THE INFLUENCE OF SOCIAL MEDIA MARKETING AND PRODUCT PLACEMENT OF COLORGRAM ON GENERATION Z PURCHASE INTENTION IN MANADO

PENGARUH PEMASARAN MEDIA SOSIAL DAN PENEMPATAN PRODUK COLORGRAM PADA NIAT PEMBELIAN GENERASI Z DI MANADO

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Abstract: Product Placement and Influencer Marketing are types of marketing strategy that uses media such as Movies and TV Shows and also social media. The product will be promoted throughout the show and also through famous influencer in order for the brand to gain more recognition. Brand awareness are customers’ ability to recall and to use the product from a certain brand after seeing them and to buy them in the future. This paper consists of study on Generation Z’s behavior especially for the awareness of the brand through product placement that appears on Movies and TV Shows and also Influencer Marketing across social media platform. The result was taken from 100 Generation Z who lives in Manado and have interest on Movies and TV Shows along with influencers on social media. According to the findings, the people found that product placement has a significant impact towards the awareness of the brand and that influencers marketing has less impact due to the lack of trust that they have on the review that was done by the influencers.

Keyword: product placement, influencer marketing, brand awareness

INTRODUCTION

Research Background
Nowadays people use smart phone as a daily need. There are so much information that available and accessible including ads-based product that popped up in every platform that give enough information about the product itself. When it reaches the target of audience, customer whose basically need that certain product is going
to have an intention to purchase. Measurements of purchase intentions are useful when creating marketing campaigns or promotions. It can be extremely simple to precisely repeat what kind of material should be displayed in an advertisement based on the intent of a customer. The intentions may reveal details about the consumer's mental understanding levels. And the design of marketing activities can be created based on this measurement. Intention to buy a product can be distinguish based on their age, gender, and needs.

Purchase intention is a term expresses how willing and inclined customers are to purchase a good or service. It comes when a product marketed and reaches audiences and causes an intent to purchase based on the visual appearance and introduction that comes in many ways. Intention to buy a product can be distinguish based on their age, gender, and needs. According to Chong et al. (2018), consumer perceptions of institutional systems' efficacy negatively affect consumers' online trust in businesses and intentions to make more purchases.

Social media marketing refers to promotional actions for a product or service conducted via social media. Businesses prefer social media marketing over traditional forms of marketing because it allows them to not only retain consumers but also communicate with them more effectively. Social media marketing is seen as a successful strategy for attracting clients, given that such platforms can lead to increased customer participation and commitment. Social media marketing is vital nowadays because it enables businesses to reach a big, focused audience in a cost-effective manner, while also strengthening customer connections and raising brand recognition. Today in the internet age, companies are constantly in a competition in creating name or imagery to appeal to a huge customer or market. Company works together with various media or even celebrity in order for more people to recognize their brand. The internet has evolved and changed the way company promotes their product with platform such as YouTube, Instagram, Twitter, and the biggest internet platform which is Google.

Product placement is a marketing method in which a product or service is shown in media such as television shows, movies, music videos, social media platforms or even advertisement for other product. Even if it is not the major focus, the product is visible on the screen and in the audience's sight. Product placement allows companies to target specific audiences by inserting their products or services in media productions that appeal to their target demographics. Product placement may boost brand recognition by exposing a brand to a wide and diversified audience. When a product is featured in a major media production, it may reach millions of people, enhancing brand awareness and recall. Even if it is not the major focus, the product is visible on the screen and in the audience's sight. Product placement occurs when the crew in the program has reached an agreement with the companies; in certain circumstances, the brand may create an additional rule in order for their product to be utilized as a prop on the show.

In this era, it important for the firm to know which type of advertising they should choose to promote their product. Both SMM and Product Placement is important because it is a powerful, positive placement that increases brand recall, brand salience, and brand attitude. Seeing the continual usage of brand that are being exhibited inside a movies and TV shows and that being pushed across social media platform by influencer makes the viewer's wishes to have the same thing as the individuals that they saw via their screen. This might happened because seeing how much attention and fame that the influencers involved are getting into, causes their audience wanting to experience those things as well via the consumption of the goods that are being marketed.

