

# The Impact of Labeling Effect and Social Media Marketing on Consumer Purchasing Decisions and Loyalty at Super Indo Supermarket Malang

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## ABSTRACT

**Purpose:** To analyze in depth the impact of labeling effect on purchasing decisions and its implications on consumer loyalty, explore in depth the impact of social media marketing on purchasing decisions and its implications on consumer loyalty, and analyze in depth the impact of purchasing decisions on consumer loyalty at Super Indo Supermarket Malang, to be able to solve problems related to the National Research Master Plan (RIRN) on the theme of economics and human resources with the focus areas of PRN Social Humanities, Education, Arts, and Culture on the topics of entrepreneurship, cooperatives and MSMEs.

**Design/Methodology/Approach:** The study was conducted on 200 respondents who were met directly at Super Indo Supermarket Malang, while the research respondents were selected by accidental sampling. The collected data were then analyzed using the Structural Equation Modeling - Partial Least Square (SEM-PLS) method. Where the data obtained from the distribution of questionnaires will be analyzed by looking at and considering the results of the outer model, inner model, and examination of the mediation model.

**Findings:** The results of the study show that the labeling effect has a significant influence on consumer purchasing decisions and loyalty. While on the other hand, social media marketing also influences consumer purchasing decisions and loyalty. There is a mediating role of the purchasing decision variable that connects the labeling effect variable and Social Media Marketing to Loyalty.

**Keywords:** *Labeling Effect; Social Media Marketing; Purchasing Decision; Consumer Loyalty; Super Indo Supermarket*

## INTRODUCTION

In today's digital era, competition in the retail industry is getting tighter, especially with the development of technology and social media that facilitate interaction between companies and consumers. One segment that continues to grow is supermarkets, where

competition between big players such as Super Indo, Alfamart, and Hypermart is getting tighter. Survey results show that most, namely 34.3% of consumers, routinely purchase household goods every month at supermarkets (Rizaty, 2022). The emergence of digital platforms has changed consumer behavior significantly, with more and more consumers relying on social media and digital instructions to make purchasing decisions. This shift is very relevant in the retail sector where amid the development of e-commerce, competition is very tight and consumer loyalty is unstable due to the many shopping options (Bhat et al., 2024). Super Indo Supermarket, as one of the main players in the retail industry, needs to maintain its superiority with the right marketing strategy. One strategy that has received attention is the use of labeling effects and social media marketing to influence purchasing decisions and consumer loyalty. Purchasing decisions are explained as the process by which consumers decide to choose and buy certain products based on an evaluation of various factors (Muhibi & Fahmi, 2019). Meanwhile, consumer loyalty is defined as loyalty that arises from one's awareness without any coercion (Cahyono & Fahmi, 2022).

Consumer intention to switch tends to decrease if consumers are satisfied with the product purchased (Fahmi, 2023). One of the services that must be considered is labeling (Labeling Effect) because the existence of a label can significantly influence consumer attitudes in deciding to purchase a product (Fahmi, 2017). Labeling effect or labeling effect is a phenomenon in which a certain label or attribute given to a product can change consumer perception of the product. In the retail world, labels cover a variety of things, from price labels, and quality labels, to labels related to product benefits, such as "organic," "sugar-free," "environmentally friendly," and "halal". An effective label can give a positive impression of a product, even when the quality of the product itself is not much different from other products that do not have a similar label (Desmaryani et al., 2024). Previous research has shown that the labeling effect greatly influences consumer behavior.

Wansink (2017) found that products with health labels, such as "low calorie" or "high vitamin content," tend to be more preferred by consumers even though the price of the product is higher than products without such labels. This shows that consumer perceptions of the benefits of a product can be manipulated through the use of the right labels. In the context of a supermarket like Super Indo, smart labeling can be an effective tool to increase the appeal of certain products, especially amidst fierce competition.

For example, at Super Indo, products labeled "discount" or "promo" often sell faster because consumers tend to be influenced by the attraction of savings provided by the label. In addition, labels that display nutritional information and health claims can also attract more health-conscious consumers, a trend that is increasingly prominent

among urban communities in Malang. Therefore, understanding how the labeling effect works can help Super Indo design a more effective labeling strategy to increase product sales.

