

Impact of TV Commercial, Social Media Advertising, and Point of Purchase on Brand Awareness Leading to Consumer Buying Intention on Brand “Cap Panda”

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Abstract

This study analyzes the relationship between TV commercial advertisements, social media, and the formation of a relationship with the point of purchase on Brand Awareness that influences the decision to buy the FMCG product "Cap Panda". This ready to drink brand is well known of its product variants "liang tea" and grass jelly. This research using descriptive analysis according to the respective variables in the research model and their reflective indicators will be explained below. The value obtained comes from the overall answers of 160 research respondents from urban area such as Jakarta and Surabaya, according to the data input in the PLS-SEM. The results showed that of the three independent variables, TV and Social Media advertisements had a positive effect on the formation of Brand Awareness. Meanwhile, Point of Purchase showed negative significance. However, despite the establishment of Brand Awareness of the product "Cap Panda", at least it is able to generate consumer buying intentions, especially related to liang tea products which are very recognizable.

Keywords

TV Ads; social media Ads; brand awareness; intention of purchase; Cap Panda



I. Introduction

Businesses seek to maximize profits by attributing marginal sales to marginal costs. According to the idea, as long as laws and ethical customs are followed in the conduct of the company's commercial activities, the maximization of benefits is the fundamental goal of the company. The worldwide outbreak of the Covid-19 disease has completely changed the perspectives of consumers, workers, residents and people, as well as beliefs and practices in economic activity. Sihombing (2020) state that Covid-19 pandemic caused everyone to behave beyond normal limits as usual. The outbreak of this virus has an impact especially on the economy of a nation and Globally (Ningrum, 2020). The problems posed by the Covid-19 pandemic which have become a global problem have the potential to trigger a new social (Bara, 2021). As a result, the crisis is changing what and how customers buy, as well as accelerating massive structural changes in the consumer goods sector (Zaidi, 2022). One that plays a role in driving changes in consumer behavior is the activity of producers in invading the internet with marketing. Digital marketing is practically using digital channels to contact consumers with the aim of promoting the company through various types of digital media. Marketing strategies carried out through digital platforms allow advertisers to engage directly with potential customers regardless of geographic location, which is considered a type of

marketing breakthrough that allows fresh business ideas to try to do business, especially when the world is experiencing social restrictions due to the pandemic (Wuryandani, 2020).

Brand Awareness has a positive and direct impact on purchase intention. However, the emergence and growth of new brands in recent years may indicate that simply being aware of the brand does not convey positive or negative perceptions (Azzari & Pelissari, 2020; Keller, 1993). Perception may only be the first step to generating brand-related attitudes and behaviors.

Advertising has an important role in attracting customer intentions to buy certain products. Advertising through television is one of the most effective communication media. Sustainable consumption is based on a decision-making process that considers social responsibilities (environment, fair trade, animal welfare, etc.), in addition to individual needs (taste, price, and convenience) (Azzari & Pelissari, 2020; Petahiang et al., 2015). In this context 'buying local products' has become an ethical issue, combining various civic concerns that include recognizing local products as environmentally friendly products, respecting animal welfare, both for the local economy and society and/or organically produced (Hasan & Sohail, 2020). However, as with any other marketable product, consumer acceptance is critical to the success of local products and their purchase depends on how well the product is measured against certain preferred attributes, such as price, convenience, accessibility, and perceived quality (Hasan & Sohail, 2020).

The increased presence and participation of consumers on social media provides both opportunities and challenges for marketers, as consumers base their purchasing decisions on peer interactions on social media. Buying behavior and brand loyalty have attracted the attention of marketing researchers for a long time. In the context of social media, several previous studies have examined the dimensions of social media, which provide tremendous opportunities for marketers to reach customers or build brand trust (Kotler, 2012). Recently, during the pandemic, companies are increasingly using social media to engage customers with brands.

The series of explanations above lead to the author's interest in analyzing the relationship between TV commercial advertising, social media, and forming a connection with the point of purchase on Brand Awareness that influences the decision to buy FMCG products (John & Sathish, 2021). Especially in a pandemic situation that shifts consumer buying behavior. The FMCG product that is the object of this research is the "Cap Panda" branded drink.

