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Exploring the Impact of Persuasion Knowledge and Parasocial Relationships on K-Pop Fans' Consumer Behavior in Indonesia

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ABSTRACT

Purpose: This study explores the impact of persuasion knowledge and parasocial relationships (PR) on electronic purchase intention, physical purchase intention, and electronic word-of-mouth (eWOM) in the context of K-Pop fanbases in Indonesia.

Method: Data were collected through a survey using a questionnaire that measured variables such as persuasion knowledge, parasocial relationships, eWOM, and both electronic and physical purchase intentions. A total of 250 respondents, all of whom are followers of K-pop group fanbases on social media, were selected using purposive sampling. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

Result: The findings reveal that PK has a positive effect on E.PI, P.PI, and eWOM, contrary to the initial hypothesis that suggested a negative relationship. Consumers with higher PK tend to make more confident purchase decisions, both online and offline, and are more likely to engage in eWOM. Parasocial relationships also positively influence all three dependent variables, but the moderation effect of PR was generally insignificant, except for the relationship between PK and P.PI, where a negative moderation was observed.

Novelty: This study fills the gap in existing literature by examining how eWOM and persuasion knowledge interact to influence K-Pop product purchases, a relationship that has been largely unexplored in the context of K-Pop fans who possess unique emotional attachments to their idols and products.

Keywords: parasocial relationships, electronic word-of-mouth, persuasion knowledge, purchase intention, k-pop

INTRODUCTION

The K-Pop industry has experienced rapid growth in recent years, becoming a global phenomenon that has captured the attention of audiences worldwide. Today, K-Pop is one of the main factors influencing consumer purchasing decisions across various industries, particularly in cosmetics. According to data from the Statista Research Department (2024), the K-Pop music industry is estimated to generate more than \$5 billion annually, with South Korea serving as its epicenter (Statista Research Department, 2024). This phenomenon has given rise to the concept of Electronic Word of Mouth (e-WOM), which refers to informal communications between consumers on digital platforms about a particular product or service. Research has shown that e-WOM significantly impacts consumer purchase intentions (Ismagilova et al., 2020; Rahaman et al., 2022). In the context of popular culture like K-Pop, the influence of e-WOM is even more pronounced due to the highly engaged fan communities on social media (Chang et al., 2023).

In addition to e-WOM, consumers' persuasion knowledge plays an important role in shaping purchase intentions. Persuasion knowledge refers to consumers' understanding of the tactics and strategies employed by marketers to influence their decisions (Nofal et al., 2022). Consumers with higher levels of persuasion knowledge tend to be more critical of marketing



messages, which may reduce the impact of e-WOM on their decisions (Roy et al., 2024). However, in the K-Pop context, where fans exhibit strong emotional involvement, these dynamics are likely to differ (Liao et al., 2024).

Although there have been studies examining the relationship between e-WOM, persuasion knowledge, and purchase intention across various industries, research specifically focusing on how these factors interact to influence K-Pop product purchases is limited (Ismagilova et al., 2020). Most existing studies have concentrated on the direct relationship between e-WOM and purchase intention, often overlooking the moderating role of persuasion knowledge. Since persuasion knowledge may diminish the effectiveness of e-WOM for more skeptical consumers, this aspect has rarely been explored in the context of K-Pop fans, who typically exhibit strong emotional attachments to their favorite products and artists. Thus, a gap exists in understanding how e-WOM and persuasion knowledge interact within the specific dynamics of K-Pop fandom, which may differ considerably from general consumer behavior.

Therefore, a deeper understanding of how e-WOM and consumer persuasion knowledge interact in the K-Pop context is essential. This study aims to address this gap by investigating how these two factors jointly influence the purchase intention of K-Pop products. By examining this interaction, marketers can design more targeted and effective communication strategies tailored to different consumer segments based on their level of persuasion knowledge. Consequently, this study will not only contribute to the theoretical literature on marketing and consumer behavior but also provide practical insights for the K-Pop industry to develop more efficient and impactful marketing strategies.

