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The Mediation Role of Purchase Intention on The Relationship Between Social Media Marketing, Brand Image, and Brand Loyalty: A Case Study of J&T Express Indonesia

Abstract

The competition in Indonesia's courier, express, and parcel market has been very tight. J&T Express, one of the courier companies in Indonesia, needs to improve itself to survive and gain more market share. The research aims to analyze the impact of social media marketing and brand image on purchase intention and brand loyalty. The research also wants to determine the role of purchase intention in mediating the impact of social media marketing and brand image on brand loyalty. Data from 104 respondents who have ever used the service of J&T Express and watched the content of J&T's social media content were collected and analyzed using PLS-SEM. The result shows that social media marketing, brand image, and purchase intention significantly influence brand loyalty. However, purchase intention is proven not to mediate the relationship between social media marketing and purchase intention due to the insignificance of social media marketing on purchase intention. On the other hand, purchase intention significantly mediates the impact of brand image on brand loyalty.

Keywords: Social media marketing; Brand image; Purchase intention; Brand loyalty.

1. Introduction

Courier express parcel (CEP) delivery service significantly rose amidst the pandemic. Indonesian CEP market size was at USD 2.9 billion in 2020 and will grow at a Compound Annual Growth Rate (CAGR) of 12.77%, reaching USD 6 billion in 2026 (Mordor Intelligence, 2021). The growth is mainly driven because of the high adoption rate of e-commerce in Indonesia, where the e-commerce market size reached IDR 466.5 trillion in 2020, and the market is forecasted to grow with a CAGR of 27% from 2020 to 2025, reaching IDR 1,532.7 trillion in 2025 (Passport, 2021). The boost of the e-commerce market is because the customers are concerned about the global pandemic, causing them to adopt safe purchasing solutions for minimizing physical contact (Mordor Intelligence, 2021).

Along with the potential of e-commerce, J&T Express successfully became one of the most well-known CEP delivery service providers in Indonesia, with 60% of its business serving the e-commerce market (Soetoyo & Suryajaya, 2020). Founded in 2015, J&T Express is a sophisticated IT system express service provider with coverage throughout Indonesia. With the unique selling proposition of 365 days of operation, a real-time monitoring system, 24 hours customer service, and a fast claim system, J&T express managed to claim Go Asean Champion in 2019 (J&T Express, 2019). According to J&T Express' CEO, Robin Lo, J&T Express always prioritizes technology to accommodate its customers (Handayani, 2019).

Despite the achievements that J&T Express has, the Indonesian CEP market is a red ocean where companies compete for market share in a moderately fragmented market. On the competitive rivalry side, start-ups, such as Anteraja, Ninja Express, Deliverree, and Poxel, offer cheaper rates with similar/more sophisticated services, such as insurance coverage, pick-up services, or same-day delivery service (Soetoyo & Suryajaya, 2020). Aside from the mentioned facts, competition has heightened due to the proliferation of start-ups with asset-light/asset-less business models. For example, the "sharing economy" trend can help match people who own vehicles that can supply courier service with the customers' delivery needs (PwC, 2016). In Indonesia, start-ups like Grab, which initially only provided ride-hailing service during its early days in 2012, easily extended to providing on-demand door-to-door delivery service due to the supply side's opportunity to earn additional income (Grab Indonesia, 2015). Aside from the industry rivalry, consumers' bargaining power is also very high. The multitude of choices that CEP providers bring to the table, the minimum switching

costs, and the Indonesian's price sensitivity have put pressure from the buyers' side (Deloitte, 2020).

Brand loyalty plays a significant role in determining the success of a business within the competitive market. According to an article on Forbes, positive behavior toward a brand will lead to something called the "Rule of Six", where customers become six times more likely to repurchase the product and recommend it to others, making loyalty the primary indicator of profitability (Passikoff, 2014). Furthermore, the study showed that acquiring new customers was five to twenty-five times more expensive than retaining the current ones (Gallo, 2014). Hence, an in-depth assessment of brand loyalty is crucial for maintaining J&T Express' customers to increase profit and avoid unnecessary costs.

