The Effect of User Generated Content and Promotion Mediated by Influncer on Purchasing Decisions (Study on Shopee Users in Majalengka Regency)

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ABSTRACT

Technology is currently experiencing very rapid development, especially the use of the internet. The internet has encouraged the improvement of communication technology, media, and informatics which has an influence on the ways and patterns of business activities of the trade industry. This increase in the internet has also encouraged the development of digital marketing strategies by companies to increase consumer purchasing decisions. This study aims to empirically examine the effect of user generated content, promotion and influencers on purchasing decisions, and influencer mediation on the influence of user generated content and promotion on purchasing decisions. The population of this study were Shopee E-Commerce consumers in Majalengka Regency. The sample taken was 100 people, the sampling technique used purphosive sampling. Data was collected using a questionnaire, which was distributed via whatapps social media. Data analysis techniques using Structural Equation Model Partial Least Square (SEMPLS). Endogenous variables consist of user generated content and promotion, mediating variables are influencers and exogenous variables are purchasing decisions. The results of the analysis show that the results of this study indicate that user generated content (UGC), and influencers have a direct influence on purchasing decisions while promotions have no direct effect on consumer purchasing decisions. User generated content (UGC) and promotion have a direct influence on influencers. Influencers mediate the influence of user generated content (UGC) on purchasing decisions, but influencers do not mediate the influence of promotions on purchasing decisions

Keywords: influencer; promotion; purchase decision; user generated content

INTRODUCTION

Technology has developed from year to year so that this development can affect the increase in internet usage. Nowadays, the internet is not only used by adults but even children are accustomed to using the internet. Communication technology, media, and informatics have influenced the ways and patterns of business activities of the trade industry. One of the technological advances that is widely used by people, organizations and companies is the internet (Eli Yulia, 2020).

According to a survey by the Indonesian Internet Service Providers Association (APJII), internet users in Indonesia reached 215.63 million people in the 2022-2023 period. This number increased by 2.67% compared to the previous period which amounted to 210.03 million users. The number of internet users is equivalent to 78.19% of Indonesia's total population of 275.77 million. The data proves that the development of the internet is very influential in increasing the number of internet users in Indonesia. This phenomenon is certainly a business opportunity for *online* shop entrepreneurs as part of *e-commerce*.
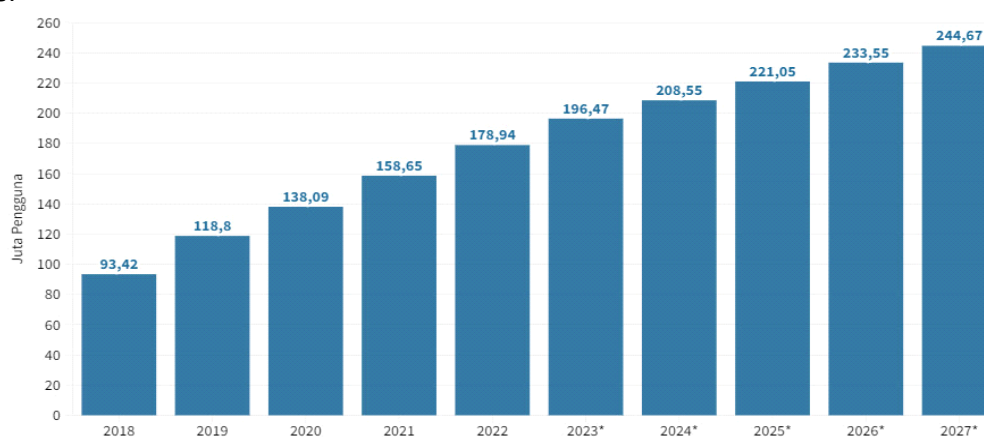
Source : dataindonesia.id (accessed October 29, 2023)
Figure 1. Projected *E-commerce* Users in Indonesia 2018-2027

E-commerce is a business transaction over the internet where the parties involved make sales and purchases (Eli Yulia, 2020). The development of the *e-commerce* business in Indonesia has changed some consumer behavior, one of which is the habit of shopping at shopping centers or stores now starting to switch to using *online* media. As long as they are connected to the internet, consumers do not have to go to a store or shopping center to get the desired goods and services.

