

Determination Purchase Intention for Skincare in Indonesia

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ABSTRACT

Indonesia's beauty sector has experienced substantial expansion, with an annual growth rate exceeding 4%. This corresponds with the 10% rise in national skincare product demand, underscoring an increase in consumer interest and competition in the industry. The rapid digitalization of consumer behavior has notably altered the dynamics of the skincare industry, especially in emerging markets. This research investigates the impact of the marketing mix-product, price, place, and promotion-on consumers' purchase intentions, with electronic word of mouth (e-WOM) acting as a mediating variable. Data were collected from 240 respondents using a purposive sampling technique. These respondents had experience purchasing skincare products online and had been exposed to e-WOM content across digital platforms. Structural Equation Modeling (SEM) was utilized to evaluate the proposed hypotheses. The findings demonstrate that product, price, and promotion have a significant impact on purchase intention, both directly and indirectly via e-WOM, whereas place does not show a significant direct effect. Moreover, e-WOM plays a significant mediating role, underscoring its strategic relevance in influencing digital purchasing behavior. The findings enhance marketing literature by merging traditional marketing strategies with mechanisms of digital consumer influence. This study offers practical implications for skincare brands aiming to improve consumer engagement and purchase conversions via optimized marketing mix strategies and the strategic management of digital word-of-mouth channels.

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1. INTRODUCTION

Nowadays, globalization has become a game changer in consumer behavior and the dynamics of industrial competition. This has significantly impacted various industrial sectors, especially for cosmetic industry, which has experienced rapid growth over the past decade. According to Kemenko (2024) the growth of the cosmetic industry in 2023 is more than 10,6% or 1,010 new industries established in Indonesia. This is also in line with YCP Solidiance (2023) state that the projection of Indonesia's beauty market overview will grow by 4% in five years. However, the growth among the local industries has caused intensified competition within the industry. Even though the local industries have grown significantly, this phenomenon cannot lead local brands to become the major shareholders of the market in Indonesia. The Institute for Development of Economics and Finance (INDEF) reports that imported items from China control 50% of the Indonesian market for skincare and beauty products (Zahira, 2023). In line with that, according to Handayani (2024) imported brands such as Skintific and Originote are the top sales values in Indonesia's e-commerce for 2024. This results in a progressively competitive environment between domestic and imported products.

Imported brands frequently present a worldwide brand identity and technological advancements, while local brands mostly depend on an insight into native consumer preferences and indigenous knowledge in product development. In the midst of these circumstances, local skincare brands need to design efficient marketing methods in order to catch the interest of consumers. The implementation of the 4P elements of the marketing mix, such as product, price, place, and promotion, is a strategic aspect that defines the success of marketing a product (Kotler et al., 2022). These four key elements not only generate product value from the perspective of consumers but also play an essential role in influencing purchase intention.

Previous research studies have shown that the 4P elements of the marketing mix, such as product, price, place, and promotion, have a significant impact on purchase intention. Research by Suyanto & Dewi (2023) It has been shown that the four-element marketing mix has an influence on purchase intentions. Thus, the results of this research are that all elements of the 4P marketing mix, which include affordable prices, characteristics of the product, price promotion, and place, positively and significantly affect purchase intention.

Conversely, further research also found that the element 4P of the marketing mix has no influence on purchase intention. Research by Al-Dmour et al., (2022) found that only price and place have a significant impact on purchase intention. While product and promotion have an insignificant impact on purchase intention.

Furthermore, research by Hossain et al. (2020) found that not all elements of the marketing mix have a significant effect on purchase intention. The research states that only place and promotion influence purchase intention. While product and price have not influenced purchase intention.

Moreover, globalization in digital transformation has modified the way in which consumers acquire and communicate information regarding skincare products. Electronic word of mouth (e-WOM) is the distribution of evaluations and information via electronic word-of-mouth channels, including reviews on e-commerce platforms, social media, and blogs. The dissemination of evaluations and information via electronic word of mouth (e-WOM) communication facilitates consumers in assisting others to make decisions about goods or services (Al-Dmour et al., 2022). Studies conducted by Christian & Tjiptodjojo (2023) and Rahayu et al. (2022) showed that electronic word-of-mouth significantly impacts consumers' purchase intentions. In the digital age, electronic word-of-mouth (e-WOM) is increasingly emerging as a potent marketing strategy that influences consumer purchase intentions, enhancing the effectiveness of traditional promotional methods.

