ABSTRACT

Currently, there is a continuous growth in the number of internet users in Indonesia on an annual basis. Technological advancements on the internet have brought many benefits to numerous people. Social media platforms have gained widespread popularity among the general population, and companies and businesses have capitalized on their usage for marketing activities. Viu is a well-known video streaming application in Indonesia. However, there are still many users who use Viu for free instead of paying a premium price. The objective of this research is to assess the impact of marketing activities conducted through social media on brand loyalty and consumers' willingness to pay a premium price. The study also examines the role of brand equity as a mediating factor, as well as the moderating influence of income level. This study employs a quantitative method with a causal approach. Data collection for this research was conducted by distributing an online questionnaire through Google Form to 206 respondents. Data analysis for this research utilizes the Structural Equation Modeling (SEM) method using SmartPLS 3.2.9 software.

Research shows that social media marketing activities have a positive and significant impact on brand awareness and brand image. Brand awareness does not have an effect on brand loyalty and willingness to pay premium price. However, brand image has a positive and significant influence on brand loyalty and willingness to pay premium price. Brand loyalty has a positive and significant impact on willingness to pay premium price. Furthermore, brand awareness does not mediate the relationship between social media marketing activities brand loyalty, and willingness to pay premium price, but brand image mediates this relationship. Additionally, income level strengthens the relationship between brand loyalty and willingness to pay premium price.

Keywords: Social Media Marketing Activities, Brand Awareness, Brand Image, Brand Loyalty, Willingness to Pay Premium Price, Income Level