already follow Facebook MSMe Cimanggung Village. Quantitative approach used in this research that can realize the attributes, objective and trusts (Michell 2003). The quantitative approach uses surveys and the surveys approach will be using questionnaires that requires the sample of that population (Silalahi 2019). Quantitative is the method that used by this study with non-probability sampling type purposive sampling and data analysis using multiple linear regression. Futhermore, 5-points Likert scale will use in this research. People who followed Facebook MSMe who lived in Rancaekek – Cicalengka with Slovin formula obtained a sample of 385 respondents is the population used in this research. The author will collect the data with Google Form. The result will analyze using multiple regression linier with SPSS version 25 software.

## 4. Result

## 4.1 Descriptive Analysis

From the result of descriptive analysis, the category of factors affecting brand awareness on adopt social media marketing is show in Table 1.

Variable	Score	Average	Category
Entertainment (X1)	1680.5	4.36	Very Good
Interaction (X2)	1652.5	4.28	Very Good
Informativeness (X3)	1670	4.3	Very Good
Advertisement (X4)	1685.5	4.3	Very Good
E-Word of Mouth (X5)	1679	4.37	Very Good
Average	1673.5	4.34	Very Good

Table 1. The Result of Descriptive Analysis

In Table 1, According to the result of distributing questionnaires to 385 facebook users, the score of respondents responses regarding social media marketing is 4.34. With a very good category on the continuum line. The highest average was archieved by Advertisement which reached 4.37

# 4.2 The Classic Assumption Test Result

The classic assumption tests will be used in this study include the tests of normality, the tests of multicollinearity, and tests of heteroscedasticity.

#### a) Normally Test

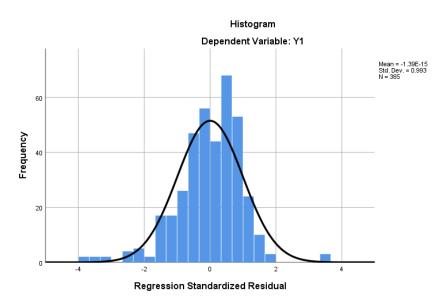


Figure 2. Hystogram Graphics

From Figure 2 is a histogram graph of the results of the normality test. According to Santoso (2015) the histogram graph is said to be normal if the data distribution forms a bell, not skewed to the left or not skewed to the right. And in Figure 2 it shows that the shape of the histogram graph regression value forms a bell and does not skew to the right or left so that the graph can be declared normal.

#### b) Multikolinearity Test

The tests of Multicollinearity is to find out is there was a high correlation between the independent variables of the study.

	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	В	Std Error.		t	Sig.	Tolerance	VIF
	7.894	1.026		7.697	.000		
(Constant)							
Entertainment	.360	.144	.101	2.500	.013	.482	2.074
Interaction	.491	.141	.139	3.490	.001	.497	2.012
Informativeness	.670	.101	.304	6.630	.000	.375	2.669

Table 2. Coefficient Table

Advertisement	.488	.133	.158	3.672	.000	.425	2.354
E-WOM	.818	.141	.281	5.799	.000	.334	2.992

Based on Table 2 above, it could be concluded that if value of VIF (Variance Inflation Factor) for all research variables shows a value less than 10 (VIF <10), so it could be concluded that no linear relationship between independent variables or there is no multicollinearity in regression mode.