This study introduces a new perspective by analyzing electronic word-of-mouth (e-WOM) as a mediating factor in the relationship between the 4P of the marketing mix (product, price, place, promotion) and purchase intention within the Indonesian skincare industry. This study uniquely combines these variables within a structural framework that represents the dynamics of a highly competitive, globalized consumer market, in contrast to earlier research, which has largely explored them in isolation or within broader industry contexts. The incorporation of e-WOM as a mediating variable offers novel theoretical perspectives on how digital peer influence amplifies or moderates the efficacy of conventional marketing methods in influencing purchase intention.

This study seeks to examine the impact of the marketing mix on purchase intention, both directly and indirectly through e-WOM as a mediating variable, by combining traditional marketing methods with digital dynamics in the context of local skincare products amid global competition.

Literature Review and Hypotheses

Marketing Mix

In 1948, Neil Borden, at the suggestion of his colleague James Culliton, first introduced the term "marketing mix." (Al-Malkawi et al., 2023). A marketing mix involves a collection of methods employed by a firm or organization to obtain the desired response from its target market (Kotler et al., 2023). This strategy is beneficial for marketers or businesses to become different from their competitors and obtain a competitive advantage over competitors (Suyanto & Dewi, 2023). Therefore, marketers or companies must pay strong attention to essential components such as product, price, place, and promotion, known as the 4P (Grewal & Levy, 2020).

Product

A product can be offered to a market for consideration, acquisition, usage, or consumption to satisfy a need or desire (Al-Malkawi et al., 2023). A product is defined not just as a physical object but also as services, individuals, or conceptual combinations (Wang, 2023). According to Kotler et al. (2022), a product has seven elements: variance, quality, feature, brand, design, label, and service. Each product component contributes value to the company's offering, improving consumer purchase decisions (Kotler et al., 2023; Zahara, 2024).

Companies must accurately evaluate consumer demands to align their marketed items accordingly (Czintoka et al., 2021). To make informed purchasing decisions, it is critical to understand the manufacturing processes, ingredients, and branding utilized in the cosmetics and personal care industries (Suyanto & Dewi, 2023). Delivering precise product information, including attributes and availability, is crucial for marketers to enhance customer purchase intention (Indrawati et al., 2023; Kang et al., 2020). According to Al-Malkawi et al. (2023), Hossain et al. (2020), and Iqbal et al. (2023), the product has an influence on purchase intention.

H1: Product influences purchase intention for skincare in Indonesia

Price

Price is the monetary value that consumers attribute to a thing and the level of their willingness to pay (Al-Dmour et al., 2022). The primary inquiry regarding pricing within the marketing mix is the extent to which clients are prepared to pay for the desired goods and services (Caliskan et al., 2020). According to Ramtiyal et al. (2024), companies or marketers must balance profitability and affordability, ensuring their pricing strategies are under market conditions and consumer expectations.

Prices assist consumers in distributing their purchasing power among various categories of goods and services (Cakranegara et al., 2022). Therefore, consumers evaluate the costs of different accessible options before determining a suitable distribution of resources. Simultaneously, the pricing information function conveys to clients the quality of the available goods. The results from the previous study found that variable prices significantly affect purchase intention (Al-Dmour et al., 2022; Cakranegara et al., 2022; Hossain et al., 2020; Iqbal et al., 2023).

H₂: Price influences purchase intention for skincare in Indonesia

Place

The term "place" describes the medium of communication through which consumers or users obtain a product or service during the purchasing process (Rizky & Aprianingsih, 2024; Wang, 2023). The place refers to the activities of small and medium-sized firms that generate things for sale in the market (Batlajery & Alfons, 2021). The place covers marketing concerns, including distribution type, exposure, transportation, distribution, and location (Mariam & Aryani, 2023).

