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## The Effect of Family Firm Image on Social Media Engagement Mediated by Brand Authenticity and Consumer-Company Identification (Case Study on Mamahke Jogja Company)

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### ARTICLEINFO

Keywords: Family Firm Image, Brand Authenticity, Consumer-Company Identification, Social Media Engagement

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## $ABS\overline{TRACT}$

Purpose: This study aims to determine whether the image of a family company at the Mamahke Jogia company affects social media engagement brand authentication and consumercompany identification as mediating variables. Methods: The method used in this study is the Structural Equation Model (SEM) Data analysis: Test validity, reliability test, structural model test, hypothesis testing and mediation test Result and discussions: The results show that family firm image has a positive effect on brand authenticity, brand authenticity has a positive effect on consumer-company identification, consumercompany identification has a positive effect on social media engagement Conclusion: conclusion is that a good family firm image can increase indirectly interactions consumers who follow the company's Instagram.

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### **INTRODUCTION**

Currently, there are many companies spread throughout Indonesia. in 2020 there are 300,099 small companies in Indonesia. Of these, 4,367 companies are located in the D.I. Yogyakarta area or about 0.014% of the total in Indonesia (bps.go.id, 2020). Some of them are family companies. Family companies are companies that are owned and managed by members who have family relationships such as father and mother, children and parents, fellow brothers and nephews (Simanjuntak, 2010). Another definition of a family firm is when the company's share ownership is more than 50% owned by the family and managed by 2 or more family members such as in leading the company, controlling and managing the company (Dussault, 2008). Family companies have an important role in the world's economy because they help governments in opening or creating new jobs (Zellweger, 2017). Currently, many family companies openly communicate that the business they run is a family business (Christopher et al, 2021).

According to Zellweger et al (2012) said that creating a family firm image is one way that family business owners and managers can convey family identity to external stakeholders, one of which is the customer. The company, which was founded on May 19, 2017, is owned by a husband and wife, namely Hanung Bramantyo and Zaskia Adya Mecca. By providing a different image from other companies, it is easier for customers to feel the uniqueness and authenticity of the family company (Lu, 2015). This business uses Instagram as a way to market products to customers. The impact of a positive family firm image will result in increasing the impression that arises from the minds of consumers about brand authenticity (Beck, 2016).

The main product marketed by Mamahke Jogja is a dessert in the form of a cake that has various flavors. Because this couple wanted the product to have a unique Jogjaness, therefore a collaboration cake was created between bakpia and modern cake. According to Vann (2006) brand authenticity is conveyed through the similarity of origin, authenticity and uniqueness. Perceived authenticity is described as an assessment of whether the brand is unique (Bruhn et al., 2012). Likewise, how the owner fulfills his promise (Schallehn et al., 2014).

In marketing products, Mamahke Jogja is also active in creating content such as interactive games, jokes and interesting videos uploaded via Instagram accounts. From the content, many of the customers liked, and commented on the upload. As a result of this marketing, the relationship between the company and the customer becomes close. Not only that, customers don't mind uploading stories/posts on their Instagram about products from Mamahke Jogja. This is one of the identifications made by consumers to the company. The post from the customer was then re-uploaded by the company and embedded in Mamahke Jogja's Instagram highlights. What is done by the customer is one example of customer identification to the company. In business, customers who identify with the company are more likely to support the product or service and maintain the company's reputation (Siu et al., 2014). Since family firms have been shown to evoke positive associations of a sense of authenticity, firms tend to project meaningful images that help satisfy consumers' self-definition needs and

generate strong relationships (Sageder et al., 2015). The large number of people who use social media at this time gives consumers a high possibility to express feelings of identification with the company by engaging in social media (Chu & Kim, 2015). Social media also allows consumers to participate in user-generated content (Kaplan & Haenleir, 2010).