As companies need to intrigue the customers to be loyal and have a relationship with the offered brand, marketers should try to build and maintain brand image. Brand image can be understood as the feeling and perception customers have about a brand, including not only logos or slogans, but also quality, reliability, and speed (Williams, 2021; Timothy, 2016). According to an article from Forbes, maintaining a stable brand image can increase the credibility of the brand, which will lead to customers having loyalty and a relationship with the brand (Timothy, 2016). Aside from its correlation with brand loyalty, brand image can also help companies possess a competitive advantage where they can charge premium prices that customers will be willing to pay (Williams, 2021). Therefore, J&T Express' brand image needs to be further analyzed, considering the positive impacts that may be resulted.

Aside from maintaining a positive brand image, customers can be kept loyal to the brand through social media, as 72% of 250 business executives voted that the platform functioned to engage with their customers (The Harris Poll, 2020). Nowadays, when using social media to reach customers, brands should emphasize authenticity so that the customers can feel connected with the brand beyond transactional relationships, which will eventually foster brand loyalty (Meredith, 2020). Concerning building relationships, J&T Express' social media marketing strategy, as mentioned by the brand manager, is to provide content and information that all Indonesian customers can access (J&T Express, 2021). As a result, J&T Express won three Brand Awards for Indonesian Most Engage Delivery Service 2021, where the award was based on the brand engagement of delivery services brands on social media. Considering its great success, a more profound analysis should be made to verify how J&T Express' social media marketing impacts its customers' brand loyalty.

Another reason why social media marketing is necessary to be analyzed is because of the vast social media adoption by the Indonesian market. First, being the largest country in Southeast Asia, the mobile social media penetration rate grew by 8.3% in Indonesia from January 2018 to January 2019, and 150 million people out of the total population of 268.2 million were considered active social media users (Kemp, 2019). Second, the average Indonesian time spent on social media was 3 hours 26 minutes, which was higher than the worldwide average duration of 2 hours 16 minutes (Kemp, 2019). Third, 92% of Indonesian social media users actively contributed and utilized their social media in a month; again, this number exceeded the average worldwide percentage of only 83% (Kemp, 2019). Therefore, it is fair to summarize that not only is social media's benefit astronomical, but the vast numbers of active social media users in Indonesia also make the platform very potential to be exploited.

Furthermore, brand loyalty can also be impacted by purchase intention, which is one's willingness to purchase products or services in the future after comparing their attributes, quality, and features (Laksamana, 2018). Purchase intention reflects the attitude and response of customers toward a brand, whether they will purchase or switch to other offerings (Keller, 2013). In addition to impacting brand loyalty, purchase intention can also be triggered with the previously mentioned variables: brand image, and social media marketing. Well-known

brands and products or services with a positive brand image will be perceived to have lower risks, making the customers willing to purchase the offering (Wang & Tsai, 2014). As for social media marketing, customers will be 88% more likely to buy a brand after reading other customers' reviews on social media (Sprout Social, 2021). Seeing how the purchase intention can impact brand loyalty while also being impacted by brand image and social media marketing, the variable should also be integrated into the framework of this study.

This research is important to be done for several reasons. First, this study would like to fulfill the suggestion of the previous researcher, Laksamana (2018), to understand the context of social media marketing in other industries, aside from banking in Indonesia. In this case, the courier express parcel is chosen as the subject considering its good performance during the pandemic. Secondly, this research would also like to address the suggestion from Astuti (2016), mentioning that adding more variables would give a more comprehensive understanding of the author's topic regarding the impact of brand image on brand loyalty. Therefore, using the preceding journals (Laksamana, 2018; Fauziah & Mubarak, 2019; Astuti, 2016), the researchers would like to know the impact of social media marketing and brand image on purchase intention and brand loyalty. Lastly, this research also aims to analyze the mediating role of purchase intention in the relationship between social media marketing, brand image, and brand loyalty, which the previous research has not discussed.

This research will help businesses and practitioners know whether their investment in social media and building the brand image will affect the customer's purchase intention and brand loyalty. Considering how building brand loyalty is a complicated task, this study will elaborate if the social media marketing and brand image have been able to trigger purchase intention and brand loyalty. Although this research analyzes the case of J&T Express as the object, companies within a similar industry may also use this study as a reference.

