

The Effect of Social Media Marketing Activities on Purchase Intention with Brand Equity and Social Brand Engagement: Empirical Evidence from Korean Cosmetic Firms

Tenzin Choedon (텐진최돈) International Business Cooperative Course, Graduate School of Dongguk University¹⁾
Young-Chan Lee (이영찬) Dept. Business Administration, Dongguk University²⁾

〈 ABSTRACT 〉

This study provides a new perspective on the effect of social media marketing activities (SMMA) on purchase intention in Korean cosmetic firms. The increasing use of social media has changed how firms engage their brand with consumers. This phenomenon triggered a need for this research to examine further the influence of SMMA on social brand engagement (SBE), brand equity (BE), and purchase intention (PI). The purpose of this paper is to investigate the effect of SMMA on purchase intention in Korean cosmetic firms with brand equity and social brand engagement. The factors of SMMA were identified based on previous literature reviews that have an impact on social media marketing activity. To empirically test the effects of SMMA, this study conducted a questionnaire survey on 219 social media users for data analysis out of the initial 332 survey data. The results reveal that all five SMMA elements are positively related to BE, SBE, and PI. The study enables cosmetic brands to forecast the future purchasing behavior of their customers more accurately and brings clarity to manage their assets and marketing activities as well.

Key Words: Social media marketing activities, Purchase intention, Social brand engagement, Brand equity

1) First Author, tenzeisel@gmail.com

2) Corresponding Author, chanlee@dongguk.ac.kr

1. Introduction

Social media has become an indispensable part of today's marketing landscape (Liu et al., 2018; Keller and Fay, 2012). Social media has grown enormously since its inception, with substantial impacts on marketing as well. Recent reports indicate that the value of social media marketing worldwide reaches billions (USD). Social media marketing is valuable because it allows companies to directly engage with their customers, build brand presence, and ultimately sell more products. The concept of social media marketing is not very new in the year 2020. Still, there is a need for research works to examine the effect of social media marketing activity in the cosmetic industry and how it influences the purchase intention through brand engagement and brand equity. The cosmetic market is thriving and one of the fastest-growing consumer markets, driven in particular by the cosmetics and skincare segments. The main reason for this strong growth is the generational shift with young consumers entering the market. At the same time, this change is reinforced by social media, internationality, and e-commerce, which have a lasting effect on buying behavior when it comes to beauty products (Statista, 2020). The internet penetration rate of South Korea is 96.0 % (Internet World State, 2020). As of 2020, the number of internet users in South Korea is 49.23 million. Across the Asia Pacific region, South Korea had the highest internet penetration rate at 95.1 percent, followed by Brunei and Japan. In 2019, South Korea's cosmetics goods export was valued at USD 5.32. Billion, up from USD 4.92 billion in 2018. Revenue in the beauty and personal care market in South Korea amounts to the US

\$ 11,500 million in 2020 (Statista 2020). Social Media has become an increasingly important platform for brands to showcase their products (Binwani and Ho, 2019). Notably, in Cooley and Parks-Yancy (2019) study on millennial students has identified Instagram and YouTube were the most used social media sources for cosmetics and hair products. Hoffman and Fodor (2010) said, "Most managers still consider social media applications as "just another" traditional marketing communications vehicle. That is a mistake. The social media environment is mostly consumer-controlled". The unprecedented growth of marketing activities in social media has attracted academic attention, hoping to determine the motivations that explain social media use (Kim and Ko, 2010; Kim and Ko, 2012; Yadav and Rahman, 2017; Chen and Lin, 2019). Earlier literature focused primarily on the effect of SMMA on customer satisfaction or customer equity (Kim and Ko, 2012; Seo and Park, 2018; Chen and Lin, 2019).

However, there is little research about the role of brand equity and social brand engagement when investigating the effect of SMMA on purchase intention. Therefore, this study aims to analyze the factors that influence consumer's purchase intention in social media marketing activities. To do so, we developed a conceptual model that combines the previous literature reviews and customer perception of SMMA proposed by (Kim and Ko, 2012) and scale developed and validated by (Yadav and Rahman, 2017). The purpose of this study, therefore, is to identify the components of cosmetic SMMA and to investigate the effects of these elements on customers purchase intention, brand equity and social brand engagement. The contributions of this research are threefold. Firstly, it will be a guideline for marketers and

managers to understand the factors that play an essential role in social media marketing. Secondly, it provides valuable insights into how social media marketing contributes to forming consumer purchase intention. Thirdly, we investigated the elements that influence consumer's purchase intention with social brand engagement and brand equity.

