Abstract

This paper aims to examine whether social media marketing activities plays an important role upon creating purchase decision, and the effects if mediated by brand awareness and willingness to buy. In addition if Income and educational level can amplify the effects towards purchase decision. Cause-and-effect relationships between hypothesized variables are related to each other so as to form a structural equation model (SEM) with one exogenous variable, three endogenous variables, and two moderating variables. Convenient sampling method was used to obtain 200 samples of ordinal data derived from respondents' assessments of 27 survey items with a scale of five. Respondents from this study were Taeyang Kulture students whose entry was allegedly due to the influence of social media marketing activities. The validity and reliability of a group of indicators belonging to each variable, and the fit of the model, are tested first before testing the hypothesis. Social Media Marketing Activities have a positive and significant effect on purchase decisions, either directly or indirectly. The indirect effect can be seen in the role of the mediating variable. Brand awareness and willingness to buy have positive and significant effect to mediate the effect of social media marketing activities towards purchase decision. Income and Educational level also moderate the effects of willingness to buy on purchase decision significantly. The decision of prospective students to join Taeyang Kulture is strongly influenced by the dimensions of social media marketing activities which include interactivity, informativeness, personalization, and trendiness. This effect is more effective, especially if the SMMA is more directed at prospective students who are highly educated and have high incomes. This research refines previous research that has not considered environmental aspects in the model, namely income level and education level which strengthen the desire of prospective students to decide to join Taeyang Kulture.