2. Literature Review

2.1. Brand Loyalty

Brand loyalty is considered an essential variable because it makes consumers purchase a brand routinely and resist switching to another brand (Yoo et al., 2000). Although it was published two decades ago, the study from Yoo, Donthu, and Lee is still valid, as many recent papers (Laksamana, 2018; Shariq, 2019) refer to them when analyzing brand loyalty. Additionally, according to Schiffman and Wisenblit (2015), brand loyalty is a psychological commitment of customers toward a brand and their behavior of not switching to other brands. Another author (Oliver, 2010) explained brand loyalty as customers' profound conviction to consistently repurchase a preferred brand in the future and will not change to other offerings regardless of any hindrances that might cause switching behavior. Thus, the researchers can summarize brand loyalty as a consumer's positive attitude and behavior to stick with the current brand, despite competitors' influences that might have caused them to shift to other brands.

2.2. Purchase Intention

Purchase intention can first be explained as customers' preference to purchase the product or service (Younus et al., 2015). It is explained that purchase intention emerges as the outcome after evaluation, which will trigger the customers to buy the product or service (Younus et al., 2015). Aside from preference, customers' likelihood to make future purchases of certain brands is also considered as purchase intention (Kim & Ko, 2010). Hence, purchase intention can be understood as the customers' preference and likelihood to purchase the product/service after comparing it to other alternatives.

According to the journal from Laksamana (2018), brand loyalty is verified to be positively influenced by purchase intention. As Angie and Haryanto (2011) mentioned, this is possible as purchase intention indicates a repeat request that shows the consumers' desire to purchase again. In the same journal as the previous statement, the repurchase is made possible because the customers believe the wanted product/service will fulfill the expected satisfaction. Hence, it can be said that the higher one's purchase intention is, the higher the brand loyalty will be, and the following hypothesis can be formulated:

H₁: Purchase intention has an impact on brand loyalty.

2.3. Social Media Marketing

Social media marketing is creating, communicating, delivering, and exchanging offerings using social media technologies to increase the value of an organization's stakeholders (Solomon & Tuten, 2014). Moreover, social media marketing can be understood as the act of enhancing a brand's value through social media platforms. Companies use social media to build and maintain a relationship with customers through interaction, recommendation of personalized purchase options, and information sharing for the most trending products and services, which will eventually intrigue the customers to relay and share the information with their peers or relatives (Yadav & Rahman, 2017). According to Kim and Ko (2010), it is crucial to adopt social media as it can help companies increase sales and profitability with much less cost and effort. Hence, the researchers can conclude that social media marketing is an efficient marketing strategy to strengthen the brand and enhance stakeholders' values. Companies can have two-way communication with the users on social media platforms by providing the most trending information and relevant purchase recommendations, which eventually makes customers willing to share the information within the buyers' circle.

Kim and Ko (2010) elaborated social media marketing into five constructs: entertainment, interaction, trendiness, customization, and word of mouth. The journal by Liu, Shin, and Burns (2021) also used the exact five dimensions, with detailed descriptions of the dimensions.

Table 1. Dimension of Social Media Marketing

Dimension	Description
Entertainment	The fun and interesting content provided on the brand's social media for its customers.
Interaction	The brand's ability to attract customer reactions on its social media, such as liking and commenting on the posts.
Trendiness	The effort to share the latest and trendiest information about the brand on social media.
Customization	The customized information or service on the brand's social media.
Word of Mouth	The consumers' willingness to pass information from the brand's social media to others.

Source: Liu, X., Shin, H., & Burns, A. C. (2021).

Purchase intention was tested to be significantly influenced by social media marketing in a study conducted in Pakistan (Manzoor et al., 2020). The study's authors mentioned that the probability of making a purchase was higher when the customers were exposed to high-quality information on social networking sites. Out of 250 business executives, only 9% said that social media marketing could not increase sales (The Harris Poll, 2020). It was because, within the same survey, 78% out of 1,006 customers were more willing to buy from a brand after having a positive experience with the brand (The Harris Poll, 2020). A positive

experience can be built by providing content that is relevant, creative, and interactive (The Harris Poll, 2020). Moreover, having customers review the company's products and services will help other customers who read it to be intended to purchase them. It was said that after reading reviews about a brand on social media, 88% of customers would be more likely to buy it (Sprout Social, 2021). All in all, the bases from the previous studies show the relationship between social media marketing and purchase intention and thus, the following hypothesis can be formulated:

H₂: Social media marketing has an impact on purchase intention.

