

The Role of Personal Branding Influencers and Consumer Trust in Skincare Product Purchase Decisions in Indonesia

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Abstract

This study aims to determine the role of personal branding and customer trust in purchasing decisions on skincare product purchases in Indonesia. The sample in this study used a purposive sampling method that was distributed to skincare product users in Indonesia who had purchased skincare aged 25 years and over. The number of respondents in this study was 100 respondents. Data was obtained from the distribution of google forms shared through social media. The data analysis technique used path analysis with the PLS-SEM method with SmartPLS software. The results of the study showed directly: personal branding influencers influence purchasing decisions, and consumer trust influences purchasing decisions.

Keywords: *Personal Branding, Consumer Trust, Purchasing Decisions.*

Abstract

Penelitian ini bertujuan untuk mengetahui peran personal branding dan kepercayaan pelanggan dalam keputusan pembelian produk skincare di Indonesia. Sampel dalam penelitian ini menggunakan metode purposive sampling yang didistribusikan kepada pengguna produk skincare di Indonesia yang telah membeli skincare berusia 25 tahun ke atas. Jumlah responden dalam penelitian ini sebanyak 100 responden. Data diperoleh dari distribusi google form yang dibagikan melalui media sosial. Teknik analisis data menggunakan analisis jalur dengan metode PLS-SEM dengan perangkat lunak SmartPLS. Hasil penelitian menunjukkan secara langsung: influencer personal branding memengaruhi keputusan pembelian, dan kepercayaan konsumen memengaruhi keputusan pembelian.

Kata Kunci: *Personal Branding, Kepercayaan Konsumen, Keputusan Pembelian.*

Introduction

Global skincare sales in early 2024 experienced a significant spike compared to the same period last year. According to data from Katadata, revenue in the beauty and personal care sector reached 7.23 billion US dollars or equivalent to Rp111.83 trillion (exchange rate of Rp15,467.05) in 2022. Therefore, this sector is estimated to experience an annual increase of 5.81% CAGR during the period 2022 to 2027. The potential for market growth could reach 467,919 products (more than 10 times) in the last 5 years. Meanwhile, skincare sales data in Indonesia towards the global market has the potential to increase to USD473.21 billion in 2028, with an average value of 5.5% per year (Muhammad 2024).

According to Luke (2024) types of skincare there are many types of skincare that are distinguished by their function. The types of skincare are facial cleansers that are useful for cleaning the face clean from dust that sticks to the face, the second is an exfoliator, which functions to remove dead skin cells and clean clogged pores on the face, the third is a toner that functions for this one product helps remove dead skin cells and clean clogged pores on the face. Fourth there is serum, which is usually used to moisturize the skin, remove black spots, to overcome wrinkles and the last is a facial sunscreen that is usually used to protect the face from sunlight.

Skincare user data according to The Last Supper (2024), the best-selling skincare product sales in 2024 were facial care product sales reaching IDR 740.68 billion or up 22%. The number of products sold reached 15,539,179 units. The second best-selling product was body care, which was IDR 249.94 billion with the number of items sold reaching 8.11 million. The third best-selling product was beauty package products, which had a sales value of IDR 201.58 billion with the number of items sold reaching 1.57 million.

The name of the best-selling skincare brand in Indonesia, namely the Somethinc brand, is one of the local skincare brands that is relatively young because it was only established in 2019. Although it can be said to be a new brand, Somethinc has achieved total sales of IDR 53.2 billion and has succeeded in occupying the first position. The second favorite local skincare brand is Scarlett. This brand is a body care product brand from Indonesia and is famous for its series of whitening products. Total sales for the Scarlett brand itself have reached IDR 40.9 billion. The third favorite local skincare brand, Ms. Glow, is in third position with total sales that have reached IDR 29.4 billion in the period April - June 2024.

Along with the increase in sales of skincare products in Indonesia, there are several companies that are trying to make dangerous and illegal skincare products using the services of influencers to publicize their dangerous skincare products. According to Santia, (2024) The Food and Drug Supervisory Agency (BPOM), together with the Ministry of Trade and a number of other related ministries and institutions, held an expose regarding the discovery of 970 illegal imported cosmetic products with a total of 415 thousand pcs, with a value of Rp11.4 billion and the products had been advertised by influencers.

In addition to illegal skincare, BPOM also found 46 cosmetic products containing hazardous or prohibited ingredients, such as hydroquinone, retinoic acid, and red dye K3. Hydroquinone is often found in skin whitening or lightening products. This chemical is dangerous because it can cause skin irritation and cause a burning sensation. While red dye K3 is usually done in makeup cosmetics such as eye shadow, lipstick, and blush.