A product must be accessible to the customer at the time and location that the customer desires (Sofiani, 2021). Therefore, determining a place is essential for companies to maximize profits and increase potential sales. According to Al-Dmour et al. (2022) and Wang (2023), the place can significantly affect purchase intention. Meanwhile, previous research studies by Hossain et al. (2020), Iqbal et al. (2023), and Rizky & Aprianingsih (2024) found that place does not significantly affect purchase intention.

H₃: Place influences purchase intention for skincare in Indonesia

Promotion

Promotional methods are frequently covered in the marketing literature to influence customers' feelings, thoughts, and opinions of a product (Iqbal et al., 2023). The promotion aims to act as a communication channel to promote the product's value proposition to consumers and convince them to adopt the market offering (Kotler et al., 2023). Promotion is significantly connected with customer purchase intention, indicating that it is crucial to acquiring a specific product (Wang, 2023).

Promotion is a essential element in a marketing campaign, aiming to motivate and accelerate a more efficient response characterized by the volume and speed of purchases for a specific product or service (Kaveh et al., 2021). Therefore, promotions are crucial in establishing and sustaining robust brand connections with consumers while shaping consumer preferences by linking specific brands to diverse consumer considerations (Iqbal et al., 2023).

H₄: Sales Promotion influences purchase intention for skincare in Indonesia

e-WOM

Word of Mouth refers to the communication between consumers regarding their experiences with a company's products or services, whether those experiences are positive or negative to the consumer (Rohani et al., 2023). The evolution of the Internet has facilitated the extensive reach of word-of-mouth communication, rendering the necessity for physical presence at any location obsolete, known as electronic word of mouth (e-WOM). e-WOM, as defined by Ranti & Setiyaningrum (2022), is an assessment of a product, service, or company that can get a positive or negative assessment, that is communicated by prospective individuals who have bought the product through any online platform or social media

Electronic Word of Mouth (e-WOM) facilitates the exchange of information and evaluations between consumers regarding their experiences with the acquisition and utilization of a brand. Positive feedback submitted improves the probability that they will decide to buy a product or service. People are less likely to buy products or services when there is insufficient information and reviews posted about them (Rohani et al., 2023).

Furthermore, in the theory of planned behavior (TPB), e-WOM represents the "subjective norm" aspect, as it captures the opinions, experiences, and social influences of fellow consumers shared via digital platforms. At the same time, the actions taken in the marketing mix (especially the product, price, and promotion) serve as a foundational stimulus that cultivates a favorable attitude towards a brand or product. However, this optimistic attitude is insufficient to generate purchase intention without social validation in the form of e-WOM. As a result, e-WOM bridges the influence of the marketing mix, as consumers now rely largely on independent reviews when making purchasing decisions, particularly for personal products like skincare.

Thus, e-WOM, as a mediating variable, provides a channel for the actualization of digital social norms, which is especially important in the era of connected consumers. The positive impact of marketing mix elements will be enhanced if occupied and reconfirmed via e-WOM.

Purchase Intention

Purchase intention is the cognitive process by which customers evaluate the information they receive about a product to understand and make a purchasing decision (Peña-García et al., 2020). Four primary dimensions of purchase intention are identified by Andita & Hermawan (2023) : transactional interest, preferential interest, exploratory interest, and referential interest. Product analysis stimulates purchase intentions by allowing individuals to evaluate a product using their knowledge, skills, and external information (Zhuang et al., 2021).

The parameters of purchase intention serve as primary indicators for evaluating consumer behavior and forecasting actions related to purchases during the decision-making process. Therefore, it can be concluded from the prior information above that purchase intention is a potential that shapes the degree of consumer desire to acquire a good or service. The purchase intention will be stronger as more possibilities exist.

