# GREEN BEAUTY REVOLUTION: HOW IMPORTANT IS THE ROLE OF SOCIAL MEDIA IN SHAPING PURCHASE INTENTION IN THE INDONESIAN COSMETICS INDUSTRY?



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#### **ABSTRACT**

Cosmetic products have become an essential part of Indonesian women's routines. However, the recent use of cosmetics has a low environmental impact. The research uses the non-probability sampling method with the purposive sampling technique. Sampling was distributing questionnaires to 246 respondents who are consumers of eco-friendly cosmetic products. Hypothesis testing was performed using structural equation modeling with the support of AMOS24 software. These findings underline the important role of brand equity, which is influenced by social media usage, brand awareness, and brand image. And then have a significant influence on purchase intentions, especially in the eco-friendly cosmetic industry. However, this study has not explored the effectiveness of various platforms, interaction frequencies, and specific content types. To strengthen brand equity and influence purchase intention, further research suggests exploring this and adding other variables, such as product innovation, customer relationships, and brand value.

**Keywords:** Social Media Usage; Brand Awareness; Brand Image; Brand Equity; Purchase Intention

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#### INTRODUCTION

Technological advancements have significantly transformed the digital marketing landscape (Fadhlillah et al., 2023). This rapid growth has revolutionized how companies communicate and interact with customers and necessitate a more dynamic and responsive approach to meeting customer needs. Customers today can easily access product information, making faster and more informed decisions based on the multiple sources of information available (Khan et al., 2024). One industry heavily impacted by this change is the cosmetics industry (Wulandari & Kurniawati, 2022). In Indonesia, the cosmetics industry holds significant growth potential, with an average annual growth projection of 5.35% between 2024 and 2028 (Ferdinand & Ciptono, 2022). The increasing demand for beauty products drives this growth. However, it also brings environmental challenges, particularly concerning cosmetic industry waste (Nazar et al., 2024).

The cosmetics industry is considered one of the contributors to environmental pollution, generating a significant amount of waste. Most cosmetic products are packaged using materials such as glass, acrylic (poly methyl methacrylic), metal, paper, and especially plastic, which are difficult to recycle (Citra et al., 2020). Plastic waste from cosmetic packaging poses a serious environmental challenge, as the industry produces billions of tons of non-biodegradable packaging annually (Salim & Rismawati, 2020). This data has encouraged cosmetic companies to continue innovating, particularly by creating environmentally friendly products, including cosmetics with eco-friendly formulas and packagingm (Jaini et al., 2020). The development of the cosmetics industry, coupled with concerns over environmental damage, presents an opportunity for companies to produce more sustainable products (Salim & Rismawati, 2020). However, a challenge remains as Indonesian society still shows limited demand for environmentally friendly products (Nusantara et al., 2024).

Country	EPI Score	Worldwide Rank
Vietnam	24.5	180
Laos	26.1	178
Myanmar	26.9	177
Kamboja	31	170
Filipina	32	168
Indonesia	33.8	162
Malaysia	41.2	117
Thailand	45.4	91
Brunei Darussalam	48.5	68
Timor Leste	49.7	62
Singapore	53.8	44

Sources: Environmental Performance Index, Wikipedia, 2024

Figure 1.
Environmental Performance Index (EPI) in 2024, Southeast Asia Countries

Figure 1 shows an analysis of the environmental performance of countries in the world in 2024 conducted by Yale University. According to the data, Indonesia ranks sixth among countries in the Southeast Asia region with an EPI score of 33.8 points. This position reflects the low environmental awareness in Indonesia, which has an impact on

people's limited understanding of environmentally friendly products, including cosmetics. Consequently, this lack of awareness influences consumers' purchase intentions for sustainable products, where purchase intention represents a consumer's desire to select and purchase a specific product or brand (Moslehpour et al., 2022).