According to the research by Muchardie, Yudiana, and Gunawan (2016), social media marketing positively impacted brand loyalty in the case of Indonesian cosmetics brands. When social media correctly conveys the brand story and identity using compelling content that generates engagement with the audience, loyalty to the brand will be developed (Aboulhosn, 2019). The key to engage customers with the brand is to post content that the target audience can resonate with (Meredith, 2020). When the customers feel connected with the content of the brand's social media, customers' bond with the brand, which is beyond a transactional relationship, will be built, eventually fostering brand loyalty (Meredith, 2020). The previous statement aligns with the statistics that 72% of 250 business executives voted that social media functioned to engage with their customers (The Harris Poll, 2020). Seeing the correlation from the previous elaboration, the researchers can hypothesize that social media marketing has a significant influence on brand loyalty, as follows:

H₃: Social media marketing has an impact on brand loyalty.

2.4. Brand Image

Aaker (2009) defined brand image as a meaningful set of associations that might or might not represent the objective reality of the brand. Moreover, Keller (2013) described the brand image as customers' views and preferences for a brand that are held in their memory. Thus, the researchers conclude that brand image is a set of meaningful associations, which may or may not represent the objective reality that the customers perceive and be kept within their memories.

Keller (2013) associated brand image with brand attributes, brand benefits, and brand attitude. Firstly, brand attributes are defined as how the product or service is characterized based on product-related or non-product-related descriptive features. Like Keller (2013), Wang and Tang (2011) divided brand attributes into product-related and non-product-related. Non-product-related was further elaborated into four categories – price, user imagery, usage imagery, and brand personality (Wang & Tang, 2011). Secondly, brand benefits represent customers' attachment to a product or service based on personal value or meaning, which may be functional, symbolic, or experiential. The journal from Hsieh and Li (2008) described functional, symbolic, and experiential elements in the context of brand image. However, according to Keller (1993), the symbolic benefit is more relevant to products or services that are socially visible. Although no definition can be found regarding socially visible products or brands, the researchers encounter research journals that explain social visibility. According to Clifford (1963), social visibility occurs when other group members recognize the individual. Hence, it will be fair to say that socially visible products or services are those goods or services that will make the person to be perceived by the group members. Since no inclusive community will make J&T customers special, the researchers argue that J&T Express should not be considered a socially visible brand. Thus, the measurement item of symbolic benefit is excluded from this paper. Lastly, brand attitude is described as an assessment of a brand's quality and the generated satisfaction. The table below describes elements that build the dimension of brand image.

Table 2. Elements of Brand Image

Dimension	Elements	Description
Brand attributes	Product-related	The measure of quality to verify the superiority of one product/service over others.
	Nonproduct-related (price)	The beliefs that customers have about a brand's value when associated with price levels.
	Non-product-related (user imagery)	Associations of brand imagery, which show the type of person who uses the brand.
	Non-product-related (usage imagery)	Associations of brand imagery that show under what condition can or should the brand be used.
	Non-product-related (brand personality)	The values that a brand possesses based on customers' experiences with the brand.
Brand benefits	Functional benefit	The needs of customers that should be able to be fulfilled with the useful functions of the product/service.
	Experiential benefit	The issues of cognitive stimulation, sensory pleasure, or novelty linked to products.
Brand attitude	Assessment of a brand regarding its quality and the generated satisfaction.	

Source: Hsieh, A., & Li, C. (2008).

To begin with, Khrisnanda and Dirgantara (2021), who analyzed Indonesians that knew OPPO smartphone brand, concluded that brand image significantly and positively affected purchase intention. With a positive brand image, products or services will gain recognition, causing them to be able to relay messages to customers (Thimothy, 2016). This is important considering customers, when making a purchase, sometimes do not buy only the product or service, but also what the brand stands for (Thimothy, 2016). Considering all studies mentioned, brand image can influence purchase intention significantly, and the following hypothesis can be formulated:

H₄: Brand image has an impact on purchase intention.

Irfadani, Jatmiko, and Robbie (2021) mentioned that brand image positively affected brand loyalty. The previous researchers said that brand image is greatly stashed on consumers' memory, where the users will develop brand loyalty if they perceive the offered goods/services as advantageous. Likewise, the study from Alhaddad (2015), which analyzed the mobile company's brand loyalty, stated a significant relationship exists between brand image and brand loyalty. Alhaddad (2015) explained how crucial brand image is, in which brand managers must thoroughly plan brand marketing communication strategy so that the

customers can recognize and recall the brand elements compared to its competitors. When the brand's image is positively built and customers can recall the brand, customers' belief in the brand will make them willing to pay for premium prices (Williams, 2021). Moreover, a brand's credibility can also be increased, which will eventually help build the loyalty customers have to the brand (Thimothy, 2016). Therefore, the previous studies can be the basis for hypothesizing the impact of brand image on brand loyalty, as follows:

H5: Brand image has an impact on brand loyalty.