 H_{5a} : e-WOM as a mediating factor influences between product and purchase intention for skincare in Indonesia H_{5b} : e-WOM as a mediating factor influences between price and purchase intention for skincare in Indonesia H_{5c} : e-WOM as a mediating factor influences between place and purchase intention for skincare in Indonesia H_{5d} : e-WOM as a mediating factor influences between sales promotion and purchase intention for skincare in Indonesia

H₆: e-WOM influences purchase intention for skincare in Indonesia

2. METHOD

This research applies a quantitative methodology in October 2024. The study methodology applied is primary data collection. Researchers gathered primary data via online surveys with the instrument G-Form. The researcher used Structural Equation Model (SEM) modelling through SmartPLS to fulfill its objectives. This study employs assessments of both reliability and validity to evaluate instruments and the variables. Hair et al. (2022) define four stages for assessing validity: the reflective validity model, evaluated through item loadings; internal reliability consistency, measured using Cronbach's alpha and Composite Reliability (CR); convergent validity, quantified by Average Variance Extracted (AVE); and discriminant validity, related to the model structure. Reflective validity applies to the measurement validity of a reflective latent construct, specifically the degree to which indicators exhibit strong and consistent correlations with one another, as they are viewed as representations of the same construct.

The researcher applied the purposive sampling method for sample selection in this study. Additionally, researchers determine characteristics of the respondent that are suitable for this research, such as: 15 years old or above, interest in purchasing skincare, and active skincare users. The quantity of samples in this research was determined using the Hair formula. The sample size for studies with a population that can be identified is at least five times the number of indicators and up to ten times the number of indicators (Hair et al., 2022). This study has 24 indicators. The researcher utilized a sample of 240 respondents (24 indications multiplied by 10). Figure 1 below shows the research model in this research.

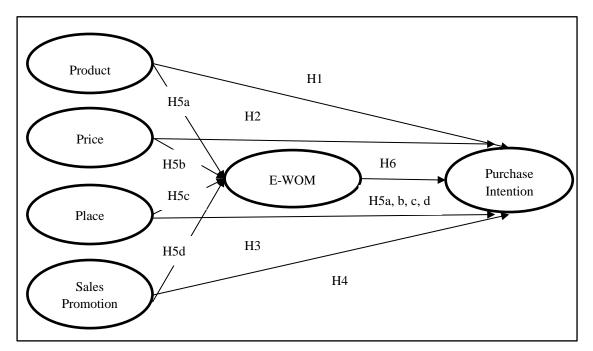


Figure 1. Research Model

3. RESULT AND DISCUSSION

Analysis of Respondent Characteristics

Table 1. Characteristic Respondents

| Characteristics of Respondents | Total | Percentage (%) |
|--------------------------------|-------|----------------|
| Year Born | | |
| 2004 - 2009 | 55 | 22,9% |
| 1997 – 2003 | 69 | 28,7% |
| 1989 – 1996 | 87 | 36,3% |
| 1981 – 1988 | 29 | 12,1% |
| Below 1981 | 0 | 0% |
| Total | 240 | 100% |
| Gender | | |
| Man | 76 | 31,7% |
| Woman | 164 | 68,3% |
| Total | 240 | 100% |
| Domicile | | |
| Jawa | 117 | 48,8% |
| Kalimantan | 11 | 4,6% |
| NTB | 1 | 0,4% |
| Sulawesi | 21 | 8,8% |
| Sumatera | 90 | 37,5% |
| Total | 240 | 100% |
| Last Education | | |
| Junior High School (SMP) | 22 | 9,2% |
| Senior High School (SMA) | 66 | 27,5% |
| Diploma III | 2 | 0,8% |
| S1 | 131 | 54,6% |
| S2 | 16 | 6,7% |
| S3 | 3 | 1,3% |
| Total | 240 | 100% |

This research obtained 240 respondents with several characteristics of respondents, which were collected through questionnaires, namely age, gender, domicile, and the highest level of education. The analysis results show 240 respondents with various age characteristics. The age criteria for respondents ranging from 15 to 20 years were 55 respondents, or 22.9%. Furthermore, the age category for respondents in this research ranged from 21 to 27 years, with as many as 69 respondents or 28.7%. Next, aged 28 to 35 years with a percentage of 36.3% or 87 respondents. Finally, the age range from 36 to 43 years has a rate of 12.1% or 29 respondents. If classified by generation, it is concluded that the millennial generation (aged 28 to 43 years) had 116 respondents, or 48.3%, and generation Z (aged 12 to 27) had 124 respondents, 51.7%.