In addressing the challenge of low public awareness regarding environmentally friendly products, it is crucial for companies to build mutually beneficial relationships with consumers. Social Exchange Theory explains that mutually beneficial exchanges between customers and companies can evoke positive emotional responses from customers toward a brand (Manansala et al., 2024). In the increasingly competitive cosmetics industry, strengthening marketing strategies through active and positive interactions can enhance purchase intention (Permana et al., 2024). Purchase intention is influenced by brand equity and consumer involvement in purchasing products (A. Khan et al., 2024). Positive interactions and responses strengthen brand equity, as customers begin to trust and develop a strong preference for the brand (Guha et al., 2021a). Brand equity has gained significant recognition in previous literature regarding its role in purchase intention. Studies indicate that positive brand equity is associated with high consumer purchase intention for a brand, which can ultimately drive actual purchases (Supriani et al., 2024)

One factor that can strengthen brand equity is the utilization of social media (Koay et al., 2021). Social media facilitates two-way communication, enabling interaction with customers, presenting valuable offers, and gaining greater attention for the products or services being promoted (Haudi et al., 2022). Further research indicates that the use of social media can significantly enhance brand equity. The more frequently a brand is present and interacts on digital platforms, the greater the opportunity to build a positive image and improve consumer perception of the brand (Koay et al., 2021). As a measure of the brand's existence and recognition in consumers' thoughts, brand awareness is essential to building brand equity. (Khan et al., 2024). Strong brand awareness facilitates and influences purchasing decisions, particularly for potential consumers who may still have doubts about a brand when considering the purchase of a specific product. This aligns with previous research showing that brand awareness has a significant positive impact on brand equity (Muhammad Zaki Fatkhurrohman et al., 2023). It indicates that the higher the brand awareness that customers have, the more excellent the company's opportunity to increase brand equity, which in turn can strengthen the company's position in the market

Furthermore, brand image serves as a crucial element in strengthening brand equity. This is because brand image reflects the impressions and perceptions consumers have of a brand when they hear or see it (Illahi & Andarini, 2022). Brand image is crucial in helping potential consumers identify a problem and distinguish it from similar competing products. If a brand has a positive image in the minds of consumers, they will more readily accept the product in the market and be inclined to purchase it (Welsa et al., 2024). This is because a company with a good reputation among the wider public will influence consumer awareness and familiarity with the brand.

Based on this background, this study aims to analyze the effect of social media usage, brand awareness, and brand image on purchase intention through brand equity. Previous research has analyzed the effect of social media usage and E-WOM as independent variables that directly or indirectly influence purchase intention through brand equity (Khan et al., 2024), as well as customer perceived value on brand equity, with brand image and brand affect as mediators (Manansala et al., 2024). Meanwhile, this study examines social media usage, brand image, and brand awareness as independent

variables that, either directly or mediated by brand equity, can affect purchase intention. Therefore, the novelty of this study lies in the inclusion of brand awareness and brand image as independent variables that positively influence brand equity in the environmentally friendly cosmetics industry.

# LITERATURE REVIEW, RESEARCH FRAMEWORK, AND HYPOTHESES Social Exchange Theory

The social psychology perspective in brand management focuses on understanding how customers perceive and interact with brands psychologically. This perspective often incorporates Social Exchange Theory, which emphasizes the reciprocal nature of social interactions (Dai et al., 2023). In the context of brand management, the relationship between customers and brands can be viewed as either an exchange transaction or a communal transaction. Exchange transactions are based on the principle of give-andtake, where customers expect tangible rewards such as discounts, high-quality products, or excellent customer service in return for their loyalty and purchases (Zhang et al., 2020). These relationships are transactional and are often short-term. On the other hand, communal transactions are rooted in mutual support and a sense of community. Customers develop a deeper emotional bond with the brand that goes beyond mere transactions (Charton-Vachet & Lombart, 2018). Research shows that when customers perceive these exchanges as beneficial, they experience positive emotional responses toward the brand. These responses may include satisfaction, pride, or affection for the brand. In other words, customers who feel satisfied with these exchanges are more likely to remain loyal and maintain a stronger relationship with the brand (Manansala et al., 2024).

## **Social Media Usage**

Social Media Usage (SMU) can be defined as various activities conducted by individuals or companies online (Wiridjati & Roesman, 2018). SMU encompasses a range of digital activities that provide users with the opportunity to engage in social interactions, share information, and search for content relevant to their interests or needs across different social media platforms (Khan et al., 2024). These activities enable users to communicate, build social networks, and expand access to various types of information, ranging from educational content to product promotions. Therefore, SMU not only serves as a communication tool but also as a means to build relationships and increase exposure to the latest trends and information (Ostic et al., 2021).