This study aims to find out whether family firm image has an effect on brand authenticity, whether brand authenticity has an effect on consumer-company identification, whether consumer company identification has an effect on social media engagement and whether family firm image has an effect on social media engagement with brand authenticity and consumer-company identification. company identification as the media variable. The object of this research is Mamahke Jogja's family company. The sample of this study used consumers and Instagram followers of Mamahke Jogja. As for some previous studies or previous research related to the same as the title of the research conducted now, namely the research conducted by Zanon et al (2019) regarding "How to promote a family firm image affect customer perception in the age of social media" with the variables same. In addition, there is a study conducted by Syovina&Sari(2020) with the title "The Influence of Family Business Image Promotion Soraya Bedsheet on Social Media Engagement with Brand Authenticity and Consumer-Company Identification as Mediation Variables"

### LITERATURE REVIEW

## 1. Family firm image

Corporate image has an important role in creating a reflection of corporate identity. Firm image is an impression and also a public image of a company that is intentionally created from an object, people or organization (Soemirat & Adianto, 2007). Meanwhile, family can be interpreted as a collection of 2 or more people who are joined because they have a relationship by marriage, blood or adoption and live in a household (Balion & Maglaya). From these two understandings, it can be concluded that family firm image is an impression and also a public image of a company that is built and run by people who have family relationships that are deliberately created from an object, person or organization. In a family company, the family has an important role in building the image of the company itself. Family involvement creates a unique identity for family firms, thus distinguishing them from non-family firms (Berrone et al., 2012).

Some of the family companies insert their family identity into the family company. The purpose of inserting the identity of the family is to distinguish the family company from other companies (Zellweger et al., 2012). The identity of the family is then promoted to stakeholders such as employees and customers. Another goal is that family identity is believed to be able to motivate family members and companies to maintain positive values for each family member.

## 2. Brand Authenticity

Currently, consumers are not just buying products, but consumers are now finding out more about the company's background and corporate image of the products purchased (Gallucci et al., 2015). Brand authenticity is used as an important means of differentiation of a company (Fritz, Schoenmueller, & Bruh,

2017). Brand authenticity is conveyed through the similarity of origin, originality, and uniqueness (Vann, 2006). Perceived originality is described as an assessment of whether a brand is unique (Bruhn et al., 2012). Similarly, individuality is defined as the unique way in which a brand fulfills its promises (Schallehn et al., 2014). Originality and individuality in brand authenticity then become one component (Bruhn et al., 2012). Authentic companies or organizations act according to their true selves (Shen & Kim, 2012).

## 3. Consumer-Company Identification

Identification in the customer background is when customers recognize that the company represents one or many parts of their own identity and can be used to fulfill that part of themselves (Homburg et al., 2013). Although in several studies there is no definite meeting point regarding which one is appropriate in conceptualizing identity because it has several variations in size and definition (Lam, 2012).

Consumer-company identification is the cognitive situation of customers when they feel connected and close to the company. Customers individually compare their own identities and corporate entities (Martinez, 2013). Family companies often focus on creating good relationships and having close relationships with stakeholders and customers in order to have close relationships (Dyer & Whetten, 2006). Therefore, it is easier for family companies to reach the level of consumer-company identification (Zanon et al., 2019). In identifying, consumers will find it easier when they already have a relationship or know family members, so the relationship between each family member and customer has an important role (Beck, 2016). In a business context, customers who identify with the company are more likely to endorse a product or service and maintain its reputation (Siu et al., 2014). Consumers who perceive the messages communicated company's socially oriented in advertisements related to goals as congruent with their own values, they then identify with the company (Homburg et al., 2013). Identification of consumers with the company, in time to explain the perception of the image of the company (Vanhamme et al., 2012)

## 4. Social Media Engagement

Social media engagement is a two-way interaction between consumers and companies through social media such as liking posts uploaded by companies, commenting and sharing these posts with other social media users. According to Przybylski et al (2013) defines social media engagement as personal participation in using social media. Meanwhile, according to (McCay-Peet, 2016) social media engagement is an experience that users get from web-based technology that allows users to interact, create and share content with individuals or groups on social networks. Social networks can be an unparalleled advantage for the company's business (Nord et al., 2014). Social media can be used by companies for various things, such as building relationships with customers by sharing content and gathering feedback, increasing traffic on the company's website, to being useful for identifying new business opportunities.