2. Literature Review

2.1. Social Media Marketing Activities (SMMA)

Social media refers to applications such as Facebook, WhatsApp, Twitter, YouTube, and Instagram, which are driven by user-generated content. These applications are highly influential in consumer's purchasing and selling behaviors (Kapoor et al., 2018). According to Kim and Ko (2010), social media have a dramatic impact on a brand's reputation. The report stated that companies not engaging in social media as a part of their online marketing strategy are missing an opportunity to reach consumers. Increasingly, social media are primarily considered by modern business as promising platforms to conduct the promotional activities as to effectively communicate with the targeted customers (Kohli et al., 2015; Gao and Feng, 2016; Popp and Woratschek, 2016; Harrigan et al., 2017). Facebook's revenue grew from 7.87 billion in 2013 to 70.7 billion US dollars in 2018. That year, the social network accumulated a net income of 18.49 billion US dollars, ranking first among social media companies in annual revenues. The majority of

Facebook revenues are generated via advertising - the shift towards e-commerce and online marketing has never been more evident than in 2016 (Clement, 2020). In 2017, about 98% of Facebook's global revenue was generated from advertising, which is a testament to the shift from traditional media advertising to digital interactive media advertising by organizations. Such growing interest could be returned to the high level of attractiveness and interactivity existing in social media platforms (Wu, 2016). Sano (2015) applied interaction, trendiness, customization, and perceived risk as to the four SMMA components in her study on insurance services. The early stage of SMMA is called e-marketing. The framework of e-marketing can be traced to Kierzkowski et al. (1996). In their study, five elements-Relate, Attract, Engage, Retain, and Learn were suggested as the critical factors which can lead to success in digital marketing. In detail, they suggested that companies should attract users and try to engage their interest and participation. Furthermore, companies should retain users and learn about their preferences. Lastly, companies should refer back to users to provide the sort of customized interaction that represents the real 'value bubble' of digital marketing (Sano, 2015). Although the framework suggested by Kierzkowski et al. (1996) is not perfect, it has continued to be used as a theoretical foundation in recent studies, such as Teo (2005) and Chan and Guillet (2011). Kim and Ko (2012) classified SMMA Characteristics into entertainment, interaction, trendiness, customization, and e-Wom, the five components in their study in the luxury fashion brand. Yadav and Rahman (2017) developed and validated five perceived SMMA scales into interactivity, informativeness,

personalization, trendiness, and word of mouth. Iankova (2018) suggested that the use of social media platforms as marketing channels has expanded in recent years, driven by the ability to reach millions of customers with brand-related content and to engage them in conversations.

2.2. Brand Equity

The concept of brand equity first emerged in the 1980s through the inquisitive business strategist and marketing managers (Aaker, 2013). Brand equity is a competitive advantage that brings profits, revenues, and lower costs to the firm. Brand equity can be defined from different perspectives. In marketing literature, brand equity is defined in terms of marketing effects on the brand. For instance, when specific outcomes are generated from the marketing of a product or service due to the brand's name, and similarly that would not occur if the same product or service do not have that name (Wood, 2000; Atilgan et al., 2005; Keller, 1993). Among the definitions of brand equity, the most widely accepted definition is given by Aaker (2013). He stated that "a consumer perceives a brand's equity as value added to the functional product or service by associating it with the brand's name." According to Keller (1993), there is two general motivation to study brand equity, namely, financial-based motivation and strategy-based motivation. Financial-based motivation is to estimate the value of the brand name precisely. Strategy-based motivation is to improve marketing productivity. Dillion et al. (2001) stated that brand equity resides within the consumers and not in the brand. Therefore, the need to study the consumer's perspective on brand equity in a cosmetic

firm is one of the critical aspects of this study. Based on previous literature reviews, brand equity has been studied in different fields. Previous empirical studies used brand equity as dependent variables, moderating variables, and also independent variables (Hanaysha et al., 2013). Brand equity has been studied in the service sector and manufacturing sectors as well (Keller, 1993; Keller 2003a; Kim and Ko, 2012; Seo and Park, 2017). Marketing activities on social media are believed to be able to increase its brand equity directly (Bilgin, 2018). From the strategic perspective, brand equity is conceptualized from the consumer's knowledge and awareness about the brand, and such knowledge implies the business strategies. In cross-cultural studies on brand equity, cultural differences found out to be one of the vital mechanisms affecting brand equity in a different cultural background on the same products or services (Hanaysha et al., 2013).

2.3. Social Brand Engagement

Social brand engagement (SBE) has generated increased attention in both practice and research in recent times. Previous literature reviews have defined brand engagement as a multidimensional construct comprising cognitive, emotional, and behavioral dimensions (Brodie et al., 2013; Osei-Frimpong and McLean, 2018). From the social presence, theoretical perspectives, Osei-Frimpong and McLean (2018) introduced the term SBE, taking into account the rapid growth and essential role of social media in consumer brand engagement practices. Osei-Frimpong and McLean (2018) suggested that social media serves as a powerful tool in the firm-consumer and consumer-firm