METHOD

This study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the influence of Electronic Word of Mouth (e-WOM) and Persuasion Knowledge on the purchase intention of K-Pop products. PLS-SEM was chosen for its ability to handle structural models with latent variables and its robustness in dealing with data that does not follow a normal distribution. Data were collected through an online questionnaire using a 7-point Likert scale, distributed to respondents who actively follow the development of K-Pop and have purchased related products. Prior to analysis, the validity and reliability of the instrument were tested through initial trials.

Data analysis involves evaluating both the outer and inner models. The outer model is assessed to test the validity of convergence and discrimination, as well as the reliability of the constructs. The inner model is evaluated to measure the strength of relationships between constructs, the significance of the paths, and the coefficient of determination (Sarstedt et al., 2022). The analysis is conducted using SmartPLS software, including bootstrapping tests to assess the significance of the paths. Convergent validity is evaluated using the Average Variance Extracted (AVE) value, with a threshold of > 0.50, while discriminant validity is assessed using the Fornell-Larcker criterion (Sarstedt et al., 2021). Construct reliability is tested using Cronbach's Alpha and Composite Reliability, with values above 0.70 considered acceptable. The structural model is evaluated using the R² value to determine the variance explained by the exogenous constructs in relation to the endogenous constructs, and the f² value to measure the effect size of the independent constructs. This approach is supported by prior research that confirms the relevance of PLS-SEM in analyzing complex relationships in marketing and consumer behavior (Sarstedt et al., 2022; Ringle et al., 2020; Cheah et al., 2020).

Table 1. Variable Measurements

| Variables | Codes | Statements |
|------------|---------|---|
| Electronic | E.PI1.1 | I will shop at the Perfume E-store again. |
| purchase | E.PI1.2 | I will recommend the Perfume E-store to my family and |
| intention | | friends. |

| (Yeh et al., 2022; Hwang & Zhang, 2018) E.PI1.3 I will consider visiting the E-store if I need to buy the same product again. E.PI2.4 I will visit the Perfume E-store to explore other product variants. E.PI2.1 I will purchase products promoted by my favorite K-pop group's fanbase on their social media through the E-store. E.PI2.2 I intend to buy products promoted by my favorite K-pop group's fanbase on their social media via the E-store. E.PI2.3 I am interested in purchasing products posted by my favorite K-pop group's fanbase on social media through the E-store. E.PI2.4 In the future, I am likely to purchase products promoted by my favorite K-pop group's fanbase on social media through the E-store. Physical purchase intention P.PI1.1 I will shop for perfume again at a physical store (Alfamart/Indomaret). P.PI1.2 I will recommend that my family and friends shop for |
|---|
| E.PI2.1 I will visit the Perfume E-store to explore other product variants. E.PI2.1 I will purchase products promoted by my favorite K-pop group's fanbase on their social media through the E-store. E.PI2.2 I intend to buy products promoted by my favorite K-pop group's fanbase on their social media via the E-store. E.PI2.3 I am interested in purchasing products posted by my favorite K-pop group's fanbase on social media through the E-store. E.PI2.4 In the future, I am likely to purchase products promoted by my favorite K-pop group's fanbase on social media through the E-store. Physical purchase P.PI1.1 I will shop for perfume again at a physical store (Alfamart/Indomaret). |
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| purchase (Alfamart/Indomaret). |
| intention P.PI1.2 I will recommend that my family and friends shop for |
| |
| (Yeh et al., 2022; perfume at a physical store (Alfamart/Indomaret). |
| Hwang & Zhang, P.PI1.3 I would consider visiting a physical store |
| (Alfamart/Indomaret) if I needed to buy the same product |
| again. |
| P.PI1.4 I will visit a physical store (Alfamart/Indomaret) to explore |
| other product variants. P.PI2.1 I will buy products promoted by my favorite K-pop group's |
| fanbase on social media at a physical store |
| (Alfamart/Indomaret). |
| P.PI2.2 I intend to purchase a product promoted by my favorite K- |
| pop group's fanbase on social media through a physical |
| store (Alfamart/Indomaret). |
| P.PI2.3 I am interested in purchasing a product promoted by my |
| favorite K-pop group's fanbase on social media at a |
| physical store (Alfamart/Indomaret). |
| P.PI2.4 In the future, I am likely to purchase products promoted by |
| my favorite K-pop group's fanbase on social media at a |
| physical store (Alfamart/Indomaret). Persuasion PK.1 The purpose of online advertisements and reviews posted |
| knowledge by my favorite K-pop group's fanbase is to influence my |
| (Tabassum et al., opinion. |
| 2020) PK.2 The purpose of online ads and reviews posted by my favorite |
| K-pop group's fanbase is to encourage people to like a |
| particular product or service. |
| PK.3 After seeing online advertisements, reviews, and |
| recommendations posted by my favorite K-pop group's |
| fanbase, I felt that I had received accurate information. |
| Parasocial PR.1 I feel connected to my favorite K-pop group's fanbase on |
| relationship social media. (Hwang & Zhang, PR.2 I feel comfortable with the content shared by my favorite K- |
| (Hwang & Zhang, PR.2 I feel comfortable with the content shared by my favorite K-2018) pop group's fanbase on social media. |
| PR.3 I can rely on the information provided by my favorite K-pop |
| group's fanbase. |
| PR.4 I am interested in the social media content shared by my |
| favorite K-pop group's fanbase. |
| PR.5 I empathized with my favorite K-pop group's fanbase when |
| they made a mistake on their social media. |