II. Review of Literature

2.1 Brand Awareness

Brand awareness is the first dimension and prerequisite of the whole system of brand knowledge in consumers' minds, reflecting their ability to identify the brand under different conditions: the likelihood that the brand name will come to mind through perceived perceptions in different buying contexts has developed about risk-taking behavior. as a possible measure of consumer attitudes toward purchases. customer is the maximum value (Petahiang et al., 2015). Brands form value expectations and act on them. Buyers will buy from the company they perceive to offer the highest customer delivery value, defined as the difference between total customer benefit and total customer cost. Consumer Purchase Intention, Kotler and Armstrong (2012) describe the purchase decision or purchase intention as the stage of the buyer's decision where the consumer actually buys the product. Brands will buy the most preferred brand but two factors can arise between purchase intention and purchase decision.

2.2 Television Advertising

In designing promotions, TV plays a very important role because it combines visual and verbal communication (Nabeel, 2017). Thus it can be safely said that the different advertising of products and services in TV commercials determines the extent of the commodity market. Information on food safety is often imperfect, using traditional intrinsic attributes, such as smell and taste, often fails in consumer safety assessments (Nabeel, 2017; Winarto & Chandra, 2002).

2.3 Social Media Advertising

Social media ads are hyper-targeted ads that target users depending on their demographics, location, interests, and even psychographic and behavioral interests (Cluley & Green, 2019). Clans on social media have proven to be effective in reaching the target market and consumers. Currently, many companies focus on marketing strategies through social media. Social media has grown to gain recognition as the clear and most important marketing factor guiding the success of a product/service/business (Madlberger & Kraemmer, 2019).

2.4 Point of Purchase

Wells, Burnett, & Moriarty (2000) argue that point of purchase is a variety of displays placed in shopping or retail areas with the aim of attracting consumers' attention to the product that is the object of promotion. Prasad & Kumar (2009) argue that point of purchase is a variety of displays placed in shopping or retail places with the aim of attracting consumers' attention to the product that is the object of promotion. Point of purchase is said to be important, because most consumers make purchasing decisions while in the store.

2.5 Intention of Purchase/Buying

Purchase intention or buying interest is the tendency of consumers to buy a brand or take actions related to purchases, measured by the level of possibility of consumers to make a purchase. Understanding buying interest is something related to consumer plans to buy a certain product, as well as how many units of product are needed in a certain period (Winarto & Chandra, 2002). It can be said that buying interest is a mental statement from consumers that reflects a purchase plan that focuses on certain products from certain brands. This is needed by marketers so that they know consumers' buying interest in a product. Both marketers and economists use interest variables to predict future consumer behavior.

2.6 Conceptual Model

The conceptual framework in writing research that becomes a systematic reference to examine the Effect of TV Commercial Advertising, Social Media Advertising, and Point of Purchase on Brand Awareness That Causes Consumer Purchase Intentions on the Brand "Cap Panda". In this conceptual framework there are three dependent variables, namely TV Commercial Advertising, Social Media Advertising, and Point of Purchase (fig. 1).

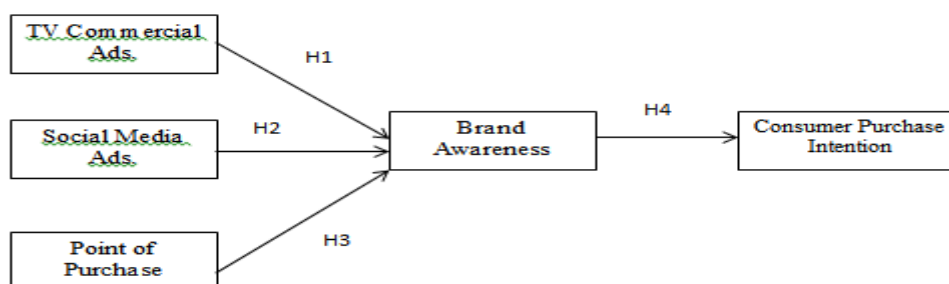


Figure 1. Conceptual Model

Based on the theory and research results that have been described previously, the conceptual of this research can be seen in Figure 1 with the following hypothesis:

H1: there is a positive influence between TV commercials on Brand Awareness

H2: There is a positive influence between social media ads on Brand Awareness

H3: There is a positive influence between Point of purchase on Brand Awareness

H4: There is a positive influence between Brand Awareness on consumer buying intentions..