Personal branding can be interpreted as how to make yourself a brand that is widely recognized and gains trust from others. Like when you present an identity, knowledge and ability that you have that can differentiate yourself from others. (Beautiful and Rachman 2020). People will know you just by listening to your voice without watching the video. Or people will know you from some of the terms you create. So, this personal branding is very important to have and do for every individual. The better the quality of an influencer's personal branding, the more it will affect the decision to purchase skincare.

Research conducted by Hasibuan, (2024) resulted in personal branding being able to influence purchasing decisions. However, there are still differences in the results of research conducted by Siregar (2020) taking a sample of the Top Gallery Store in Medan city, it was stated that personal branding did not influence purchasing decisions because the brand name was already well-known in Medan city.

Consumer trust is defined as consumer confidence in information conveyed by the person who disseminates the information. In any type of business, building trust is the key to success. For example, by building consumer trust, they will be happy to use the products or services offered (Karim and Tineke 2020). Satisfaction in consumers when they get the fulfillment of their needs and desires as they expect. The more consumers believe in the information provided, the more they will automatically move themselves to buy a product which will later have an impact on increasing purchasing decisions.

Research conducted by Ariella (2018) resulted in consumer trust being able to influence purchasing decisions. However, there are still differences in the results of research conducted by Amalia and Yulianthini (2022) by taking a sample of purchases in the Bukalapak marketplace in Banyuwangi, it was stated that consumer trust had no effect on purchasing decisions.

Based on the explanation of the above phenomenon, the researcher wishes to conduct further research regarding the relationship between the role of personal branding variables and consumer trust variables in increasing motorcycle purchasing decisions.

Methods

This study analyzes the influence of product quality, product price on the purchasing decision-making process. This study is an Explanatory Research or explanatory research that uses a survey method, in this study the author uses a quantitative research type. According to The Greatest Showman (2017) the explanatory research method is a research method that explains the influence between one variable and another variable and the position of the variables that have been studied.

According to The Greatest Showman (2017) survey research is used to collect data and information about samples from a population and uses a questionnaire as the main data collection tool. Because the population of e-retail consumers is unknown and has a large population, researchers cannot study everything in the population due to limited funds, manpower and time, so researchers use samples taken using the formula Fraenkel, Wallen, and Hyun (2012) that the minimum number of respondents for descriptive research is 100 respondents.

Results and Discussion

Respondents in this study were skincare users and often shopped for skincare online. Residing in Indonesia, there were 100 respondents. The questionnaire was then given to respondents via google form and asked to directly answer the statement items that had been presented in the questionnaire. Respondents were categorized based on characteristics such as gender, age, place of residence, having purchased skincare, and often shopping for skincare online. Some of the characteristics obtained after collecting data through filling out the questionnaire are:

Table 1. Respondent Characteristics

| Variables | Category | Amount | Percentage (%) |
|--------------------------------------|---|--------|----------------|
| Residence | Residing in Indonesia | 100 | 100% |
| Age | 19-30 | 75 | 75.0% |
| | 31-45 | 15 | 15.0% |
| | 46-60 | 10 | 10.0% |
| Gender | Man | 20 | 67.0% |
| | Woman | 80 | 33.0% |
| Skincare users and digital consumers | Have ever purchased skincare online and are a skincare user | 100 | 100% |
| | | Total | 100% |

Source: Data processed

The results of the convergent validity measurement (Convergent Validity Test) obtained the outer loading value on each indicator of each variable greater than (\geq) 0.5. This shows that each variable is declared to meet the validity standards in accordance with the provisions of the convergent validity value (Convergent Validity Test), so that the reflective indicator with the latent variable score is correlated.

AVE measurement results obtained data showing the AVE value in the results of the discriminant validity test on the variables of information quality, consumer trust, interaction quality, and purchasing decisions have an Average Variant Extracted (AVE) value greater than (\geq) 0.5, meaning that the validity of the research model has been tested in accordance with the provisions of the average variant extracted (AVE) value and meets the standards, so that the reflective indicators with the latent variable scores are correlated.

Table 2. Validity Test

| Variables | Items | Outer Loading | AVE | Information |
|------------------------|-------|---------------|-------|-------------|
| Personal Branding (X1) | X1PB1 | 0.836 | 0.580 | Valid |
| | X1PB2 | 0.789 | | Valid |
| | X1PB3 | 0.756 | | Valid |
| | X1PB4 | 0.653 | | Valid |
| Consumer Trust (X2) | X2KK1 | 0.834 | 0.575 | Valid |
| | X2KK2 | 0.800 | | Valid |
| | X3KK3 | 0.779 | | Valid |
| | X4KK4 | 0.736 | | Valid |
| Buying decision (Y) | YKP1 | 0.867 | 0.690 | Valid |
| | YKP2 | 0.821 | | Valid |
| | YKP3 | 0.898 | | Valid |

| | | | | |
|--|------|-------|--|-------|
| | YKP4 | 0.734 | | Valid |
|--|------|-------|--|-------|