Data from Statistic Market Insights, shows that the number of online marketplace or *e-commerce* users in Indonesia will reach 178.94 million people by 2022. This number increased by 12.79% compared to the previous year which amounted to 158.65 million users. Looking at the trend, *e-commerce* users in Indonesia are observed to continue to increase. The number is projected to reach 196.47 million users by the end of 2023. The upward trend in the number of *e-commerce* users is predicted to continue for the next four years. By 2027, statistics estimate the number of *e-commerce* users in the country to reach 244.67 million people (dataindonesia.id).

Shopping on *e-commerce* has advantages and disadvantages. The advantages of shopping *online* in *e-commerce* include practicality, saving time, a large selection of items purchased and many promo events. Meanwhile, the disadvantages are that you cannot see the goods directly so that the goods cannot be tried on, sometimes the items purchased do not match expectations and the delivery of goods is long and there are expensive shipping costs. In this case, as a consumer, you need a lot of consideration before making an *online* purchasing decision (Eli Yulia, 2020). Purchasing decisions are consumer actions to buy a good or service. Yuni Siti & Dwi (2021), state that purchasing decisions are one of the stages in the buying

process before post-purchase behavior. In entering the purchasing decision stage, consumers have previously been faced with several alternative choices so that at this stage consumers will take action to decide to buy a product based on the choices determined. Thus forming an attitude in consumers to process information immediately and draw conclusions in the form of a response that appears the product to be purchased.

Purchasing decisions are influenced by many factors including *User Generated Content*. Sri Komala (2023), *User Generated Content* created by social media content creators in the form of documentation of their own experiences in using products, where the content created seems impartial and can be trusted by consumers in considering their choice of products to buy. This is in line with the results of research conducted by Rindi Nur & Karuniawati (2023) which states that UGC has a positive and significant effect on purchasing decisions. In contrast to the results of research conducted by Faizatul & Any Urwatul, (2023) which states that UGC has no positive and significant effect on purchasing decisions.

Another consideration that can influence consumer purchasing decisions is promotion. Kelvin Prilano, et al (2020), promotion is an activity to communicate the benefits of a product and persuade target consumers to buy the product. This is in line with the results of research conducted by Dwiky Igbal (2023) which states that promotion has a positive and significant effect on purchasing decisions. In contrast to the results of research conducted by Asrizal Efendy Nasution, Linzzy Pratami Putri & Muhammad Taufik Lesmana (2019) which states that promotion has no positive and significant effect on purchasing decisions.

Influencers can also be a consideration for consumers in making purchasing decisions. An *influencer* is someone who has ability, attractiveness, and many followers on social media (Rindi Nur & Karuniawati, 2023). Collaborating with *influencers* can attract attention and participate in brand promotion by using relevant content so that it can influence consumer purchasing decisions (Glucksman, 2017 in Rindi Nur & Karuniawati, 2023). In line with the results of research conducted by Nur & Karuniawati (2023), it states that *influencers have a* positive and significant effect on purchasing decisions. In contrast to the results of research conducted by Ardiansyah Halim and Maria Josephine Tyra (2021) which states that *Influencers have* no effect on Purchasing Decisions.