Along with the development of technology, social media has become a very important platform in modern marketing. Social media marketing refers to a marketing strategy that utilizes social media platforms such as Facebook, Instagram, and Twitter to promote products or services, interact with consumers, and build brand awareness. In the retail context, social media provides an opportunity for companies to reach consumers in a more personal and interactive way. By utilizing creative content such as images, videos, and user reviews, companies can build closer relationships with consumers, which can ultimately increase brand loyalty (Kotler & Keller, 2016).

In Indonesia, the use of social media continues to increase with the number of users reaching more than 191 million in 2022 (Mahdi, 2022). This makes social media one of the most effective marketing tools, especially among millennials and Gen Z who are the main consumers in the retail market. Supermarkets such as Super Indo can use this platform to convey information about new products, promotions, and loyalty programs. In addition, direct interaction with consumers through social media can create a more personal experience and increase consumer loyalty to the brand. Consumer loyalty itself is one indicator of long-term success in the retail industry. Loyal consumers tend to make repeat purchases and become brand ambassadors who indirectly promote products to others through recommendations or reviews on social media. Research by (Laroche et al., 2013) shows that consumer engagement on social media is positively related to brand loyalty. Consumers who feel connected to a brand through interactions on social media are more likely to remain loyal to that brand.

Super Indo in Malang, which operates in a city with a young, digitally connected population, can use social media not only as a promotional channel but also as a tool to build a loyal community. For example, through ongoing promotional campaigns, giving prizes to the most active consumers on social media, and responding quickly to consumer complaints and questions, Super Indo can significantly increase customer loyalty.

Although the labeling effect and social media marketing each have a significant impact on consumer purchasing decisions and loyalty, the combination of the two can produce a greater effect. A strong label on a product will give a positive first impression to consumers, while ongoing promotions on social media can strengthen that perception and lead consumers to buy the product repeatedly.

This study focuses on how labeling effect and social media marketing can complement each other to influence consumer purchasing decisions and loyalty at Super Indo Malang. Given the increasingly

competitive market and changing consumer behavior, Super Indo needs to explore a holistic marketing strategy. By understanding the interaction between the labeling effect and marketing through social media, it is hoped that Super Indo can design a more effective marketing strategy for attracting and retaining its consumers. In addition, it provides convenience for consumers to access information about products to be purchased by marketing on social media (social media marketing) because it can influence the decision to make a purchase (Rosandy & Fahmi, 2022). Labeling effect and social media marketing have a significant effect on loyalty (Ailawadi et al., 2008) (Ismail, 2017), as well as purchasing decisions, have a direct impact on consumer loyalty (Sarıtaş & Penez, 2017).

## METHODS

Researchers conducted data testing and analysis using quantitative methods, such as structural equation modeling – partial least square (SEM-PLS) analysis. Data were collected from 200 respondents using the accidental sampling method and then analyzed using SEM-PLS which consists of testing the outer model, evaluating the inner model, and examining the mediation model. The Outer Model is used to measure the data's validity and reliability, where the data's validity is assessed by Convergent validity, Discriminant validity, and Average Variance Extracted (AVE). For data reliability, Cronbach's alpha and Composite reliability are used (J. F. Hair et al., 2019). Furthermore, an evaluation of the inner model is carried out by measuring the R-square, Effect size (F-square), and Prediction relevance (Q-square). To examine the mediation model, a coefficient multiplication approach is used, the results of which can be partial mediation or complete mediation.

Table 1. Description of Variables, Indicators, and Items

Variable	Indicators	Items
<b>Labelling Effect</b>	Perceived Value Added	The labels on the products at Super Indo can be seen clearly.
		The labels on the products at Super Indo have provided adequate and detailed information.
	Influence of Label on Preference	The use of labels at Super Indo makes the appearance of the product look more attractive.
	Trust in Label	I believe that products with more labels have better quality assurance.
<b>Social Media Marketing</b>	Purchase Decision Based on Label	I tend to buy products that are labeled when shopping at Super Indo.
	Information Exposure	Information about products at Super Indo can be found through social media.
	Content Appeal	Super Indo's social media content attracts my attention.