brand engagement process. McKay (2017) defined social brand engagement as “the degree to which a consumer considers engaging with a brand’s social media touchpoint.” Consumer engagement in the brand creates not only a pool of information needed but also helps firms to mold a brand that can relate to consumer’s needs as well (Kuvykaite and Piligrimiene, 2014). Such engagement may take the form of liking, commenting, or sharing a brand’s profile (e.g., Instagram Page). If a brand creates engaging content resulting in positive impressions about and attitudes toward the brand, it is anticipated that consumers will be more likely to continue visiting the brands’ social media platforms and continue to interact with posts generated by the brand (Osei-Frimpong and McLean, 2018). The concept of engagement was initially proposed and studied in the field of psychology and organizational behavior and then introduced into the field of marketing approximately eight years ago (Liu et al., 2018). Wang et al. (2012) indicated that the role of involvement significantly influences customers’ intention to purchase. Their study showed that consumers’ intention to purchase was largely enhanced by using social media. Social brand engagement is characterized by repeated interactions between customers and firms that cultivate the emotional, psychological, or physical attachment in the brand and the firm (Phang et al., 2013; Hollebeek et al., 2014; Harrigan et al., 2017). Kozinets (2014) stated that brand awareness and loyalty were not enough, that managers now needed to seek emotional commitment and brand love, the love orientation of emotional branding, and plugged it into the engagement concepts of social media marketing. Social media creates customer engagement, but such phenomena are rare in cosmetic studies; therefore,

this instigates an interest in checking the social brand engagement’s role in the social media marketing context.

2.4. Purchase Intention

Ajzen (1991) defined intention as “motivational factors that influence behavior; they are indications of how hard people are willing to try, of how much of an effort they are planning to exert, performing a behavior.” Which in this research context it means, purchase intention can be defined as a user’s probability and willingness to purchase a recommended product after using social networking websites. Purchase intention indicated the likelihood that consumers will plan or be willing to buy a product or service in the future (Wu et al., 2011). Past research has implicated that an increase in purchase intention leads to an increase in the chance of purchasing. If consumers have a positive intention to purchase products or services, then a positive brand engagement will promote that purchase (Martins et al., 2018). Purchase intention reflects the consumer’s will power to purchase a product (Dodds et al., 1991). Morwitz and Schmittlein (1992) pointed out that willingness to purchase has been widely used as a predictor for consumers’ future purchasing behavior when analyzing consumers’ purchase behavior. Purchase intention develops from consumer’s perception of the product/service from the peers or social media cues (Binwani and Ho, 2019). When consumers purchase products, they look for relevant information based on their own experiences and the external environment. After collecting a certain amount of data, consumers start to evaluate, consider, and compare, ending in purchase behavior (Chen and Lin, 2019). As purchase intention is

consumers' subjective preference for a specific product, purchase intention is often used to measure consumers' behavioral intention (Fishbein and Ajzen, 1975). Consumer reviews lead to the decision making the process of whether to purchase the product or not, and it impacts purchasing intention behavior (Park et al., 2007). Ajzen (1991) suggested that intentions are believed to be an index of people's willingness to carry particular behavior and how they try to perform a specific action. According to the studies by He et al. (2008), in e-commerce, the main obstacle is the lack of intention to purchase online products or services.

3. Research Model and Hypotheses

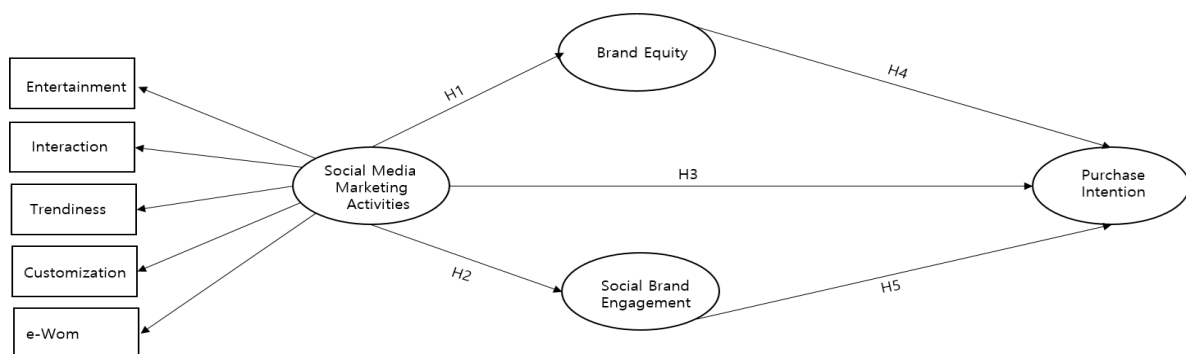
3.1. Research Model

Drawing from the literature review, a testable research model is developed as shown in Figure 1. The research model proposes 5 hypotheses. Through literature review, five dimensional construct associated with social media marketing activities have been identified; entertainment, interaction, trendiness, customization and e-wom. The

study explain the relationships among multidimensional construct of social media marketing activities and independent constructs; brand equity, social brand engagement and purchase intention based on the literature reviews. SPSS 20 and Amos 22 statistical software were used to investigate the effects of SMMA on brand equity, social brand engagement, and purchase intention. Figure 1 illustrates the proposed research model based on previous studies.