#### c) Heteroscedasticity Test

Table 3. The Result of Heteroscedasticity Test

	Unstandardized Coefficients		Standardized Coefficients Beta		
	В	Std. Error	Coefficients Beta	t	Sig.
	4.246	.635		6.682	.000
(Constant)					
Entertainment	.080	.089	.063	.896	.371
Interaction	.070	.087	.056	.809	.419
Informativeness	.019	.063	.024	.302	.763
Advertisement	095	.082	086	-1.154	.249
E-WOM	363	.087	348	-4.152	.000

Based on Table 3. that the significance values of the Social Media Marketing variables include Entertainment which has a significance values of  $0.371 \ (> 0.05)$  which mean that there is no heteroscedasticity, Interaction has a significance value of  $0.419 \ (> 0.05)$  which means that there is no heteroscedasticity, Informativeness has a significance values of  $0.763 \ (> 0.05)$  which mean there is no heteroscedasticity, Advertisement has a value of  $0.249 \ (> 0.05)$  which means that there is no heteroscedasticity, and the last is E-Word of Mouth has a significance values of  $0.00 \ (< 0.05)$  which mean heteroscedasticity occurs. From the overall data above, it can be concluded that the results obtained tend to be homoscedastic.

#### **4.3 Linearity Test**

Linearity test is used to see whether the specifications of the model used are correct or not (Ghozali, 2018). Are the results of the functions used in the study linear or not. This linearity test is carried out with Test For Linearity with the provisions of the significance value below Table 4.

Table 4. The Result of Linearity Test

		Sum of Squares	df	Mean Square	F	Sig.
Between	(Combined)	1804.845	135	13.369	8.742	.000
Groups	Linearity	.000	1	.000	.000	1.000
	Deviation	1804.845	134	13.469	8.808	.000
	from Linearity					
Within Gro	ups	380.777	249	1.529		
Total		2185.622	384			

From the Table 4, it can be seen that the linearity test results produce a significants linearity value of 1,000>0.05, that mean the independent variables, namely entertainment, interaction, informativeness, advertisement, and e-word of mouth, have a linear relationship to the dependent variable, namely brand awareness (Y). ). then it can be concluded, for the linearity test is fulfilled

#### 4.4 Multiple Regression Test

Multiple linear regression analysis used in this purpose study to test the factors that effect brand awareness on adopt Social Media Marketing with Facebook as a Communication Media in MSME Products. Based on Table 2. Coefficient Table:

$$Y = 7.894 + 0.360X1 + 0.491X2 + 0.670X3 + 0.488X4 + 0.818X5$$

The constant coefficient of 7,894 means that Brand Awareness will be worth 7,894. Entertainment variable (X1) has a regression coefficient of 0.360 indicating that Entertainment has a positive effects on Brand Awareness. Interaction variable (X2) has a regression coefficient of 0.491 indicating that interaction have a positive effects on Brand Awareness. Informativeness variable (X3) have a regression coefficient of 0.670 indicating that informativeness have a positive effects on Brand Awareness. Advertisement variable (X4) have a regression coefficient of 0.488 indicating that advertisement have a positive effects on Brand Awareness. The E-WOM variable (X5) has a regression coefficient of 0.818 indicating that E-WOM have a positive effects on Brand Awareness.

## 4.5 Partial Hypothesis Test (T Test)

Based on Table 2. Coefficient Table 5:

- a) The entertainment variable (X1) has a T Count value of 2.5 and a significance value of 0.013. This indicate that the T count value is greater than T Table (2.5 > 1.649) and the significance value is 0.013 <0.05. Entertainment partially has a significant influence on brand awareness in SMEs
- b) The interaction variable (X2) has a T Count value of 3.490 and a significance value of 0.001. This indicate that the T count value is greater than the T Table value (3,490 > 1,649) and the significance value is 0.001 < 0.05. Interaction partially has a significant influence on brand awareness of MSME products
- The informativeness variable (X3) has a T Count value of 6630 and a significance value of 0.000. This indicate that the T Count value is greater than the T Table value (6,630 > 1,649) and the significance value is 0.000 < 0.05. Informativeness partially has a significant influence on brand awareness in SMEs.
- d) The informativeness variable (X4) has a T Count value of 3.672 and a significance value of 0.000. This indicate that the T Count value is greater than the T Table value (3,672 > 1,649) and the significance value is 0.000 < 0.05. Advertisement partially has a significant influence on brand awareness in SMEs.
- e) The E-WOM variable (X5) has a T Count value of 5.799 and a significance value of 0.000. This indicate that the T Count value is greater than the T Table value (5,799 > 1,649) and the significance value is 0.000 < 0.05. E-WOM partially has a significant influence on brand awareness in SMEs.