Colorgram is a Korean Beauty brand that sells skincare and make up with a lot of variation. Colorgram went viral after the product placement advertising in K-Drama, True Beauty released also showing the products on their social media account which make many people watched and creating an intention to buy the products. This product is sold everywhere in e-commerce platform because the trends where every TikTok, Instagram users are reviewing how well the product is. The major objective of this study is to assess SMM and product placement and their influence on purchase intention based on the facts, explanation, and prior perspectives on the issue. As a result, the author has termed this study with the title “The Influence of Colorgram Social Media Marketing and Product Placement on Gen Z Purchase Intention in Manado”

Research Objectives

Based on the research problem, the objectives of this paper as follow:

1. To find out if Social Media Marketing has influence on Gen Z Purchase Intention of Colorgram
2. To find out if Social Media Marketing has influence on Gen Z Purchase Intention of Colorgram
3. To find out if Social Media Marketing and Product Placement has influence on Gen Z Purchase Intention of Colorgram

THEORETICAL FRAMEWORK

Marketing
Marketing, according to Kotler and Keller (2012), is the recognition and fulfillment of human and societal needs. Marketing may be defined as "profitably meeting needs." According to the American Marketing Association (2017), marketing is both an activity and a process of producing, communicating, delivering, and exchanging services that provide value for customers, client partners, and society at large.

Digital Marketing
Digital marketing, according to Chaffey and Ellis-Chadwick (2016), is the use of the internet and other relevant digital tools in addition to conventional communication to accomplish marketing objectives.

Social Media Marketing
Social media marketing is described by Chaffey (2002) as "monitoring and supporting customer connection, involvement, and sharing through digital media to create positive engagement with social interactions with a firm and its brands that leads to financial value."

Product Placement
Bressoud and Lehu (2008:1084) define product placement as a marketing tactic in which a product is placed in a movie scene or its brand name is uttered. Product placement is a sort of advertising technique in which branded items or services are integrated into non-advertising media content such as movies, TV shows, video games, music videos, and other types of entertainment.

Purchase Intention
Purchase intention denotes the possibility that customers will intend to buy or be willing to buy a specific product or service in the future (Wu, Yeh, and Hsiao, 2011) acquire intention in the advertising context refers to the process through which consumers plan to acquire a product/service as a result of advertisements given through advertising media.

Previous Research
Choedon and Lee (2020) investigated 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.

Kit and P’ng (2014) examined the influence of product placement in television shows and movies toward consumer behavior. 100 respondents from the Klang Valley, aged from 18 to 25 participated in this research. The methodology uses convenience sampling. The data analysis is done with the SPSS windows software. This study integrates the Theory of Reasoned Action to test five different hypotheses. The main findings show that beliefs of a person about product placement can affect the individual’s attitude. In addition, normative norms have a significant relationship with subjective norms. Both attitude and subjective norms have a direct effect on purchase intention. Lastly, purchase intention will affect a person’s consumer behavior. Some suggestions are given to advertisers and marketing researchers respectively.
Güney (2019) measured the effect of consumer perception on marketing applications of brands on Instagram pages and their impact on brand loyalty as well as purchase intention. In this context, the research model developed was tested on Beykent University students. Data obtained by the survey method were analyzed using SPSS and Amos package programs. According to research findings, the functional value, hedonic value and self-brand image congruency perceptions towards the Instagram page of the brand in question positively affected the purchase intention, whereas the social value and co-creation perceptions did not have a significant effect on purchase intention. The functional value, social value and self-brand image congruency perceptions towards the Instagram page of the brand in question positively affected brand loyalty, whereas the hedonic value and co-creation value perceptions were found to be unrelated to brand loyalty. Furthermore, it was observed that brand loyalty mediates the whole effect of the functional value and co-creation perceptions towards the Instagram page of the brand in question on purchase intention.

Conceptual Framework

![Conceptual Framework](image)

**Research Hypothesis**

H1: SMM (X1) has positive influence towards Purchase Intention (Y)

H2: Product Placement (X2) has positive influence towards Purchase Intention (Y)

H3: Social Media Marketing and Influencer Marketing (X1, X2) has positive influence towards Brand Awareness (Y).