#### **Brand Awareness**

The possibility that customers would recognize or be aware of a product's existence and availability is known as brand awareness (Guha et al., 2021a). As customers often prefer companies they are familiar with, brand awareness serves as a critical foundation for their decision-making process. It enables a company to stand out in a competitive market and distinguishes it from its competitors. Moreover, brand awareness enhances a brand's perceived value, as consumers tend to associate well-known brands with credibility, reliability, and quality (Anand, 2023) . To increase brand awareness, marketers must make strategic efforts. Public relations, advertising, social media marketing, content marketing, influencer collaborations, and other marketing initiatives can all be used to boost brand awareness and recognition (Lilembalemba & Phiri, 2024).

## **Brand Image**

Brand image is a strong and consistent perception that consumers have towards a relative brand. Brand image is inherently formed by various information and consumers' past experiences with brands (Soefhwan & Kurniawati, 2022). A positive brand image is a valuable asset for the company because it can influence consumer perceptions and create a good impression of the brand. By building a positive and strong brand image, companies can strengthen their position in the market, extend product life cycles, and increase their competitiveness. This helps the company to maintain consumer loyalty and attract new potential customers while ensuring the brand remains relevant and competitive in the long term (Sari & Muchtar, 2022).

# **Brand Equity**

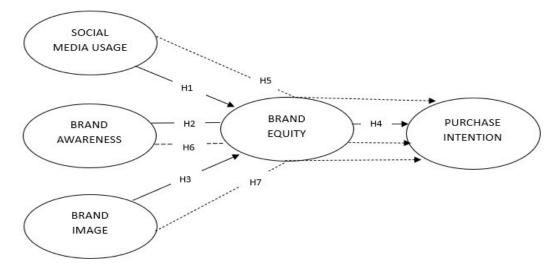
Brand equity refers to an intangible asset that adds value to a product or service, driven by customers' perceptions and their emotional ties to the brand. (Rojas-Lamorena et al., 2022). Research indicates that the key components contributing to brand equity include brand awareness, brand image, perceived quality, customer loyalty, and the unique associations formed in consumers' minds (Guha et al., 2021). Additionally, brand equity encompasses the assets and liabilities linked to the brand name, which can offer a competitive advantage to the company (Cuesta-Valiño et al., 2021). Brands with high equity are often more recognized, remembered, and valued by consumers, ultimately increasing their products or services' market value and competitiveness (Manansala et al., 2024)

# **Purchase Intention**

Purchase intention refers to a consumer's tendency or desire to purchase a specific product or service (Khan et al., 2024). It serves as a measure of how confident a consumer is in their plan to buy a particular product or brand (Moslehpour et al., 2022). Additionally, purchase intention also reflects the buyer's behavioral tendency influenced by past experiences, perceived benefits, or previous desires. Consumers with a positive attitude toward a brand are more likely to have a higher purchase intention, as they feel more assured about the quality and value of the product (Christianto, 2023).

### **Research Framework**

This study is guided by a research framework, depicted in Figure 2, which hypothesizes the relationships between the independent variables, the intervening variable, and the dependent variable.



Source: constructed by the authors, 2024

Figure 2 Research Framework

# **Hypotheses**

Social Media Usage is considered a strategic tool for strengthening consumer interaction and engagement with a brand and creating consumer awareness (Lesmana et al., 2023). Social media usage is also key in building brand equity, encompassing brand awareness and customers' perceived quality. Research shows that active interaction on social media platforms can enhance consumer engagement with a brand, contributing to brand equity growth (Garg et al., 2020). Social media can also increase brand visibility and generate positive buzz among consumers, enhancing brand equity (Khan et al., 2024). Based on this, the following hypothesis is proposed:

H1: Social Media Usage (SMU) positively impacts Brand Equity (BE) of eco-friendly cosmetic products in Indonesia.

The ability of customers to identify or remember a brand when using a product is measured by brand awareness (Setiawan et al., 2023). Higher brand awareness increases the likelihood that consumers will trust and remain loyal to the brand, which directly enhances brand equity (Dumatri & Indarwati, 2021). Brand equity is assumed to develop when consumers have a high level of awareness of the brand as well as strong and unique associations embedded in their memory (Francioni et al., 2022). This suggests that higher customer brand awareness contributes to increasing the brand equity value of a company. Based on this, the following hypothesis is proposed:

H2: Brand Awareness (BA) positively impacts Brand Equity (BE) of eco-friendly cosmetic products in Indonesia.