3.2. Research Hypotheses

What makes social media unique in marketing is that it is a user-based platform. People can create their blogs, express their thoughts on Facebook or Twitter. This enables users to be active participants in the communication process. Customers are more engaged with the brand because they can give feedback to the companies and create brand engagement with the companies. Seo and Park (2018) studied the effects of SMMA for the airline industry on brand equity and found that SMMA significantly affected brand equity. According to Kim and Ko (2012), the brand's engagement in social media performs as a social media marketing activity to build



<Figure 1> Research Model

relationships with customers and increase firm profits. Yadav and Rahman (2017) developed and validated the SMMA scales in the e-commerce industry. Their study reveals that perceived SMMA positively influences purchase intention and brand equity. The cosmetic brand's social media activity is expected to initiate a positive influence on brand equity and social brand engagement. Customer engagement is another common objective; a study in 2012 found that 78% of marketers report using social media to enhance customer engagement (Ashley and Tuten, 2015). As a brand's engagement in social media performs as a marketing activity to build up a relationship with customers and increase corporate profits, brands' social media activity is expected to initiate a positive influence on customer brand engagement and brand equity (Kim and Ko, 2012). Therefore, the following hypotheses are proposed:

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

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

H3: Social media marketing activities have a positive effect on purchase intention

Purchase intention is characterized as the prospect of buyers who plan to purchase an item (Dehghani and Tumer, 2015). Binwani and Ho (2019) suggested that purchase intention originates from social media cues. If a brand is successful in building brand equity, consumers are likely to repurchase a product or accept the new products. Regarding purchase intention, consumers' choice of a more familiar brand is usually higher than that of

a less familiar brand (Hoyer and Brown, 1990). The importance of brand equity in consumers' purchasing decisions has been studied for a long time. Most of the researches concluded that consumers buy a product not only based on the functional values or the quality of the products but also because they want to get brand value and the symbolic meaning contained in the product (Aji et al., 2020). Based on the above arguments, this study posits the following hypothesis.

H4: Brand equity has a positive effect on purchase intention

Dehghani & Tumer (2015) explain the term 'brand usage intent' as a consumer's intention to purchase and use a particular brand. Previous research has found a significant positive relationship between Consumer Brand Engagement (e.g., Algesheimer et al., 2010; Dwivedi, 2015) and consumer purchase intention. This, in turn, builds customer brand knowledge and associations (Hammedi et al., 2015), which is likely to influence brand usage intent (Gamliel et al., 2013; Habibi et al., 2014). Consumer's decision to purchase a product lies highly in the product's value and recommendations that other consumers have shared on social media platforms (Dehghani & Tumer, 2015). Through social media, consumers can directly interact and share their buying experience, and it can make them feel more confident in making purchase decisions (Aji et al., 2020). Based on the above arguments, this study posits the following hypothesis.

H5: Social brand engagement has a positive influence on purchase intention

4. Methodology

4.1. Measurement Development

This study focused on investigating SMMA in Korean cosmetics firms on brand equity, social brand engagement,

and purchase intention. It is essential to measure perceptions of those who have experiences in using social media to buy cosmetics and their behavioral process with the direct brand engagement between the customer and the firms. Thus, this study has employed a survey approach for testing the proposed research model (see

<Table 1> Measurement Items Development

Concept	Variable	Item	References
Social Media Marketing Activities	Entertainment (ET)	The social media content of this cosmetic brand is enjoyable. The content shared by the social media of this cosmetic brand seem interesting	Seo and Park (2017)
	Interaction (IN)	Information sharing is possible in the social media of this cosmetic brand. The discussion and exchange of opinions are possible in the social media of this cosmetic brand. The expression of opinions is easy in the social media of this cosmetic brand.	Seo and Park (2017)
	Trendiness (TR)	The information shared in the social media of this cosmetic brand is up to date. The use of social media by this cosmetic brand is fashionable.	Kim and Ko, (2012); Seo and Park (2017)
	Customization (CT)	The social media of this cosmetic brand offers customized information searches. The social media of this cosmetic brand provides customized service	Kim and Ko (2012); Seo and Park (2017)
	e-Wom (WM)	I would like to pass along information on the brand, product, or services from the cosmetic brand's social media to my friends I want to upload content from the Cosmetic brand' s social media on my blog or microblog.	Kim and Ko (2012); Seo and Park (2017)
Brand Equity (BE)		I am always aware of this cosmetic brand. I am aware of the characteristics of this cosmetic brand. I can always remember the logo of this cosmetic brand. This cosmetic brand is a leader in the industry. I have a special memory regarding this cosmetic brand. This cosmetic brand is customer-centered.	Seo and Park (2017)
Social brand engagement (SBE)		I follow the cosmetic brand and their brand using social media I engage in cosmetic brand engagement activities on social media because I feel better afterward I engage in brand engagement activities on social media because I can share my experiences with others I engage in brand engagement activities to enable me to reach personal goals I engage in the brand engagement activities on social media because of the emotional attachment I developed for the brand	Habibi et al. (2014); Laroche et al. (2012)
Purchase Intention (PI)		Interacting with this brand' s social media help me make decisions better before purchasing their product Interacting with this brand' s social media increase my interest in buying their products and services I will purchase products as marketed on this brand's social media I have a high intention to become this brand' s customer	Aji et al. (2020)