	Influence of Social Media Interaction:	I feel that Super Indo has presented up-to-date information through its social media My interactions with Super Indo's social media accounts influence my purchasing decisions.
	Trust in Social Media Information:	I feel that Super Indo provides product recommendations that are relevant to me through social media. Information about products on Super Indo's social media is very helpful for consumers in shopping.
<b>Purchase Decision</b>	Purchase Intention	I feel encouraged to buy a product after seeing the label and promotions at Super Indo.
	Purchase Satisfaction	I feel that the product I bought at Super Indo follows the description written on the label.
	Brand Preference	I prefer to shop at Super Indo because it is trusted.
<b>Consumer Loyalty</b>	Continued Satisfaction	I feel satisfied every time I shop at Super Indo.
	Repeat Purchase Intention	I intend to continue shopping at Super Indo in the future.
	Recommendation to Others	I will recommend Super Indo to my friends or family.

Source: Data processed (2024)

## RESULTS

### Outer Model

In research, validity testing is an important step in ensuring that the instruments used can measure variables accurately. In SmartPLS, validity is tested using two main methods, namely convergent validity and discriminant validity.

#### 1. Convergent validity

Convergent validity measures the extent to which indicators of a variable can measure the same thing or are consistent in measuring the same concept (J. Hair et al., 2021). In this study, convergent validity is assessed through three main metrics:

- a) Loading Factor: Loading factor that shows the correlation between indicators and the construct being measured. A good loading factor is  $> 0.70$ . If there is an indicator with a loading value below 0.70, it is usually recommended to be deleted or modified.
- b) Average Variance Extracted (AVE): AVE measures the average variance taken from the indicator to its construct. The accepted AVE value is  $> 0.50$ , indicating that more than half of the variance of the indicator can be explained by the construct being measured.

- c) Composite Reliability (CR): CR measures the internal consistency of indicators in one construct. A CR value  $> 0.70$  indicates that the construct is reliable.

Table 2. Construct Reliability and Validity

Variable	Construct	Outer Loading	Cronbach's alpha	Composite reliability	AVE
Labelling Effect	LAB_1	0.813	0.803	0.807	0.680
	LAB_2	0.706			
	LAB_3	0.700			
	LAB_4	0.744			
	LAB_5	0.796			
Social Media Marketing	SMM_1	0.747	0.877	0.882	0.562
	SMM_2	0.872			
	SMM_3	0.774			
	SMM_4	0.721			
	SMM_5	0.788			
	SMM_6	0.813			
Purchase Decision	DEC_1	0.830	0.765	0.777	0.624
	DEC_2	0.860			
	DEC_3	0.782			
Consumer Loyalty	LOY_1	0.751	0.699	0.703	0.620
	LOY_2	0.788			
	LOY_3	0.830			

Source: Data processed (2024)

Based on the SmartPLS output, all indicators for the Labeling Effect variable (perceived added value, influence of labels on preferences, and trust in labels) and the Social Media Marketing variable (entertainment, interaction, trendiness, customization) show a loading factor value of more than 0.70, so the indicators are considered convergently valid. The AVE for each construct is also more than 0.50, which means that these indicators can explain most of the variance of the construct being measured. The Composite Reliability (CR) value for all constructs in this study is also more than 0.70, so the instrument used has good internal consistency. Overall, the results of the analysis show that all variables have good convergent validity. The Cronbach's Alpha value for all variables is above the threshold of 0.70, which indicates that all constructs in this study have good reliability. Thus, the instrument used can be considered reliable in measuring the Labeling Effect, Social Media Marketing, Purchasing Decisions, and Consumer Loyalty constructs.