Brand Image plays a role in helping consumers identify a product, as they often perceive brand image as a representation of the product itself. When consumers hold a positive perception of a product, they are more likely to adopt or choose it (Fatkhurrohman et al., 2023). Previous studies have also stated that a positive brand image can strengthen brand equity by building favourable perceptions, increasing consumer trust and loyalty, providing a competitive advantage, and encouraging positive consumer recommendations (Guha et al., 2021a). Furthermore, research indicates that a

positive brand image of eco-friendly products helps reduce consumers' perceived risk when purchasing a brand (Cuesta-Valiño et al., 2021). Based on this, the following hypothesis is proposed:

H3: Brand Image (BI) positively impacts Brand Equity (BE) of eco-friendly cosmetic products in Indonesia.

Brand Equity has been regarded as one of the most critical constructs in shaping consumers' purchase intentions. Research shows that high brand equity creates positive perceptions of product quality and superiority, enhancing purchase intention (Supriani et al., 2024). The stronger the brand equity, the more it serves as a quality signal, reducing uncertainty and strengthening consumers' purchasing decisions (Setiawan et al., 2023) (Rizkianti & Kurniawati, 2021). This demonstrates that improving brand equity can increase consumer purchase intention, ultimately affecting product sales success (Khan et al., 2024). Based on this, the following hypothesis is proposed:

H4: Brand Equity (BE) positively impacts Purchase Intention (PI) of eco-friendly cosmetic products in Indonesia.

Literature shows that social media engagement is an important antecedent of brand equity. Regular updates and information shared on a brand's social media page enhance customers' memory, awareness, recognition, and experience with the brand. The higher the customer engagement with a brand's social media content, the stronger the brand equity (Fatima et al., 2022). Strong brand equity, in turn, influences customers' purchase intentions, as customers who trust and remain loyal to a brand are more likely to purchase its products or services (Khan et al., 2023). Previous studies have also noted that Social Media Usage (SMU) varies depending on its purpose. In business or marketing sectors with an environmental focus, SMU effectively enhances consumers' purchase intentions by influencing their perception of sustainability-oriented brand equity (Nekmahmud et al., 2022). Based on this, the following hypothesis is proposed:

H5: Brand Equity (BE) mediates the relationship between Social Media Usage (SMU) and Purchase Intention (PI) of eco-friendly cosmetic products in Indonesia.

Brand awareness serves as a foundational element in establishing strong brand equity. Higher brand awareness increases the likelihood of enhancing customer trust and loyalty, ultimately influencing their purchase intention (Guha et al., 2021a). Previous research has shown that brand equity (BE) plays a significant mediator between brand awareness and purchase intention (Khan et al., 2024). BE encompasses elements such as brand associations, perceived quality, and loyalty, which help translate brand awareness into purchase intention. When consumers are more familiar with a brand, they are likely to form positive perceptions that boost loyalty and ultimately affect purchasing decisions. For example, customers who recognize a brand tend to feel more confident about purchasing its products, even at premium prices (Azzari & Pelissari, 2020). Based on these findings, the hypothesis formulated in this study is as follows:

H6: Brand Equity (BE) mediates the influence of Brand Awareness (BA) on Purchase Intention (PI) for eco-friendly cosmetic products in Indonesia.

Brand image positively contributes to brand equity. When consumers perceive a product as more valuable, it increases their likelihood of purchasing it (Guha et al., 2021a)). Empirical research has found that brand image serves as a significant

determinant of brand equity. It plays a key role in influencing customer choices when purchasing products, even if they are prepared to pay a higher price (Murtiasih et al., 2021). A strong brand image enhances brand equity by fostering customer preferences for a particular brand over its competitors. Previous research in the fast-food industry has demonstrated that brand equity can mediate between brand image and purchase intention, especially when a positive brand image adds value to the brand. Furthermore, as brand equity increases, an individual's purchase intention toward the brand also rises, driven by their trust and favourable perceptions of the brand (Welsa et al., 2024). Based on these observations, the hypothesis formulated for this study is as follows:

H7: Brand Equity (BE) mediates the influence of Brand Image (BI) on Purchase Intention (PI) for eco-friendly cosmetic products in Indonesia.