Table 1 for the measures). The questionnaire items used in this study were developed based on the literature review and revised according to a pilot survey. The questionnaire surveyed cosmetic SMMAs with five components-entertainment, interaction, trendiness, customization, and e-Wom covered by 11 items. Brand equity is covered with 6 items. Social brand engagement is covered by 5 items and purchase intention covered by 4 items. Resulting in a total of 26 items. A five-point Likert scale divided the responses from 1 (strongly disagree”) to 5 (“strongly agree”). The survey was conducted on the well experienced Koreans who are efficient in using social media and have active brand engagement experience while buying products online. In total, 219 completed surveys in this study were collected.

4.2. Survey Administration

The unit of analysis was individual customers who

have experience in buying Korean cosmetics online and active social media users. Table 2 shows the sample characteristics. The final sample size is 219. Female respondents comprised 66.6% (N=146), and male respondents included 33.3% (N=73) of the sample. About 88% of the respondents were between 20 to 40 years of age (N=193); over 84% of the respondent spend more than an hour on social media per day; nearly 61% of the respondents had a university education. Details of the respondent are presented in Table 2.

5. Data Analysis

5.1. Test of Measurement Model

5.1.1 Exploratory Factor Analysis (EFA)

We applied EFA to examine the appropriateness of 11

〈Table 2〉 Sample Characteristics

Items	Category	Frequency	Percentage	Items	Category	Frequency	Percentage
Gender	male	73	33.3	Preferred Korean cosmetic brand	Amore Pacific	17	7.8
	female	146	66.7		3CE	18	8.2
Age	Below 20	20	9.1		Etude House	10	4.6
	21–30	174	79.5		Clio	21	9.6
	31–40	19	8.7		The Face Shop	33	15.1
	over 40	6	2.7		Innisfree	8	3.7
Educational level	High School	75	34.2		Missha	12	5.5
	Vocational	8	3.7		Dr. Jart+	38	17.4
	Undergraduate	104	47.5		SkinFood	15	6.8
	Postgraduate	32	14.6		Tony Moly	26	11.9
Occupation	Student	163	74.4	Others	21	9.6	
	Government Employee	3	1.4	Time spend on social media per day	Less than 30 mins	35	16
	Entrepreneur	21	9.6		30 mins–1 hours	76	34.7
	Office Worker	11	5		1–2 hours	46	21
	Other	21	9.6		2–5 hours	51	23.3
More than 5 hours					11	5	

<Table 3> Exploratory Factor Analysis of Perceived Social Media Marketing Activities

Construct	Items	Factor loadings				
		1	2	3	4	5
Interaction	Int1	.906	.133	.157	.146	.201
	Int2	.877	.169	.167	.220	.187
	Int3	.918	.146	.162	.136	.146
e-Wom	Wom1	.165	.928	.075	.187	.076
	Wom2	.168	.939	.043	.068	.142
Customization	C1	.185	.043	.919	.123	.169
	C2	.184	.076	.923	.100	.152
Trendiness	T1	.181	.143	.155	.910	.100
	T2	.199	.114	.072	.907	.169
Entertainment	Ent1	.184	.117	.127	.136	.910
	Ent2	.242	.114	.216	.142	.872
Cronbach's Alpha		0.949	0.925	0.918	0.899	0.889

Variance Explained= 91.9%, KMO =0.717, Extraction Method: Principal Component Analysis with varimax rotation

<Table 4> Confirmatory Factor Analysis

Factor	Items	Estimate	AVE	CR	Cronbach Alpha
Entertainment	Ent1	0.849	0.809	0.894	0.889
	Ent2	0.947			
Interaction	Int1	0.944	0.879	0.956	0.949
	Int2	0.925			
	Int3	0.943			
Trendiness	T1	0.912	0.811	0.896	0.899
	T2	0.889			
Customization	C1	0.921	0.847	0.917	0.918
	C2	0.920			
e-Wom	Wom1	0.974	0.868	0.929	0.925
	Wom2	0.887			
Purchase Intention	PI1	0.753	0.560	0.836	0.903
	PI2	0.722			
	PI3	0.734			
	PI4	0.784			
Social Brand Engagement	SBE1	0.901	0.711	0.925	0.924
	SBE2	0.835			
	SBE3	0.807			
	SBE4	0.823			
	SBE5	0.847			
Brand Equity	BE1	0.779	0.611	0.904	0.835
	BE2	0.792			
	BE3	0.815			
	BE4	0.792			
	BE5	0.773			
	BE6	0.737			