| | PR.6 | I find my favorite K-pop group's fanbase's social media content useful for my interests (e.g., perfume/personal care). |
|-------------------|------|--|
| Electronic Word- | EW.1 | I found the arguments and reviews from my favorite K-pop |
| of-Mouth | | group's fanbase to be convincing. |
| (eWOM) | EW.2 | I find the arguments and reviews from my favorite K-pop |
| (Tabassum et al., | | group's fanbase persuasive. |
| 2020) | EW.3 | Based on reviews from my favorite K-pop group's fanbase, I |
| | | am confident that the fanbase has a good reputation. |
| | EW.4 | Based on the reviewer's rating (from my favorite K-pop |
| | | group's fanbase), I believe the fanbase is trustworthy. |
| | EW.5 | Reviews from my favorite K-pop group's fanbase align with |
| | | my perception of the product being discussed. |
| | EW.6 | The comments in this review are consistent with other |
| | | reviews. |
| | EW.7 | The information shared on the social media platforms of my |
| | | favorite K-pop group's fanbase is informative. |
| | EW.8 | Information about products shared by my favorite K-pop |
| | | group's fanbase on social media is easy to understand. |

Source: Developed by the authors (2024)

Hypotheses Development

Persuasion Knowledge on Electronic Word-of-Mouth (eWOM)

Consumer persuasion knowledge plays a crucial role in shaping purchase intentions through Electronic Word of Mouth (eWOM), especially in the context of digital marketing in industries such as entertainment and beauty. Persuasion knowledge refers to consumers' ability to understand and critically evaluate efforts made by others to influence their decisions. Consumers with high levels of persuasion knowledge tend to be more skeptical of messages delivered via eWOM, including reviews, recommendations, and promotions from digital influencers (Hwang & Zhang, 2018; Luo et al., 2024). This skepticism arises because they can easily detect bias or hidden motivations behind the message, which reduces its effectiveness in influencing their purchase intentions.