In Indonesia, there are many *e-commerce platforms* available to make *online* purchases, including Shopee. Shopee is one of the largest *e-commerce* platforms in Indonesia because it can reach buyers in various regions in Indonesia. Shopee is an application for buying and selling *online* that can be accessed easily and quickly using a cellphone. Shopee offers a wide range of products ranging from fashion, beauty to products for daily needs. Shopee entered the Indonesian market at the end of May 2015. Shopee is a subsidiary of Garena, which is based in Singapore. Shopee has a presence in several countries in the Southeast Asian region such as Singapore, Malaysia, Vietnam, Thailand, the Philippines, and Indonesia.
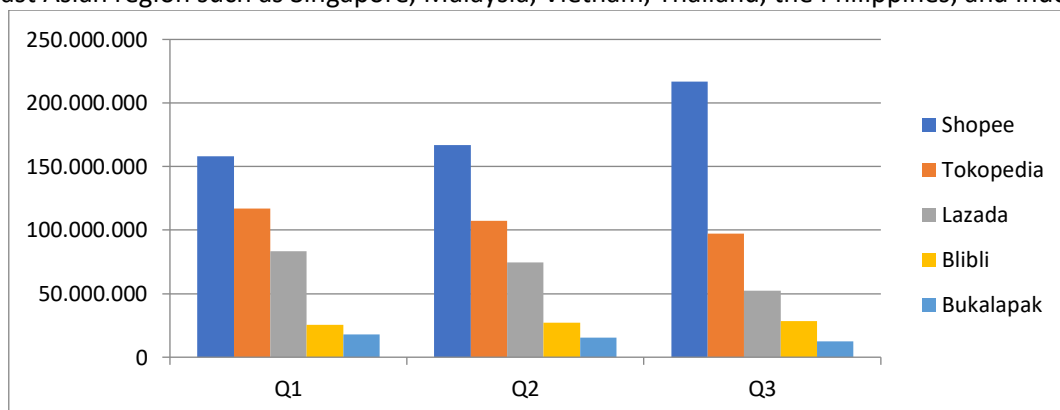
Source: databoks.katadata.co.id (Accessed October 29, 2023)
Figure 2. *E-commerce* Visitor Data Quarter I - III of 2023

Shopee is one of the top websites that is often visited by Indonesian residents and is one of the most popular sites in Indonesia. Judging from Figure 1.2, the Shopee site has experienced an increase in visitors per month from the first quarter of 157,966,667, the second quarter of 166,966,667 to the third quarter reaching 216,766,667 visitors. The presence of Shopee is able to arouse the passion for *online* shopping in Indonesia, of course, equipped with various features that help sellers and buyers in transactions. Some of the features in the Shopee application include Free Shipping, COD, Vouchers & Cashback, Shopee Pay & Shopee Koin, and Shopee Game and others. In addition, Shopee also has various interesting programs and promos for its users. One of them is the Rp 0 Free Shipping promo program*, Shopee* LIVE 24-Hour Cheap Discount and flash sale which allows users the opportunity to buy products at very low prices. At certain hours, the price of products can be very cheap, starting from just Rp1. Generally, flash sales are held on certain moments or beautiful dates such as 11.11 or 12.12 and *Shopee* LIVE 24-Hour Cheap Discount.

Source : ngobrolbisnis.id (Accessed October 29, 2023)
Figure 3. Product Sales Data on Shopee in 2022

The figure above shows that Shopee's sales data in 2022 for beauty products reached 247.1 million, home goods products 133 million, Muslim fashion products 107 million, women's clothing products 100 million, cellphone & accessories products 78.2 million, health products 65.3 million, women's bag products 54 million, mother & baby products 40 million, electronic products 35 million, and men's clothing products reached 28 million sales. One of the conveniences felt with the internet is being able to shop anytime and anywhere when needed, namely by shopping *online. Online* buying and selling is a trend that has now penetrated people's lives (Eli Yulia, 2020: 9). The rapid development of internet technology has led to changes in behavior among the community, including the people in Majalengka Regency. This change in behavior can be seen from people's shopping habits, who were used to shopping directly, now they prefer to shop *online*.

From the theoretical and empirical descriptions presented above, *User Generated Content,* Promotion and *Influencers* can encourage purchasing decisions. Where this *influencer variable* can mediate the *user generated content* and promotion variables, meaning that the *Influencer variable* can directly or indirectly influence purchasing decisions. But there are still other studies that argue that *User Generated Content*, Promotion and *Influencers* have no effect on purchasing decisions. This needs to be done more in-depth research in order to prove the results and find out whether *Influencers* can mediate *User Generated Content* and Promotion in Purchasing Decisions.

LITERATURE REVIEW, FRAMEWORK AND HYPOTHESIS

User Generated Content (UGC)

Putri (2022) *User Generated Content (*UGC) is a review created by users made by customers of the brand. Faizatul & Any Urwatul (2023), *User Generated Content* (UGC) is a product or service content uploaded by consumers or followers from social media or other platforms. All content in UGC is all created by consumers or third parties, so this content will be voluntary. The content in this content is in the form of reviews, testimonials, podcasts, and so on and will then be shared widely on social media to other users.

