
THE INFLUENCE OF PRODUCT DEVELOPMENT AND PROMOTION ON PURCHASE INTENTION MODERATED BY SOCIAL MEDIA INFLUENCERS

Resdiansyah¹, Ratlan Pardede²
Universitas Bunda Mulia, Indonesia

Resdiansyahbudiman@gmail.com¹, ratlan39@gmail.com²

ABSTRACT

This study aimed to analyze the effect of product development and Promotion on purchase intention, with the role of social media influencers as moderating variables. This research focuses on consumers of TEKIRO brand hand tools products distributed by PT Altama Surya Anugerah (ASA) - Indonesia. The research method used is quantitative, with a Google Forms survey approach. The research sample consisted of 190 respondents who were consumers of TEKIRO hand tools products in 15 major cities in Indonesia. The sampling technique used is non-probability sampling with the quota method. This data was collected by online and offline questionnaires, which the researchers then analyzed using Structural Equation Modeling (SEM) with the AMOS version 23 application. The study results indicate that product development has a significant positive effect on purchase intention. The Promotion has no significant effect on purchase intention. Social media influencers strengthen the positive Influence of product development on purchase intention. However, social media influencers do not strengthen the Influence of Promotion on purchase intention. This research implies that companies must prioritize innovative and sustainable product development and can utilize social media influencers who are credible, relevant to the company's business, know the influencer's audience, and have a good reputation to increase consumer purchase intention.

Keywords: Product Development, Promotion, Purchase Intention, Social Media Influencer.

Corresponding Author: Resdiansyah
E-mail: Resdiansyahbudiman@gmail.com



INTRODUCTION

In the face of increasingly sharp business competition where every company is required always to create products that can fulfill the wishes of consumers who are increasingly diverse from time to time. This must be done considering that if consumers do not fulfill their desires for the benefit of the company's products, consumers will switch their choices to other products that match the desires produced by other companies as competitors (Chaniago, 2020b). The effect caused by switching consumers to products offered by competitors resulted in the company experiencing a decrease in sales, thereby reducing company profits.

Companies are required to always develop products, either by making variations of existing products or creating new products, which is done after considering market desires through market research. Thus, product sales can be maintained and will even increase purchasing power through new products created. The steps taken to follow consumer tastes vary according to consumers' needs, desires, and willingness to buy the products offered, so the various types of products produced are expected to meet consumer tastes.

Some entrepreneurs believe that, in the long run, a positive relationship exists between new product sales and increased company sales (Chaniago, 2020a). Selling prices can provide information

about business revenues, while Promotion (Marketing) costs can provide an overview of the company's operational expenses and performance (Makalalag et al., 2023)..

Even though the company has carried out the development of the products produced, it will not influence purchasing power if promotional activities do not effectively support it. This is the same as the results of research conducted (Chaniago et al., 2019) that one of the things that determines the success of a business is the Promotion Media. By holding promotional activities, the products produced by a company can be recognized by consumers so that they are interested in choosing a product according to their taste. The main thing in Promotion is to create persuasive messages that effectively attract consumer attention (Puspitarini & Nuraeni, 2019). Social media has great opportunities for business and Promotion.

Social media has a big impact on society, so social media is used by marketers to expand marketing and promotion practices (Hermanda et al., 2019). As shown in Figure 1, active social media users in 2023 amounted to 167 million users out of 60% of the total population in Indonesia.

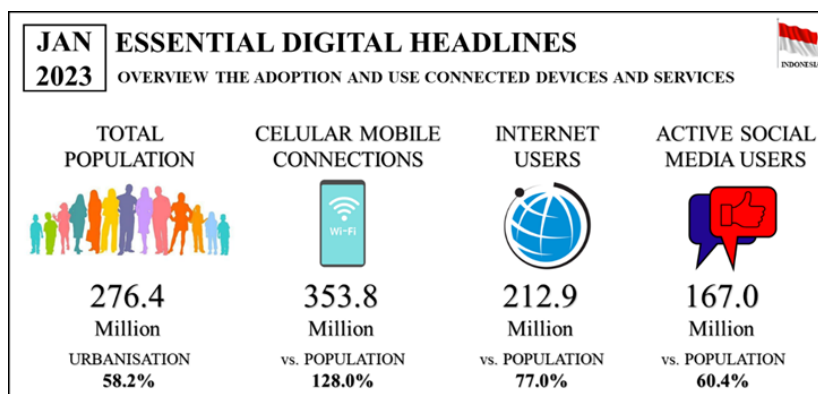


Figure 1. Internet users in 2023

Source: We Are Social Hootsuite 2023

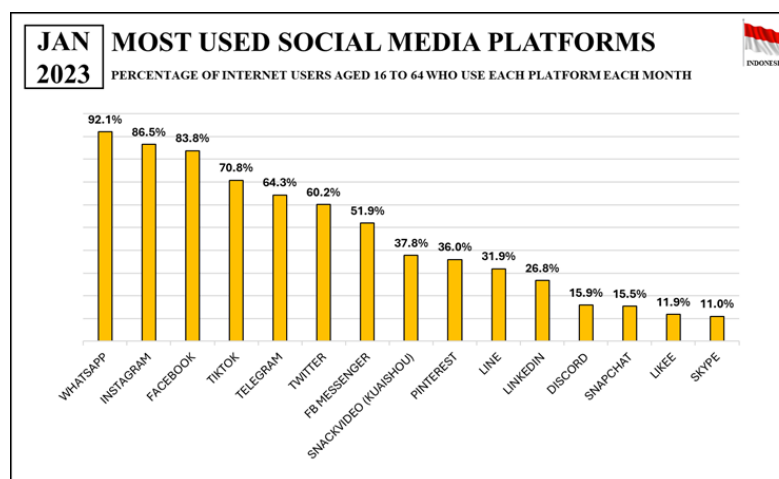


Figure 2. Social Media Platforms 2023

Source: We Are Social Hootsuite 2023

This is the reason in social media where people actualize themselves to the public according to their interests, such as hobbies, sharing information, or doing accidental things. Besides users, users can meet each other even though they are separated by distance. Simple little things published

by someone on social media can make them known to other users and even known to the world so that they can influence other users on social media, currently known as Influencers.