2.5. The Mediation Impact of Purchase Intention on The Relationship Between Social Media Marketing, Brand Image, and Brand Loyalty

As explained in the above part, the previous studies have shown that social media marketing and brand image impact purchase intention and brand loyalty. In addition, previous studies have also shown that purchase intention impacts brand loyalty. A good practice of social media marketing and a good brand image will increase customers' likelihood to buy the brand's product, leading to consistent repeat purchases or brand loyalty if the product results in satisfaction. Being said, the impact of social media marketing and brand image can also be mediated by purchase intention. Thus, the following hypothesis can be formulated:

H6: Purchase intention mediates the impact of social media marketing on brand loyalty.

H7: Purchase intention mediates the impact of brand image on brand loyalty.

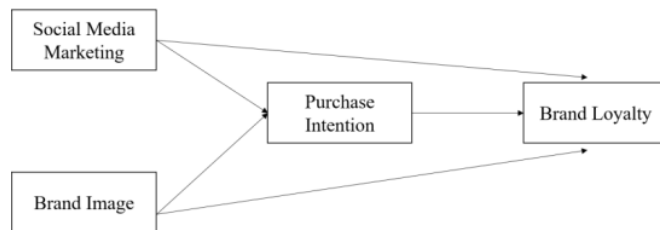


Figure 1. Theoretical Framework

3. Methods

3.1. Data Collection Methods and Processes

The study uses a quantitative method with a questionnaire as its data collection tool. A questionnaire was distributed randomly to people in Indonesia who have ever used the service of J&T Express and have seen the social media content of J&T Express. 137 data were gathered, but there were only 104 people who were eligible for the research. The data was processed and analyzed using PLS-SEM with SmartPLS software. Following is the profile of the respondents:

Table 3. Profile of the Respondents

Age Group	Percentage
17 – 24	61%
25 – 32	15%
33 – 40	11%
41 – 48	9%
> 48 years old	4%

3.2. Measures

Four variables are used in this research, and each variable's measurement items are derived from the previous literature reviews. There are seven items to measure social media marketing (SMM_1 – SMM_7), eight items to measure brand image (BI_1 – BI_8), three items to measure purchase intention (PI_1 – PI_3), and three items to measure brand loyalty (BL_1 – BL_3).

Table 4. Measurement Items

Code	Items	Mean	Standard Deviation
Social Media Marketing			
SMM_1	I feel that J&T Express' social media content is entertaining.	3.779	0.784
SMM_2	I feel that J&T Express' social media content is interesting.	3.942	0.897
SMM_3	I am interested in giving reactions to J&T Express' social media content, such as giving likes and comments.	3.558	1.216
SMM_4	I feel that J&T Express' social media content contains the latest information (e.g., promotion information/ latest update about J&T Express service).	4.231	0.811
SMM_5	I feel that J&T Express' social media content contains the trendiest information.	4.212	0.768
SMM_6	I feel that J&T Express' social media content contains information that is customized according to my preference.	3.904	1.024
SMM_7	I would like to share the content on J&T Express' social media account to others.	3.587	1.320
Brand Image			
BI_1	I feel that J&T Express has better service quality compared to other courier services.	4.250	0.928
BI_2	I feel that J&T Express' price reflects the service quality of J&T Express.	4.327	0.802
BI_3	I feel that J&T Express' users are those who prioritize efficiency when delivering goods (e.g., ordering self-pickup service to deliver goods).	4.317	0.902
BI_4	I feel that J&T Express' service is suitable to be used in urgency (e.g., sending goods during holiday).	4.250	1.175
BI_5	According to my experience with J&T Express, I feel that J&T Express is a logistic company that prioritizes innovation to fulfill their customers' convenience.	4.154	0.852
BI_6	I feel that J&T Express could fulfill my logistic needs.	4.452	0.758
BI_7	I have a pleasant experience when I use J&T Express' service.	4.317	0.858
BI_8	I feel satisfied with J&T Express' service.	4.231	0.787