Apart from that, based on the distribution of this research on gender with the following details, men have 76 respondents or 31.7%. Meanwhile, the female gender is 68.3%, or 164 respondents. The analysis of domicile distribution reveals that Java is predominant, accounting for 117 respondents, which represents 48.8% of the total. Furthermore, respondents were domiciled in Sumatra, with a rate of 37.5% or 90 respondents. Next, 21 respondents were domiciled in Sulawesi, or a percentage of 8.8%. In the fourth position, domiciled in Kalimantan, there were 11 respondents or 4.6%. Finally, the lowest rate of respondents was 0.4% in the NTB region, with one respondent.

The results indicated that each participant demonstrated various degrees of education, expressing the different aspects of their final level of education in this study. A total of 131 respondents, representing 54.6%, possessed a bachelor's degree as their highest level of education. Additionally, 66 respondents possessed a high school education, representing 27.5%. A total of twenty-two respondents possessed junior high school education, representing 9.2% of the sample. The level of education at the master's degree represents 6.7%, corresponding to approximately 16 respondents. Ultimately, the groups with the lowest representation were those holding diploma III and doctoral degrees, with three respondents at the doctoral level and two at the diploma III education level.

Measurement Model Fit Test (Outer Model)

The evaluation of validity and reliability in this study involves three key steps in the PLS approach: convergent validity, discriminant validity, and the reliability test. The study uses the loading value, Cronbach's

alpha, Composite Reliability (CR), and AVE to assess construct validity and reliability. The table below displays the results of the validity and reliability tests.

| Indicator | Loading Value | Cronbach's Alpha | CR | AVE |
|-----------|---------------|------------------|-------|-------|
| PRD1 | 0.842 | 0.865 | 0.865 | 0.712 |
| PRD2 | 0.854 | | | |
| PRD3 | 0.870 | | | |
| PRD4 | 0.809 | | | |
| PRC1 | 0.851 | 0.853 | 0.854 | 0.694 |
| PRC2 | 0.841 | | | |
| PRC3 | 0.831 | | | |
| PRC4 | 0.808 | | | |
| PL1 | 0.819 | 0.837 | 0.839 | 0.672 |
| PL2 | 0.835 | | | |
| PL3 | 0.801 | | | |
| PL4 | 0.824 | | | |
| SPR1 | 0.818 | 0.833 | 0.835 | 0.666 |
| SPR2 | 0.809 | | | |
| SPR3 | 0.842 | | | |
| SPR4 | 0.794 | | | |
| WO1 | 0.841 | 0.850 | 0.850 | 0.689 |
| WO2 | 0.829 | | | |
| WO3 | 0.840 | | | |
| WO4 | 0.811 | | | |
| PI1 | 0.823 | 0.862 | 0.863 | 0.707 |
| PI2 | 0.862 | | | |
| PI3 | 0.851 | | | |
| PI4 | 0.825 | | | |

Table 2. The Results of validity and reliability tests.

Note(s): PRD = Product, PRC = Price, PL = Place, SPR = Sales Promotion, WO = Electronic Word of Mouth, PI = Purchase Intention

| Variable | PI | PL | PRC | PRD | SPR | WO |
|----------|-------|-------|-------|-------|-------|------|
| PI | 0.841 | | | | | |
| PL | 0.614 | 0.82 | | | | |
| PRC | 0.702 | 0.624 | 0.833 | | | |
| PRD | 0.565 | 0.546 | 0.567 | 0.844 | | |
| SPR | 0.696 | 0.635 | 0.671 | 0.543 | 0.816 | |
| WO | 0.676 | 0.607 | 0.684 | 0.542 | 0.637 | 0.83 |

Table 3. Discriminant Validity Fornell-Larcker Criterion

Note(s): PRD = Product, PRC = Price, PL = Place, SPR = Sales Promotion, WO = Electronic Word of Mouth, PI = Purchase Intention

Table 2 presents the findings for convergent validity and reliability testing. The convergent validity findings indicate that all variables' AVE values exceed 0.50. Hair et al. (2022) state that the construct was valid when the Average Variance Extracted (AVE) value exceeds 0.50. In Table 3, we will find the result regarding discriminant validity. The Fornell-Larcker discriminant validity test presented in Table 2 demonstrates validity. The relationship between the same variables holds the highest importance.