Social media allows consumers to participate in content created by companies (Kaplan & Haenlein, 2010).

## Hypotheses

## 1. Family Firm Image affects Brand Authenticity

Corporate image is a reflection of the character of an organization or company that distinguishes one company from another in the eyes of the public (Kasali, 2003). So that the more unique and authentic the character of the company, the easier it will be for consumers or the public to remember the company. In a family company, there is a unique family history, family and company values, the identity shown by the family from time to time provides a unique and authentic source of attraction in the company's image (Zanon et al. 2019).

The role and involvement of the family in the company creates a unique identity in the family company that distinguishes it from non-family companies. In family firms, overlapping family and business systems provide a unique identity thus creating a distinctive brand (Brinkerink et al. 2020). Communicating that the business being run is a family business tends to result in a higher perception of the family firm image (Sageder et al. 2018). Not only does the image of the company provide differentiation from other companies, but brand authenticity also makes it an important means of differentiation (Moulard et al., 2016). Brand authenticity is often associated with inheritance and characteristics common in family businesses. A high level of brand authenticity creates and maintains an image of trust and credibility (Sageder et al. 2018). The results of Zanon et al (2019)'s research explain that the promotion of family firm image affects the brand authenticity perceived by customers.

This research emphasizes that family firm image provides an understanding that family companies are easier to build an authentic image than non-family companies. Brand authenticity created by a family company also provides a difference from other companies so that it can attract the attention of consumers. Based on the description, the researcher formulates the research hypothesis as follows:

H1: Family firm image affects brand authenticity

## 2. Brand Authenticity affects Consumer-Company Identification

According to Garrity & Rice (2015) states that stability and scarcity are the 2 main things that cause brand authenticity. Scarcity can be used to measure the extent to which consumers feel that the brand distinguishes it from competitors (Moulard et al. 2016). Family business focuses on creating a meaningful image that.

To fulfill what customers want in order to obtain a better reciprocal relationship (Zanon et al., 2019). Many family-owned businesses focus on creating and maintaining good social and personal relationships with their customers, making it easier for companies to develop a strong sense of customer identification with the company (Dyer & Whetten, 2006). consumer-company identification is defined as the perspective of consumers who see the same between themselves and the company (Bhattacharya & Sen, 2003).

Research conducted by Fritz et al (2017) states that brand authenticity has an effect on consumer-company identification. Based on the description above, the researchers formulated the following hypothesis:

H2: Brand authenticity affects consumer - company identification

## 3. Consumer-Company Identification affects Social Media Engagement

According to Bhattacharya et al (2003) stated that a strong consumer-company relationship is based on the identification of consumers with the company to support consumer self-reflecting needs. consumer-company identification intentionally involves consumers who cause consumers to engage in company activities that can be profitable for the company itself or potentially unprofitable. Therefore, social media is used by companies as a place to engage consumers to participate in products and services (Hollensen et al 2017). Van Doorn et al (2010) suggested that involvement can be divided into 2, namely interest-based involvement and relationship-based involvement. Interest-based engagement is carried out by consumers when they like a company's social media posts regarding brand posts, while relationship-based engagement is a manifestation of customer behavior that focuses on brands or companies that are driven by motivation. Furthermore, interest-based and relationship-based engagement can be linked (Van Dorn et al 2010).