Companies look up to Influencers because they are seen as leaders who mediate between the company and its followers. This makes them take on the role of brand ambassadors or spokespersons. Influencers play an important role in helping businesses develop what they call "digital relationships" with their customers by complementing and amplifying more traditional forms of marketing. They see digital relationships as essential in today's business climate (Zaman et al., 2023).

They work to capitalize on the army of independent Influencers that already exist on the internet, namely independent bloggers. Believe it or not, there are almost as many people making a living as bloggers as lawyers. The key is finding bloggers with a relevant readership network, a credible voice, and a good fit with the brand (Kotler & Armstrong, 2018).

According to research conducted by Puspitarini and Nuraeni (2019), an Influencer who provides information or promotes a product can achieve the ultimate goal by increasing sales. Not just increasing sales, but also displaying a good product image or brand image and a good company image to consumers.

Promotional activities moderated by the company's social media influencers increase sales. Sales cannot be carried out by what is expected if persuasive or indirect communication is not prioritized. From here, it seems clear I feel the importance of Promotion in increasing sales of goods produced by a company in the face of fierce competition. Besides that, it can also increase sales. Promotion plays an important role in influencing purchase intentions in various contexts. Research has shown that social media promotions positively impact purchase intentions and purchase decisions. Promotions, such as those conducted through social media, can create awareness, generate interest, and influence consumer attitudes toward a product or service. This, in turn, can lead to increased purchase intent as consumers are more likely to consider purchasing the promoted product or service. Companies strategically utilizing social Media Promotions to communicate their value proposition, showcase their products or services, and interact with consumers can influence purchase intent and drive sales. Overall, Promotions play an important role in shaping consumer attitudes by influencing perceptions, creating engagement, and building relationships between businesses and consumers (Mahbub et al., 2024). However, according to (Grace & Pardede, 2023), the results of this study prove that Sales Promotion has no significant positive effect on Purchase Intention.

Therefore, effective Promotion can influence consumer purchasing intentions. according to (Priansa 2017), Purchase Intention is a personal intention to buy a selected brand choice for themselves after completing the evaluation. Companies need to build long-term relationships with consumers so that they continue to use the products or services offered. It is hoped that customers will become loyal and build customer engagement, which is one form of the company strategy to create resources with a sustainable competitive advantage in improving and maintaining a business.

Purchase Intention is also defined as the emergence of consumer intention or interest in making a product transaction based on trust in their minds and the ability to make a purchase. (Qotrunnida et al., 2021). Purchase Intention is part of the integration process that combines knowledge to evaluate choices and choose one (Qotrunnida et al., 2021). This integration process produces output in the form of options that are cognitively presented as an urge to take an action

(desire to buy). From this definition, of course, the urgency of Purchase Intention in the marketing process is clear (Kotler & Keller, 2012) Also, the definition of Purchase Intention is "consumer behavior occurs when consumers are stimulated by external factors and come to Purchase decisions based on their personal characteristics and decision-making process." This means that consumer behavior is influenced by external factors and based on personal characteristics and the decision-making process.

A company's success is judged by its ability to create new products according to consumer tastes. In addition, it is necessary to have a social media influencer-moderated Promotion that can provide information to consumers to increase Purchase Intention. The success of a company is judged by its ability to create new products according to consumer tastes. In addition, there is a need for promotion moderated by social media influencers who can provide information to consumers to increase Buying Intention. Based on the above background, the purpose of this study is to analyze the effect of product development and Promotion on purchase intention, with the role of social media influencers as moderating variables. So that the benefits of this research are to make theoretical and practical contributions in the development of marketing strategies, especially in understanding how product development and promotions moderated by social media influencers can influence consumer purchase intentions.

METHOD

This research design is a quantitative research correlational method. The main data source is obtained by collecting data from respondents using offline and online questionnaires to consumers who use hand tools products in Indonesia or buy tools and carpentry needs located in 15 cities in Indonesia, so the object of this research is Purchase Intention. According to (Sekaran & Bougie, 2016), the subject is one sample member. So, the subject of this research is Handtools / Hand Tools Products with the TEKIRO brand at PT Altama Surya Anugerah located at Jl. Bandengan Utara No. 89, North Jakarta, and researchers want to explore topics related to Purchase intention from users of hand tools (hand tools and carpentry tools).

The measurement scale used is an ordinal scale using the Likert scale measurement method. The population in this study are residents of 15 major cities in Indonesia (service center locations Jakarta, Bandung, Semarang, Surabaya, Bali, Makassar, Manado, Samarinda, Banjarmasin, Pontianak, Medan, Jambi, Pekanbaru, Palembang & Lampung). The population criteria for this study are end users or users of hand tools or carpentry tools. To obtain data from respondents, this study uses the Non-Probability Sampling method with a quota sampling technique that determines the sample from a population with certain characteristics until the desired number (quota). Research instrument testing uses validity and reliability tests. In this study, the data review method underwent several experiments, including the SEM Acceptance Test, Model Feasibility Test, and Hypothesis Test. The hypothesis in this study can be seen from the following figure:

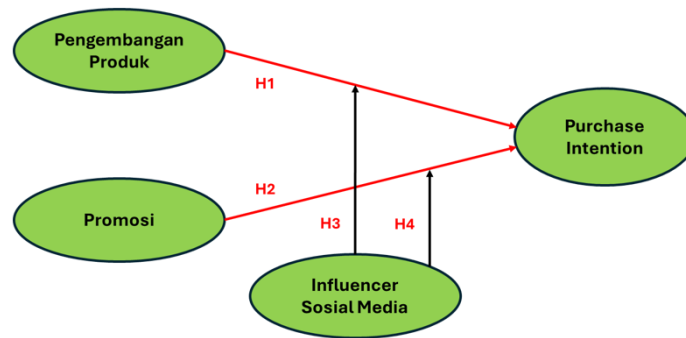


Figure 3. Research conceptual framework scheme

H1: Product Development has a positive and significant effect on Purchase Intention.