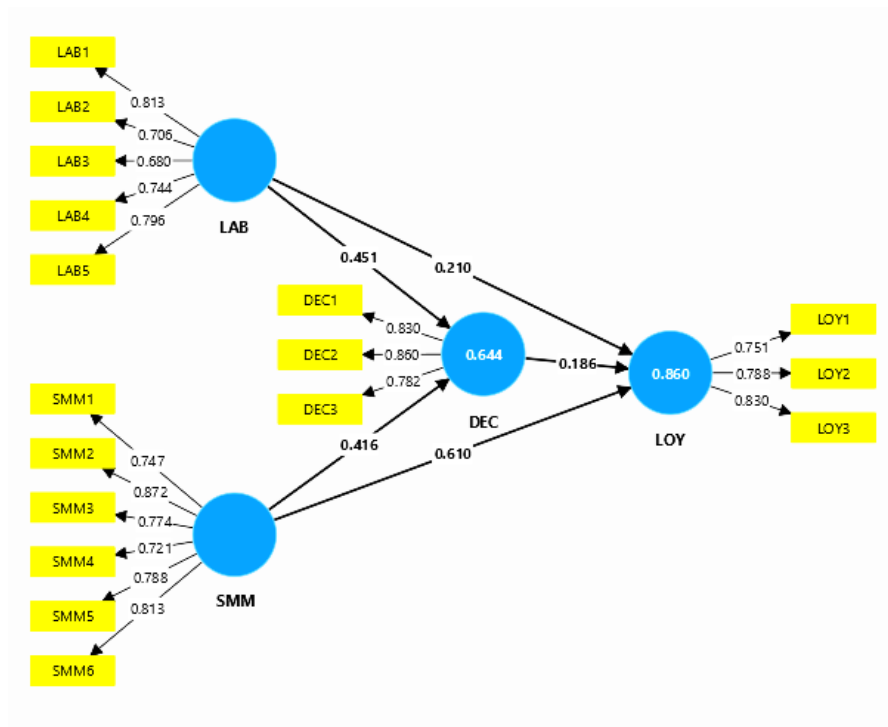


Figure 1. Outer Model SEM-PLS  
Source: Data processed (2024)

## 2. Discriminant Validity

Discriminant validity measures the extent to which a construct differs from other constructs in the model. This test aims to ensure that each construct in the model is unique and does not overlap. There are several methods used to test discriminant validity. Fornell-Larcker Criterion: In this method, discriminant validity is achieved if the square root value of the AVE for each construct is greater than the correlation between the construct and the other constructs.

Table 3. Fornell-Larcker Criterion

Fornell-Larcker Criterion				
	DEC	LAB	LOY	SMM
DEC	<b>0.825</b>			
LAB	0.748	<b>0.790</b>		
LOY	0.793	0.785	<b>0.899</b>	
SMM	0.738	0.715	0.898	<b>0.787</b>

Source: Data processed (2024)

Fornell-Larcker Criterion: The test results show that the square root value of AVE for each construct is greater than the correlation between the construct and other constructs. This indicates that the variables Labeling Effect, Social Media Marketing, Purchasing Decisions, and Consumer Loyalty have good discriminant validity.

Table 4. Discriminant Validity

Variable	Average variance extracted (AVE)	Rule of Thumbs
Labelling Effect	0.680	0,50
Social Media Marketing	0.562	0,50
Purchase Decision	0.624	0,50
Consumer Loyalty	0.620	0,50

Source: Data processed (2024)

AVE measures the average variance taken from the indicators to their constructs. The accepted AVE value is  $> 0.50$ , indicating that more than half of the variance of the indicators can be explained by the measured construct. The AVE for each construct is also more than 0.50, meaning that the indicators can explain most of the variance of the measured construct (J. F. Hair et al., 2019).

From the results of the validity test using SmartPLS, both convergent validity and discriminant validity have been achieved. This research instrument is valid for measuring the variables of Labeling Effect, Social Media Marketing, Purchasing Decisions, and Consumer Loyalty so that further analysis results can be continued with the confidence that the instrument has met the required validity criteria.

### Inner Model

The inner model refers to the structural model that represents the relationships between the latent (unobserved) variables or constructs. It focuses on understanding the paths between these variables to test hypotheses or theories about how different constructs are related to each other.