items for explaining the five dimensions of perceived SMMA (See Table 3). Principal component analysis with varimax rotation was used. The “Kaiser-Meyer-Olkin (KMO)” value came out to be 0.72, and “Bartlett’s test of sphericity” ($p < 0.000$) reflects the merit of the correlation matrix. These five factors account for a total variance of 91.9%. The Cronbach’s alpha values range from 0.89 to 0.94, all above the suggested onset of 0.7 (Nunnally and Bernstein, 1994).

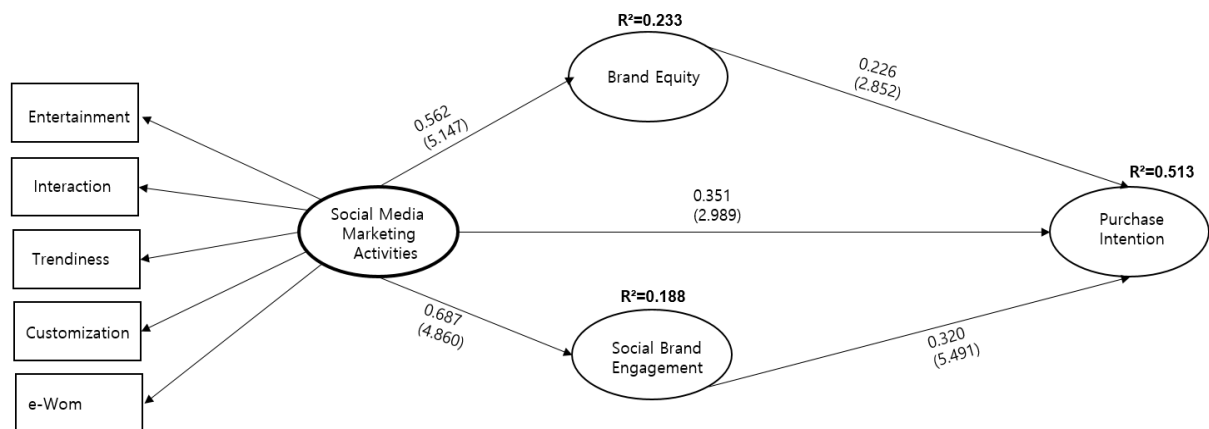
5.1.2 Confirmatory Factor Analysis (CFA)

CFA was conducted using AMOS 22.0, and the

importance of the model was examined statistically. Cronbach’s alpha of each multi-item variable was over 0.6, demonstrating high internal consistency for each variable. According to Bagozzi and Yi (1991), composite reliability (CR) scores were used to assess the construct’s reliability, whereas averaged variance extracted (AVE) was employed to ensure convergent validity. As shown in Table 4, all factors exhibited CRs above 0.7, and AVE values satisfactorily exceeded 0.5. Finally, discriminant validity was assessed using Fornell and Larckers (1981)’s recommended procedure. Table 5 shows that the square root of the AVEs was greater than all of the inter-construct

<Table 5> Discriminant Validity

Variable	BE	CUST	ENT	INT	PI	SBE	TRD	e-WOM
BE	0.782							
CUST	.327**	0.920						
ENT	.222**	.399**	0.899					
INT	.232**	.404**	.462**	0.938				
PI	.491**	.372**	.234**	.318**	0.748			
SBE	.503**	.220**	.195**	.269**	.560**	0.843		
TRD	.202**	.296**	.354**	.424**	.258**	.173*	0.901	
e-WOM	.244**	.186**	.292**	.369**	.216**	.210**	.316**	0.932



Note: Second-order reflective construct

<Figure 2> Results of Hypothesis Test

correlations, indicating sufficient discriminant validity. First, we tested the validity and reliability of the measurement model. Table 5 summarizes the validity,

5.2. Test of Structural Model

The proposed research showed a strong predictive power for the key endogenous constructs regarding purchase intention ($R^2=0.51$). To inspect the predictive influence of perceived SMMA over purchase intention, social brand engagement, and brand equity, perceived SMMA was taken as a second-order construct with five factors at the first order in the structural model (Fig. 2). Results confirmed the reliability, robustness, and validity of the model was good and fell within the acceptable limits ($\chi^2 = 496.276$, $df = 289$, $\chi^2/df = 1.717$, $p < 0.000$, $GFI = 0.862$, $AGFI = 0.832$, $NFI = 0.889$, $CFI = 0.950$, $TLI = 0.944$, $RMSEA = 0.057$) as shown in (Table. 6). The results also met the suggested range of “average variance extracted (AVE)” by Fornell and Larcker (1981). The AVE value of all the five factors was above 0.5. All the path coefficients in the structural model (Table. 7)

were significant. The perceived SMMA positively influenced purchase intention ($\beta =0.35$, $p=0.003^*$), brand equity ($\beta =0.56$, $p=0.000^{***}$) and Social brand engagement ($\beta =0.69$, $p=0.000^{***}$). Brand equity positively influences purchase intention ($\beta =0.23$, $p=0.004^*$), and social brand engagement positively influence purchase intention ($\beta = 0.32$, $p=0.000^{***}$). Thus all hypotheses (H1 to H5) were supported.

