

The Impact Of Social Media Marketing Instagram On Repurchase Intention In Loreal Consumers

Defia Fabiola¹, Indira Rachmawati²

¹ International ICT Business, Faculty of Economics and Business, Telkom University, Indonesia, defiafab@student.telkomuniversity.ac.id

² International ICT Business, Faculty of Economics and Business, Telkom University, Indonesia, indirarachmawati@telkomuniversity.ac.id

Abstract

In this digital era, marketing of social media Instagram phenomenon is popular in Indonesia. Instagram is one of the social media that is widely used by the people in Indonesia. The use of social media is utilized by companies to develop their business and retain their customers (Yadaf 2017). One of the companies who takes the advantages of this opportunities is Loreal. Loreal is a professional beauty product from Paris. This study aims to determine how the influence of Social Media Marketing Instagram on Repurchase Intention in Loreal Consumers. In this study use quantitative research methods. Data was collected by means of questionnaires that distributed online. The sample in this study used a purposive sampling method with the number of respondents are 400. This study use multiple linear regression analysis technique by using software IBM SPSS. From the result of this study, conclude that Social Media Marketing that consist of Context, Communication, Collaboration and Connection have a significant influence of Repurchase Intention simultaneously.

Key Words-Cosmetics, Repurchase Intention, Social Media Marketing

I. INTRODUCTION

According to Loreal Company Profile (2022) For more than 110 years, L'Oréal have devoted energy and Loreal competencies solely to one business: beauty. L'Oréal have chosen to offer their expertise in the service of women and men worldwide, meeting the infinite diversity of L'Oréal beauty desires. L'Oréal are committed to fulfilling this mission ethically and responsibly. Since March 2020, world took a break from its whole running due to Covid-19 pandemic which got world to zero in on the other crisis that poses many aspects including business live. Based on report from McKinsey Global Institute an economic transformation to net-zero would entail. This Covid-19 transformation affected all countries and all sectors of the economy, either directly 5 or indirectly McKinsey (2022). The global beauty industry (comprising skin care, color cosmetics, hair care, fragrances, and personal care) has been shocked by the COVID-19 crisis. First-quarter sales have been weak, and there have been widespread store closures Gerstell (2020). The industry has responded positively to the crisis, with brands switching their manufacturing to produce hand sanitizers and cleaning agents and offering free beauty services for frontline response workers. At the same time, the industry's leaders have a responsibility to do their best to ensure that their companies survive. The global beauty industry generates \$500 billion in sales a year and accounts for millions of jobs, directly and indirectly. Lives come first, but livelihoods also matter Gerstell (2020). Furthermore, Mckinsey examines the likely effects of COVID-19 on the beauty industry over the next three to six months. Then it explores how the crisis could fundamentally change the industry in the long term and how retailers, strategic players, and investors can adapt. In many cases, it draws from the results of a McKinsey Global Consumer Sentiment Survey that took place in early April, where this also impact L'Oréal business (McKinsey, 2022).

According to (Moorman, 2021) found that social media has become critical to marketing during the pandemic. The survey reported that social media spending has increased from 13.3% of marketing budgets in February 2020 to 23.2% in June 2020. Meanwhile, spending on traditional advertising is projected to decline, as CMOs estimate a 5.3% reduction in traditional advertising channels in the next 12 Figure 1. 6 Consolidated Sales of Loreal 9 months. Furthermore (Moorman, 2021) social media investments will remain high at 23.4% of marketing budgets into 2021. Along with this, L'Oréal are increasingly investing in online customer experiences: 60.8% of L'Oréal indicated they have "shifted resources to building customer-facing digital interfaces" and 56.2% planning to "transform their go-to-market business models to focus on digital opportunities." It is clear that social media will continue to play an important role in driving consumers toward digital offerings. On Loreal Instagram (@lorealindonesia), L'oreal is active in promoting its products. Not only promoting its products like most other beauty brands, Loreal has a unique way to market their product in Social Media Instagram. Beside promoting their products, Loreal also active in educating customers by educating customers about things that are not commonly known by customers about beauty care and also educate the advantages of Loreal's own products so that it becomes an attraction for Loreal's customers.