#### RESEARCH METHODS

This study employs a quantitative approach with a causal research design. It examines five measurable variables: (1) social media usage, (2) brand awareness, (3) brand image, (4) brand equity, and (5) purchase intention. The measurement scale used is interval, employing a Likert scale. Primary data, collected directly from each respondent is utilized in this research. The unit of analysis is individuals who actively use social media and possess knowledge of eco-friendly cosmetics. The data in this study is cross-sectional, it was collected at a single point in time.

The sampling technique applied is non-probability sampling, which involves selecting samples based on respondents encountered randomly and coincidentally but meeting the research criteria. A purposive sampling technique is also employed, with specific criteria requiring respondents to be social media users and have knowledge of eco-friendly cosmetics (Bougie, 2016). 260 questionnaires were distributed; however, 14 respondents did not meet the criteria. The final sample size meets the criteria determined by the number of indicators in the study, as outlined in the guidelines (Hair & Brunsveld, 2019). The data was analyzed using SEM (Structural Equation Modeling) with the AMOS software.

### **RESULTS AND DISCUSSION**

The data collection results through the questionnaire are presented in Table 1, which shows the distribution of respondent characteristics based on demographic aspects.

Table 1
Respondents' Demographic Characteristics

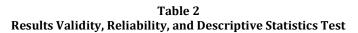
Demographic Variable	Categories	Frequency	Percentage
Gender	Male	52	21.1%
	Female	194	78.9%
Age	18 - 25	102	41.5%
	27 - 34	103	41.9%
	> 34	41	16.7%
Occupation	State-Owned Enterprises (SOEs)	30	12.2%
	Government employee	49	19.9%
	Private sector employee	108	43.9%
	Student	46	18.7%
	Entrepreneur	13	5.3%

Income	<rp 3.000.001<="" th=""><th>32</th><th>13.0%</th></rp>	32	13.0%
	>Rp 7.000.001	139	56.5%
	Rp 3.000.001 - Rp 5.000.001	33	13.4%
	Rp 5.000.001 - RP 7.000.001	42	17.1%

Source: Primary Data by Authors, 2024

According to gender, most respondents are female, totalling 194 individuals (78.9%) out of 246 respondents, while males make up 52 individuals (21.1%). Regarding age, the largest group of respondents is aged 27–34 years, with 103 individuals (41.9%), followed by those aged 18–25 years, totalling 102 individuals (41.5%), and those over 34 years old, totalling 41 individuals (16.7%). Regarding occupation, most respondents are private employees, with 108 individuals (43.9%). Based on income, the largest group has an income exceeding Rp. 7,000,000, totaling 139 individuals (56.5%).

After the research data has been collected and meets the required criteria, the next step involves testing research instruments. The instrument testing process evaluates both validity and reliability. Validity ensures that the statement indicators can accurately measure the intended variables, while reliability determines whether the indicators produce consistent and accurate results (Hair et al., 2010). In this study, 246 respondents participated as the sample. Each item's validity is assessed using the following standards: (a) items are considered valid if their factor loading is  $\geq$  0.40, and (b) items are invalid if their factor loading is < 0.40. After confirming the validity of all items for each variable, the next step is reliability testing. (Bougie, 2016) suggest using Cronbach's Alpha for assessing reliability, with a minimum acceptable value of 0.60. Table 2 shows the results of the analysis, which was conducted using SPSS software.



No	Item	Factor Loading	Conclusion	Cronbach Alpha	Mean	Standard Deviation
	al Media Usage an et al., 2024)					
1	I use social media to connect with different cosmetic brands.	0.725	Valid		4.15	0.83
2	I use social media to engage with eco- friendly cosmetic brands.	0.729	Valid		4	0.818
3	I use social media to learn more about eco- friendly cosmetic products	0.719	Valid		3.9	0.889
4	My relationship with eco-friendly cosmetic brands has improved through social media.	0.615	Valid		3.77	0.874
Dra	nd Awareness		-	0.788 (Reliable)	3.953	0.667
	ha et al., 2021)					
5	I know that eco- friendly cosmetic products exist	0.69	Valid		4.4	0.642
6	I am familiar with eco- friendly cosmetic products.	0.823	Valid		4.17	0.749
7	I can easily identify eco-friendly cosmetic products from other brands.	0.664	Valid		3.95	0.76
			-	0.759 (Reliable)	4.174	0.590
	nd Image ha et al., 2021)					
8	I believe eco-friendly cosmetic products are known for their high quality and environmental responsibility.	0.663	Valid		4.38	0.682
9	I think eco-friendly cosmetic products are a trustworthy choice for both quality and sustainability.	0.712	Valid		4.24	0.712
10	I think eco-friendly cosmetic products have more advantages	0.763	Valid		4.03	0.8



than other cosmetic products.