H2: Promotion has a positive and significant effect on Purchase Intention.

H3: Product Development positively and significantly affects Purchase Intention moderated by Social Media Influencers.

H4: Promotion positively and significantly affects Purchase Intention moderated by Social Media Influencers.

RESULTS AND DISCUSSION

Descriptive Analysis Results

The survey data used in this study is the main data in the form of Google Forms questionnaires distributed online and Offline in 15 cities in Indonesia. There were 352 respondents in the survey collected during June-July 2024, A total of 352 respondent samples obtained were then processed with AMOS version 23 data processing. This chapter will present the analysis results in the form of respondent profiles, along with indicators in the study, instrumental test results including validity and reliability, goodness of fit test results, hypothesis test results, and discussion. Determination of these sample criteria using the theory (Hair, 2009) The minimum sample size is the total number of researcher indicators multiplied by 10.

Respondent Profile

The respondent profile shows the demographic characteristics of the research sample, which include gender, age, occupation, education, and domicile.

Based on the survey results, the detailed profiles of the 352 respondents in the study used are as follows:

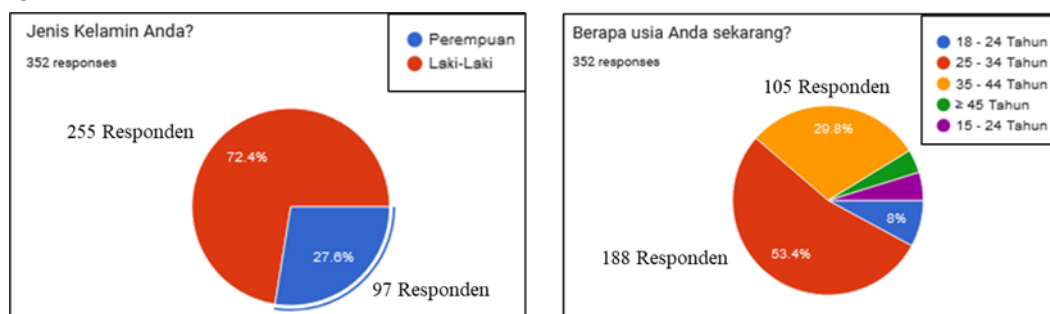


Figure 4. Gender & Age

Source: Data processed by researchers (2024)

Based on Figure 4 Based on gender, 352 respondents consisted of 255 or 72.4% of respondents were male, and 97 or 27.6% were female. Based on age, a total of 352 respondents consisted of 188 or 53.4% of respondents aged 24-34 years, 105 or 29.8% of respondents aged 35-44 years, 28 or 8% of respondents aged 18-24 years, 17 or 4.8% of respondents aged 15-24 years, 14 or 4% of respondents aged ≥45 years.

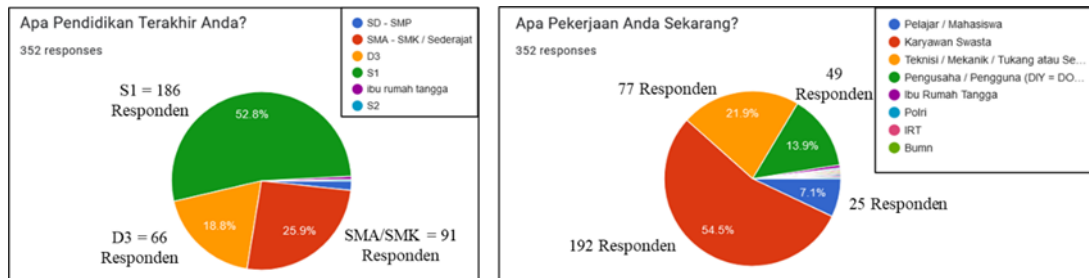


Figure 5. Education and Occupation
Source: Data processed by researchers (2024)

As shown in Figure 5. based on education, it can be seen that the majority of the total 352 respondents are 186 or 52.5%, namely S1 (Bachelor), followed by 91 or 25% of SMA / SMK education, then D3 as many as 66 or 18.8% respondents, then S.D. & SMP as many as 6 or 1.7% of respondents, 2 or 0.6% as housewives, and there are 1 or 0.3% with S2 education. Based on the occupation of a total of 352 respondents, 192 or 54.5% of respondents worked as private employees, 77 or 21.9% of respondents as technicians/mechanics/craftsmen or the like, then as many as 49 or 13.9% of respondents as entrepreneurs, then as many as 25 or 7.1% of respondents as students/students, followed by 2 or 0.6% of respondents as housewives, 2 or 0.6% of respondents as Police, 1 or 0.3% of respondents as BUMN, and finally 1 or 0.3% of respondents as TNI.