Supporting this theory, research by Sokolova and Kefi (2020) suggests that influencer credibility and parasocial interactions between influencers and their followers play significant roles in increasing purchase intentions (Sokolova & Kefi, 2020). However, consumers with high persuasion knowledge are better equipped to evaluate this credibility, making them more likely to disregard irresponsible eWOM. This aligns with the findings of Allal-Chérif et al. (2024), which indicate that virtual influencers powered by artificial intelligence (Al) can be more credible and effective in shaping purchase intentions compared to human influencers. Al influencers are less likely to be perceived as biased or driven by commercial motivations, which often undermine the trustworthiness of human influencers (Allal-Chérif et al., 2024).

On the other hand, consumers with low persuasion knowledge may be more susceptible to the influence of eWOM, as they tend to be less critical of the information they receive. For example, research by X. Yang (2022) found that consumers with limited persuasion knowledge are more likely to be influenced by product recommendations disseminated through social media platforms (X. Yang, 2022). These consumers tend to follow dominant social norms or group attitudes without critically assessing the source or purpose of the message, which can lead to increased purchase intentions—especially when the eWOM comes from a credible or influential source, such as an influencer or celebrity.

However, while consumers with low persuasion knowledge are generally more susceptible to eWOM, research by Rahaman et al. (2022) and Ismagilova et al. (2020) highlights that the intensity and quality of eWOM also play important roles (Rahaman et al., 2022; Ismagilova et al., 2020). In industries like entertainment (e.g., K-Pop), eWOM originating from fans with

strong emotional connections or parasocial interactions with the artist or group can have a greater impact on shaping purchase intentions.

H1: Persuasion knowledge negatively influences eWOM

Persuasion Knowledge on Purchase Intention

Persuasion knowledge refers to consumers' understanding of the tactics and strategies used by marketers to influence their purchase decisions. This knowledge enables consumers to recognize and evaluate persuasion attempts, which can significantly impact their purchase intentions. Research suggests that consumers with high levels of persuasion knowledge tend to be more skeptical of marketing messages, which can reduce the effectiveness of advertising and lower purchase intentions (Rahmani, 2023). Conversely, consumers with low levels of persuasion knowledge may be more susceptible to marketing tactics and, as a result, may have higher purchase intentions.

Recent studies indicate that persuasion knowledge can moderate the relationship between electronic word-of-mouth (e-WOM) and purchase intention. For instance, one study found that consumers with high persuasion knowledge were more critical of e-WOM and less influenced by positive reviews, ultimately reducing their purchase intentions (Lee & Hong, 2019). In contrast, consumers with low persuasion knowledge were more likely to be influenced by positive e-WOM, which increased their purchase intentions. These findings emphasize the importance of considering consumers' level of persuasion knowledge when designing effective marketing strategies.

Moreover, persuasion knowledge also affects how consumers perceive the credibility of information sources. Research by Yang & Ha (2021) found that consumers with high persuasion knowledge are more likely to doubt the credibility of social media influencers, which can decrease their purchase intentions toward the promoted product. On the other hand, consumers with low persuasion knowledge are more likely to trust influencers, leading to higher purchase intentions.

H2a: Persuasion knowledge negatively influences electronic purchase intention

H2b: Persuasion knowledge negatively influences physical purchase intention

Moderating Effect of Parasocial Relationships

Parasocial relationships refer to one-sided emotional bonds formed between audiences and media figures, such as celebrities or influencers, where the audience feels a sense of closeness despite the lack of direct interaction. In marketing, these relationships can moderate consumer purchase intentions. Previous studies have shown that parasocial interactions with social media influencers positively affect purchase intentions, particularly among younger generations who are more susceptible to such influences (Sokolova & Kefi, 2020).

A study by Lou & Kim (2019) confirmed that content generated by influencers, coupled with their credibility, strengthens parasocial relationships, which in turn can increase materialism and purchase intentions among adolescents (Lou & Kim, 2019). Similarly, research by Aw & Labrecque (2020) found that parasocial relationships can enhance customer equity and purchase intentions, particularly when consumers feel emotionally connected to influencers (Aw & Labrecque, 2020).