				0.756 (Reliable)	4.214	0.601
No	Item	Factor Loading	Conclusion	Cronbach Alpha	Mean	Standard Deviation
	nd Equity Ian et al., 2024)					
11	I prefer choosing eco- friendly cosmetic products over other brands, even if they are similar.	0.504	Valid		4.37	0.681
12	Even if other brands offer the same features as eco-friendly cosmetic, I would still choose eco-friendly cosmetic products.	0.624	Valid		4.23	0.755
13	If another brand provides a product as good as eco-friendly cosmetics, I would still choose eco-friendly options.	0.589	Valid		4.13	0.784
14	I believe it makes more sense to purchase eco-friendly cosmetic products when they are similar to other brands.	0.545	Valid		4.06	0.734
				0.788 (Reliable)	4.200	0.578
	chase Intention Ian et al., 2024)					
15	In the future, I will choose eco-friendly cosmetic products that have less impact on environment.	0.615	Valid		4.4	0.648
16	I plan to buy eco- friendly cosmetic products in the future.	0.654	Valid		4.33	0.73
17	I will recommend others to buy and use eco-friendly cosmetic products.	0.668	Valid		4.15	0.776
18	I am very likely to purchase eco-friendly cosmetic products in the future.	0.626	Valid		4.05	0.786
				0.823 (Reliable)	4.232	0.595

Source: Primary Data by Authors, 2024

Based on Table 2, all items showed validity with factor loadings exceeding 0.40. The highest factor loading, 0.823, was observed for the item "I am familiar with ecofriendly cosmetic products" under the brand awareness variable, while the lowest, 0.504, was for "I think it is better to choose environmentally friendly cosmetic products over other brands, even if they are similar" under the brand equity variable. These results confirm the validity of the indicators used to measure their respective variables. This study also confirmed that all variables have high reliability, with Cronbach's alpha values ranging from 0.756 to 0.823. This indicates that the indicators used to measure the variables are reliable. In addition, the descriptive statistics provide valuable insights into respondents' perceptions and intentions towards environmentally friendly cosmetic products across the five variables.

Social media usage variables have four items measuring related to cosmetic brands, exceptionally eco-friendly cosmetics, yielded an average score of 3.953 on a five-point Likert scale. This result shows that respondents generally agree with the statement. this certainly indicates that social media plays an important role in fostering interaction and strengthening relationships with environmentally friendly cosmetic brands. then on the brand awareness variable, three statement items assessing respondents' ability to recognise environmentally friendly cosmetics achieved an average score of 4.174. This demonstrates that respondents know about eco-friendly cosmetic products and can easily distinguish them from other brands.

Regarding the brand image variable, the three items evaluating respondents' perceptions of eco-friendly cosmetics yielded an average score of 4.214. Regarding the brand image variable, the three items evaluating respondents' perceptions of green cosmetics resulted in an average score of 4.214. This is an indication that respondents consider eco-friendly cosmetics to be of high quality, trustworthy, and have more benefits than conventional products. In addition, the four statement items that exist and measure brand equity resulted in an average score of 4.2002. This indicates that respondents agree with choosing an eco-friendly brand even when other brands offer similar features. Finally, the purchase intention variable assessed through four items had an average score of 4.232. This reflects the purchase intention of the respondents to own eco-friendly cosmetics that have a lower environmental impact.