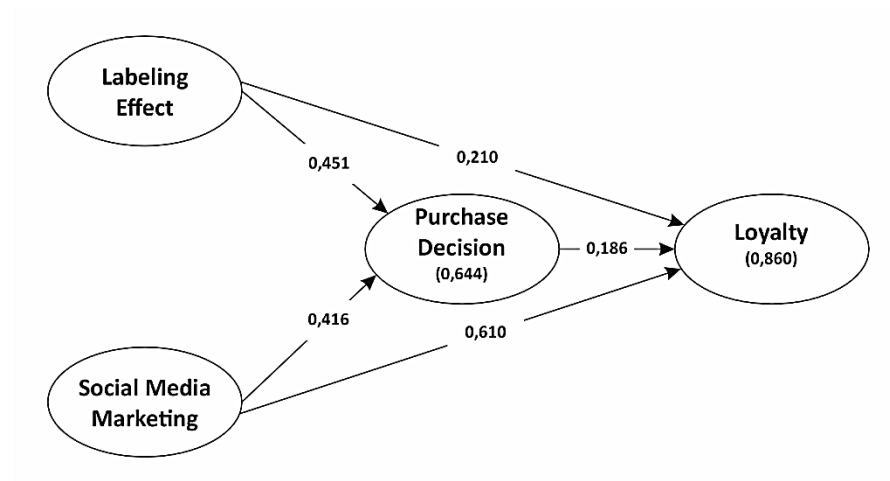


Figure 2. Path Model  
Source: Data processed (2024)



### Key Components of the Inner Model:

**Latent Variables:** These are the unobserved variables in the model, such as "Labeling Effect," "Social Media Marketing," "Purchase Decision," and "Customer Loyalty" in your case. They are usually measured indirectly through a set of observed variables or indicators.

**Path Relationships:** The inner model includes path coefficients, which show the strength and direction of the relationships between latent variables (e.g., how strongly Social Media Marketing influences Purchase Decisions). These coefficients are similar to regression coefficients and are tested to determine if the hypothesized relationships are significant.

Table 5. Path Analysis

	Sample (O)	Mean (M)	STDEV	T statistics	P values
KEP -> LOY	0.186	0.183	0.041	4.494	0.000
LAB -> KEP	0.451	0.447	0.063	7.208	0.000
LAB -> LOY	0.210	0.207	0.057	3.668	0.000
SMM -> KEP	0.416	0.421	0.059	7.047	0.000
SMM -> LOY	0.610	0.616	0.071	8.658	0.000

Source: Data processed (2024)

Based on the table and figure above, it can be explained as follows:

#### a) Labeling Effect on Purchase Decision

The path coefficient result for the relationship between the Labeling Effect and Purchase Decision is 0.451 with a p-value of 0.000 significant  $<0.05$ . From these results, it can be explained that the Labeling Effect has a positive and moderate influence on Purchase Decisions. This means that the stronger the consumer's perception of the label (perception of added value, trust in the label, influence on preferences), the more likely they are to decide to buy products at Super Indo Malang. The p-value  $<0.05$  or t-statistics  $> 1.96$ ), explains that these results support the hypothesis that the Labeling Effect has a positive influence on Purchase Decisions.

#### b) Social Media Marketing on Purchase Decision

The path coefficient result for the relationship between Social Media Marketing and Purchase Decision is 0.416 with a p-value of 0.000 significant  $<0.05$ . From these results, it can be explained that Social Media Marketing has a positive and moderate influence on Purchase Decisions. This means that when social media marketing strategies (entertainment, interaction, trendiness, customization) are optimized, there will be an increase in consumer purchasing decisions. The p-

value  $<0.05$  or  $t$ -statistics  $> 1.96$ ), explains that these results support the hypothesis that Social Media Marketing has a positive effect on Purchasing Decisions.

#### c) Labeling Effect on Consumer Loyalty

The path coefficient results for the relationship between the Labeling Effect and Consumer Loyalty are 0.210 with a  $p$ -value of 0.000 significant  $<0.05$ . From these results, it can be explained that the Labeling Effect has a positive and moderate effect on Consumer Loyalty. This means that the Labeling Effect has a positive effect on Consumer Loyalty. This means that attractive and convincing product labels can help drive consumer loyalty, although their effect is not as strong as the Labeling Effect's effect on purchasing decisions. The  $p$ -value  $<0.05$  or  $t$ -statistics  $> 1.96$ ), explains that these results support the hypothesis that the Labeling Effect has a positive effect on Consumer Loyalty.