The results of the study (Syovina & Sari, 2020) can prove that consumer-company identification has a significant impact on social media engagement, which means that high consumer-company identification leads to more customer involvement in corporate social media. Therefore, the researcher formulates the research hypothesis as follows:

H3: consumer-company identification has an effect on social media engagement

# 4. Family Firm Image on social media engagement with Brand Authenticity and consumer-company identification as mediating variables

Companies founded by families have several benefits, according to Binz et al (2003) saying that family companies can make it easier for consumers to differentiate from other companies. The unique unification of ownership and control makes family companies have a distinctive organizational identity (Blanco-Mazagatos, 2018). family firm image can be related to meanings that influence consumer behavior, the status of family companies and active communication can make strategic resources in the market for this type of business (Astrachan & Botero, 2018). The relationship created between consumers and companies fosters a unique corporate image that establishes a positive correlation between the family and its uniqueness (Sager et al, 2018). Family companies that are successful in running their business should demonstrate honesty and authenticity (Tasman & Jones, 2015). Differentiating the brand from those of other companies serves as product differentiation in the market (Schmitt, 2012). The product differentiation is carried out in order to show the authenticity of the company's products. The more unique and different the product, the more it will create scarcity (Moulard et al 2016). Family-owned businesses place more emphasis on creating an image that deeply meets customer needs and fosters strong relationships with them (Zanon et al 2019).

The more different and unique the identity of the company appears to the customer, the stronger the customer's relationship with the company (Whetten et al 2014). The higher the level of consumer-company identification, the more likely it is that customers will perceive themselves as part of the organization and exhibit positive attitudes and behaviors to help the company achieve its goals (Fatma et al 2018). The emergence of social media has an impact on companies by making it easier to interact with customers and allowing customers to engage directly with the organization (Herrigan et al 2015). The customer involvement is in the form of liking posts, commenting, distributing content to identifying new business opportunities (Nord et al 2014). Based on the description above, the researchers formulated the following hypothesis:

H4: family firm image effect on social media engagement with brand authenticity and consumer-company identification as mediating variables

### Research Model

The following is a research model whose hypothesis development has been described in the previous chapter.

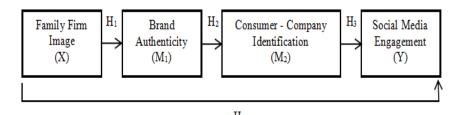


Figure 1. Research Model

### **METHODOLOGY**

The samples used in this study are Instagram followers and Mamahke Jogia consumers. The method used in conducting this research is using purposive sampling technique. Giving certain criteria is a technique of purposive sampling (Sugiyono, 2010). This study uses primary data obtained directly through questionnaires distributed online in the form of a google form. The Likert scale is used as a means of measuring statements in this questionnaire. This study uses data analysis techniques using the PLS-SEM procedure. Data analysis was carried out using the SmartPLS application program.

### RESEARCH RESULT AND DISCUSSION

### 1. Validity Test

This validity test uses convergent validity and discriminant validity. Tests carried out to determine whether the indicators on the questionnaire are valid or not can be done by testing the validity. Sunyoto (2012) said that a valid indicator means that it can explain the variables to be measured. The AVE value can be said to be good if it is more than 0.5. A good AVE value indicates that the indicator has a good measure of convergent validity.

Table 1. Validity Test		
Variable	Average Variance Extracted (AVE)	

CCI	0.767
FFI	0.597
BA	0.601
SME	0.714

These results indicate that all variables have a good AVE value because the value is more than 0.5.