Table 1. Domicile/City

Demographics	City	Frequency	Percentage
Domicile in 15 major cities in Indonesia	Surabaya	64	18,6%
	Semarang	59	16,9%
	Jakarta	52	14,7%
	Makassar	22	6,2%
	Bandung	21	5,9%
	Medan	20	5,6%
	Palembang	16	4,5%
	Manado	15	4,2%
	Pontianak	14	3,9%
	Pekanbaru	13	3,7%
	Jambi	12	3,4%
	Banjarmasin	12	3,4%
	Lampung	11	3,1%
	Bali	11	3,1%
	Samarinda	10	2,8%

Source: processed by researchers, 2024

A total of 352 respondents were taken from 15 cities in Indonesia, namely Surabaya city as many as 64, Semarang city as many as 59, Jakarta city as many as 52, Makassar city as many as 22, Bandung city as many as 21 Medan city as many as 20, city as many as 16, Manado city as many as 15, Pontianak city as many as 14, Pekanbaru city as many as 13, Jambi and Banjarmasin cities as

many as 12, Lampung and Bali cities as many as 11 and the last city Samarinda as many as ten respondents.

Descriptive Statistics

According to (Sugiyono, 2010), mean is a group explanation technique based on the average value of the group. The average value is obtained by adding up all data values and then dividing by the number of people in the group. Mean is a statistical measure that is very useful in quantitative research to provide an overview of the central tendency in a data set. Indicates the average value, or the most representative value, of the data set. The Promotion variable gets the highest mean value of 4.29. This is followed by the Purchase Intention variable 4.28, Product Development 4.27, and Social Media Influencers 4.24.

Descriptive Statistics of Purchase Intention Variables

Table 2. Descriptive Statistics of Purchase Intention Variables

Code	Statement	MEAN	Standard Deviation (S.D.)
PI1	I want to use Handtools - TEKIRO products after knowing their features and specifications from social media influencers	4.28	0.910
PI2	I want to buy TEKIRO Handtools products that are promoted by this social media influencer in the future	4.13	0.907
PI3	I would like to find more information about Handtools - TEKIRO products to people who have already bought or used the product	4.17	0.880
PI4	I will find out and read product quality reviews of Handtools - TEKIRO before buying	4.19	0.907
PI5	I feel that I get a lot of benefits and advantages from Handtools products - TEKIRO attracts my purchase interest	4.18	0.886
PI6	The completeness of the current Handtools - TEKIRO product attracts my purchase interest	4.26	0.897
	The average value of the <i>Purchase Intention</i> variable	4.20	0.898

Source: processed by researchers, 2024

In this study, the Product Development variable has four indicators with a mean value of 4.24 and a standard deviation of 0.873. Table 4.3 shows that all indicators of the Product Development variable have value results between good and good enough, proving that respondents agree that Product Development is quite important for TEKIRO brand Handtools products.

Descriptive Statistics of Promotion Variables

Table 3. Descriptive Statistics of Promotion Variables

Code	Statement	MEAN	Standard Deviation (S.D.)
PR1	Discounts on large purchases of Handtools - TEKIRO products attract my buying interest	4.22	0.944
PR2	Discounts on purchasing Handtools - TEKIRO product packages will make me more interested in buying these products	4.29	0.864
PR3	Giving additional gifts of Handtools - TEKIRO products attracts my attention to buy these products	4.27	0.882
PR4	The existence of additional Extra points when purchasing Handtools—TEKIRO products will make me more interested in buying them.	4.21	0.878

PR5	Prize draws on Handtools—TEKIRO products will make me more interested in buying them because they are profitable.	4.19	0.900
PR6	Promotion through the application for Handtools - TEKIRO products makes me more interested in buying these products	4.23	0.858
	The average value of the Promotion variable	4.24	0.888

Source: processed by researchers, 2024

In this study, the Promotion variable has six indicators with a mean value of 4.24 and a standard deviation of 0.888. Table 3 shows that all indicators of the Promotion variable each have good value results, which prove that respondents agree with the Promotion of the TEKIRO Handtools brand.

Descriptive Statistics of Social Media Influencer Variables

Table 4. Descriptive Statistics of Social Media Influencer Variables

Code	Statement	MEAN	Standard Deviation (SD)
1	Social Media Influencers of Handtools - TEKIRO products provide precise and accurate information that interests me.	4.25	0.940
2	Interesting content on Social Media Influencers of Handtools - TEKIRO products can make me more interested in buying these products.	4.13	0.894
3	I will buy Handtools - TEKIRO products that are used and recommended by Social Media Influencers that I trust	4.09	0.979
	The average value of the Social Media Influencer variable	4.16	0.937

Source: processed by researchers, 2024

In this study, the Social Media Influencer variable has three indicators. Social Media Influencers who collaborate with Handtools - TEKIRO products, namely;

1. Rifat Sungkar is an Indonesian racer actively participating in National and International rally championships.
2. Sintya Marisca is a Jakarta actress, presenter, influencer, and celebrity.
3. Gisella Anastasia is an Indonesian singer, actress, influencer and presenter. She was the runner-up of the fifth season of Indonesian Idol.
4. Arief Muhammad is a writer, content creator, influencer, Youtuber, and entrepreneur.
5. Ridwan Hanif is a content creator, influencer, and YouTuber specializing in automotive.
6. Matteo Guerinoni is a former motorcycle racer, G.P. motorcycle commentator, and owner of several Italian restaurants in Jakarta and Bali.

With a mean value of 4.16 and a standard deviation of 0.937, Table 4 shows that all indicators of the Social Media Influencer variable have good value results, which proves that respondents agree that Social Media Influencers are important to the TEKIRO Handtools brand.