III. Research Methods

3.1 Population and Sample

The population in this study are consumers and potential consumers of the "Cap Panda" brand and have been aware of the advertisements found on social media and television. The respondents in this study are domiciled in Jakarta and several urban area in Indonesia. Correspondent has an income of Rp. 4.500.000,- in various professional categories, and has a varied age range between 21 years and over, and an educational background equivalent to high school to doctoral degree. This sampling must be carried out in such a way that a sample is obtained that can truly function or can describe the actual state of the population, in other terms it must be representative (represent). The sample in this study refers to the involvement of 160 respondents, which is sufficient to represent the population.

3.2 Data Collection Method

Primary data is data obtained directly from the subject under study. The primary data in this study was obtained by using a questionnaire distributed to consumers and potential consumers of the "Cap Panda" brand who have seen social media and television advertisements. Secondary data is primary data obtained from other parties. The secondary data in this study are literature, previous relevant scientific research to complement this research and a number of promotional materials for the "Cap Panda" brand to find out information related to products and services.

The data analysis method in this study considers the complexity of the variables contained in this research design. Multivariate analysis approach to 4 variables with the four paths playing a role in testing the influence between variables simultaneously towards the dependent variable. This study will utilize the PLS-SEM analysis method based on the variations contained in the data. Respondents were generally asked over a statement which is based on a 5-point Likert-scale ranging from Strongly Disagree to Strongly Agree adapted from the previous studies.

IV. Discussion

4.1 Results

a. Descriptive Analysis

The results of the descriptive analysis are in the tables according to the respective variables in the research model and their reflective indicators will be explained below. The value obtained comes from the overall answers of 160 research respondents according to the data input in the PLS-SEM. The indicators that are included in this analysis are only question items that have gone through previous reliability and validity tests, so indicators that are excluded or eliminated are not included on the five variable constructs, the mean shows an average of about 3.5 which means the five variables indicate "agree".

Table 1. Descriptive Statistic

Variable	Mean	Std. Deviation	Category
Television Advertising	3.569	0.75	Agree
Social Media Advertising	3.935	0.75	Agree
Point of Purchase	3.595	0.73	Agree
Brand Awareness	3.519	0.76	Agree
Intention of Purchase	3.507	0.74	Agree

The lowest average among all constructs is brand awareness amounted to 3.519, which indicates that the average correspondent responses to television ads. a bit more towards "Agree"

b. Measurement Model (Outer Model)

The test through SEM-PLS shows the results of the data formed in Figure 2:

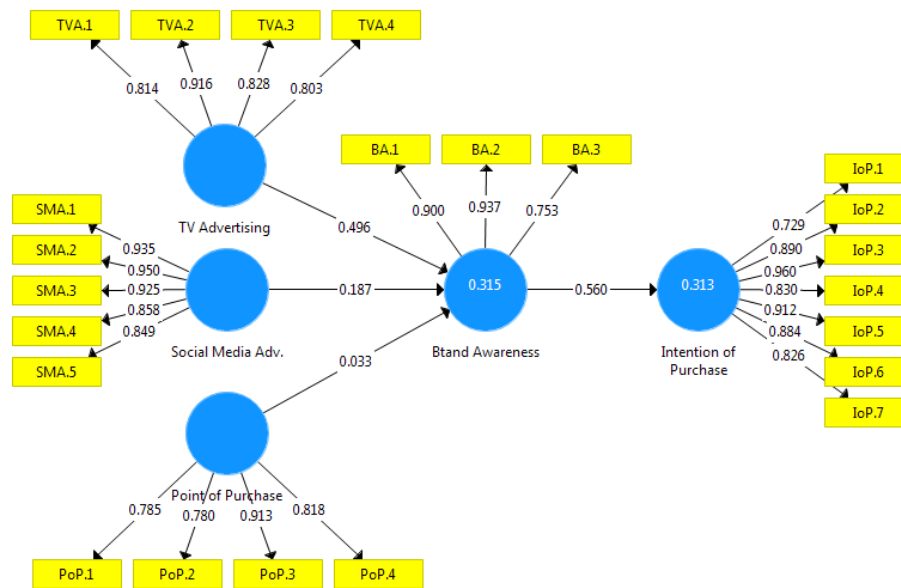


Figure 1. Outer Model

Technical validity and reliability test is a test that aims to decide the significance of the variables in this study can be analyzed further. In addition, this test can measure the hypothesis. This indicates that there is internal consistency over the time of the consistency of the test in measuring a characteristic. The reliability indicator is measured using the loading factor. The minimum value in general for the standard factor loading coefficient on each variable is 0.7 (Henseler, Ringle, & Sinkovics, 2009). This value is a benchmark as a good construct measure.

Variables can have reliable consistency if the value of Cronbach's Alpha (CA) and composite reliability (CR) of all variables must be 0.7 or higher (Henseler, Ringle, & Sinkovics, 2009). Based on Table 2, the results show that Cronbach's alpha for all constructions is far above 0.70 ranging from the lowest to the highest order of 0.831 (Brand Awareness), 0.847 (Point of Purchase), 0.861 (TV ads.), 0.943 (Intention of Purchase) , up to 0.945 (Social Media Ads.).

Table 2. Validity and Reability Test

Variabel	Measurement Items	Factor Loading	Average Variance Extracted (AVE)	Cronbach's Alpha	Composite Reability (CR)
Television Advertising	TVA.1	0,814	0.708	0.861	0.906
	TVA.2	0,916			
	TVA.3	0,828			
	TVA.4	0,803			
Social Media Advertising	SMA1	0,935	0.818	0.945	0.957
	SMA2	0,950			
	SMA3	0,925			
	SMA4	0,858			
	SMA5	0,849			
Point of Purchase	PoP1	0,785	0.681	0.847	0.895
	PoP2	0,780			
	PoP3	0,913			
	PoP4	0,818			
Brand Awareness	BA1	0,900	0.751	0.831	0.900
	BA2	0,937			
	BA3	0,753			
Intention of Purchase	IoP1	0,729	0.741	0.943	0.954
	IoP2	0,890			
	IoP3	0,960			
	IoP4	0,830			
	IoP5	0,912			
	IoP6	0,884			
	IoP7	0,826			

This shows that the data in Table 2 shows that the construct variable has a value greater than 0.7 ranging from 0.729 to 0.950. The mean value of the AVE on a construct shows that it is greater than 0.5 starting from 0.681 to 0.818, so that the variable construct is able to guarantee convergent validity. The discriminant validity (table 3) was found not to exceed 0.85, which ensures that all results are at the normal level. This shows that all measures meet the discriminant validity of the construct.

Table 3. HTMT

	Brand Awareness	Intention of Purchase	Point of Purchase	Social Media Adv.	TV Advertising
Brand Awareness					
Intention of Purchase	0,613				
Point of Purchase	0,508	0,813			
Social Media Adv.	0,229	0,589	0,366		
TV Advertising	0,614	0,891	0,791	0,353	

c. Structural Model (Inner Model)

Multicollinearity measurement based on the Variance Inflation Factor (VIF) value which refers to the guideline value is lower than 5, so it can be seen in table 4 that the results show that there is no collinearity problem between predictor constructs (Hair, Hult, Ringle, & Sarstedt, 2017).

Table 4. Multicollinearity Test

Exogeneous	Endogeneous	Inner VIF Value
TV Advertising	Brand Awareness	2.126
Social Media Advertising		1,219
Point of Purchase		2,375
Brand Awareness	IoP	1.000

The R-squared value or the coefficient of determination of a model can be seen from two aspects, the first is explanatory power or how well the independent variables in the research model can explain the dependent variable. The second aspect is predictive accuracy or how strong the ability of the independent variables in the research model to predict the dependent variable to a certain degree, which is measured by weak, moderate, to strong degrees (Hair et al., 2019: Cohen, 1988). The value of R-squared can be called as substantial or strong if the value is 0.75. The R-squared value is said to be moderate if the value is equal to 0.50. The value of R-squared is weak if the value is equal to 0.25. However, if the R-squared value is found above 0.9 then it can be considered overfit. (Hair et al., 2019). The results of the model test through bootstrapping produce R2 values in the model as below:

Table 5. R Squared

	R Square	R Square Adjusted
Brand Awareness	0,315	0,302
Intention of Purchase	0,313	0,309

The data in Table 5 above shows the R-squared value for the brand awareness variable of 0.315 and therefore belongs to the weak category. Likewise, the intention of purchase variable is 0.313 which is also included in the weak category.

d. Hypothesis Test Results

The coefficient on hypothesis testing for the influence of TV Ads., Social Media Ads., and Point of Purchase which have an impact on the formation of Brand Awareness so that it can influence the intention to buy the product "Cap Panda" can be seen in the results of social media advertisements from each hypothesis are shown in table 6. Based on the table obtained data that shows the results of the TV Ads variable ($p \text{ value}=0.000 < 0.05$) and on the value of Social Media Ads. ($p \text{ value}=0.004 < 0.05$) has a significant positive role on Brand Awareness so that H1 and H2 is supported. However, Point of Purchase ($p \text{ value}=0.051 > 0.05$) did not have a significant role on Brand Awareness so that H3 were not supported. Meanwhile, the value of brand awareness ($p \text{ value}=0.001 < 0.05$) on purchase intention has a significant relationship, thus H4 is supported.

Table 6. Hypothesis Test Results

Relationship	Path Coefficients	Std. Deviation	t-value	p-value	Decision
TV Advertising on Brand Awareness	0.496	0.112	4.413	0.000	supported
Social Media Advertising on Brand Awareness	0.187	0.065	2.868	0.004	supported
Point of Purchase on Brand Awareness	0.033	0.039	0.315	0.051	Not supported
Brand Awareness on Intention of Purchase	0.560	0.056	9.950	0.001	supported

4.2 Discussion

The development of advertising and the acquisition of customer attention must be able to create customer perceptions so that they are effectively able to form a value linkage to customer perceptions. Advertisements and various convenience features are the determining factors for the formation of brand awareness, thereby creating purchase intentions for the "Cap Panda" product. Based on the results of the PLS-SEM test results show that TV advertising and Social Media advertising being significant medium for delivering advertisements with the most impact in shaping the brand awareness of the "Cap Panda" product. Meanwhile, consumers seem unfamiliar and correctly does not understand the content at the Point of Purchase on the "Cap Panda" product. Therefore, "Cap Panda" needs to develop, influence, and strengthen the way consumers perceive on "Cap Panda" products (Majeed & Razzak, 2011); (Asriyanti, 2017); (Richadinata & Surya Astitiani, 2021); (Madlberger & Kraemmer, 2019); (Pasaribu & Putranto, 2013); (Prasad & Kumar, 2009); (Petahiang et al., 2015); (Azzari & Pelissari, 2020); (Dehghani, 2013); (Denastra, 2021).

Consumers are familiar with the "Cap Panda" product, both in terms of visuals, music, and taglines, based on TV advertisements played by actor Dedi Mizwar. The flagship products, namely Liang tea and grass jelly, are two packaging products that excel in customer perception. Although, only liang tea is closely attached to customer perception, it is influenced by the presence of TV and Social Media advertisements. Research also shows that social media ads and features on PoP are very weak in showing a relationship with brand awareness. Lastly, brand awareness that is formed by relying on TV advertisements is the only trigger that generates consumer buying intentions.

Meanwhile on social media advertising, it appears that the intensity of the use of personal devices, as well as the high use of social media have an effect on the interaction between "Cap Panda" products and customers. The endorsement strategy no doubt plays an

important role in influencing the consumer's desire to consume products such as Liong Tea. In general, the advancement of marketing patterns on social media plays an important role in shaping Brand Awareness.

V. Conclusion

The results showed that of the three independent variables, TV advertisements and Social Media Adv. had a positive effect on the formation of Brand Awareness. Meanwhile, social Point of Purchase showed negative significance. However, despite the establishment of Brand Awareness of the product “Cap Panda”, at least it is able to generate consumer buying intentions, especially related to liong tea products which are very recognizable. Furthermore, the researcher suggests further research related to brand management so that the "Cap Panda" product is able to carry out promotions by designing better brand values.

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