Table 3
Fit Model Test

Measurement Type	Measurement	Fit Model Decision	Processed	Decision
Absolute fit	Chi-square	Low chi-square	226.269	
measures	p-value Chi Sqaure	≥ 0.05	0.000	Poor Fit
	GFI	≥ 0.90	0.901	Model Fit
	RMSEA	0.03-0.08	0.066	Model Fit
	RMR	≤ 0,05	0.025	Model Fit
Incremental fit	TLI	≥ 0,90	0.929	Model Fit
measures	NFI	≥ 0,90	0.907	Model Fit
	CFI	≥ 0,90	0.949	Model Fit

Parsimonious fit	CMIN/DF	Between 1 to 5	2.057	Model Fit
measure	AIC	Approaching the Saturated value compared to the independent.	348.269	Model Fit

Source: Primary Data by Authors, 2024

This section of Table 3 presents the results of the goodness of fit test to use and evaluate the adequacy of the proposed model. The fit indices were compared against the recommended thresholds, with most criteria meeting the required standards (Hair et al., 2018). Although the chi-square value shows an inadequate result (p-value < 0.05), other indicators such as GFI (0.901), RMSEA (0.066), RMR (0.025), TLI (0.929), NFI (0.907), CFI (0.949), and CMIN/DF (2.057) all met the expected criteria. This suggests that the model is valid and appropriate for further hypothesis testing. Accordingly, the Structural Equation Model (SEM) is appropriate for assessing the study framework since it is utilized to examine the relationship between independent and dependent variables.

Hypothesis testing in this study aims to evaluate the influence of various factors, such as social media usage, brand awareness, and brand image, on brand equity and its subsequent impact on Purchase Intention in the context of eco-friendly cosmetics in Indonesia. This study uses social exchange theory in the realm of social media, to understand how reciprocal interactions between brands and consumers affect elements such as brand awareness, brand image, brand equity, and consumer purchase intention (Manansala et al., 2024). The theory emphasizes that mutually beneficial relationships can create emotional value and positive perceptions of the brand.

Table 4
Results of Direct Hypothesis Testing

Hypotheses	Estimate	P-Value	Decision
H1: Social Media Usage (SMU) positively impacts Brand	0.307	0.000	Supported
Equity (BE) of eco-friendly cosmetic products in			
Indonesia.			
H2: Brand Awareness (BA) positively impacts Brand	0.251	0.000	Supported
Equity (BE) of eco-friendly cosmetic products in			
Indonesia.			
H3: Brand Image (BI) positively impacts Brand Equity	0.410	0.000	Supported
(BE) of eco-friendly cosmetic products in Indonesia.			
H4:Brand Equity (BE) positively impacts Purchase	0.894	0.000	Supported
Intention (PI) of eco-friendly cosmetic products in			
Indonesia.			

Source: Primary Data by Authors, 2024

All hypotheses are accepted, as shown in Table 4, since the p-value of 0.000 is less than the significance level of  $\alpha$  = 0.05 (Hair et al., 2019). The results of testing hypothesis 1 show a significant and positive relationship between social media usage and brand equity with an estimated coefficient of 0.307 and a p-value <0.05. This finding suggests that higher social media usage can interact and strengthen relationships with a brand, which has a greater impact on increasing brand equity. In turn, this certainly contributes to a more positive perception of these brands. This result is consistent with a study where active social media usage can increase good impressions among consumers, which can result in greater brand equity (Khan et al., 2024). In addition, this

finding is also in line with what highlights the importance of social media in driving consumer engagement and increasing brand equity (Garg et al., 2020).

The results of Hypothesis 2 testing show a significant and positive relationship between brand awareness and brand equity with an estimated coefficient of 0.465 and a p-value <0.05. This means that the higher the consumer brand awareness of environmentally friendly cosmetic products, the more it will contribute significantly to increasing brand equity.y. Some respondents stated that most of them the existence of eco friendly cosmetic products and supported a positive perception of the brands. This finding is following previous studies which stated that high brand awareness is what strengthens brand equity, this is because this level can increase the perception of quality and consumer trust (Heiberg Jørgensen et al., 2024; Indra & Kurniawati, 2023). Likewise, the results of Hypothesis 3 testing revealed that brand image has a significant and positive influence on brand equity with an estimated coefficient of 0.410 and a p-value < 0.05. A better brand image will result in greater brand equity. Respondents in this study generally perceived environmentally friendly cosmetic products as products that have high quality value and are committed to sustainability and strengthen positive perceptions of the brand. This finding is the same as research which states that a positive brand image can increase brand equity by increasing consumer trust, loyalty, and positive recommendations (Guha et al., 2021a).