6. Conclusion

6.1. Theoretical Implication

This study revealed several theoretical contributions. First, the result of SMMA’s influence on brand equity were consistent with Aaker (1991) that brand equity has a positive effect on the consumer confidence index. Brand equity may improve a customer’s response to cosmetic SMMA because SMMA are tools to generate positive results on brand equity. Therefore, cosmetic firms should influence customers to use social media more actively by

〈Table 6〉 Measurement Model

Index	CMIN	P	df	CMIN/df	GFI	AGFI	TLI	CFI	RMSEA
	496.276	0.000	289	1.717	0.862	0.832	0.944	0.950	0.057

〈Table 7〉 Results of Hypothesis Test

Hypothesis	Path	Coefficient	P	T	Result
H1(+)	SMMA→BE	0.562	0.000 ^{***}	5.147	Accepted
H2(+)	SMMA→SBE	0.687	0.000 ^{***}	4.860	Accepted
H3(+)	SMMA→PI	0.351	0.003 [*]	2.989	Accepted
H4(+)	BE→PI	0.226	0.004 [*]	2.852	Accepted
H5(+)	SBE→PI	0.320	0.000 ^{***}	5.491	Accepted

^{***} $p < 0.01$, ^{*} $p < 0.05$. Note: BE=Brand Equity; CUST=Customization; ENT= Entertainment; INT=Interaction; PI= Purchase Intention; SBE=Social Brand Engagement; TRD= Trendiness; Wom= e-Wom,

developing more exciting and engaging SMMA's. SMMA's effectively enhanced social brand equity by providing novel value to customers that traditional marketing media do not usually offer. Second, the significant influence of SMMA's on social brand engagement is consistent with Osei-Frimpong and McLean (2018). Consumers engaged in a brand's social media are more eager to share their brand knowledge and experiences with other friends on their social media platforms. The brand's social media provide platforms for customers to engage in informative and friendly communications with the brand and other users. Therefore, cosmetic SMMA's social engagement was positively effecting social brand engagement and brand equity as well. Thus, this study provides a better understanding of the connection between SMMA's on social brand engagement with empirical evidence. Third, this study suggests SMMA positively influence on purchase intention among cosmetic consumers. The finding followed Chen and Lin (2019); Yadav and Rahman (2017). The result propose that firms should actively engage their customers and prominent customers on social media to increase their intention to purchase cosmetics. As the purpose of marketing communication is to improve brand equity by cultivating customer relationships and create purchase intention. SMMA act as an essential marketing communication method. With the growing interest of Korean cosmetics around the world, using social media for marketing is an appropriate medium to attract Korean cosmetic consumers at the moment specially, younger generations. Finally, results indicates that SMMA, Social brand engagement, and brand equity are vital factors to explain purchase intention in the context of cosmetic firms.

6.2. Managerial Implication

Despite the substantial theoretical implications, this study revealed some critical managerial implications as well. First, it is advisable to inform consumers about the products or services offered on social media and to build strong relationships with customers. Consumers become more engaged with the brand, the more they are familiar with it (Martins et al., 2018). The result also suggests an inevitable relationship between social brand engagement and purchase intention. Therefore, the firms should consider creating active engagement with the customers to provide an emotional attachment with the brand and increase purchase intention. Especially in times of pandemic, the uncertainty in brick and mortar business can be avoided by focusing on the investment of social media marketing business strategies. Second, cosmetic brands should continuously invest their efforts to improve brand equity because brand equity significantly influences purchase intention. Brand equity is considered a competitive advantage to the firm. Therefore, marketers should analyze marketing activity for a brand and familiarize the overall influence it has on brand knowledge. To sustain the long term success of a brand's future marketing strategy, the marketers need to imprint a good brand knowledge in prospective consumers. Third, the result confirms the effect of cosmetic SMMA's on all the other factors in our research model.

Therefore, cosmetic brands should continuously invest their efforts to improve marketing plans in social media platforms to expand brand networks, community development, and increase interaction between brands and consumers. SMMA's in cosmetic firms could enhance

high profits in the long run and strengthen brand equity, social brand engagement, and purchase intention. Based on these findings, it can be concluded that current Korean consumers are active users of social media and are strongly influenced by social media content before buying a product. And our result is also consistent with the Korean consumer experts. Cho et al. (2013) stated in their article that Korean consumers tend to be tech-savvy, and this has strongly influenced the way they shop. Many use social media to search for information about potential purchases and share product reviews. Therefore, cosmetic firms in Korea must understand the importance of social media marketing as a useful tool for marketing cosmetic products and incorporating SMMA in their marketing strategies.