Purchase Intention			
PI_1	J&T Express would be my preference when I need logistics service.	4.365	0.708
PI_2	I intend to use J&T Express' service.	4.452	0.649
PI_3	The likelihood of me using J&T Express' service is very high.	4.394	0.671
Brand Loyalty			
BL_1	I commit to using J&T Express' service consistently.	4.038	0.898
BL_2	I often use J&T Express' service.	4.173	0.965
BL_3	I will not shift to other logistics brands, regardless of any hindrances that might affect me not using J&T Express' service (example: J&T Express' higher price).	3.404	1.252

4. Results

4.1. Reliability and Validity Assessment

All items used in this research have been statistically proven reliable and valid. The values of Cronbach's Alpha, composite reliability, and outer loadings were all above 0.7. In addition, the AVE of all variables were above 0.5 and the indicators' outer loadings on the associated variable were greater than their cross-loadings on other variables. Thus, all items were considered valid.

4.2. Collinearity

The VIF values were below 5; thus, the model had no significant collinearity problem.

Table 5. VIF Values

4	Variable	VIF	Conclusion
	Social Media Marketing and Purchase Intention	1.468	No Collinearity Problem
	Social Media Marketing and Brand Loyalty	1.502	
	Brand Image and Purchase Intention	1.468	
	Brand Image and Brand Loyalty	2.910	
	Purchase Intention and Brand Loyalty	2.226	

4.3. Path Coefficient

The direct path coefficient analysis showed that all relationships were significant, except the relationship between social media marketing and purchase intention, which was not significant (see Table 6). Purchase intention was found to be a significant mediator for the relationship between brand image and brand loyalty, while it did not have a significant mediation impact on the relationship between social media marketing and brand loyalty (see Table 7).

Table 6. Direct Effect

	Path Coefficient	2 P Values	Conclusion
Social Media Marketing → Purchase Intention	-0.124	0.130	Insignificant
Social Media Marketing → Brand Loyalty	0.368	0.000	Significant
Brand Image → Purchase Intention	0.805	0.000	Significant

Brand Image → Brand Loyalty	0.278	0.000	Significant
Purchase Intention → Brand Loyalty	0.423	0.000	Significant

Table 7. Indirect Effect

	Path Coefficient	P Values	Conclusion
Social Media Marketing → Purchase Intention → Brand Loyalty	-0.053	0.158	Insignificant
Brand Image → Purchase Intention → Brand Loyalty	0.340	0.000	Significant

4.4. Coefficient of Determination (R^2 Value)

After confirming the significance of each relationship, the researchers would like to check the model's predictive power. The value of predictive power ranges from 0 to 1, with levels of 0.75 as substantial, 0.5 as moderate, and 0.25 as weak (Hair et al., 2017). From Table 8, it was shown that purchase intention and brand loyalty had R^2 value of 0.551 and 0.782, respectively. Thus, it could be said that the variety in purchase intention can be moderately predicted by social media marketing and brand image, whereas social media marketing and brand image have substantial power in predicting brand loyalty.

Table 8. Coefficient of Determination Values (R^2 Value)

Variable	R^2	Level of Predictive Accuracy
Purchase Intention	0.551	Moderate
Brand Loyalty	0.782	Substantial

4.5. Predictive Relevance (Q^2)

Besides assessing the predictive power of the model, the researchers would also like to assess the predictive relevance of the model. When the value of Q^2 is greater than zero, it indicates that the model has predictive relevance for a certain endogenous variable (Hair et al., 2017). Table 9 showed the model had predictive relevance as each endogenous variable possessed Q^2 values greater than zero.

Table 9. Predictive Relevance (Q^2)

Variable	Q^2	Result
Purchase Intention	0.370	Has Predictive Relevance
Brand Loyalty	0.565	Has Predictive Relevance

5. Discussion

5.1. Summary of the Findings

Purchase intention was found to have a significant positive impact on brand loyalty. The finding of this paper is in line with the study conducted by Laksamana (2018), where purchase intention positively influenced brand loyalty. Another study, conducted by Anggie and Haryanto (2011), explained purchase intention as the desire to make repeat requests as the impact of satisfaction from the wanted products or services. In this case, consistently buying a brand is also an example of whether customers are loyal to a brand (Schiffman & Wisenblit, 2015). Thus, it is fair to summarize that the more intention a customer has to covet a certain good or service, the more repeat requests are likely to happen, leading to consistent purchases and customers' brand loyalty.