### 4.6 Simultanious Hypothesis Test (F Test)

Table 5. The Result of Simultanious Hypothesis Test

	Sum of	df	Mean Square	F	Sig.
	Squares				
Regression	5139.469	5	1027.894	178.243	.000b
Residual	2185.622	379	5.767		
Total	7325.091	384			

Based on Table 5 above, it is shows that the F test result showing the F value that calculated obtained is 178,243. This shows that the F-count value is greater than the F-table value (178.243 > 2.21). Thus, which means that Social Media Marketing that consisting of entertainment, interaction, informativeness, advertisement, and e-wom simultaneously has a significants influence on brand awareness of SME product.

# 4.7 Coefficient of Determination Test (R<sup>2</sup>)

The coefficient of determination test (Adjusted R-Square) is a test carried out to find out how much the independent variable is able to explain and influence the dependent variable in Table 6.

Table 6. The Result of Coefficient of Determination Test

R	R Square	Adjusted R	Std. Error of the

		Square	Estimate
.838a	.702	.698	2.40142

It could be concluded that Brand Awareness in MSME products is influenced by social media marketing Facebook as a communication medium consisting of entertainment, interaction, informativeness, advertisement, and E-Word of Mouth by 69.8%. And the remaining 30.2% is the effects from the other variables that not included in this study.

## 4.8 Discussion

According to the results of the analysis of descriptive that the average from 11 questions on the Social Media Marketing variable is 4.35. This shows that respondents rate Social Media Marketing MSMEs in the very good category. As for the Brand Awareness variable on Social Media UMKM which includes 8 questions, the result is 4.4. This shows that the Brand Awareness of the respondents is included in the very good category.

From the results of research that has been done, there are 5 (five) variables that influence brand awareness on adoption of social media marketing using Facebook as a communication media on MSME products, namely:

#### a) Entertainment,

Is the component that important to drive participants behavior and continuity of follow-up, that create positive emotion/feelings about the brand in the minds of social media followers (Kang 2005). Based on Table 1, entertainment is in the very good category with a value of 4.36. Entertainment have a positive and significant effects on brand awareness on MSME Cimanggung Village's social media. It could be seen from Table 2 which is the regression coefficient value is 0.360 with a partial test, the T Count value is greater than the T Table (2.50>1.649) with a significance value of 0.013 <0.05 that mean significant. In this study, the results are in line with previous researched from Kim and Ko (2012) and Seo and Park (2018) in the journal Yusuf Bilgin (2018) entitled "The Effect of Social Media Marketing Activities on Brand Awareness, Brand Image, and Brand Loyalty" that shows the results if the entertainment is the component that important to social media marketing activities.

#### b) Interaction,

Many sectors of businesses used online interactionwith their customers to share their buying experiences using their preferred social media channels (So et al. 2017). Based on the results in Table 1, that Interaction is in the very good category with a value of 4.28. Interaction have a positive and significant effects on brand awareness on MSME social media. It can be seen from Table 2 that the positive regression coefficient value is 0.491 with a partial test, the T Count value is greater than T Table (3.49>1.649) with a significance value of 0.001 <0.05 that mean significant. This study result are in line with previous researched by ElAydi (2018), entitled "The Effect of Social Media Marketing on Brand Awareness through Facebook: An Individual-Based Perspective of Mobile Services Sector in Egypt" which is the results that has an effects on social media marketing activities are interaction, content sharing, and credibility.