**RESEARCH METHOD**

**Research Approach**

This research employs the quantitative approach. Quantitative researchers, according to Leedy and Ormrod (2010:95), seek explanations and predictions that can be generalized to other individuals and places. The technique used in this study was quantitative because it incorporated numbers and statistical data.

**Population, Sample and Sampling Technique**

According to Sekaran and Bougie (2013), population refers to the entire group of people, events, or things of interest for which the researcher wants to make inferences. Based on the definition, problems, and the variable that is consisted in this study, the population that is going to be used are the people in Manado who have interest in watching movies and TV shows and also the people who actively follows influencer on social media. The sample size consist of 100 people including of Generation Z specifically at the age range 17 – 25 since these are the age range of people who have a buying power around Manado who are aware of a brand appearance on their gadget’s screen.

**Data Collection Method**

The data that is used for this study are primary data and secondary data. The primary data is collected by distributing questionnaires to people within the mentioned aged ranged and through observation. The secondary data collected are from books, previous study and expert opinion.
Operational Definition of Research Variables

Table 1. Operational Definition and Indicator of Research Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Media Marketing</td>
<td>SMM refers to all online advertising done using social media tools and</td>
<td>1. Social interactions</td>
</tr>
<tr>
<td></td>
<td>strategies to draw customers.</td>
<td>2. Word of mouth communication.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Brand communication via viral marketing</td>
</tr>
<tr>
<td>Product Placement</td>
<td>Product placement is a marketing method in which a product or service is</td>
<td>1. Visual figures</td>
</tr>
<tr>
<td></td>
<td>shown in media such as television shows, movies, music videos, social</td>
<td>2. Plot Placement</td>
</tr>
<tr>
<td></td>
<td>media platforms, or even advertisements for other products.</td>
<td>3. Packaging</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Audio Placement</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>Purchase intention is a measurement of how strongly a person intends to</td>
<td>1. Brand Equity</td>
</tr>
<tr>
<td></td>
<td>engage in a particular behavior or decide whether to purchase a good or</td>
<td>2. Perceptions and Attitudes of Consumers.</td>
</tr>
<tr>
<td></td>
<td>service.</td>
<td>3. Product Quality</td>
</tr>
</tbody>
</table>

Source: Data Processed (2023)

Validity and Reliability

The term “validity test” relates to the characteristics of the indicators and the accuracy of the measurement. By conducting a bivariate correlation between the indicator score and the overall conduct score, a validity test is carried out. If an indicator produced a significant result, it is considered to be legitimate. The indication can be regarded as legitimate if the final score is more than 0.5. The results of this paper’s validity test are summarized below.

Multiple Linear Regression Analysis

Regression using more than one independent variable is called a multiple or a multivariate regression analysis. Since this paper uses more than one independent variable, it uses multiple linear regression model, and the formula is as follow:

\[ Y = \alpha + \beta_1X_1 + \beta_2X_2 + \ldots + \epsilon \]

Description:

- \( Y \) : Purchase Intention
- \( \alpha \) : constant
- \( \beta_1, \beta_2 \) : regression coefficient of each variable
- \( X_1 \) : Social Media Marketing
- \( X_2 \) : Product Placement
- \( E \) : error

RESULT AND DISCUSSION

Result

Validity and Reliability Tests

The validity test involves 15 questions with the variable \( Y \) of Purchase Intention. A validity test is performed by doing a bivariate correlation in between the indicator score and the total conduct score. An indicator is said to be valid if it reached a significant outcome. If the score of the indicators turns out to be more the 0.5. The reliability value of \( X_1 \) is 0.832, \( X_2 \) is 0.845, and \( Y \) is 0.864. Based on this, it can be concluded that all the reliable number in this study are reliable or consistent.
Classical Assumption Tests

Normality Test

Figure 2 shows a spread data and scattering around the diagonal line and it its following the graph’s diagonal line. This is indicating that the line and the scatter plot are appearing around the linear line which is meaning that the model is in normal model distribution.

Heteroscedascity Test

Figure 3 shows the result of heteroscedasticity test using scatterplot the dots in the scatterplot spread above and below 0 in Y axis and not form in a clear pattern. It means that there is no heteroscedasticity in this regression model and can be used to predict the influence between dependent variable and independent variables.