Source: Data processed

Table 3. Composite Reliability and Croanbach Alpha

| Variables | Composite Reliability | Cronbach's Alpha | Information |
|--------------------------|-----------------------|------------------|-------------|
| Personal Branding (X1) | 0.770 | 0.762 | Reliable |
| Consumer Confidence (X2) | 0.789 | 0.785 | Reliable |
| Purchase Decision (Y) | 0.886 | 0.890 | Reliable |

Source: Data processed

Based on the measurement results in the table above, it is obtained that the Composite Reliability and Cronbach's Alpha values for each variable have a value of ≥ 0.6 , which indicates that a variable has good composite reliability based on a composite reliability score of ≥ 0.6 for each research variable, while Cronbach Alpha (Consistent Internal Reliability) has good composite reliability based on the alpha coefficient value. So all research instrument items are declared reliable and consistent for further testing.

Table 4. Goodness of Fit Test Results

| Variables | R-Square |
|----------------------------|----------|
| Personal Branding (X1) | 0.611 |
| Consumer Satisfaction (X2) | 0.580 |
| Purchase Decision (Y) | 0.599 |

Source: Data processed

Based on table 4, the R-square value or coefficient of determination on the personal branding price variable has a value of 0.611 or equivalent to 61.1%. This shows that the personal branding variable can be explained by purchasing decisions of 61.1% and the remaining 38.9% is explained by other variables not used in the study.

The R-square output for consumer satisfaction is worth 0.580, equivalent to 58.0%, which shows that the purchasing decision construct can be explained by consumer satisfaction by 58.0% and the remaining 42.0% is explained by other variables not used in the study.

The R-square output for purchasing decisions is worth 0.599, equivalent to 59.9%, which shows that the purchasing decision construct can be explained by consumer satisfaction and personal branding by 59.9% and the remaining 40.1% is explained by other variables not used in the study.

Q-Square or Goodness of Fit testing or can also be called the total determination coefficient is used in measuring the level of goodness or badness of the research conducted for its impact on the model used in the research. Q-Square or Goodness of Fit or can also be called the total determination coefficient is obtained using the formula:

$$Q^2 = 1 - (1 - R^2_1) (1 - R^2_2)$$

Where:

Q² = Total Determination Coefficient

R² = Coefficient of Determination

The calculation results based on the formula above are:

$$\begin{aligned} Q^2 &= 1 - (1-0.611) (1-0.580) (1-0.599) \\ &= 1 - (0.389) (0.420) (0.401) \\ &= 0.9344 \end{aligned}$$

Based on the calculation results, it was obtained that the Q-Square value in explaining the relationship between two latent constructs in the research model was 0.9344 or 93.44% of its contribution to the research, both through direct and indirect influences. The rest, 0.0656 or 6.56%, was explained by other variables outside the research.

Table 5. Direct Influence Test Results

| Hypothesis | Path Coefficient | T-Statistic | P-Value | Information |
|------------|------------------|-------------|---------|-------------|
| X1→ Y | 0.218 | 2,185 | 0,000 | Accepted |
| X2→ Y | 0.640 | 8,190 | 0,000 | Accepted |

Source: Data processed

H1: Personal branding influences purchasing decisions

The output of the analysis and calculation of the first hypothesis found that the path coefficient value was 0.218, the T-statistic value was 2.185, and the P-value was $0.000 \leq 0.05$ (α). The conclusion is that the first hypothesis is accepted, which states that personal branding has a significant effect on purchasing decisions.

H2: Consumer trust influences purchasing decisions

The output of the analysis and calculation of the second hypothesis found that the path coefficient value was 0.640, the T-statistic value was 8.190, and the P-value was $0.000 \leq 0.05$ (α). The conclusion is that the second hypothesis is accepted, which states that consumer trust has a significant effect on purchasing decisions.

Conclusion

Based on the results of the hypothesis testing that has been conducted regarding the influence of personal branding influencers on purchasing decisions with the results that personal branding influencers have a significant influence on purchasing decisions. This means that the better and more credible the personal branding of the influencer, the more people are influenced to make purchasing decisions on skincare products promoted by influencers from a skincare product. The results of this study have supported previous research conducted by Ardhiza, Setianingsih, and Izzudin (2023) the research results found that personal branding influencers have a significant influence on purchasing decisions.

The results of the hypothesis test on the influence of consumer trust on purchasing decisions with the results that consumer trust has a significant effect on purchasing decisions. This means that the better consumer trust from influencer reviews can certainly influence consumer purchasing decisions. The results of this study have supported previous research conducted by Solihin (2020)The research results found that consumer trust has a significant influence on purchasing decisions.

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