#### c) Informativeness,

According to Hamid et al. (2016) the latest and most recent source of information for customers because information is shared in real time namely social media. According to the results in Table 1, informativeness is included in the very good category with a value of 4.3. informativeness have a positive and significant influence on brand awareness on MSME social media. From Table 2 shows that the positive regression coefficient value is 0.670 with a partial test, the T Count value is greater than T Table (6,630> 1,649) with a significance value of 0.000 <0.05 that mean significant. This study result are in line with previous researched by Rukuni & Maziriri (2020) entitled "Social Media Strategies on Brand Awareness At A Small Business Concultancy Firm in South Africa" which is the result is there is a statistically significant relationship between informativeness and brand awareness.

#### d) Advertisement,

According to Tritama (2016) All forms of non-personal presentation and promotion of ideas, goods, or services that are paid for through an identified sponsor namely Advertising. Based on the results of Table 1, that advertisement is in the very good category with a value of 4.3. Advertisement have a positive and significant effects on brand awareness on MSME social media. Table 2 shows that the positive regression coefficient value is 0.488 with a partial test, the T Count value is greater than T Table (3,672 > 1.649) with a significance value of 0.000 <0.05 that mean significant. This study results are in line with previous researched by Duffett and Alalwan et al., 2017 in the journal Bilgin 2018 entitled "The Effect of Social Media Marketing on Brand Awareness, Brand Image, and Brand

Loyalty" which is the result is the influence of media advertising Social media on the perception and awareness of customer has shows that advertising is a significant part of social media marketing activities

#### e) E-Word of Mouth.

Based on Ahmed et al., 2014 contained in the journal Wicaksono and Seminari (2016) electronics word of mouth is a the way to get marketing distribution target. Electronics Word of mouth could influence other people, the images by theirs, thought, and decision. According to the results, it is known that e-word of mouth is in the very good category with a value of 4.37. Advertisement have a positive and significant effects to brand awareness on MSME social media. This can be seen from the positive regression coefficient value of 0.818 with a partial test, the T Count value is greater than T Table (5.799>1.649) with a significance value of 0.000 <0.05 that mean significant. The results of this study are in line with previous researched by Wicaksono & Seminari (2016) with the title "The Effect of Advertising and Word of Mouth on traveling is prlatform Brand Awareness" the results of this study is word of mouth about traveling is platform having a positive and significant effect on traveling is platform brand awareness.

It can be seen from Table 3 that the 5 factors are very good, then the classical assumption test by heteroscedasticity test all shows that the data are normally distributed. Then Table 4 is a linearity test was carried out to find out the model used was correct or not and it was proven that the linearity test was met. Then, Multiple Regression Analysis was conducted with the aim of testing the factors that effects to brand awareness on the adoption of Facebook social media marketing and the 5 (five) factors proved to be influential and significant. To be more specific, simultaneous and partial tests were conducted on data related to 5 (five) factors that influence brand awareness, namely Entertainment, Interaction, Informativeness, Advertisement, and E-Word of Mouth. Simultaneous (Table 2) and partial test (Table 5) results show that the dimensions contained in social media marketing partially and simultaneously influence the brand awareness of MSME products. From the whole research in Table 6, it can be said that the factors that influence brand awareness on social media marketing using Facebook have an effect of 69.8% which can be seen from the Coefficient of Determination Test.

#### 5. Conclusion and Further Research

The results based on data collection, data processing, and data analysis that have been carried out, the authors can take conclusions that answer the formulation of the problem from this research, namely as follows:

Of the 5 factors that influence brand awareness, all of them have been shown to have a significant influences on Facebook social media marketing as a communication medium for MSME products. With the greatest value found in the social media marketing variable, namely the e-word of mouth dimension and the brand awareness variable contained in the Top of Mind dimension With the proven factors that influence to brand awareness on the adoption of social media marketing using Facebook as a communication media on products that are influential and significant, it has answered the research question of what factors influence and most influence brand awareness on adoption social media marketing using Facebook. It is hoped that further research can be carried out using a different scope in order to provide different research results so that further researchers can expand the object of research or conduct research on other MSMs.

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