Multicollinearity Test

Table 2. Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Coefficients</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td></td>
<td>.106</td>
<td>9.392</td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>.106</td>
<td>9.392</td>
<td></td>
</tr>
<tr>
<td>Product Placement</td>
<td>.106</td>
<td>9.392</td>
<td></td>
</tr>
</tbody>
</table>

Based on the table, it is shown that the Variance Inflation Factor (VIF) values for Social Media Marketing for Generation Z in Manado (X1), for Product Placement for Generation Z in Manado (X2), and Purchase Intention
for Generation Z in Manado is lesser then 10 (all VIF values < 10), then in can be concluded that the regression model in this paper has no multicolinear symptoms.

Multiple Linear Regression Analysis

Based on the table 3, it can be concluded that among the variables in this research have the strongest influence is Product Placement with the score of 0.771 or equal to 77.1%.

Table 3. The Result of Multiple Linear Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-.084</td>
<td>.537</td>
<td>-.157</td>
<td>.875</td>
<td></td>
</tr>
<tr>
<td>Social Media</td>
<td>.429</td>
<td>.079</td>
<td>.415</td>
<td>5.406</td>
<td>.000</td>
</tr>
<tr>
<td>Marketing</td>
<td>.578</td>
<td>.078</td>
<td>.568</td>
<td>7.401</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Intention

Source: SPSS Data Processed (2023)

Based on the table above, the Multiple Linear Regression are as follow: Y = a + b1.X1 + B2.X2

Y = .084 + 0.429 + 0.578

1. The score of an 0.084 is a state where the Purchase Intention (Y) variable is influenced by other variables such as Social Media Marketing (X1) and Product Placement (X2)
2. b1 of 0.429 is showing the Social Media Marketing (X1) has a positive influence toward Purchase Intention (Y) variable which means that Social Media Marketing variable (X1) will affect the Purchase Intention.
3. b2 of 0.578 is showing the Product Placement (X2) has a positive influence toward Purchase Intention (Y) variable which means that the Product Placement (X2) will affect the Purchase Intention.

Coefficient of Correlation and Determination (R2)

Table 4. Coefficient of Correlation and Determination (R2) Results

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>0.969</td>
<td>.939</td>
<td>.938</td>
<td>.81970</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Product Placement, Social Media Marketing
b. Dependent Variable: Purchase Intention

Source: SPSS Output Data (2023)

Results shows the correlation coefficient or R of 0.969 this reveal that the connection of Social Media Marketing and Product Placement towards Purchase Intention for Generation Z in Manado 96.9% and can be included as a strong relationship. The result of the Coefficient of Determination or R square (r2) is 0.938 equalto 93.8%. The result shows that the Social Media Marketing and Product Placement do have an effect towards Purchase Intention among Generation Z.

Hypothesis Testing

F – Test (Simultaneous Test)

The test that has been conducted here id one by comparing the number of significant level of calculation results which is the significant level of 0, 05 or 5%. Based on table above, it is shown that the F shows a value of 749.780 with a significant rate of 0,000 then Ho was accepted and Ha was also accepted. This shows that together the Social Media Marketing (X1), Product Placement (X2), has an influence towards Purchase Intention
Table 5. F–Test Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1007.574</td>
<td>2</td>
<td>503.787</td>
<td>749.780</td>
<td>.0000</td>
</tr>
<tr>
<td>Residual</td>
<td>65.176</td>
<td>97</td>
<td>.672</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1072.750</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Intention
b. Predictors: (Constant), Product Placement, Social Media Marketing

Source: SPSS Output Data (2023)

T- Test (Partial Test)

Table 6. T–Test Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
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<td>Beta</td>
<td></td>
<td>Tolerance   VIF</td>
</tr>
<tr>
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<td>-.084</td>
<td>.537</td>
<td>-.157</td>
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<tr>
<td>Marketing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Tolerance   VIF</td>
</tr>
<tr>
<td>Product Placement</td>
<td>.578</td>
<td>.078</td>
<td>.568</td>
<td>7.401</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Intention

Data Processed 2023

The Social Media Marketing variable has a value of 5.406 with a significant rate of 0.000 < 0.05, indicating that Social Media Marketing (X1) has an impact and a considerable impact on Purchase Intention (Y). Product Placement variable has a value of 7.401 with significant rate of 0.000 < 0.05. This means Product Placement (X2) has an impact on Purchase Intention (Y). This finding indicates that the premise that Product Placement influences Purchase Intention among Manado's Generation Z is correct.