Research conducted by (Savitri et al. 2016), with the title Influence Promotion Through Social Media Against Repurchase Intention Through Electronic Word of Mouth, shows that there is a direct influence of promotion through social media on repurchase intention but there is no direct effect in eWOM on repurchase intention. And research conducted by Ramadhini (2017) with the title "Pengaruh Sosial Media Marketing Instagram Terhadap Repurchase Intention Pada Konsumen Wardah" shows that there is a significant influence of Social Media Marketing Instagram (Context, Communication, Collaboration and Connection) on Repurchase Intention on Wardah consumers both in simultaneously and partially. According to (Hasan, 2013) The customer's desire to make repeat purchases is an important stage of consumer loyalty which shows a commitment to the products by consumers. Social media marketing is one of Loreal's marketing strategies to encourage consumers repurchase intention. Based on the background above, seeing repurchase intention is very important for the marketing and sale of a product in a company, encouraging authors to conduct research on "**THE IMPACT OF SOCIAL MEDIA MARKETING INSTAGRAM ON REPURCHASE INTENTION IN LOREAL CONSUMERS**".

A. Problem Statement

Based on the background of the problem previously, the questions in this study are:

1. How is context partially influence toward consumer repurchase intention in Loreal?
2. How is communication partially influence toward consumer repurchase intention in Loreal?

3. How is collaboration partially influence toward consumer repurchase intention in Loreal?
4. How is connection partially influence toward consumer repurchase intention in Loreal?
5. How is Social Media Marketing simultaneously influence Repurchase Intention in Loreal consumers?

II. LITERATURE REVIEW

A. Literature Review

1. Social Media Marketing

Social Media marketing is a form of marketing that uses social media to market a product, service, brand or issue by utilizing the audience participating in the social media. According to (Gibson, 2018) Social Media marketing as a process to get website traffic or mass attention through available social media. Social media can also be used to encourage a consumer to express his opinion on the products or services offered, and publish their opinions on social networks on the internet, which in turn can increase the knowledge of consumers who read the comments or opinions of that person towards the market or goods or services offered. According to (Saleh, 2016) social media provides interesting opportunities for companies to expand customer engagement and get people talking about the company's brand. Almost all companies have used social media so that it is difficult to find a brand website or even traditional media advertisements that do not provide Facebook, Twitter, Google, Youtube, Pinterest, Instagram or other corporate social media links. According to (Hauer, 2017) there are several aspects that need to be considered in a

- a. Context is "How we frame our stories." From the definition, context is how to form a message or story (information) such as the form of a message itself, the use of language and the contents of the message.
- b. Communication is "The practice of sharing our stories as well as listening, responding, and growing." From the definition, communication is a way to share stories or information that includes how to listen, respond in various ways such as adding pictures or packaging messages that make users feel comfortable and the message is well conveyed.
- c. Collaboration is "Working together to make things better and more efficient and effective". From the definition, collaboration between an account or company with its users on social media to make good things more effective and efficient.
- d. Connection is "The relationships we forge and maintain". From the definition, connection is a maintenance of relationships that have been established. Able to do something that is sustainable so that users feel closer to an account and social media user company.

2. Repurchase Intention

According to (Priansa, 2017) Repurchase interests is a behaviour that arises as a response to objects that indicate the customer's desire to make a repurchase. According to Hasan (2020) Repurchase intention to buy can be identified through the following dimensions or indicators:

- a. Transactional Interest: one's tendency to buy products.
- b. Referential Interest: namely a person's tendency to refer to others.
- c. Preferential Interest: an interest that describes the behaviour of someone who has a primary preference on a product, this preference can only be replaced if something happens with the product's preference.
- d. Explorative Interest: describes the behaviour of someone who is always looking for information about the product of interest and looking for information to support the positive qualities of the same product.