6.3. Limitations and Future Research

Despite the efforts to conduct significant research in the field of cosmetic firms, several limitations can be addressed in future studies. First, this study only investigated the effects of social media marketing activities. Other characteristics of social networking websites and their impact on usage demands or usage behavior must be examined in future research. Second, this study was conducted among Korean consumers who have experience in using social media marketing platforms to purchase Korean cosmetics. Those who do not have experience were excluded from the survey process. Therefore, the majority of the respondents (79.5%) in this study consists of age group in between 20 to 30 years old. Which means, younger generations of Korean cosmetic consumers are more likely to purchase

cosmetics on social media marketing platforms. It would be interesting to implement the sample of other nationals and compare the findings to conduct cross-cultural comparative studies. More comprehensive studies incorporating a broader spectrum of consumers would allow for a more interesting generalization of the results. Third, the brands identified by respondents in this study are confined to Korean cosmetic brands. Prominent global cosmetic brands that are booming in Asia have not been included in this study, considering that brand effects could vary the impact of SMMA on brand equity, social brand engagement, and purchase intention too. Fourth, limitation of the current study lies in the low descriptive power of the hypothesis 2 which holds only 18% descriptive power or R-squared. Hypothesis 2 posits that, social media marketing activities positively influence social brand engagement. These days, many brands use social media platforms to communicate or engage with costumers and this study does not incorporate most of these or even a representative sample of them therefore, we suggest in future studies to maximize the number of sample size to showcase the higher descriptive power. Finally, based on the limitations of this study and the empirical results, future studies evaluating these limitations would provide practical information not only to Korean cosmetic firms but also to the marketers in other fields seeking solutions for social media marketing strategies and decision making.

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● 저 자 소 개 ●



뎌진최뎌 (Tenzin Choedon)

뎌국뎌학고 일반뎌학원 국제비즈니스협뎌과정 박사과정에 재학 중이다. 뎌 뎌학원에서 글로벌비즈니스 전공으로 석사학위를 취득하였다. 주요 관심 분야는 소셜미디어 마케팅, 전자상거래, 온라인 쇼핑, 정보기술 수용 등이다.



이 영 찬 (Young-Chan Lee)

서강뎌학고 경영학사, 뎌 뎌학원에서 경영학 석사 및 박사학위를 취득하였다. 현재 뎌국뎌학고 경주캠퍼스 경영학부 교수로 재직하고 있다. 주요 관심 분야는 데이터마이닝, 다기준 의사결정, 기업성과측정, 지식경영, 시스템 다이내믹스 등이다.

〈 국문초록 〉

소셜 미디어 마케팅 활동이 브랜드 자산과 소셜 브랜드 개입을 통해 구매 의도에 미치는 영향: 한국 화장품 회사를 중심으로

뎨진최딘*, 이영찬**

본 연구에서는 한국 화장품의 구매의도에 대한 소셜미디어 마케팅 활동의 효과를 실증적으로 검증하고자 한다. 소셜 미디어의 사용이 증가함에 따라 기업이 소비자와 브랜드를 연결하는 마케팅 방식이 변하고 있다. 따라서 소셜미디어 마케팅 활동이 소비자의 소셜브랜드 참여, 브랜드 자산 및 구매의도에 미치는 영향을 실증적으로 분석할 필요가 있다. 본 연구의 목적은 한국 화장품 회사들의 소셜미디어 마케팅 활동이 브랜드 자산과 소셜브랜드 참여를 통해 소비자의 화장품 구매의도에 미치는 영향을 실증적으로 분석하는 것이다. 선행 연구를 통해 소셜미디어 마케팅 활동을 포함한 구성개념들을 정의하고 설문문항을 개발하였다. 총 332개의 설문지를 수집하여 이중 불성실하게 작성된 설문지를 제외한 219개의 설문데이터를 사용하여 분석을 수행하였다. 분석결과 5개의 소셜미디어 마케팅 활동은 브랜드자산, 소셜브랜드 참여 그리고 구매의도에 긍정적인 영향을 미치는 것으로 나타났다. 본 연구를 통해 화장품 회사들은 소셜미디어를 활용한 마케팅 활동을 강화하고 이를 통한 브랜드자산의 축적과 사용자의 소셜브랜드 참여를 유도하는 것이 중요하다는 점을 확인할 수 있었다.

주제어: 소셜미디어 마케팅 활동, 구매의도, 소셜브랜드 참여, 브랜드 자산, 한국 화장품

* 동국대학교 일반대학원 국제비즈니스협동과정

** 동국대학교 경주캠퍼스 상경대학 경영학부