Promotion

Kelvin Prilano, et al (2020), promotion is an activity to communicate the benefits of a product and persuade target consumers to buy the product. Dwiky Iqbal (2023), promotion is a marketing function that focuses on communicating marketing programs persuasively to target customers (audience) to encourage the creation of exchange transactions between companies and audiences. Siti & Dwi (2021), define promotion as a marketing communication mechanism, an exchange of information between buyers and sellers. Promotion plays a role in informing (to inform), persuading (to persuade), and reminding (to remind) consumers so that companies get feedback on the products or services offered.

Influencer

Rindi Nur & Karuniawati (2023), Influencer is someone who has the ability, attractiveness, and many followers on social media. Candra Sahputra, et al, (2023), influencer is a person or figure in social media where someone has a large number of followers, then what they say can influence the behavior of their followers. Rindi Nur & Karuniawati, (2023), collaborating with influencers can attract attention and participate in brand promotion using relevant content so that it can influence purchasing decisions.

Purchase Decision

Eli Yulia (2020), purchasing decisions are activities or behaviors that arise in response to objects. David (2023), purchasing decisions are the process of consumers choosing to buy one product where there are many other types of products. Purchasing decisions are where consumers have to choose from two or more alternative products, meaning that several alternatives must be available if a consumer makes a purchase decision. Eli Yulia (2020) argues that purchasing decisions are a process where consumers evaluate various alternative choices and choose one or more alternatives based on certain considerations.

Research on the influence of user generated content (UGC) and influencer-mediated promotions on purchase decisions is becoming increasingly relevant in today's digital age. There is a gap in understanding how UGC and influencer promotions specifically influence stages in the purchase decision process. Most previous research focuses on their influence on purchase decisions in general, but does not study in detail how UGC and influencer promotions influence stages such as need recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior (Erkan & Evans, 2016; Xu et al., 2017). Further research is needed to explore how consumers' perceptions of influencers' credibility, trustworthiness and expertise can moderate the influence of user generated content (UGC) and promotions on purchase decisions. Previous studies have shown the importance of these factors (Djafarova & Rushworth, 2017; Breves et al., 2019), but there is still a need for a deeper understanding of how they operate in the specific context of influencer promotions.
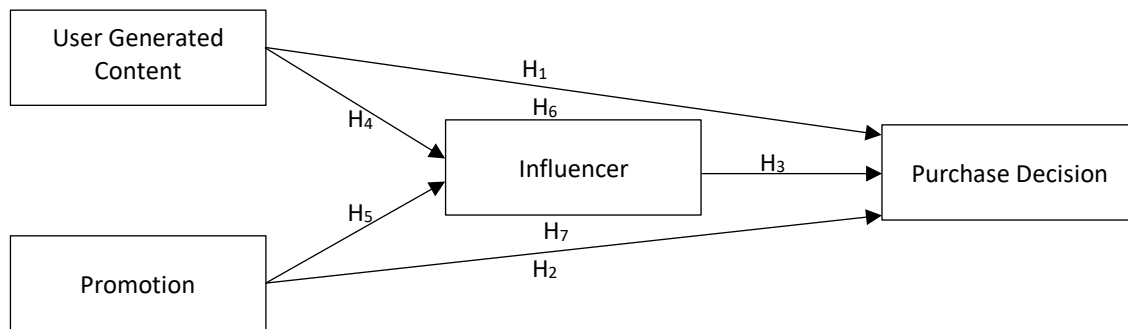
Figure 4. Research Model

METHODS

Population and Sample

This research uses a survey method, with a descriptive and quantitative approach. The data taken is primary data, obtained by distributing questionnaires through whatapps social media. The research population is consumers who buy products using the Shopee application, the number of which is not known with certainty. The sampling technique used is non probability sampling, namely purposive sampling, where sampling is carried out with certain considerations. The sampling consideration in this study is the people of Majalengka Regency who are consumers or users of Shopee with the criteria that they are at least 17 years old and have made at least 2 purchases in the Shopee application. Determination of the number of samples using the Hair et al formula (2011), namely the number of samples can be determined from the number of indicators multiplied by 5 to 10. In this study, the number of indicator variables was 17. Then this study used the minimum sample size taken, namely 17 × 5 = 85 respondents, while the maximum number was. 17 × 10 = 170 respondents: 17 × 10 = 170 respondents. Based on the number of indicators, the sample size set is between 85 and 170 respondents. So, through calculations based on this formula, the researcher took a minimum sample size of 85 and a maximum of 170 respondents.