B. Research Framework

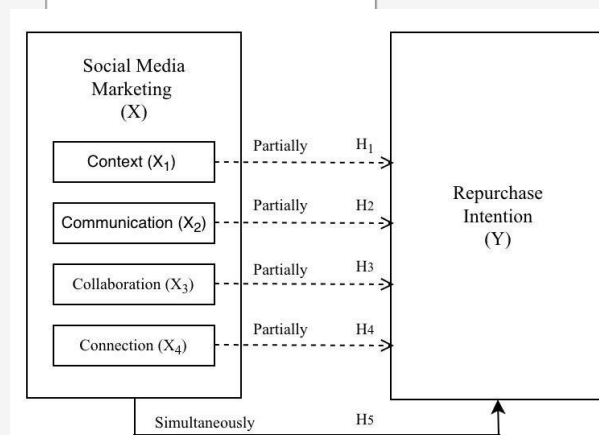


Figure 2.1 Research Framework

Source : Author, 2021

C. Hypothesis Research

1. H01: Context does not partially influences repurchase intention in Loreal consumers.
2. H1: Context partially influence repurchase intention in Loreal consumers.
3. H02: Communication does not partially influences repurchase intention in Loreal consumers.
4. H2: Communication partially influences repurchase intention in Loreal consumers.
5. H03: Collaboration does not partially influences repurchase intention in Loreal consumers.
6. H3: Collaboration partially influences repurchase intention in Loreal consumers.
7. H04: Connection does not partially influences repurchase intention in Loreal consumers.
8. H4: Connection partially influences repurchase intention in Loreal consumers.
9. H05: Social Media Marketing does not simultaneously influences repurchase intention in Loreal consumers.
10. H5: Social media Marketing simultaneously influences repurchase intention in Loreal consumers.

III. RESEARCH METHOD

The method used in this study is a quantitative research method. This research is a causal research. The sample in this study were 400 Loreal consumers who had followed Loreal’s Instagram social media (@lorealindonesia).

IV. RESULT AND DISCUSSION

A. Characteristics of Respondents

Table 4. 1 Characteristics of Respondents

Characteristics	Classification	Percentage
Gender	Female	86%
	Male	10%
Age	Other	4%
	< 18	8%
	18-25	32%
	25-35	40%
	> 35	20%
Education	High School	40%
	Bachelor Degree	51%
	Master Degree	9%

According to the characteristics of respondent in this research, the characteristics of Gender was dominated by Female (86%), and in Age was dominated by the respondents in the age of 25-35 about 40% and mostly the respondents Education is Bachelor’s degree (51%).

B. Continuum Data Analysis

Table 4. 2 The Result of Quantitative Analysis Data Continuum (Social Media Marketing)

No	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total Score	Ideal Score	Percentage
1	55	20	3	2	14	90	150	62%
2	55	20	3	2	14	90	150	62%
3	65	12	3	2	14	92	150	64%
4	60	16	3	2	14	91	150	63%
5	55	20	3	2	14	90	150	62%
6	50	20	6	2	14	88	150	61%
7	45	28	9	4	11	93	150	65%
8	45	28	15	2	10	96	150	66%
9	35	32	12	6	10	91	150	63%
The Average Percentage								63%

Source: Data that have been processed by the author

Based on data in table above, the lowest proportion is at number 6, which was 61% " Admin on social media Instagram Loreal responds to questions quickly ". The highest percentages are in statements number 8 (66%) the statement is "The interaction between the admin with Instagram social media followers of Loreal is well established ". Based on the data in table above, the percentage of variable average is 63%, these results indicate that there is relation between social media marketing for consumer Repurchase Intentions.

Table 4. 3 The Result of Quantitative Analysis Data Continuum (Repurchase Intention)

No	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total Score	Ideal Score	Percentage
1	30	36	3	6	13	84	145	58%
2	35	32	3	8	12	86	145	60%
3	30	32	6	10	11	85	145	59%
4	35	28	15	10	10	84	145	58%
The Average Percentage								59%

Source: Data that have been processed by the author

Based on data in table above, the lowest proportion is at number 1, which was 58% “Repurchase Loreal's product”. The highest percentages are in statements number 2 (62%) the statement is “Make the Loreal product as the main choice when buying beauty products.”. Based on the data in table above, the percentage of variable average is 59%. These results indicate that although consumer purchasing Loreal product but does not mean that it will be repurchase the same product afterward.

C. Classic Assumption Test

1. Normality Test

Table 4. 4 Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		400
Normal Parameters, n	Mean	.0000000
	Std. Deviation	2.39857472
Most Extreme Differences	Absolute	.122
	Positive	.086
	Negative	-.122
Test Statistic		.122
Mirw: Sig. (2-tailed)		.200*

a. Test distribution is Normal.
 b. Calculated from data.

From the table above, it can be seen that the significant value is .200 meaning that the data is normally distributed because the value is greater than 0.05.