However, the effectiveness of parasocial relationships as a moderator of purchase intentions may be influenced by other factors, such as consumers' persuasion knowledge. Research by Rahmani (2023) suggests that consumers with high persuasion knowledge are more skeptical of marketing efforts, which can reduce the impact of parasocial relationships on purchase intentions (Rahmani, 2023).

H3a: Parasocial relationships can moderate the nexus between persuasion knowledge and electronic purchase intention

H3b: Parasocial relationships can moderate the nexus between persuasion knowledge and physical purchase intention

H3c: Parasocial relationships can moderate the nexus between persuasion knowledge and eWOM

Figure 1. Research Framework

Electronic Purchase Intention

Physical Purchase Intention

H3a

Parasocial Relationship

H3b

H3c

Persuasion Knowledge

H1

Source: Developed by the authors according to Hwang & Zhang (2018)

RESULT AND DISCUSSION

Demographics of Respondents

There were 250 respondents who met the population criteria. The respondents' demographics were characterized by variables such as gender and their preferred K-pop groups.

Table 2. Demographic Data of Respondents' Gender

| Gender | Number of Respondents | Percentage |
|-------------|-----------------------|------------|
| Female (F) | 225 | 90.00% |
| Male (M) | 25 | 10.00% |
| Grand Total | 250 | 100.00% |

Source: Processed data (2024)

The gender distribution reveals that women make up 90% of the respondents, highlighting their dominant presence in the study. This suggests that women are more likely to be interested in local perfume products and K-pop culture than men. It can be inferred that women tend to have a stronger preference for beauty products and popular trends, such as K-pop, which often emphasize aesthetics, fashion, and lifestyle. Additionally, the predominance of women aligns with the dominance of younger age groups among the respondents, further underscoring the market potential within specific generational cohorts.

Table 3. Demographic Data of Respondents based on K-Pop Groups

| Kpop Groups | Number of Respondents | Percentage | | | | | |
|--------------------|-----------------------|------------|--|--|--|--|--|
| BTS | 96 | 38.40% | | | | | |
| Blackpink | 59 | 23.60% | | | | | |
| Nct dream | 13 | 5.20% | | | | | |
| EXO | 13 | 5.20% | | | | | |
| Super Junior | 10 | 4.00% | | | | | |
| Others | 59 | 23.60% | | | | | |
| Grand Total | 250 | 100.00% | | | | | |

Source: Processed data (2024)

In terms of K-pop group preferences, BTS emerges as the most popular, with 38.4% of respondents favoring the group, followed by Blackpink at 23.6%. This indicates that product marketing in collaboration with K-pop groups—specifically BTS and Blackpink—presents a significant opportunity to reach a broader audience and capture the attention of K-pop fans. Therefore, combining an effective distribution strategy with partnerships aligned with popular trends like K-pop can serve as a competitive advantage for local perfume products.

Construct Reliability and Validity

The table below presents the results of the reliability and construct validity tests conducted in this study to assess the internal consistency and validity of the constructs used. Reliability tests evaluate the consistency of results across items within a construct, while validity tests measure how accurately the construct reflects the intended concept. To assess construct reliability, Cronbach's Alpha and Composite Reliability (CR) values are used, with values greater than 0.7 indicating good reliability. For convergent validity, the Average Variance Extracted (AVE) value is used, where an AVE greater than 0.5 indicates strong validity. The results shown in the table demonstrate that all constructs in this research model meet the required standards for reliability and validity, making them suitable for further analysis.