Then, with an estimated coefficient of 0.894 and a p-value less than 0.05, hypothesis 4 exhibits that brand equity positively and significantly influences purchase intention. This means that the stronger the brand equity owned by a product, the higher the consumer's purchase intention. Respondents in this study also tended to agree that they prefer environmentally friendly cosmetic products over other brands even though some offer similar features. Of course, this highlights the significance of brand equity in purchase decisions.. This study supports the findings of where high brand equity encourages consumers to purchase (Kyguolienė & Zikienė, 2021). This can be because consumers prefer and consider products with strong brand equity. After all, they feel more confident in the quality and value offered (Gabriella & Kurniawati, 2021).

Table 5
Results of Indirect Hypothesis Testing

Hypotheses	Estimate	P-Value	Decision
H5: Brand Equity (BE) mediates the relationship between Social Media Usage (SMU) and Purchase Intention (PI)	0.465	0.001	Supported
regarding eco-friendly cosmetic products in Indonesia.			
H6: Brand Equity (BE) mediates the relationship between	0.319	0.019	Supported
Brand Awareness (BA) and Purchase Intention (PI)			
regarding eco-friendly cosmetic products in Indonesia.			
H7:Brand Equity (BE) mediates the relationship between	0.630	0.001	Supported
Brand Image (BI) and Purchase Intention (PI) regarding eco-friendly cosmetic products in Indonesia.			

Source: Primary Data by Authors, 2024

Furthermore, testing hypothesis 5 reveals that brand equity can mediate the influence of social media usage on purchase intention, with a coefficient estimate of 0.894 and a p-value <0.05. This shows that leveraging social media in marketing exerts a notably positive impact on brand equity. When a company is active on social media, the company can build a strong image in the minds of consumers, thereby contributing to increasing brand equity. In this context, the role of brand equity is a bridge that helps

connect social media usage with purchase intention. In this context, when consumers are exposed to marketing on social media, consumers will develop a positive perception of the brand, thereby increasing purchase intention The findings of this study are consistent with prior research, which propose that brand equity not only directly influences purchase intention but also enhances the connection between social media usage and purchase intention (Rahmad Safrudin & Ari Anggarani, 2024).

The results of testing hypothesis 6 also show that brand equity can mediate the effect of brand awareness on purchase intention with an estimated coefficient 0.319 and p-value <0.05. This is consistent with prior study, which discovered that brand equity can mediate the influence of brand awareness on purchase intention. This is because when consumers are aware of a brand, they are more likely to develop positive associations and loyalty to the brand, increasing their purchase intention (Azzari & Pelissari, 2020). Likewise, the results of testing hypothesis 7 also found that brand equity can mediate the effect of brand image on purchase intention in Indonesia's eco-friendly cosmetics industry with an estimated coefficient 0.630 and p-value <0.05. This aligns with research showing that a positive brand image can strengthen brand equity by building good perceptions and increasing consumer confidence. Strong brand equity, in turn, can significantly influence consumer purchase intentions (Guha et al., 2021a). This emphasizes the need of developing a strong brand image in order to establish brand equity and influence purchasing decisions.

# **CONCLUSION AND SUGGESTION**

This study shows that in the eco-friendly cosmetics industry in Indonesia, social media usage, brand awareness, and brand image positively and significantly influence brand equity, which in turn impacts purchase intention. This highlights the important role of social media, brand awareness, and brand image in building strong brand equity to increase consumer purchase intention. Therefore, it is important for the management of cosmetics companies, especially environmentally friendly cosmetics, to formulate effective marketing strategies. Cosmetic companies should focus on increasing social media usage, brand attachment and strong brand image to drive brand equity and purchase intention. They also need to pay attention to the quality of content shared on social media, such as education about green products, to reinforce a positive brand image and increase brand equity. This finding shows the importance of building brand equity, as brands with high equity strongly influence consumer purchase intention.

Based on the above, some suggestions for future research are that future research should further explore the types of platforms and frequency of interaction that are most effective in building brand awareness, investigate more deeply the influence of various types of content on social media, such as videos, images, or testimonials, on brand image and brand awareness. Furthermore, given that brand equity was shown to significantly impact purchase intention, future research is recommended to explore other factors that can strengthen brand equity, such as product quality, service, and customer experience.

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