Instrument Test

Validity Test

Table 5. Validity Test Results

Variables	Indicator	Loading Factor	Conclusion
Purchase Intention	PI1	0.647	Valid
	PI2	0.631	Valid
	PI3	0.759	Valid
	PI4	0.736	Valid
	PI5	0.793	Valid
	PI6	0.732	Valid
Product Development	PP1	0.784	Valid

Variables	Indicator	Loading Factor	Conclusion
Promotion	PP2	0.799	Valid
	PP3	0.779	Valid
	PP4	0.757	Valid
	PR1	0.769	Valid
	PR2	0.730	Valid
	PR3	0.756	Valid
	PR4	0.792	Valid
	PR5	0.741	Valid
Social media influencers	ISM1	0.872	Valid
	ISM2	0.813	Valid
	ISM3	0.770	Valid

Source: processed by researchers, 2024

The table of validity test results shows that all indicators are considered valid because the value is ≥ 0.5 .

Reliability Test

Table 6. Reliability Test Results

Variables	Cronbach's Alpha	Conclusion
Purchase Intention	0.864	Reliable
Product Development	0.861	Reliable
Promotion	0.885	Reliable
Social Media Influencers	0.859	Reliable

Source: processed by researchers, 2024

Table 6. shows that the Cronbach's Alpha value generated by the Purchase Intention variable is 0.864, the Product Development variable is 0.861, the Promotion variable is 0.885, and the Social Media Influencer is 0.859. The four variables are said to be reliable because they have met the requirements for Cronbach's Alpha value, which is ≥ 0.70 .

Goodness of Fit (GOF) Test

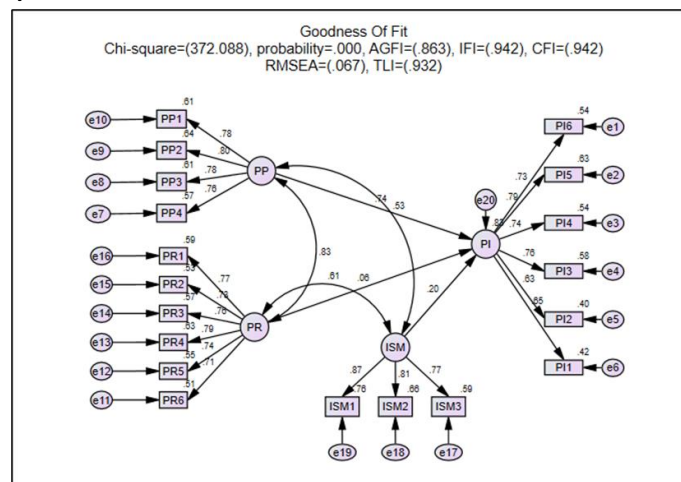


Figure 6. Model Measurement Results Before Modification

Source: processed by researchers, 2024

In Figure 6. it can be seen that the Chi-Square value is 372,088, which still shows a large enough number and a Probability of 0.000. In addition, other numbers are shown by RMSEA of 0.067, AGFI of 0.863, IFI of 0.942, TLI of 0.932, and CFI of 0.942, which are also considered as a whole not

meeting all Good Fit criteria, therefore to get a model according to the criteria it is necessary to do Modification Indices. To get fit results, the researcher modified several indicators with large errors according to the modification indices, namely the PR2 & PR3 Promotion variable and the PI2 Purchase Intention variable. The modifications' results are expected to provide a Goodness of Fit value by the criteria.

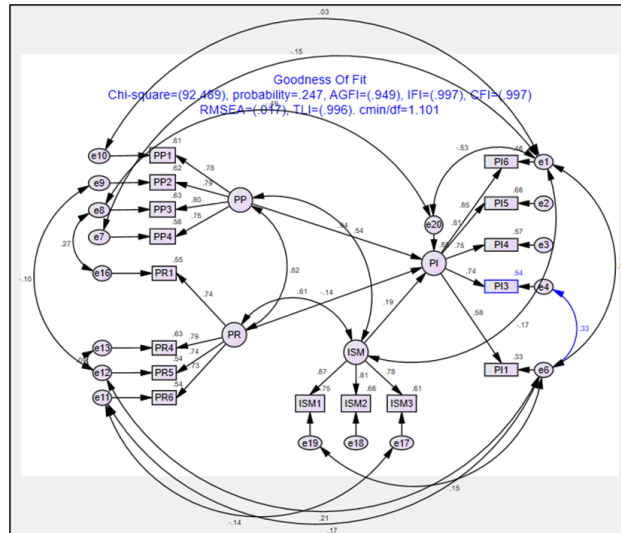


Figure 7. Model Measurement Results After Modification

Source: processed by researchers, 2024

After modifying the model shown in Figure 7, the Goodness of Fit criteria have been met, as shown by the Chi-Square value of 92.486, Probability of 0.247, AGFI of 0.949, IFI of 0.997, CFI of 0.997, RMSEA of 0.017, Cmin/DF of 1.101, and TLI of 0.996. Based on the overall value, the model has met the criteria, so the research can proceed to the next method.

Table 7. Goodness of Fit Test Results

Goodness of Fit	Cut off Value	Results	Model Evaluation
Chi-Square	The smaller, the better	92.489	Marginal Fit
DF (degree of freedom)	The bigger, the better	84	Achieved
CMin/ DF	≤ 2	1.101	Good Fit
Probability	≥ 0,05	0.247	Good Fit
RMSEA	≤ 0,08	0.017	Good Fit
IF	≥ 0,90	0.997	Good Fit
AGFI	≥ 0,90	0.949	Good Fit
TAG	≥ 0,95	0.996	Good Fit
CFI	≥ 0,95	0.997	Good Fit

Source: processed by researchers, 2024

Hypothesis Testing Results

In conducting hypothesis testing, C.R. (Critical Ratio) and P-value are needed to see how much Influence a variable has on other variables. C.R. value ≥ 1.967 and p-value ≤ 0.05 are ideal results expected in a research study. Table 4.9 shows estimated results, C.R. (critical ratio) values, and p-values taken based on standardized regression weights. Researchers also attached the results of the Sobel test using quantpsy.org software.