2. Heteroscedasticity Test

Table 4. 5 Heteroscedasticity Test Results Simultaneously

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.156	.584		1.979	.058
	Social Media Marketing	.023	.019	.231	1.255	.220

a. Dependent Variable: RES2
 Source: Data processed by the author

Based on the table above, it can be seen that the significance value of the Social Media Marketing variable is 0.220. This means that the significance value is greater than 0.05, it can be concluded that there is no heteroscedasticity in both variable Social Media Marketing and variable Repurchase Intention.

Table 4. 6 Heteroscedasticity Test Results Partially

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.181	.509		.357	.722
	Context	.021	.037	.029	.570	.569
	Communication	-.068	.023	-.172	-2.914	.005
	Collaborations	.162	.046	.198	3.486	.005
	Connections	.152	.070	.112	2.183	.030

a. Dependent Variable: RES2
 Source: Data processed by the author

Based on the table above, it can be seen that the significance value of the Context, Communication, Collaborations, and Connections are (.569, .005, .005, .0030). This means that the significance value is greater than 0.05, it can be concluded that there is no heteroscedasticity in both variable Context, Communication, Collaborations, and Connections and Repurchase Intentions.

D. Multicollinearity Test

Table 4. 7 Results of Multicollinearity Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6.306	.941		6.702	.000		
	Context	.071	.069	.044	1.029	.304	.941	1.063
	Communication	.040	.043	.045	.921	.357	.697	1.434
	Collaborations	.869	.086	.482	10.122	.000	.749	1.335
	Connection	.506	.129	.169	3.926	.000	.916	1.092

a. Dependent Variable: Repurchase Intentions
 Source: Data that have been processed by the author

The multicollinearity test also contains several provisions, namely if the tolerance and value inflation factor (VIF) is greater than 0.1 or the VIF value is less than 10, it can be concluded that there is no multicollinearity in the data to be processed. The result of multicollinearity test in table explains that the value of the Context, Communication, Collaborations, and Connections this means that the standard error value is low, and multicollinearity is not detected.

E. Hypothesis Testing
1. F Test

Table 4. 8 Hypothesis Test Results (F test)

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.158	4	3.039	4.783	.001 ^b
	Residual	250.998	395	.635		
	Total	263.156	399			

a. Dependent Variable: RES2
b. Predictors: (Constant), Connections, Context, Collaborations, Communication
Source: Data that have been processed by the author

In the table above, it is known that the F value of social Connections, Context, Collaborations, Communication on repurchasing Intentions is 4.783 where this value is greater than the F table (2,604). This means that H05 is rejected and H5 is accepted, it means that there is a influence of), Connections, Context, Collaborations, Communication on Repurchase Intentions simultaneously. From the table above, it can be seen that the significance value (Sig.) of 0.01 is smaller than the probability of 0.05, so it can be concluded that H5 is accepted and H05 is not accepted. there are also affects from Social Media Marketing towards Repurchase Intention Variable thus coefficient determination shows as (R Square) is 0.46 which mean that the influence of Variable X1 toward Variable Y is 46% from the table below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.215 ^a	.046	.037	.79714

a. Predictors: (Constant), Connections, Context, Collaborations, Communication
b. Dependent Variable: RES2

2. T Test

Table 4. 9 Hypothesis Test Results (T test)

		Coefficients ^a				Collinearity Statistics		
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	6.306	.941		6.702	.000		
	Context	.071	.069	.044	1.029	.304	.941	1.063
	Communication	.040	.043	.045	.921	.357	.697	1.434
	Collaborations	.869	.086	.482	10.122	.000	.749	1.335
	Connections	.506	.129	.169	3.926	.000	.916	1.092

a. Dependent Variable: Repurchase Intentions
Source: Data that have been processed by the author

Based on the data in the table seen, the T count Are (1.029, .921, 10.122, 3.926) with significancy level (.304, .357, .000, .000) range 0.00 to 0.05 thus the influence to answer the question as in previous chapter is:

- a. H01: Context does not partially influences repurchase intention in Loreal consumers. Is accepted because t count is less than t-table 1,962 and sig is .304 greater sig value 0.005
- b. H1: Context partially influence repurchase intention in Loreal consumers Is not accepted because t count is 1.029 less than t-table 1,962 and sig is .304 greater sig value 0.005
- c. H02: Communication does not partially influences repurchase intention in Loreal consumers is accepted because t count is less than t-table 1,962 and sig is .357 greater sig value 0.005
- d. H2: Communication partially influences repurchase intention in Loreal consumers. is not accepted because t count is 921 less than t-table 1,962 and sig is .357 greater sig value 0.005
- e. H03: Collaboration does not partially influences repurchase intention in Loreal consumers. Is not accepted because t count is higher than t-table 1,962 and sig is .000 less than sig value 0.005
- f. H3: Collaboration partially influences repurchase intention in Loreal consumers. Is accepted because t count is 10.122 higher than t-table 1,962 and sig is .000 less than sig value 0.005
- g. H04: Connection does not partially influences repurchase intention in Loreal consumers. Is not accepted because t count is higher than t-table 1,962 and sig is .000 less than sig value 0.005
- h. H4: Connection partially influences repurchase intention in Loreal consumers. Is accepted because t count is 3.926 higher than t-table 1,962 and sig is .000 less than sig value 0.005

V. CONCLUSION AND SUGGESTION

A. Conclusion

The conclusion is as below:

1. The percentage of Social Media marketing in Loreal Company is 63% These results indicate that social media marketing in Loreal is pretty good
2. The percentage of Repurchasing intention in Loreal Company is 59% These results indicate that social media marketing in Loreal Company is pretty good
3. Based on this study that the author did on Loreal it can be known that there are also affects from Social Media Marketing towards Repurchase Intention Variable thus coefficient determination shows as (R Square) is 0.46 which mean that the influence of Variable X1 toward Variable Y is 46% The author concludes that basically the social media marketing really does make impact toward purchasing intention but not for overall Repurchase Intention.

B. Suggestion

1. Practical Aspect

- a. Based on the results of this study, the questionnaire “Admin on social media Instagram Loreal responds to questions quickly” has the lowest rate in repurchasing intention. Therefore, since Loreal is not small private company more to multinational company that is all over the world it is better to set the admin like 24 hours regardless the part of the world time and country.
- b. Based on the results of this study, the questionnaire “Repurchase Loreal's product” has the lowest effect on repurchasing decisions. Therefore, it is better that companies take a look at more specific factor what make the consumer do no buy again the sample product as maybe it can be concluded by other factor.

2. Theoretical Aspect

- a. The author feels that the variables used are quite good and influential, but maybe there are other variables that might be investigated to see the Repurchase Intentions of Loreal in similar or different companies.

REFERENCES

- Agon, M. J.-P. (2020). *First Quarter 2020*. L'Oréal Finance.
- Hasan, D. R. (2020, June 12). *Artificial Intelligence (AI), Consumer Behaviour and Digital Marketing*. Retrieved from LinkedIn: <https://www.linkedin.com/pulse/artificial-intelligence-ai-consumer-behaviour-digital-hasan>
- Kotler, P., Keller, & K. L. (2016). *Marketing Management 16 Edition*. New Jersey: Pearson.
- L'Oréal. (2022, February 02). *L'Oréal Official Website*. Retrieved from About L'Oréal: <https://www.loreal.com/en/group/about-loreal/>
- McKinsey. (2022, January 26). *COVID-19: Implications for business*. Retrieved from COVID-19: Briefing note #89, January 26, 2022: <https://www.mckinsey.com/business-functions/risk-and-resilience/our-insights/covid-19-implications-for-business>
- Moorman, C. (2021, January 19). *Harvard Business Review*. Retrieved from CMOs: Adapt Your Social Media Strategy for a Post-Pandemic World : <https://hbr.org/2021/01/cmoss-adapt-your-social-media-strategy-for-a-post-pandemic-world>
- Ramadhini, S. W. (2017). Pengaruh Social Media Marketing Instagram terhadap Repurchase Intention Pada Konsumen Wardah.
- Savitri. (2016). Pengaruh Promosi Melalui Media Sosial Terhadap Repurchase Intention Melalui Electronic Word of Mouth.
- Statista. (2022, March). <https://www.statista.com/statistics/243986/consolidated-sales-of-loreal-worldwide/>. Retrieved from Consolidated sales of L'Oréal worldwide from 2009 to 2021: <https://www.statista.com/statistics/243986/consolidated-sales-of-loreal-worldwide>