Data Analysis Technique

Data analysis techniques in this study use. The procedures or stages of SEM-PLS analysis are carried out as follows:

Evaluation of the Measurement Model (*Outer Model*)

The outer model is often called (*outer relation or measurement model*) which defines how each indicator block relates to its latent variable. The measurement model (outer model) is used to assess the validity and reliability of the model. The validity test is carried out to determine the ability of the research instrument to measure what should be measured, (Abdullah, 2019). Meanwhile, the reliability test is used to measure the consistency of the measuring instrument in measuring a concept or it can also be used to measure the consistency of respondents in answering question items in a questionnaire or research instrument.

Structural Model Evaluation (*Inner Model*)

Inner model, is a specification of the relationship between latent variables (*structural model*), also known as *inner relation*, describes the relationship between latent variables based on the substantive theory of research. The structural model in this study was evaluated using R-square for the dependent construct, *Stone-Geisser Q-square test* for *predictive relevance* and *Goodness Of Fit* to assess the overall strength of the structural model.

Hypothesis Test

Hypothesis testing is carried out through a bootstrapping process and the results are then used by comparing the t-statistic value to the probability value at a *significance level of* 5% = 1.96. If the t-statistic value > 1.96 Ha ≠ 0 is accepted and Ho = 0 is rejected, meaning that the exogenous variables and / or mediating variables have a significant effect on the endogenous variables. If the t-statistic value ≤ 1.96 Ha ≠ 0 is rejected and Ho = 0 is accepted, meaning that the exogenous variables and / or mediating variables do not have a significant effect on the endogenous variables.

RESULTS AND DISCUSSION

Data were analyzed using PLS-3.0 software with a *second-order* approach, starting from the evaluation of the measurement model which aims to determine the validity and reliability of the dimensional indicators used and then testing the *inner model and* hypothesis testing through the *bootstrapping resampling* process.

Evaluation of the Measurement Model (*Outer Model*)

Outer model evaluation includes convergent validity test, discriminant validity test, and *composite reliability*. The results of testing the *outer model* can be seen in the following table:

Table 1. Measurement Model Evaluation Results

Variables	Item	*Cross Loading*	AVE	CR
Influencer	I-1	0.715	0.574	0.843
	I-2	0.805		
	I-3	0.708		
	I-4	0.798		
Purchase Decision	KP-1	0.609	0.597	0.880
	KP-2	0.759		
	KP-3	0.823		
	KP-4	0.816		
	KP-5	0.833		
Promotion	P-1	0.805	0.591	0.875
	P-2	0.684		
	P-3	0.866		
	P-4	0.824		
	P-5	0.803		
User Generated Content	UGC-1	0.825	0.609	0.885
	UGC-2	0.690		
	UGC-3	0.796		
	UGC-4	0.880		
	UGC-5	0.694		

Source: SmartPLS 3 Output (2024)

Based on this table, the AVE value for each variable> 0.05 so that it can be stated that it has met convergent validity. Then, in evaluating the discriminant validity of this study using the *cross loading* value of each statement. From the research results, it was found that all statement items had a *cross loading* value> 0.70 so that discriminant validity could be met. In addition, in evaluating the *outer model,* each statement must meet the reliability of a variable. From the table, it is found that all variables have a *Composite Reliability* (CR) value> 0.70, thus the statement can be declared reliable.

Structural Model Evaluation (*Inner Model*)

After the *outer model* is evaluated, the next step is testing the *inner model* using two approaches, first by evaluating the feasibility of the model by observing the results of the R analysis; second, by testing the model holistically using the *predict relevance* method.