Table 8. Standardized Regression Weights

Description	Estimate	S.E.	C.R.	P-Value
PP→ PI	1.093	0.139	7.891	***
PR→ PI	-0.169	0.129	-1.314	0.189
PP→ PI→ ISM	0.203	0.072	2.823	0.00419
PR→ PI→ ISM	-0.031	0.027	-1.152	0.00229

Source: processed by researchers, 2024

Based on Table 8, it can be stated that there are two hypotheses accepted by fulfilling the conditions $C.R. \geq 1.967$ and $p\text{-value} \leq 0.05$ and 2 hypotheses rejected. The results of hypothesis testing as shown in Table 4.10, which is the result of testing the research hypothesis.

Table 9. Hypothesis Test Results

Description	Estimate	C.R.	P-Value	Decision
H1 Product Development has a positive and significant effect on <i>Purchase Intention</i> .	1.093	7.891	***	Accepted
H2 Promotion has a positive and significant effect on <i>Purchase Intention</i> .	-0.169	-1.314	0.189	Rejected
H3 Product Development positively and significantly affects <i>Purchase Intention</i> moderated by <i>Social Media Influencers</i> .	0.203	2.823	0.00419	Accepted
H4 Promotion positively and significantly affects <i>Purchase Intention</i> , which <i>Social Media Influencers</i> moderate.	-0.031	-1.152	0.00229	Rejected

*** close to 0.000

Source: processed by researchers, 2024

H1 Product Development has a positive and significant effect on Purchase Intention.

The first hypothesis proves that Product Development positively and significantly affects purchase intention. Based on Table 9, the results of the C.R. (critical ratio) value obtained from H1 are 7.891, and the p-value is close to 0.000; it is stated that H1 has met the requirements for the C.R. value and p-value because the C.R. value is more than > 1.967 and the p-value is less than < 0.05 . There is also an estimated coefficient value of 1.093. So, this proves that the first hypothesis is accepted.

H2 Promotion has a positive and significant effect on Purchase Intention.

The second hypothesis proves that Promotion positively and significantly affects purchase intention. Based on Table 9, the results of the C.R. (critical ratio) value obtained from H2 are -0.169 and a p-value of 0.189; it is stated that H2 does not meet the requirements for the C.R. value and p-value because the C.R. value is less than 1.967 and the p-value is more than 0.05. There is also an estimated coefficient value of -0.169. So, this proves that the second hypothesis is rejected.

H3 Product Development positively and significantly affects Purchase Intention moderated by Social Media Influencers.

To test the third hypothesis, the Sobel test was carried out using the analytics calculator analysis tool to help measure the moderation hypothesis.

Input:		Test statistic:	Std. Error:	p-value:
a	1.093	Sobel test: 2.84292046	0.07151027	0.00447022
b	0.186	Aroian test: 2.82314451	0.07201119	0.00475551
s _a	0.139	Goodman test: 2.86311789	0.07100581	0.00419494
s _b	0.061	Reset all	Calculate	

Figure 8. Product Development Sobel Test Results

Source: Data processed by researchers, 2024

The third hypothesis proves that Product Development positively and significantly affects Purchase Intention moderated by Social Media Influencers. Based on Table 9, the results of the C.R. (critical ratio) value obtained from H3 are 2.84 and a p-value me 0.004; it is stated that H3 has met the requirements of the C.R. value and p-value because the C.R. value is more than 1.967 and the p-value is less than 0.05. There is also an estimated coefficient value of -0.042. So, this proves that the third hypothesis is accepted.

H4 Promotion positively and significantly affects Purchase Intention moderated by Social Media Influencers.

To test the third hypothesis, the Sobel test was carried out using the analytics calculator analysis tool to help measure the moderation hypothesis.

Input:		Test statistic:	Std. Error:	p-value:
a	-0169	Sobel test: -3.04917207	10.30902792	0.00229473
b	0.186	Aroian test: -3.04917118	10.30903093	0.00229474
s _a	0.129	Goodman test: -3.04917296	10.30902492	0.00229472
s _b	0.061	Reset all	Calculate	

Figure 9. Promotion Sobel Test Results

Source: Data processed by researchers, 2024

The fourth hypothesis proves that Promotion has no significant positive effect in moderating Social Media Influencers on Purchase intention. Based on the hypothesis testing carried out, the results of the C.R. (critical ratio) value obtained are -3.04 and a p-value of 0.002 with an estimated value of 0.017; it is stated that H4 does not meet the requirements for the C.R. value and p-value because the C.R. value is less than 1.967 and the p-value is less than 0.05. So, this proves that the fourth hypothesis is rejected. So, this proves that the fourth hypothesis is rejected.

Comparison of Direct and Indirect Effects

From the results of the hypothesis testing above, the researcher compares the direct and indirect effects between hypotheses H1 .vs. H3 and H2 .vs. H4, to determine which effect is better.

Table 10. Comparison of Direct and Indirect Effects

Hypothesis	Influence	Estimate	Status
H1	Product development → Purchase Intention	1.093	Direct Influence is better
H3	PProduk → Purchase Intention → Influencer	0.203	
H2	Promotion → Purchase intention	-0.169	Moderated Influence is better
H4	Promotion → Purchase Intention → Influencer	-0.031	

Source: Data processed by researchers, 2024

Discussion

Product Development has a positive and significant effect on Purchase Intention.