Discussion

The influence of Social Media Marketing and Product Placement towards Purchase Intention

According to the results of the study, both the variables of Social Media Marketing and Product Placement have an impact on Purchase Intention. The findings indicate that Social Media Marketing and Product Placement have an impact on Purchase Intention. When the test is completed by comparing significant numbers, the computation yields a significant threshold of 0.05 (5%). The F test score is 749.780 with a significant threshold of 0.05, indicating that Colorgram's Social Media Marketing and Product Placement has a respectable and is good enough for Purchase Intention among Generation Z in Manado. This is consistent with the previous research from Gageler and van der Schee (2016) where analysis shows that product placement on social media can have a positive influence on consumer brand perception and purchase intention. This is particularly compounded if the celebrity is liked. However, the analysis also indicates clear signs that the Generation Y perceives product placement on social media as unethical. However, all in all, it can be said that product placement on social media is a good marketing tool if several suggestions and restrictions are taken into account.

The influence of Social Media Marketing towards Purchase Intention

According to the results of the study, Social Media Marketing has an impact on Purchase Intention among Manado's Generation Z. The test t findings demonstrate that SMM of Colorgram has a positive influence on Purchase Intention with a t value of 5.406 and a significant result of 0,000 or less than 0,05, implying that SMM has a positive relationship with Purchase Intention. Colorgram’s advertisement through social media by influencers, celebrities, can impact their target audience's thoughts and attitudes about businesses and products. Their genuine and accessible content fosters trust and trustworthiness, resulting in increased buy intent among
The influence of Product Placement towards Purchase Intention.

According to this research, Product Placement has a considerable impact on Purchase Intention among Manado's Generation Z. The test t findings demonstrate that Product Placement has a positive influence on Purchase Intention with a t value of 7.401 and a significant result of 0 or less than 0.05, implying that Product Placement has a positive relationship with Purchase Intention. Product placement in movies and TV programs develops prospective customers and increases their intention to purchase the brand that is being marketed, and there is a high possibility that they will recall the brand and utilize it in the future. Product placement in movies and TV shows develops potential customers and increases their intention to acquire the brand that is being marketed, with a high likelihood for them to recall the brand and utilize them in the future. This conclusion is consistent with previous study Almohaimmeed (2019), Organizations should pay greater attention to social media marketing antecedents since they have direct consequences on social media marketing application, brand loyalty, and client purchase intention.

CONCLUSION AND RECOMMENDATION

Conclusion
1. Social Media Marketing of Colorgram has positive influence towards customer Purchase Intention.
2. Product Placement of Colorgram has a positive influence towards Purchase Intention, particularly for Generation Z in Manado.
3. Social Media Marketing and Product Placement has a significant influence toward Purchase Intention.

Recommendation
Based on the result that has been conducted in this study, the suggestion are as following:
1. The results suggest that Social Media Marketing and Product Placement have an influence on Customers Purchase Intention at the same time, thus brands should improve both marketing strategies in order to increase their interaction with their customers or potential customers in the future.
2. To maximize the use of the Product Placement strategy, brands should incorporate the brand's product into the movement or dialogue that the actors are performing. Additionally, making the product visible to the visual of the viewers is an effective way to increase their awareness of that brand.
3. For brands that are doing social media marketing, it is suggested that they maximize it by working or partnering with influencers who are in the same field as the product that they are selling, so for example, if they are selling makeup or skin products, it is better for them to work with influencers who are known as beauty influencers, and it is also better for them to give an honest and sincere review in order to increase customers trust toward the product.
4. The study is projected to be a reference or a guideline resource for Marketing Management Science in the future, particularly in regard to Social Media Marketing and Product Placement toward Customer Purchase Intention.

REFERENCES