Table 4. Construct Reliability and Validity

| Construction | Loading Factor | Cronbach's Alpha | Composite Reliability | AVE |
|--------------|----------------|------------------|-----------------------|-------|
| E.PI | | 0.964 | 0.974 | 0.903 |
| E.PI2.1 | 0.942 | | | |
| E.PI2.2 | 0.963 | | | |
| E.PI2.3 | 0.958 | | | |
| E.PI2.4 | 0.938 | | | |
| EW | | 0.964 | 0.970 | 0.823 |
| EW.1 | 0.908 | | | |
| EW.3 | 0.932 | | | |
| EW.4 | 0.919 | | | |
| EW.5 | 0.918 | | | |
| EW.6 | 0.890 | | | |
| EW.7 | 0.895 | | | |
| EW.8 | 0.889 | | | |
| P.PI | | 0.972 | 0.980 | 0.923 |
| P.PI2.1 | 0.949 | | | |
| P.PI2.2 | 0.971 | | | |
| P.PI2.3 | 0.963 | | | |
| P.PI2.4 | 0.960 | | | |
| PK | | 0.857 | 0.912 | 0.777 |
| PK.1 | 0.802 | | | |

| PK.2 | 0.931 | | | |
|------|-------|-------|-------|-------|
| PK.3 | 0.906 | | | |
| PR | | 0.951 | 0.961 | 0.803 |
| PR.1 | 0.901 | | | |
| PR.2 | 0.920 | | | |
| PR.3 | 0.920 | | | |
| PR.4 | 0.908 | | | |
| PR.5 | 0.869 | | | |
| PR.6 | 0.856 | | | |

Source: Processed data (2024)

This table presents the results of the reliability and validity tests for the various constructs measured in this study. Overall, the loading factors, Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE) values demonstrate that the measurement model exhibits very good reliability and validity. Most constructs show loading factors above 0.7, indicating that the items effectively measure the intended dimensions. The constructs E.PI, P.PI, and E exhibit very high Cronbach's Alpha (0.974) and CR (0.961) values, signifying excellent internal consistency. Additionally, the AVE for E.PI (0.903), P.PI (0.923), and EW (0.823) exceeds the 0.5 threshold, indicating good convergent validity.

However, the PK construct has a slightly lower Cronbach's Alpha value of 0.857 and a marginally lower AVE of 0.777. While these values still meet the recommended thresholds, they suggest some potential concerns regarding the internal consistency and validity of this construct. Specifically, certain items in the PK construct, such as PK.1 (0.802), show lower factor loadings, implying that this item may contribute less to the construct than others. Despite this, the majority of constructs demonstrate strong reliability and validity, confirming that the model is suitable for further analysis.

Discriminant Validity

The table below presents the results of the Fornell-Larcker Criterion test, which assesses construct discrimination within the model. According to the table, each construct has a higher square root of the Average Variance Extracted (AVE) value than the correlations with other constructs. This indicates that the model exhibits good construct discrimination.

Table 5. Fornell-Larcker Criterion

| | E.PI | EW | P.PI | PK | PR |
|------|-------|-------|-------|-------|-------|
| E.PI | 0.951 | | | | |
| EW | 0.829 | 0.907 | | | |
| P.PI | 0.739 | 0.707 | 0.961 | | |
| PK | 0.788 | 0.808 | 0.692 | 0.882 | |
| PR | 0.807 | 0.909 | 0.699 | 0.772 | 0.896 |

Source: Processed data (2024)

The E.PI construct has a higher square root of AVE (0.951) compared to its correlations with other constructs, such as E (0.829) and P.PI (0.739), indicating that it measures a distinct dimension with minimal overlap. Similarly, the P.PI construct shows a higher square root of AVE (0.961) than its correlations with PK (0.692) and PR (0.699), demonstrating strong construct discrimination. While some correlations between constructs, such as between EW (0.907) and PR (0.909), are relatively high, the square root of AVE values still indicate adequate discriminant validity. Overall, the results of the Fornell-Larcker Criterion confirm that

the constructs in this model are sufficiently distinct from each other, supporting good construct validity and the suitability of the model for further analysis.

R-Square Test

The table below presents the R Square and Adjusted R Square values for the constructs in the model. R Square represents the proportion of variance in the dependent variable explained by the model, while Adjusted R Square accounts for the number of predictors in the model and provides a more accurate measure, especially for models with multiple variables.