#### d) Social Media Marketing on Consumer Loyalty

The path coefficient result for the relationship between Social Media Marketing and Consumer Loyalty is 0.610 with a  $p$ -value of 0.000 significant  $<0.05$ . From these results, it can be explained that Social Media Marketing has a positive and moderate influence on Consumer Loyalty. This means that Social Media Marketing has a positive and strong influence on Consumer Loyalty. This shows that interactive and interesting social media marketing strategies can help increase consumer loyalty to Super Indo. The  $p$ -value  $<0.05$  or  $t$ -statistics  $> 1.96$ ), explains that these results support the hypothesis that Social Media Marketing has a positive effect on Consumer Loyalty.

#### e) Purchase Decision on Consumer Loyalty

The path coefficient result for the relationship between Purchase Decision and Consumer Loyalty is 0.186 with a  $p$ -value of 0.000 significant  $<0.05$ . From these results, it can be explained that Purchase Decision has a positive and moderate influence on Consumer Loyalty. This means that Purchase Decision has a strong positive influence on Consumer Loyalty. This shows that the more often or more confident consumers make decisions to buy at Super Indo, the higher their loyalty to the supermarket. The  $p$ -value  $<0.05$  or  $t$ -statistics  $> 1.96$ ), explains that these results support the hypothesis that Social Media Marketing has a positive effect on Consumer Loyalty.

### **Indirect Effect**

Indirect effect refers to the mediation effect, namely the indirect influence of an independent variable on a dependent variable through a mediator variable.

Table 6. Indirect Effect

	Original sample (O)	Sample mean (M)	STDEV	T statistics	P values
LAB -> LOY	0.084	0.082	0.021	4.009	0.000
SMM -> LOY	0.077	0.077	0.022	3.529	0.000

Source: Data processed (2024)

The Labeling Effect has an indirect positive influence on Consumer Loyalty through Purchasing Decisions. This means that consumers' perceptions of product labels influence their purchasing decisions, which then increase consumer loyalty. The stronger the Labeling Effect, the higher the purchasing decision, and ultimately the higher the consumer loyalty. (p-value = 0.000 < 0.05 and t-statistics > 1.96), this supports the hypothesis that Purchase Decision is a significant mediator in the relationship between the Labeling Effect and Consumer Loyalty.

Social Media Marketing has an indirect positive effect on Consumer Loyalty through Purchase Decisions. This shows that social media marketing influences consumer purchase decisions, which then contributes to consumer loyalty. Consumers who are exposed to interesting and interactive social media marketing strategies are more likely to make a purchase decision, which in turn increases their loyalty. (p-value = 0.000 < 0.05 and t-statistics > 1.96), this supports the hypothesis that Purchase Decision is a significant mediator in the relationship between Social Media Marketing and Consumer Loyalty.

### Goodness of Fit

#### 1. R-square (R<sup>2</sup>)

R-square (R<sup>2</sup>) shows how much the independent variables can explain the variance of the dependent variable. R<sup>2</sup> is a measure of the predictive power of the model. R<sup>2</sup> = 0.75 or more: indicates a model with substantial (strong) predictive power. R<sup>2</sup> = 0.50: indicates a model with moderate (moderate) predictive power. R<sup>2</sup> = 0.25: indicates a model with weak (weak) predictive power (J. F. Hair et al., 2019).

Table 7. R-Square

	R-square	R-square adjusted
<b>KEP</b>	0.644	0.640
<b>LOY</b>	0.860	0.858

Source: Data processed (2024)

**Purchase Decision:**  $R^2$  shows what percentage of the variance in the purchase decision can be explained by the Labeling Effect and Social Media Marketing variables. The  $R^2$  for the purchase decision is 0.64, this means that 64% of the variance in the purchase decision can be explained by the two independent variables. This indicates moderate predictive power.

**Consumer Loyalty:** The  $R^2$  for consumer loyalty shows the extent to which the Purchase Decision, Labeling Effect, and Social Media Marketing variables can explain the variance in consumer loyalty. The  $R^2$  for consumer loyalty is 0.86, this means that 86% of the variance in consumer loyalty is explained by these variables, indicating substantial predictive power.

## 2. Effect size ( $F^2$ )

F-square ( $f^2$ ) is used to measure the effect size or influence of an independent variable on a dependent variable.  $F^2$  helps assess how much influence the independent variable has on the dependent variable when other variables in the model are also taken into account. The effect size  $f^2$  is grouped as follows; 0.02: Small effect, 0.15: Medium effect, and 0.35: Large effect (Lachowicz et al., 2017) (Ogbeibu et al., 2021).