Table 3. *Inner Model* Evaluation Results

Variables	R-Square	Q-Square
Influencer	0.297	0.283
Purchase Decision	0.363	0.343

Source: SmartPLS 3 Output (2024)

Based on table 2, the results of the *R-square* value (R^2) for influencers is 0.297 classified as moderate, while the purchase decision has an *R-square* value (R^2) of 0.363 also classified as moderate. Furthermore, the *Q-Square* (Q^2) value for the influencer variable is 0.283 and 0.343 for the purchasing decision variable. This value is greater than 0, which means that the model has good predictive relevance.

Hypothesis Test

Table 4. Direct Effect Test Results

	Path Coefficient	T Statistics	P Values	Description
User Generated Content -> Purchase Decision	0.519	5.265	0.000	Accepted
Promotion -> Purchase Decision	0.116	0.941	0.347	Rejected
Influencer -> Purchase Decision	0.238	2.279	0.023	Accepted
User Generated Content -> Influencer	0.256	2.678	0.008	Accepted
Promotion -> Influencer	0.406	4.277	0.000	Accepted

Source: SmartPLS 3 output (2024)

Based on the table above, it states that User generated content on purchasing decisions has a t statistic of 5.265> 1.96 and p values <0.05, which means that user generated content has a direct effect on purchasing decisions so that **H₁ is accepted**. Promotion on purchasing decisions has a t statistic of 0.941 < 1.96 and p values> 0.05, which means that promotion has no direct effect on purchasing decisions so that **H₂ is rejected**. Influencers on purchasing decisions have a t statistic of 2.279> 1.96 and p values <0.05, which means that influencers have a direct effect on purchasing decisions so that **H₃ is accepted**. User generated content on influencers has a t statistic of 2.678> 1.96 and p values <0.05, which means that user generated content has a direct effect on influencers so that **H₄ is accepted**. Promotion of influencers has a t statistic of 4.277> 1.96 and p values <0.05, which means that promotion has a direct effect on influencers so that **H₅ is accepted**.

Table 5. Indirect Effect Test Results

	Path Coefficient	T Statistics	P Values	Description
User Generated Content -> Influencer -> Purchase Decision	0.063	1.540	0.124	Rejected
Promotion -> Influencer -> Purchase Decision	0.095	2.026	0.043	Accepted

Source: SmartPLS 3 Output (2024)

Based on the table above, it states that user generated content has a t statistic of 1.540 < 1.96 and p values > 0.05, which means that influencers do not mediate the influence of user generated content on

purchasing decisions so that **H₆ is rejected**. Then, promotion has a t statistic of 2.026> 1.96 and p values <0.05, which means that influencers mediate the effect of promotion on purchasing decisions so that **H₇ is accepted**.

The Effect of User Generated Content on Purchasing Decisions

The results showed that user generated content has a positive and significant effect on purchasing decisions. Xiaoli Nan and Wei Li (2020), UGC influences purchasing decisions because it is seen as a more credible and trusted source of information than content created by brands or companies. Consumers tend to trust reviews, recommendations, and real experiences from other users who have no hidden interests. This reduces perceived risk and increases trust in the product or service being considered for purchase. Rodney A. King, Pradeep Racherla, and Victoria D. Bush (2018), UGC acts as electronic word-of-mouth (eWOM) which greatly influences purchasing decisions. eWOM from UGC is considered more persuasive and effective than promotional information coming from brands or companies. Consumers tend to trust recommendations and reviews from other users who have real experience with the product or service. While Luis V. Casaló, Carlos Flavián, and Sergio Ibáñez-Sánchez (2020), suggest that UGC influences purchasing decisions because it allows consumers to actively engage with influencers or opinion leaders. This involvement can increase consumer relationships and loyalty to the influencer or opinion leader. Consumers tend to be more easily influenced and buy products or services recommended by influencers or opinion leaders that they trust and respect. The results of this study prove that UGC has a significant influence on consumer purchasing decisions because it is considered a credible source of information, becomes persuasive eWOM, and facilitates engagement and relationships with trusted influencers or opinion leaders.