Additionally, the assessment of construct reliability involves using two main approaches: Composite Reliability (CR) values and Cronbach's alpha. The indicator is deemed acceptable when the composite reliability and Cronbach's alpha value for each indicator attain a minimum threshold of 0.60 to 0.70 (Hair et al., 2021). Table 2 above indicates that the composite reliability and Cronbach's alpha values exceed 0.70, concluding that the indicator is deemed acceptable or reliable.

Coefficient of Determination (R²)

The coefficient of determination measures the extent to which the endogenous variable accounts for variations in the exogenous variable. According to Hair et al. (2022), there are 3 interpretation values of the R2, such as 0.75 (High), 0.50 (moderate), and 0.25 (weak).

Table 4. Coefficient Determination Results

| Variable | R-Square | R-Square Adjusted |
|-------------------------|-----------------|--------------------------|
| Purchase Intention (PI) | 0.63 | 0.623 |
| e-Word of Mouth (e-WOM) | 0.558 | 0.55 |

The adjusted R-squared value for the purchase intention (PI) variable is 0.623, equivalent to 62.3%. It can be stated that 62.3% of the purchase intention variable exhibits a moderate effect. The purchase intention variable may be understood as being somewhat influenced by 62.3%, which is explicable through the variables examined in this study: price, place, sales promotion, product, and e-WOM. The remaining 37.3% is attributed to causes beyond the scope of this study.

The adjusted R-squared value for the electronic word of mouth (e-WOM) variable is 0.55, or 55%. It can be stated that 55% of the e-WOM variable exhibits a moderate effect and may be explained by the factors in this study, including price, place, product, and sales promotion. The remaining 45% is attributed to causes beyond the scope of this study.

Standardized Root Mean Square Residual (SRMR)

Table 5. SRMR Results

| Variable | Saturated Model | Estimation Model |
|----------|-----------------|-------------------------|
| SRMR | 0.057 | 0.057 |

The analysis employs the Standardized Root Mean Square Residual (SRMR) value for assessing the model fit within this study. A fit model can be identified by an SRMR value below 0.08 (Hair et al., 2022). In the opinion of Yamin (2021), a model is deemed appropriate when the SRMR value is between 0.08 and 0.1. The measurement model indicates an SRMR value of 0.057, demonstrating that the model is a good fit.

PLS Predict

Partial Least Square (PLS) is an analytical method within Structural Equation Modeling (SEM) that is utilized for predictive objectives in research (Hair et al., 2022). PLSpredict is utilized to validate the efficacy of the PLS prediction test. The findings from PLS demonstrate strong predictive abilities when compared to the basic model, especially the linear regression model (LM). Three criteria for the PLSpredict results, as outlined by Hair et al. (2022) and Shmueli et al. (2019), such as:

- 1. All PLS-SEM RMSE and MAE are less than LM RMSE or MAE, indicating strong predictive power.
- 2. Most or Few PLS-SEM RMSE and MAE are less than LM RMSE and MAE: Moderate predictive efficacy.
- 3. PLS-SEM RMSE and MAE are more than or equal to LM. RMSE and MAE: Lack of predictive efficacy (the model is ineffective for forecasting)

| | Q ² predict | PLS-SEM_RMSE | PLS-SEM_MAE | LM_RMSE | LM_MAE |
|-----|------------------------|--------------|-------------|---------|--------|
| PI1 | 0.344 | 0.778 | 0.602 | 0.803 | 0.621 |
| PI2 | 0.454 | 0.731 | 0.588 | 0.749 | 0.601 |
| PI3 | 0.424 | 0.697 | 0.565 | 0.694 | 0.571 |
| PI4 | 0.438 | 0.721 | 0.551 | 0.745 | 0.579 |
| W01 | 0.344 | 0.905 | 0.682 | 0.94 | 0.717 |
| WO2 | 0.388 | 0.806 | 0.611 | 0.794 | 0.584 |
| WO3 | 0.388 | 0.791 | 0.621 | 0.8 | 0.611 |
| WO4 | 0.364 | 0.891 | 0.65 | 0.906 | 0.669 |

Table 6. PLSpredict Results

The findings from the PLS-Predict procedure demonstrate that, for most indicators, the prediction errors (such as RMSE and MAE) derived from the PLS-SEM model are less than those generated by the linear regression

benchmark model. The outcome indicates that the model demonstrates moderate predictive power, as outlined in the predictive assessment framework developed by Shmueli et al. (2019) and further detailed by Hair et al. (2022).