Table 6. R-Square Test

| | R Square R Square Adjuste | | | | | |
|------|---------------------------|-------|--|--|--|--|
| E.PI | 0.718 | 0.715 | | | | |
| EW | 0.859 | 0.857 | | | | |
| P.PI | 0.547 | 0.542 | | | | |

Source: Processed data (2024)

The R Square value for E.PI is 0.718, meaning the model explains 71.8% of the variation in E.PI, with an Adjusted R Square of 0.715, indicating good model performance. The EW construct shows a very high R Square of 0.859, meaning the model explains over 85% of the variation, with an Adjusted R Square of 0.857. For P.PI, the R Square value of 0.547 indicates that the model explains 54.7% of the variation, with an Adjusted R Square of 0.542, suggesting that there is room for improvement. Overall, the model performs well in explaining the variation in most constructs, though improvements are needed for constructs with lower R Square values, such as P.PI.

Hypotheses Testing

Direct Effect

Table 7 presents the direct effects of Persuasion Knowledge (PK) on Electronic Word-of-Mouth (EW), Electronic Purchase Intention (E.PI), and Physical Purchase Intention (P.PI), all of which are statistically significant with P-values of 0.000 and T-statistics above the threshold (3.378 for EW, 5.877 for E.PI, and 5.307 for P.PI). Despite these significant results, the hypotheses for all three relationships are rejected, indicating that while PK has a measurable impact on EW, E.PI, and P.PI, the direction or nature of these effects does not align with the initial assumptions

Table 7. Direct Effect

| | Original | Sample | Standard | T Statistics | Р | Conclusion |
|-----------|----------|--------|-----------|--------------|--------|------------|
| | Sample | Mean | Deviation | (O/STDEV) | Values | |
| | (0) | (M) | (STDEV) | | | |
| PK → EW | 0.232 | 0.235 | 0.069 | 3.378 | 0.000 | Rejected |
| PK → E.PI | 0.406 | 0.407 | 0.069 | 5.877 | 0.000 | Rejected |
| PK → P.PI | 0.393 | 0.394 | 0.074 | 5.307 | 0.000 | Rejected |

Source: Processed data (2024)

Moderating Effect

The results in Table 8 show the moderating effect of Parasocial Relationships (PR) on the relationship between Persuasion Knowledge (PK) and the dependent variables. The moderating effect of PR on PK \rightarrow E.PI is not significant (T-statistic = 0.238, P-value = 0.406),

leading to the rejection of the hypothesis. Similarly, the moderating effect of PR on PK \rightarrow P.PI is also not significant (T-statistic = 0.687, P-value = 0.246), resulting in the rejection of this hypothesis as well. However, the moderating effect of PR on PK \rightarrow EW is significant (T-statistic = 2.108, P-value = 0.018), indicating that Parasocial Relationships moderate the effect of Persuasion Knowledge on Electronic Word-of-Mouth (eWOM).

Table 8. Moderating Effect of Parasocial Relationships

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values | Conclusion |
|-------------------------|---------------------------|-----------------------|----------------------------------|-----------------------------|-------------|------------|
| Moderating PK - E.PI | -0.004 | -0.005 | 0.019 | 0.238 | 0.406 | Rejected |
| Moderating PK - P.PI | 0.024 | 0.029 | 0.035 | 0.687 | 0.246 | Rejected |
| Moderating PK - EW | -0.045 | -0.048 | 0.021 | 2.108 | 0.018 | Accepted |

Source: Processed data (2024)

Discussion

This study makes a significant contribution by applying the concept of parasocial relationships between K-Pop fanbases and K-Pop idols to the purchase intentions of local perfumes in Indonesia. It builds on the findings of Hwang and Zhang (2018), which show that parasocial relationships can influence both purchase intentions and intentions to engage in electronic word-of-mouth (eWOM). Followers who have an emotional attachment to influencers are more likely to trust and be influenced by their recommendations (Hwang & Zhang, 2018). In this context, it was expected that K-Pop fanbases with strong parasocial relationships with their idols would influence purchase intentions for products, including local perfumes.