The Effect of Promotion on Purchasing Decisions

The results of this study indicate that promotion has a positive but insignificant effect on purchasing decisions. Joachim Scholz and Andrew N. Smith (2019), suggest that promotions carried out by brands or companies are often not fully trusted by consumers. Consumers tend to perceive promotions as biased sales efforts and have hidden interests. Therefore, promotions have a limited impact on influencing consumer purchasing decisions. Meanwhile, according to Jari Salo (2017), product or service promotions carried out by brands or companies are often not enough to convince consumers to make purchasing decisions. Consumers trust more recommendations and reviews from people they know or other users who have real experience with the product or service. This is in line with what was stated by Nathalie N. Dens, Patrick De Pelsmacker, and Veroline Boudewijns (2020), promotions carried out by brands or companies are often considered less authentic and less relevant to the needs and preferences of individual consumers. Consumers are more interested in information that comes from sources that are considered more objective and impartial, such as reviews and recommendations from other users. The results of this study prove that promotions carried out by brands or companies are often considered less credible, less authentic, and less relevant to individual consumers. Therefore, promotions have limited influence in influencing consumer purchasing decisions. Consumers trust information and recommendations that come from sources that are considered more objective and relevant, such as reviews and recommendations from other users or people they know.

The Effect of Influencers on Purchasing Decisions

The results of this study indicate that influencers have a positive and significant effect on purchasing decisions. Johanna Freberg, Kristin Graham, Karen McGaughey, and Laura A. Freberg (2021), suggest that influencers have a significant influence on purchasing decisions because they are considered a more trusted and authentic source of information compared to traditional advertisements or

promotions from brands. Influencers can build parasocial relationships with their followers, which makes their recommendations or endorsements more persuasive and influences purchasing decisions. This is supported by Luis V. Casaló, Carlos Flavián, and Sergio Ibáñez-Sánchez (2020), influencers are considered opinion leaders who have a significant influence on their followers' purchasing decisions. This is due to the credibility, expertise, and appeal that influencers have in the eyes of their followers. Influencers can influence their followers' attitudes, perceptions and purchase intentions through their recommendations and endorsements of certain products or services. The results of this study prove that influencers have a significant influence on consumer purchasing decisions because they are considered a trusted, authentic, relevant and connected source of information to their audience. Influencers can build parasocial relationships, credibility and attractiveness that make their recommendations or endorsements more persuasive and influence consumers' attitudes, perceptions and purchase intentions towards certain products or services.

The Effect of User Generated Content on Influencers

The results showed that UGC has a positive and significant effect on influencers. According to Cláudia Custódio, Salomé Vieira Santos, e Inês Carvalho (2022), UGC has a significant influence on influencers because it creates engagement and interaction between influencers and their followers. UGC allows followers to actively participate in the content created by the influencer, such as leaving comments, asking questions, or even sharing their own experiences. This can increase the emotional connection and trust between the influencer and their followers, and strengthen the influencer's influence. In addition, UGC can also be a source of inspiration and feedback for influencers in creating more relevant content that matches their followers' interests and preferences. By paying attention to UGC, influencers can identify topics of interest to their followers and produce more useful and interesting content. Gemma Ezpeleta and David de la Cuesta González (2021), meanwhile, suggest that UGC can be an effective source of word-of-mouth (WOM) and expand an influencer's reach and visibility. When followers share or recommend content created by an influencer through UGC, it can attract new audiences and increase the popularity of the influencer. Besides, UGC can also help influencers build credibility and trust in the eyes of followers and potential followers. Positive reviews, testimonials or experiences shared by followers through UGC can strengthen the influencer's reputation and convince potential new followers of the influencer's expertise and value. The results of this study prove that UGC can create engagement and interaction with followers, be a source of inspiration and input for more relevant content, expand reach and visibility, and build credibility and trust. UGC provides a platform for followers to actively engage with influencers, while influencers can utilize UGC as a valuable source of information and feedback to increase their influence in the eyes of followers and potential new followers.