The first hypothesis in this study shows that the hypothesis is accepted. The results of this study indicate that product development has a significant positive effect on Purchase Intention for TEKIRO brand handtools products. The majority of respondents are male (72.4%), aged 25-34 years (53.4%), and have a bachelor's degree (52.8%). Work as private employees (54.5%), followed by technicians/mechanics/craftsmen (21.9%) and entrepreneurs (13.9%).

This is evident from the Mean value of 4.24 with a Critical Ratio (C.R.) value of 8.038 and a p-value close to 0.000, greater than 1.967 and less than 0.05. In addition, the value of the estimate of 0.984 also strengthens this evidence. These results support the first hypothesis, H1, which states that Product Development positively affects Purchase intention. The results of this hypothesis test align with research conducted by (Su et al., 2022), who also found a positive relationship between product development and purchase intention. The findings of this study strengthen the argument that customers tend to choose products that continue to improve quality and innovation.

Promotion has a positive and significant effect on Purchase Intention.

The second hypothesis in this study shows that the hypothesis is rejected. This study's results indicate promotion positively influences Purchase Intention for TEKIRO brand handtools products. This can be seen from the C.R. (Critical Ratio) value of -0.534 and a p-value of 0.593. The C.R. value is less than 1.967, and the p-value is greater than 0.05, which means that H2 does not meet the criteria for hypothesis acceptance. Also, the estimated coefficient value of -0.06 states no significant positive influence between promotion and purchase intention.

There are several possible reasons why Promotion have a significant effect on purchase intention in this study. One possibility is that the promotional strategy carried out by PT ASA has not been right on target or less effective in influencing consumers.

The results of hypothesis testing from this study contradict several previous studies that found a positive influence between promotion and purchase intention, namely: (Donovan, 2023); (Hidayat et al., 2023); (Gamage et al., 2022); (Wati & Indiani, 2022); (Sondari et al., 2023). However, this result is in line with research conducted by (Grace & Pardede, 2023), who also found that Promotion have significant positive effect on purchase intention.

Product Development positively and significantly affects Purchase Intention moderated by Social Media Influencers.

The third hypothesis in this study shows that the hypothesis has been accepted. The third hypothesis, H3, examines the effect of product development on Purchase Intention, which is moderated by social media influencers, as evidenced by the Critical Ratio (C.R.) value of 2.84 and a p-value of 0.004. The C.R. value is more than 1.967, and the p-value is less than 0.05, indicating that these results are statistically significant. The estimated coefficient of 1.279 also strengthens the evidence of a significant positive effect, which means that Social Media Influencers strengthen product development on Purchase Intention. These results indicate that PT Altama Surya Anugerah (ASA) can increase consumer buying interest in TEKIRO hand tools products because Social Media Influencers can serve as a bridge between businesses and customers, providing more credible and convincing information about the advantages of TEKIRO products. Interesting and informative content from social media influencers can make consumers more interested in TEKIRO products.

The results of this hypothesis test are in line with research conducted by (Lefina, 2022); (Lefina, 2022); (Ermeç, 2022); (Al-Muani et al., 2023); ((Wati & Indiana, 2022); (Sondari et al., 2023); (Nadia et al., 2023); (AL-Sous et al., 2023) which states that Social Media Influencers moderate or strengthen the effect of Product Development on Purchase Intention.

Promotion positively and significantly affects Purchase Intention, which Social Media Influencers moderate.

The fourth hypothesis in this study shows that the hypothesis has been rejected. The fourth hypothesis, H4, examines the effect of Promotion on Purchase Intention moderated by Social Media Influencers; this is indicated by the Critical Ratio (C.R.) value of -3.04 and a p-value of 0.002 with an estimated value of 0.017. This result certainly does not meet the criteria for hypothesis acceptance; where the C.R. value should be greater than or equal to 1.967 and the p-value is less than or equal to 0.05, but with a P-value that is included in this test standard, it could be that Social Media Influencers can strengthen Promotion on Purchase Intention, we can see from the selection of the right influencer, influencer credibility, or the match between the influencer and the target market which can strengthen the effectiveness of Promotion.

Promotions of this hypothesis test align with research conducted by Grace & Pardede (2023), which also found that Promotion hPromotionnificant positive effect on purchase intention. However, this is not in line with research from Wati and Indiana (2022). (Wati & Indiani, 2022)Sondari et al. (2023) state that Promotion has and significant effect on Purchase Intention, which Social Media Influencers moderate.

CONCLUSION

The results of this study prove that the first hypothesis, H1, and the third hypothesis, H3, are accepted. This is because the four hypotheses' C.R. value and P-value value meet the requirements: the C.R. value ≥ 1.967 and the P-value value ≤ 0.05 . Meanwhile, the second hypothesis, H2, and the fourth hypothesis, H4, are rejected. This is because the C.R. value and P-value of the six hypotheses do not meet the C.R. value ≥ 1.967 requirements and P-value ≤ 0.05 . The results of this study provide a very strong basis for management implications that PT ASA and other companies can implement in the hand tool industry in Indonesia. Companies should prioritize sustainable and innovative Product Development or R&D departments. Continuous product innovation is important to maintain competitiveness in the market, as consumers' needs and expectations change every year. This is supported by the results of the study, which show that Product Development has a significant positive effect on Purchase Intention (with an estimated value of 0.984, C.R. 8.038, and p-value close to 0.000) and is strengthened by the role of Social Media Influencers (with an interaction estimate value of 1.279, C.R. 2.84, and p-value 0.004). This study also highlights the potential of a credible and relevant Social Media Influencer as a powerful and effective strategic tool in increasing consumer purchase intention for handtools products in Indonesia.