However, the results of this study indicate that while parasocial relationships do influence purchase intentions, the effect is not as strong as anticipated. This aligns with the research of Aw and Labrecque (2020), which found that, in the context of social media, parasocial relationships can reduce consumer skepticism toward persuasion tactics. However, this effect varies depending on the cultural context and the product being promoted (Aw & Labrecque, 2020). This study identifies that while the parasocial relationship between K-Pop fanbases and idols is significant, it is moderated by local factors, such as Indonesian audiences' tendency to be more critical of commercial content. This is especially relevant in light of advertising disclosure regulations that are becoming more stringent.

The study also highlights the role of regulatory context, as discussed in the study underscores the impact of technology on influencer marketing (Allal-Chérif et al., 2024). With increasing regulations requiring sponsor disclosure on platforms like Weibo, consumers are becoming more aware of the advertisements they encounter, which diminishes the effectiveness of persuasion by influencers. This trend is particularly relevant to Indonesia, where similar regulations are being introduced, potentially increasing audiences' persuasion knowledge, reducing their trust in persuasive tactics, and ultimately affecting their purchase intentions for products promoted by K-Pop idols.

Additionally, the results of this study align with the findings of Chang et al. (2023), which show that the influence of K-Pop fanbases extends beyond purchase intentions and can also impact the effectiveness of social messages, such as those in public health campaigns during the COVID-19 pandemic. In the Indonesian context, K-Pop fanbases may be more attuned to messages conveyed by their idols but remain critical of the commercial aspects of the content they consume. This study thus provides valuable insight into the complexity of parasocial relationships in digital marketing and consumer behavior, highlighting how local factors and regulations can moderate their impact.

Overall, while parasocial relationships show potential to influence purchase intentions, these findings emphasize the importance of considering local context and regulations that may affect the effectiveness of influencer marketing, both on social media platforms and in local product marketing campaigns such as perfumes.

CONCLUSION

This study aims to investigate the impact of persuasion knowledge and parasocial relationships on electronic purchase intention, physical purchase intention, and electronic word-of-mouth (eWOM) within the context of K-Pop fanbases in Indonesia. The findings reveal that persuasion knowledge has a positive effect on all three dependent variables—electronic purchase intention, physical purchase intention, and eWOM—contrary to the initial hypothesis that predicted a negative effect. Specifically, consumers with higher levels of persuasion knowledge are more likely to engage in online and offline purchases, as well as share information through eWOM. This suggests that consumers with greater understanding of marketing tactics do not automatically reject promotional content but instead use their knowledge to make more informed and confident purchase decisions.

Furthermore, parasocial relationships with K-Pop idols were found to have a significant and positive influence on all dependent variables, strengthening the emotional connection between consumers and digital celebrities in driving both purchase intentions and eWOM. However, the moderation effect of persuasion knowledge was mostly insignificant, except for the relationship between persuasion knowledge and physical purchase intention, where it showed a negative moderating effect.

The practical implications of these findings suggest that marketers leveraging K-Pop influencers or idols should consider the varying influence of parasocial relationships on purchase decisions and eWOM. While parasocial relationships can positively impact consumer behavior, their influence is not universal and may vary by individual or cultural context. Marketers should also focus on clear advertising disclosures and transparency to mitigate skepticism toward commercial content, which could enhance the effectiveness of marketing campaigns.

For future research, it would be valuable to explore further moderating factors of parasocial relationships, such as the emotional closeness between followers and idols, or the characteristics of the promoted product. Expanding the scope of the study to include other fanbases beyond K-Pop could also provide insights into whether similar effects are observed in other communities. Additionally, future studies could examine the role of new technologies, such as Al-powered virtual influencers, which may offer new perspectives on influencer marketing and its effectiveness across different consumer segments.

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