Table 8. F-Square (Effect Size)

	KEP	LAB	LOY	SMM
KEP			0.088	
LAB	0.279		0.121	
LOY				
SMM	0.237		1.054	

Source: Data processed (2024)

**Labeling Effect on Purchase Decision:** the value for Labeling Effect on Purchase Decision is 0.279, this indicates that Labeling Effect has a moderate influence on purchase decision.

**Social Media Marketing on Purchase Decision:** the value for Social Media Marketing on Purchase Decision is 0.237, this indicates a moderate influence of Social Media Marketing on the purchase decision.

**Purchase Decision on Consumer Loyalty:** the value for Purchase Decision on Consumer Loyalty is 1.054, this indicates a large influence, which means that purchase decision has little effect on consumer loyalty.

**Social Media Marketing on Consumer Loyalty:** the value for Social Media Marketing on Purchase Decision is 0.237, this indicates a large influence of Social Media Marketing on consumer loyalty.

Labeling Effect on Consumer Loyalty: the value for Labeling Effect on Purchase Decision is 0.151, this indicates that Labeling Effect has a moderate influence on Consumer Loyalty.

### 3. Prediction relevance (Q-square)

Q-square ( $Q^2$ ) is a measure used to measure how well a model can predict a latent dependent variable.  $Q^2$  is calculated using the blindfolding method and indicates the predictive ability of the model. If  $Q^2 > 0$ , the model has good predictive ability. This metric is used to assess the predictive relevance of the dependent variable.

$Q^2 > 0$ : Indicates that the model has predictive ability.

$Q^2 \leq 0$ : Indicates that the model has no predictive ability.

Table 9. Prediction Relevance (Q-Square)

	$Q^2_{\text{predict}}$	RMSE	MAE
<b>KEP</b>	0.636	0.610	0.502
<b>LOY</b>	0.839	0.405	0.302

Source: Data processed (2024)

Purchase Decision: the  $Q^2$  value for purchase decision is positive (0.636), this indicates that the model has good predictive relevance for purchase decision, meaning that the model can adequately predict purchase decision.

Consumer Loyalty: If the  $Q^2$  value for consumer loyalty is positive (0,839), this means that the model has good predictive ability in explaining consumer loyalty, indicating strong predictive relevance.

Table 10. SRMR

	Estimated model
<b>SRMR</b>	0.088

Source: Data processed (2024)

The SRMR value is used to assess the model fit. Values between 0.08–0.10 indicate that the model is acceptable.

## DISCUSSION

This study aims to analyze the impact of the Labeling Effect and Social Media Marketing on Purchasing Decisions and Consumer Loyalty at Super Indo Malang Supermarket. Based on the results of the analysis using Smart PLS, several important findings were found related to the direct and indirect effects of the research variables. The following is a discussion of these results:

### **The Effect of Labeling Effect on Purchasing Decisions**

The results of the analysis show that the Labeling Effect has a positive and significant effect on Purchasing Decisions. This indicates that consumer perceptions of product labels, including trust in labels, perceptions of added value, and the influence of labels on consumer preferences, play an important role in influencing consumer decisions to purchase products at Super Indo. This finding is in line with previous studies which state that clear, informative, and relevant product labels can increase consumer interest in purchasing a product (Araya et al., 2018; Fahmi, 2017).

From a managerial perspective, Super Indo needs to continue to improve the quality of product labels, both in terms of the information conveyed and the visual appeal of the label, to strengthen consumer purchasing decisions. With a more convincing label, consumers will feel more confident in making decisions to purchase products.

### **The Influence of Social Media Marketing on Purchasing Decisions**

The results of the study also show that Social Media Marketing has a positive and significant influence on Purchasing Decisions. Marketing strategies through social media, which include elements of entertainment, interaction, trendiness, and customization, have been proven to be able to influence consumers to make purchasing decisions. Social media is an effective channel to reach consumers in a more interactive and personal way, thus building greater interest in the product.