Table 2. Descriminant Validity Test Result

DESCRIMINANT VALIDITY TEST RESULT				
	CCI	FFI	BA	SME
CCI1	0.919	0.657	0.612	0.763
CCI2	0.912	0.651	0.557	0.756
CCI3	0.790	0.350	0.424	0.634
FFI1	0.463	0.697	0.417	0.484
FFI2	0.528	0.771	0.610	0.591
FFI3	0.468	0.768	0.534	0.575
FFI4	0.530	0.847	0.599	0.542
BA1	0.511	0.546	0.850	0.537
BA2	0.477	0.447	0.744	0.455
BA3	0.345	0.452	0.695	0.368
BA4	0.537	0.702	0.804	0.608
SME1	0.706	0.590	0.548	0.880
SME2	0.740	0.597	0.504	0.919
SME3	0.760	0.611	0.550	0.914
SME4	0.760	0.634	0.539	0.882
SME5	0.605	0.593	0.554	0.746
SME6	0.576	0.594	0.633	0.705

The table above shows the results of discriminate validity. The results obtained above show that all indicators have good results because the correlation between constructs and their indicators has a higher value than the correlation with indicators from other block constructs.

## 2. Reability Test

Table 3. Reability Test

	Cronbach's Compos	
Variable	Alpha	Reliability
CCI	0.847	0.908
FFI	0.775	0.855
BA	0.779	0.857
SME	0.918	0.937

The table above shows reliable results because the Cronbach's Alpha and Composite reliability values have values above or equal to 0.7

### 3. Structural Model Test

According to Sarwono & Nurwimawati (2015) R2 is used to see how much exogenous variables can explain endogenous variables. If the results obtained are <0.33 it can be said to be weak, 0.33-0.7 is moderate and >0.7 is said to be strong. R2 is used to measure how much the endogenous variable is influenced by other variables (Ghozali, 2008).

Table 4. Structural Model Test

Variabel	R Square	R Square Adjusted
CCI	0.376	0.369
BA	0.502	0.497
SME	0.677	0.674

The table shows the R Square value obtained from the Consumer-Company Identification (CCI) variable of 0.376 (medium), Brand Authenticity (KM) variable of 0.502 (medium) and Social Media Engagement (SME) of 0.677 (medium).

## 4. Hypothesis Test

Table 5. Hypothesis Test

Variable	Original Sample (O)	P Values
CCI -> SME	0.823	0.000
FFI -> BA	0.709	0.000
BA -> CCI	0.613	0.000

- H1: Family firm image has a positive and significant effect on brand authenticity is supported, because the original sample of 0.823 is positive and the P value is 0.000 < 0.05, which means that the hypothesis is accepted.
- H2: Brand authenticity has a positive and significant effect on consumer-company identification. It is supported, because the original sample is 0.709 positive and the P value is 0.000 < 0.05, which means that the hypothesis is accepted.
- H3: Consumer-company identification has a positive and significant effect on social media engagement is supported, because the original sample is 0.613 positive and the P value is 0.000 < 0.05, which means that the hypothesis is accepted.

### 5. Mediation Test

Table 6. Mediation Test

Variabel	Original Sample (O)	P Values
FFI -> BA -> CCI	0.434	0.000
BA -> CCI -> SME	0.504	0.000
FFI -> BA -> CCI -> SME	0.357	0.000

H4: Family firm image has a positive and significant effect on social media engagement with brand authenticity and consumer-company identification as mediating variables are supported, because the original sample is 0.357

positive and the P value is 0.000 < 0.05, which means that the hypothesis is accepted.

### CONCLUSIONS AND RECOMMENDATIONS

The conclusion of this research is that it turns out that the good image of the family company shown by the Mamahke Jogja company resulted in the formation of brand authenticity. Authentic products produced by Mamahke Jogja are cakes that collaborate with typical Jogja snacks and modern desserts. By upholding local wisdom, having special products and providing optimal services, it can improve consumer-company identification. Consumer-company identification occurs when consumers feel happy and proud to be Mamahke Jogja's customers which then form social media engagement. From the previous test, it can be concluded that all hypotheses have a positive and significant effect.

### ADVANCED RESEARCH

In writing this article the researcher realizes that there are still many shortcomings in terms of language, writing, and form of presentation considering the limited knowledge and abilities of the researchers themselves. Therefore, for the perfection of the article, the researcher expects constructive criticism and suggestions from various parties.

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