REFERENCES

- Al-Muani, L., Alwashdeh, M., Ali, H., & Al-Assaf, K. (2023). The effect of social media influencers on purchase intention: Examining the mediating role of brand attitude. *International Journal of Data and Network Science*, 7(3), 1217–1226.
- AL-Sous, N., Almajali, D., & Alsokkar, A. (2023). Antecedents of social media influencers on customer

- purchase intention: Empirical study in Jordan. *International Journal of Data and Network Science*, 7(1), 125–130.
- Chaniago, H. (2020a). Investigation of factors influencing traditional retail success in small cities in Indonesia. *Journal of Applied Economic Sciences (JAES)*, 15(67), 65–75.
- Chaniago, H. (2020b). The effects of entrepreneurial personality to competitiveness and corporate image: A study on chocolate agent entrepreneurs. *International Review of Management and Marketing*, 10(2), 21.
- Chaniago, H., Mulyawan, I., Suhaeni, T., & Jumiyani, R. (2019). Faktor kunci keberhasilan ritel modern di Indonesia. *Jurnal Akuntansi, Ekonomi Dan Manajemen Bisnis*, 7(2), 201–208.
- Donovan, D. (2023). Pengaruh Promosi Dan Kualitas Produk Oppo Terhadap Minat Beli Konsumen. *Jurnal Pengabdian Masyarakat Dan Riset Pendidikan*, 1(4), 230–234.
- Ermeç, A. (2022). How effective are social media influencers' recommendations? The effect of message source on purchasing intention and e-word of mouth (WOM) from a para-social interaction perspective. *İşletme Araştırmaları Dergisi*, 14(1), 1077–1095.
- Gamage, V. L. R., Samarakoon, S., & Malalage, G. S. (2022). The impact of pesticide sales promotion strategies on customer purchase intention. *Sri Lanka Journal of Marketing*, 8(2), 84.
- Grace, L., & Pardede, R. (2023). The Influence Of Sales Promotion And Customer Experience On Purchase Intention Mediated By Customer Satisfaction. *International Journal of Social Service and Research*, 3(10), 2692–2700.
- Hair, J. F. (2009). *Multivariate data analysis*.
- Hermanda, A., Sumarwan, U., & Tinaprillia, N. (2019). the Effect of Social Media Influencer on Brand Image, Self-Concept, and Purchase Intention. *Journal of Consumer Sciences*, 4(2), 76–89. <https://doi.org/10.29244/jcs.4.2.76-89>
- Hidayat, R., Menhard, M., Charli, C. O., Masnum, A., & Hartoyo, B. (2023). Determination Purchase Intention and Purchase Decision: Brand Image and Promotion Analysis (Marketing Management Literature Review). *Dinasti International Journal of Economics, Finance & Accounting*, 4(1), 152–165.
- Kotler, P., & Amstrong, G. (2018). *Principles of Marketing. Edisi 15 Global Edition*. Pearson.
- Kotler, P., & Keller, K. L. (2012). *Marketing management, New Jersey: Person Education*. Inc.
- Lefina, Z. P. (2022). *The influence of social media influencer's trustworthiness on engagement, expected value and purchase intention*. Universitas Islam Indonesia.
- Mahbub, M. R., Rini, E. S., & Absah, Y. (2024). The Effect of Social Media Promotion and Online Consumer Reviews on Purchas Decisions with Mediation of Consumer Trust on Coffee Shop Tentang Kopi Medan. *KnE Social Sciences*, 165–174.
- Makalalag, A., Ilat, V., & Walandouw, S. K. (2023). Pengaruh Biaya Produksi, Biaya Pemasaran dan Biaya Kualitas Terhadap Laba Bersih (Studi pada Perusahaan Manufaktur Subsektor Makanan dan Minuman yang terdaftar di BEI Tahun 2018-2020). *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 11(3), 71–81.
- Nadia, N., Anisah, T. N., & Andari, E. (2023). The Role of Brand Preference as Moderation in the Relationship between Social Media Influencer, Brand trust, and Purchase Intention. *International Journal of Economics (IJEK)*, 2(1), 102–110.
- Priansa, D. J. (2017). *Perilaku konsumen dalam persaingan bisnis kontemporer*.
- Puspitarini, D. S., & Nuraeni, R. (2019). Pemanfaatan media sosial sebagai media promosi. *Jurnal Common*, 3(1), 71–80.
- Qotrunnida, A., Nugroho, A., & Sihite, J. (2021). The Impact of Promotion, Services Quality and Website Quality towards Purchase Intention on the Airflight Tickets. *International Journal of Research and Review*, 8(2), 310–322.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. John Wiley & Sons.
-

- Sondari, T., Satriawan, B., & Afriliani, D. (2023). The Influence of Promotion and Service Quality on Consumer Purchase Decisions. *Almana: Jurnal Manajemen Dan Bisnis*, 7(1), 179–192.
- Su, Y., Khaskheli, A., Raza, S. A., & Yousufi, S. Q. (2022). How health consciousness and social consciousness affect young consumers purchase intention towards organic foods. *Management of Environmental Quality: An International Journal*, 33(5), 1249–1270.
- Sugiyono, P. D. (2010). Metode Penelitian. *Kuantitatif, Kualitatif, Dan R&D*.
- Wati, I. A. N. A. C., & Indiani, N. L. P. (2022). The Influence of Social Media Communication, Product Quality, And Promotion on Purchase Intention. *Almana: Jurnal Manajemen Dan Bisnis*, 6(3), 472–479.
- Zaman, S. A. A., Anwar, A., & Haque, I. U. (2023). Examining the Mediating Effect of Online Engagement and Online Reviews: The Influence of Influencer Credibility on Consumer Purchase Intentions. *Pakistan Business Review*, 24(4), 389–410.



© 2024 by the authors. Submitted for possible open-access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (<https://creativecommons.org/licenses/by-sa/4.0/>).