Structural Model Fit Test (Inner Model)

Structural models, often called "inner models," demonstrate the causal relationships among latent variables grounded in theoretical frameworks.

Table 7. Path Coefficient

| Hypothesis | Original sample (O) | Sample Mean (M) | Standard deviation (STDEV) | T statistics (O/STDEV) | P values | Result |
|--|---------------------------|-----------------------|----------------------------------|-----------------------------|----------|-----------|
| PRD → PI | 0.106 | 0.105 | 0.053 | 2.007 | 0.045 | Supported |
| PRC → PI | 0.253 | 0.256 | 0.076 | 3.340 | 0.001 | Supported |
| PL → PI | 0.096 | 0.091 | 0.052 | 1.833 | 0.067 | Rejected |
| $\mathrm{SPR} \rightarrow \mathrm{PI}$ | 0.271 | 0.268 | 0.057 | 4.743 | 0.000 | Supported |
| WO \rightarrow PI | 0.215 | 0.214 | 0.057 | 3.755 | 0.000 | Supported |

Note(s): PRD = Product, PRC = Price, PL = Place, SPR = Sales Promotion, WO = Electronic Word of Mouth, PI = Purchase Intention

Table 8. Indirect Effect

| Hypothesis | Original Sample (O) | Sample Mean (M) | Standard deviation (STDEV) | T statistics (O/STDEV) | P values | Result |
|---|---------------------------|-----------------------|----------------------------------|-----------------------------|----------|-----------|
| $PL \rightarrow e\text{-WOM} \rightarrow PI$ | 0.039 | 0.039 | 0.017 | 2.211 | 0.027 | Supported |
| $\text{PRC} \rightarrow \text{e-WOM} \rightarrow \text{PI}$ | 0.076 | 0.076 | 0.024 | 3.211 | 0.001 | Supported |
| $\text{PRD} \rightarrow \text{e-WOM} \rightarrow \text{PI}$ | 0.027 | 0.027 | 0.012 | 2.174 | 0.030 | Supported |
| $\text{SPR} \rightarrow \text{e-WOM} \rightarrow \text{PI}$ | 0.047 | 0.047 | 0.021 | 2.213 | 0.027 | Supported |

Note(s): PRD = Product, PRC = Price, PL = Place, SPR = Sales Promotion, WO = Electronic Word of Mouth, PI = Purchase Intention

The results of this research for the hypothesis test are shown in Tables 5 and 6 above. The results for the H_1 regarding the influence of the element product on purchase intention for skincare are 0.106. This means that every element of the company's product, such as the quality of the product, product variety, and product composition, will increase customer purchase intention. The result aligns with the previous research by Hossain et al. (2020) and Iqbal et al. (2023). Al-Malkawi et al. (2023) define products as those that companies provide to consumers for use, consumption, acquisition, or consideration to satisfy their needs or desires. Companies in the skincare industry must inform consumers about their ingredients, the production process, and the various products they offer, following consumer preferences.

The H_2 test shows that price influences purchase intention for skincare in Indonesia. This result indicates that customers will tend to consider the value of the money they spend on skincare products compared to the benefits they will have. Companies must be aware of setting price strategies to obtain more customer purchase intention. The results support the research conducted by Hossain et al. (2020), Iqbal et al. (2023), and Wang (2023).

In the H_3 test, place does not affect purchase intention for skincare in Indonesia. Place does not affect purchase intention because technology, especially in e-commerce, makes things easier for consumers. They do not feel the store's location is used to determine the purchase of skincare products. Therefore, the place does not influence the intention to purchase skincare in Indonesia. However, this result does not align with Al-Dmour et al. (2022) and Al-Malkawi et al. (2023).

Sales promotions have an effect on Indonesian consumers' intentions to buy skincare products, according to the findings of the H_4 . Customers are more likely to make a purchase in response to sales promotions like discount prices, product bundles, and seasonal sales. Advertisements are a great way for businesses to get their message out there and encourage people to buy their products. Previous studies by Iqbal et al. (2023), Karunarathna et al. (2020), and Wang (2023) are consistent with this result.