The result shows that social media marketing significantly influences brand loyalty, but not purchase intention. Furthermore, purchase intention is found not to significantly mediate the relationship between social media marketing and brand loyalty. The finding of this paper is not in line with the study conducted by Laksamana (2018), who mentioned that social media marketing significantly influenced purchase intention. However, other journals (Wijaya et al., 2021; Savitri et al., 2021) also showed that social media marketing did not significantly influence purchase intention.

As you can see in Table 4, on average, the respondents had high purchase intention toward J&T Express, proven by a mean value of higher than 4 for all items of purchase intention. However, there were inconsistencies found for social media marketing measurement items and this might have caused the insignificance of social media marketing impact on purchase intention. The mean value of SMM_4 and SMM_5 is above 4, meaning that a high number of respondents agree that the social media of J&T Express can provide the latest and trendiest information. On the other hand, the mean value of SMM_3 and SMM_7 is around 3.5, which means that quite a few respondents were unwilling to react to the content of J&T's social media and reluctant to share it with others. The standard deviation of SMM_3 and SMM_7 is also relatively high compared to other items, meaning that the responses for these two items are also spread out. Hence, several items in J&T Express social media marketing might not have been fully maximized, resulting in polarized outcomes and impacting the significance of it toward purchase intention.

Brand image is found to have a significant influence on purchase intention. A study by Khrisnanda and Dirgantara (2021) also showed a similar result to this study, where brand image positively influenced purchase intention. When brand image is positively constructed, it will help the product or service gain recognition, and eventually, the brand can leave a deep mark and message to the customers (Timothy, 2016). When choosing which goods or services to buy, customers do not only afford the mere offerings but also what the brand stands for (Timothy, 2016). A positive brand image can successfully relay the message to the customers, making them choose the company compared to other offerings.

In addition to significantly influencing purchase intention, brand loyalty also significantly impacts brand loyalty. The result is aligned with the journal written by Alhaddad (2015), mentioning that brand loyalty is positively influenced by brand image. Considering the importance of brand image, careful planning of brand communication strategy is crucial so the brand can distinguish itself from others (Alhaddad, 2015). When the brand can deliver what has been promised, customers will perceive the brand as credible, which will finally trigger customers' loyalty toward the brand (Timothy, 2016).

The result also shows that purchase intention significantly mediates the impact of brand image on brand loyalty. A positive brand image will increase the likelihood of customers having the desire to repeat purchase the product of that particular brand. This desire to repeat purchases will lead to brand loyalty, especially when the bought product satisfies the customers.

5.2. Managerial Implications

The research findings will help companies understand the importance of social media marketing and brand image on purchase intention and brand loyalty. According to a study conducted on 111 start-ups, 20% failed due to tight competition (CB Insights, 2021). Therefore, companies need to gain recognition from customers so that they can stand out from other offerings. With a good practice of social media marketing and a good brand image, customers will have a positive impression of a brand, which will make the

customers choose the brand compared to others, increasing the brand's credibility, and increasing the loyalty of the customers to the brand.

5.3. Limitations and Directions for Future Research

There is one limitation of this research. The research only considered **social media marketing and brand image** as the factors influencing **purchase intention** and brand loyalty. Future research can add other variables, such as price and quality, as these two variables are Indonesians' primary considerations when choosing a product (Deloitte, 2021).

In addition, J&T Express is an international express logistics company that operates across Southeast Asian, Middle Eastern, and Latin American countries (Kaur, 2022). Thus, it will be good if future research can also do a similar study in those countries and check whether there is different consumer behavior with customers in Indonesia.

6. Conclusions

Aside from social media marketing toward purchase intention, all hypothesized relationships are verified to be significant. The relationship between brand image and purchase intention is the strongest, judging from the path coefficient. On the other hand, the relationship between brand image and brand loyalty is the weakest of all significant relationships. Furthermore, the result also shows that purchase intention significantly influences the relationship between brand image and brand loyalty.

The findings of this research will benefit practitioners and companies interested in utilizing social media marketing strategies to stimulate brand loyalty. Not only that, the research results also show the importance of brand image in fostering purchase intention and brand loyalty. A good practice of social media marketing and a positive brand image will help create customer brand loyalty and help companies outperform competitors.

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