THE EFFECT OF SOURCE CREDIBILITY, TRUST, AND PARASOCIAL INTERACTION TO PURCHASE INTENTION (CASE OF ABEL CANTIKA)

THESIS

Presented as Partial Fulfillment of Requirements for the Degree of Sarjana Manajemen (S1) in International Business Management Program Faculty of Business and Economics Universitas Atma Jaya Yogyakarta



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I declare that the thesis is my own work as a researcher. All statements, ideas, and direct or indirect quotations sourced from the writings or ideas of others are appropriately cited in this thesis in the bibliography with academic standards.

Yogyakarta, 13th June 2024

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PREFACE

I express my deepest gratitude to God Almighty, for His blessings enabled me to pursue my studies and complete this thesis successfully. The thesis titled "THE EFFECT OF SOURCE CREDIBILITY, TRUST, AND PARASOCIAL INTERACTION ON PURCHASE INTENTION (CASE OF ABEL CANTIKA)" has been prepared to fulfil the requirements for obtaining a bachelor's degree in the International Business Management Program at Universitas Atma Jaya Yogyakarta. The completion of this thesis was made possible through the support of various parties. Therefore, I would like to extend my sincere thanks to:

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I fully recognize that this thesis is far from perfect. Therefore, I appreciate any constructive feedback or suggestions for future improvements. I hope that this research will be useful to anyone who reads it, as well as future researchers.

Yogyakarta, 13th June 2024

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TABLE OF CONTENTS

APPROVAL PAGEii
LETTER OF STATEMENTiii
AUTHENTICITY ACKNOWLEDGEMENTiv
PREFACEv
TABLE OF CONTENTSvii
LIST OF TABLESx
LIST OF FIGURESxi
LIST OF APPENDIXESxii
ABSTRACTxiii
CHAPTER I1
1.1 BACKGROUND1
1.2 RESEARCH QUESTIONS4
1.3 RESEARCH OBJECTIVES5
1.4 RESEARCH SCOPE5
1.5 BENEFITS OF THE STUDY6
CHAPTER II7
2.1 THEORETICAL BACKGROUND7
2.1.1 Source Credibility
2.1.2 Trust
2.1.3 Parasocial Interaction
2.1.4 Purchase Intention
2.2 PREVIOUS STUDIES
2.3 HYPOTHESES DEVELOPMENT 17
2.3.1 The Effect of Source Credibility to Trust
2.3.2 The Effect of Source Credibility to Purchase Intention
2.3.3 The Effect of Trust to Purchase Intention
2.3.4 The Effect of Source Credibility towards Consumer Purchase Intention with Trust as the Mediating Variable
2.3.5 The Effect of Parasocial Interaction to Purchase Intention

	2.4 RESEARCH MODEL	20
C	HAPTER III	21
	3.1 RESEARCH TYPE	21
	3.2 POPULATION, SAMPLE, AND SAMPLING METHOD	21
	3.3 DATA COLLECTION AND RESEARCH MEASUREMENT METHOD	22
	3.4 FACE VALIDITY	22
	3.5 OPERATIONAL DEFINITION AND RESEARCH INDICATOR	24
	3.6 DATA ANALYSIS METHOD	28
	3.6.1 Descriptive Statistics	28
	3.6.2 PLS-SEM	28
C	HAPTER IV	33
	4.1 DESCRIPTIVE STATISTIC ANALYSIS	33
	4.1.1 Result of Filter Questions	33
	4.1.2 Respondent Demographic Analysis	34
	4.1.3 Descriptive Statistics	35
	4.2 SEM-PLS ANALYSIS	37
	4.2.1 Measurement Model Analysis (Outer Model)	37
	4.2.2 Structural Model Analysis (Inner Model)	44
	4.2.3 Hypotheses Testing	45
	4.3 DISCUSSION	48
	4.3.1 Effect of Source Credibility on Trust	48
	4.3.2 Effect of Source Credibility on Purchase Intention	48
	4.3.3 Effect of Trust on Purchase Intention	49
	4.3.4 Effect of Source Credibility on Purchase Intention with Trust as Mediating Variable	49
	4.3.5 Effect of Parasocial Interaction to Purchase Intention	50
C	HAPTER V	51
	5.1 CONCLUSION	51
	5.2 MANAGERIAL IMPLICATIONS	52
	5.3 RESEARCH LIMITATIONS	53
	5 A ELITTIDE DECEADOU CHOCCECTIONS	52

BIBLIOGRAPHY	. 55
APPENDIX 1 QUESTIONNAIRE	. 60

LIST OF TABLES

Table 1.1 List of Reputable Indonesian Beauty Influencer	2
Table 2.1 Previous Studies	10
Table 3.1 Face Validity	23
Table 3.2 Operational Definition and Research Indicator Questionnaire	24
Table 3.4 Class Interval	28
Table 4.1 Respondents Filter Questions Result	33
Table 4.2 Respondent Characteristic Based on Age	34
Table 4.3 Respondent Characteristic Based on Gender	35
Table 4.4 Respondent Characteristic Based on Occupation	35
Table 4.5 Descriptive Statistics	35
Table 4.6 First Outer Loading	38
Table 4.7 Second Outer Loading	39
Table 4.8 Average Variance Extracted	40
Table 4.9 Cross-Loadings (Lower-order Construct)	42
Table 4.10 Cross-Loadings (Higher-order Construct)	43
Table 4.12 Reliability Testing	44
Table 4.13 R Square	45
Table 4.14 Path Coefficient	45
Table 4.15 Indirect Effect	47

LIST OF FIGURES

Figure 1.1 Most Used Social Media Platforms in Indonesia 2024	1
Figure 2.1 Research Model	20
Figure 3.1 Mediation Model	31
Figure 3.2 Types of Mediation	32
Figure 4.1 Structural Model	37
Figure 4.2 Construct Model	38
Figure 4.3 Mediating Effect of Trust	47

LIST OF APPENDIXES

APPENDIX 1 QUESTIONNAIRE	60
APPENDIX 2 DATA	74
APPENDIX 3 DATA ANALYSIS	100

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ABSTRACT

This research aims to analyze the effect of source credibility, trust, and parasocial interaction on purchase intention. This study employs quantitative research with a purposive sampling data collection method. Data collection was conducted online using Google Forms. A total of 173 respondents participated in the survey who met the criteria of (1) being followers of Abel Cantika on Instagram and (2) having purchased products recommended by Abel Cantika. The research data was processed using SmartPLS 3 software, employing the Structural Equation Model (SEM). Source credibility has a positive and significant effect on trust, but not on purchase intention. Source credibility has an indirect effect on purchase intention through trust as a mediator. Parasocial interaction is confirmed to have a positive and significant effect on purchase intention.

Keywords Source Credibility, Trust, Purchase Intention, Parasocial Interaction, Beauty Influencer