The Effect of Promotion on Influencers

The results of this study indicate that promotion has a positive and significant effect on influencers. According to Hajar Amrani and Gilles Lemarié (2021), promotions carried out by brands or companies are often considered less authentic and less relevant to influencers and their audiences. Promotions tend to be viewed as biased sales efforts and have hidden interests, making them less trustworthy and less influential to influencers and their followers. Influencers and their audiences instead trust information and recommendations that come from sources that are considered more objective and impartial, such as reviews and recommendations from other users or people they know personally. Therefore, promotions by brands or companies have limited influence on influencers and their audiences. Kristin Graham and Audrey Jefferies (2022), on the other hand, suggest that promotions by brands or companies can actually reduce the credibility and trustworthiness of influencers. When influencers are seen to be overly involved with brand or company promotions, their audiences tend to view the influencer

as a less authentic and less trusted marketing tool. Conversely, audiences trust influencers who are seen as more independent and less tied to the promotion of a particular brand or company. Influencers who are more authentic and less commercial tend to have a greater influence on their audience. The results of this study prove that promotions made by brands or companies tend to have no significant effect, and can even reduce the influence of influencers on their audience. Influencers and audiences trust information and recommendations that come from sources that are considered more objective, authentic and less tied to commercial interests. Overly aggressive promotion can reduce the credibility and trust of the influencer in the eyes of their audience.

Influencer Mediation on the Effect of User Generated Content on Purchasing Decisions

The results of this study indicate that influencers mediate the influence of promotions on purchasing decisions. Nathalie N. Dens, Patrick De Pelsmacker, and Veroline Boudewijns (2020), suggest that influencers can mediate the influence of promotions on consumer purchasing decisions. This is because influencers' credibility and trustworthiness are considered credible and trusted sources by their audience. Consumers tend to trust recommendations and reviews from influencers they follow and respect more than direct promotions from brands or companies. This credibility and trust makes influencers an effective mediator in influencing consumer purchasing decisions. In addition, influencers' appeal and identification often have a certain appeal, whether in terms of appearance, lifestyle, or expertise. Consumers tend to identify themselves with influencers they like and want to resemble the lifestyle or image projected by the influencer. This makes influencers a persuasive mediator in influencing consumer purchasing decisions. In other words, influencers can mediate the influence of promotions on consumer purchase decisions due to factors such as credibility, attractiveness, parasocial relationships, as well as authenticity and relevance that influencers have in the eyes of their audience. Influencers become effective mediators in delivering promotions to consumers in a more persuasive and engaging way than direct promotions from brands or companies.

Influencer Mediation on the Effect of Promotion on Purchasing Decisions

The results of this study indicate that influencers do not mediate the effect of promotion on purchasing decisions. Emma K. Macdonald and Gayle Kerr state that promotions carried out by brands or companies do not fully rely on influencers to influence consumer purchasing decisions. This is because, the credibility and trustworthiness of influencers consumers tend to trust more recommendations and reviews from people they know personally or other users who have real experience with the product or service. Although influencers are considered opinion leaders, they are still seen as sources that are paid to promote a particular product or service. This may reduce consumers' credibility and trust in influencers in the context of promotions. Besides, consumers have diverse preferences and needs. Influencers may only be relevant to certain audience segments, while other consumers may be more influenced by other factors such as price, product quality, or recommendations from people close to them. In other words, influencers do not automatically mediate the influence of promotions on consumer purchase decisions. Consumers have other considerations such as credibility, commercial perception, individual preferences, as well as other marketing channels used by the brand or company. The influence of influencers on purchase decisions depends on the context, the product or service, and the targeted audience segment.

CONCLUSION

The results of this study indicate that *First*; user generated content (UGC), and influencers have a direct influence on purchasing decisions while promotions have no direct effect on consumer purchasing decisions. *Second;* user generated content (UGC) and promotion have a direct influence on influencers. *Third*; influencers mediate the influence of user generated content (UGC) on purchasing decisions, and

Fourth; influencers do not mediate the influence of promotions on purchasing decisions. Therefore, companies need to utilize the potential of UGC to increase the credibility of their product and service information in the eyes of consumers. Influencers are also advised to continue creating creative and authentic content to build engagement with the audience. In conducting promotions, companies and brands are advised to engage influencers who are credible and in line with the preferences of their audience segments. Companies can utilize the role of influencers in creating more persuasive content to drive consumer purchasing decisions.

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