This finding is supported by research by Ismail, (2017) and Adwan & Altrjman, (2024) which states that marketing activities through social media, which involve interaction and personalization, play an important role in creating stronger brand engagement, thereby increasing the likelihood of consumers making purchases.

### **The Influence of Purchasing Decisions on Consumer Loyalty**

Purchase decisions have a very significant positive influence on Consumer Loyalty. This means that when consumers decide to buy products at Super Indo, it tends to increase their loyalty to the supermarket. Consumers who often make purchasing decisions, especially positive decisions, tend to feel more attached to the brand or company, and this triggers higher loyalty.

This finding is in line with research conducted by (Ailawadi et al., 2008), who found that consistent purchasing decisions and positive experiences during the purchasing process can drive consumer loyalty to a brand or retailer. For Super Indo, creating a positive purchasing

experience is essential to building long-term loyalty among consumers.

### **The Influence of Labeling Effect on Consumer Loyalty Through Purchasing Decisions**

The results of the indirect effect show that the Labeling Effect has an indirect influence on Consumer Loyalty through Purchasing Decisions. This shows that consumer perceptions of product labels not only affect their purchasing decisions but also their loyalty to Super Indo. In other words, a good label can improve purchasing decisions, which ultimately contributes to consumer loyalty.

The mediating role of Purchasing Decisions is very important in this relationship because, without good purchasing decisions, the influence of the Labeling Effect on Consumer Loyalty will be less significant. Thus, Super Indo managers need to pay more attention to the product label aspect as an important factor that not only drives purchasing decisions but also builds consumer loyalty.

### **The Influence of Social Media Marketing on Consumer Loyalty Through Purchasing Decisions**

The results of the study also show that Social Media Marketing has an indirect influence on Consumer Loyalty through Purchasing Decisions. Effective social media marketing can influence consumer purchasing decisions, which in turn increases their loyalty to Super Indo. Interactive and engaging marketing strategies on social media can encourage consumer engagement, which then results in purchasing decisions, and ultimately strengthens consumer loyalty to the supermarket.

This finding supports research conducted by Rosandy & Fahmi (2022), where marketing through social media, by utilizing digital interaction and word-of-mouth, can create long-term loyalty among consumers.

## **CONCLUSION**

Based on the results of the research that has been conducted on the Impact of Labeling Effect and Social Media Marketing on Purchasing Decisions and Consumer Loyalty at Super Indo Supermarket Malang, several conclusions can be drawn as follows:

**Labeling Effect has a positive and significant influence on Purchasing Decisions.**

Consumers tend to make purchasing decisions based on their perceptions of product labels. Labels that provide clear information and increase consumer trust can encourage consumers to choose

certain products at Super Indo. This shows that the Labeling Effect is one of the important factors that influence purchasing decisions.

### **Social Media Marketing has a positive and significant influence on Purchasing Decisions.**

Marketing activities through social media that involve elements of entertainment, interaction, trendiness, and customization have been proven to be able to encourage consumer purchasing decisions. This shows that an effective social media marketing strategy can increase consumer engagement and encourage them to make purchases at Super Indo.

### **Purchasing Decisions have a positive and significant influence on Consumer Loyalty.**

Consumer purchasing decisions have a strong direct impact on their loyalty to Super Indo. Consumers who have a positive experience in the purchasing process tend to become loyal customers. Good purchasing decisions are an important basis for creating long-term relationships with consumers.

### **Labeling Effect has an indirect effect on Consumer Loyalty through Purchasing Decisions.**

The effect of the Labeling Effect on Consumer Loyalty is mediated by Purchasing Decisions. This means that good product labels not only influence purchasing decisions but also contribute to consumer loyalty after they have made a purchasing decision.

### **Social Media Marketing has an indirect effect on Consumer Loyalty through Purchasing Decisions.**

The effect of Social Media Marketing on Consumer Loyalty is also mediated by Purchasing Decisions. This means that an effective social media marketing strategy not only influences purchasing decisions but also increases consumer loyalty after they have made those decisions.

Overall, this study shows that Purchasing Decisions play an important role as a mediator in the relationship between the Labeling Effect and Social Media Marketing on Consumer Loyalty. Super Indo needs to optimize its labeling and social media strategies to improve consumer purchasing decisions, which in turn will strengthen consumer loyalty to the supermarket.

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