According to the results of the tests H5a, H5b, H5c, and H5d, e-WOM is a mediator between the price, location, product, and promotion components of the marketing mix and the intention to buy skincare in Indonesia. This means that the skincare industry needs to pay attention to the power of e-Word of Mouth. When people talk about a product, it influences how others see it, increasing the likelihood that others will buy it. Al-Dmour et al. (2022) found similar outcomes in their study.

In the H_6 test, e-WOM influenced purchase intention for skincare in Indonesia by 0,215. The result shows that the ease of disseminating information in e-WOM can help make the right decisions regarding the selection of goods. Easy access to information, a simple user interface, flexible availability without requiring physical presence, and effective information transmission are the benefits of electronic word of mouth, or e-WOM. This result aligns with previous research by Christian & Tjiptodjojo (2023) and Rahayu et al. (2022).

4. CONCLUSION

Research indicates that price, product, and sales promotion elements can enhance purchase intention. In this case, companies must use greater caution in executing their pricing strategy. Companies frequently need to evaluate product pricing to ensure that the cost incurred by consumers aligns with the value received. Companies must perform regular research to introduce new products and improvements. Innovations can be achieved by incorporating substances into their goods, allowing for offerings that can be tailored to the skin conditions of potential consumers.

Regarding sales promotion, businesses should be able to offer routine promotions, such as those based on a season. The results revealed that the sales promotion variable had a more substantial influence on consumer buying interest than the other variables. For example, price reductions or discounts can be provided during holidays. In addition, it can offer a product bundling campaign to entice potential customers.

The finding that the place variable (distribution) has no effect on purchase intention shows that accessibility is not a big problem in the digital era. Consumers now care more about the quality of the products they buy, how much they cost, and how interactive the promotions are. These things are actively shared through digital media. In this day and era of e-commerce and social media, this supports the idea that real distribution strategies need to be changed into digital logistics strategies and delivery speed.

This research also determined that electronic word-of-mouth (e-WOM) can influence purchase intention for skincare product. Companies should execute strategies to generate optimal consumer reviews across multiple online channels, such as social media or reviews on e-commerce platforms—positive feedback from consumers who have made purchases will enhance purchasing intention. Companies must be vigilant regarding negative reviews of their products, as these may cause potential consumers to hesitate in making purchases or transactions related to the company's offerings. Consequently, companies must implement preventive measures against this. Another strategy that can be implemented is that the brand can collaborate with macro-influencers for a wide reach or micro-influencers (1K–100K followers) who are near their target audience. Influencers will share their experience with the product, not just a product review. Personal stories may affect emotional involvement, trust, and the likelihood of customers going viral. As a result, customer buying interest may increase in the future.

Additionally, e-WOM has been shown to have a direct impact on purchase intention while also serving as a bridge between the marketing mix and purchase intention. This increases e-WOM's position as an essential channel in shaping customer attitudes and perceptions, and it suggests that digital marketing strategies must be able to stimulate positive interactions between consumers online. Thus, this study indicates that the marketing mix theory requires adaptation and expansion into a more dynamic and interactive model, wherein customer engagement and digital reputation (via e-WOM) are essential elements in fostering purchase intention. This outcome aligns with the development of Marketing 4.0 and 5.0 concepts, which underscore the significance of digital customer experience, online communities, and data-driven personalization.

This study focuses on the marketing mix variables (product, price, place, and promotion) that influence skincare product purchase intention in Indonesia, with e-WOM as a mediating factor. Future studies could examine additional aspects affecting Indonesian skincare purchases. For instance, brand awareness or trust may affect buying intention. Alternative models like social media tools mediating the impact of all marketing mix aspects (7Ps) on purchase intention could be studied in the future.

This study additionally showed that the place factor does not affect consumer purchase intention due to the presence of e-commerce, which facilitates the buying process for consumers. The e-commerce factor presents an attractive possibility for future study. Finally, most of the respondents in this research are from Java and Sumatra. Therefore, another exciting province would consider doing this research to study the impact of consumer behavior on response to skincare purchase intention.

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