



## DIGITAL MARKETING STRATEGY INTEGRATION: AN ANALYSIS OF SOCIAL MEDIA MARKETING AND CONTENT MARKETING ON WILLINGNESS TO PAY A PREMIUM PRICE IN THE INDONESIAN E-SPORTS EQUIPMENT INDUSTRY

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Article info	ABSTRACT
<p><b>Corresponding Author:</b></p> <p>Shelvy Kurniawan  <a href="mailto:shelvy.kurniawan001@binus.ac.id">shelvy.kurniawan001@binus.ac.id</a>            Bina Nusantara University, Jakarta, Indonesia</p>	<p>This study aims to analyze the influence of Social Media Marketing and Content Marketing on Brand Awareness and its impact on Willingness to Pay a Premium Price among e-sports equipment consumers in Indonesia. The rapid growth of the e-sports industry requires companies to have effective digital marketing strategies to build strong brand value amidst market competition. The research method used is a quantitative approach. Data collection was carried out by distributing questionnaires to e-sports equipment consumers in Indonesia. The data analysis technique used is Structural Equation Modeling (SEM) based on Partial Least Square (PLS) with the help of SmartPLS 4.0 software. The results showed that: (1) Brand Awareness has a significant and positive effect on Willingness to Pay a Premium Price; (2) Content Marketing has a significant and positive effect on Brand Awareness; (3) Content Marketing has a significant and positive effect on Willingness to Pay a Premium Price; (4) Social Media Marketing has a significant and positive effect on Brand Awareness and (5) Social Media Marketing has a significant and positive effect on Willingness to Pay a Premium Price. These findings indicate that the use of the latest trends on social media and the provision of in-depth content regarding the technical specifications of e-sports equipment can create a top-of-mind position for consumers. This ultimately encourages consumers' willingness to pay a higher price even though there are competitor products with similar features. This study provides recommendations for marketing practitioners to focus on the relevance of digital content to maintain a competitive advantage in the premium market segment.</p> <p><b>Keywords:</b> <i>Social Media Marketing, Content Marketing, Brand Awareness, Willingness to Pay a Premium Price, E-sports Equipment</i></p>
<p>This article distributed under the terms of the Creative Commons Attribution-Share Alike 4.0 International License (<a href="https://creativecommons.org/licenses/by-sa/4.0/">https://creativecommons.org/licenses/by-sa/4.0/</a>)</p>	

### INTRODUCTION

The e-sports industry in Indonesia has transformed from a hobby into a major economic ecosystem, with revenues increasing significantly annually. This increase is accompanied by

high demand for professional-quality hardware. However, this rapid growth presents a strategic challenge for companies: product commoditization. In an already crowded market, many brands offer similar technical specifications, making it difficult for companies to justify high prices without an effective differentiation strategy.

From a strategic management perspective, companies need to manage intangible assets such as digital marketing capabilities to create a sustainable competitive advantage. Currently, the primary consumers of e-sports (Generation Z and Millennials) tend to experience ad fatigue and are skeptical of conventional, one-way advertising. Therefore, the synergy between interactive and community-based social media marketing, along with educational and informative content marketing, is a crucial instrument for building market position.

Although extensive research has been conducted on digital marketing, there remains a research gap regarding how the integration of interactive and informative strategies works specifically in high-tech industries such as e-sports equipment in Indonesia. This study aims to describe how digital capabilities build strong brand awareness. Deep brand awareness serves as a guarantee of quality, reducing consumers' perceived risk and justifying their willingness to pay a premium price (Willingness to Pay a Premium Price).

The purpose of this study is to analyze the influence of social media marketing and content marketing on brand awareness and their impact on Willingness to Pay a Premium Price. These findings are expected to contribute to the strategic management literature on managing digital information assets to win competition in the premium market.

Social media marketing is the spearhead of digital interaction between companies and consumers in the modern era. Social media marketing is a strategy that maximizes the use of social platforms to capture attention, motivate purchases, and strengthen brand identity through two-way interactions (Yoesoep Edhie Rachmad, 2022). According to Angelyn (2021), social media marketing is the process of building a brand's digital presence, aiming to create awareness and emotional connections with audiences through widely shared content. Social media marketing indicators include entertainment, interaction, trending, customization, and word-of-mouth (Frida Johansson, 2021). These indicators measure the extent to which social media platforms create entertaining experiences, facilitate two-way communication, and keep up with current trends to build relationships with e-sports consumers.

Content marketing focuses on providing valuable information to consumers rather than simply selling products directly. Content marketing is an approach that encompasses the process of creating and distributing information on web platforms and social networks. Any type of information available on the internet can be considered content marketing, from websites and social media profiles to blog articles and videos (Saputra et al., 2024). Content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain an audience (Wei et al., 2024). According to Artika et al., 2024, content marketing is a tactic for distributing information across various web platforms to effectively reach target audiences and create positive brand perceptions. Content marketing indicators include cognition, sharing motivation, persuasion, decision-making support, and life factors. These indicators focus on the quality of the information provided, the content's ability to logically convince consumers, and its role as a guide in the equipment purchasing decision-making process.

Brand awareness reflects the presence of a brand name in consumers' long-term memory. Brand awareness is the ability of a potential purchaser to recognize or recall a brand within a specific product category, as defined by Kotler (Sinta Kurnia Illahi, 2022). According to Wardhana (2024), brand awareness is the result of a brand's strategic position in the minds of consumers, which serves as a guarantee of quality and a risk reducer in the purchasing process. Brand awareness indicators include brand recall, brand recognition, purchase, and consumption, as described by Keller (Fitriani et al., 2023). This indicator measures the strength of a brand's imprint in consumers' memory, from the ability to recall the brand name without assistance to the frequency of consumer interaction with the brand.

Willingness to Pay a Premium Price measures the extent to which consumers value a brand over its functional value. Willingness to Pay a Premium Price is a consumer's willingness to pay more than similar products to gain the technological and prestige benefits of a brand (Wibowo & Putri, 2025). According to (Malarvizhi et al., 2022), Willingness to Pay a Premium Price is a manifestation of strong brand equity, where consumers are willing to pay more because of trust and loyalty to the brand. Indicators of Willingness to Pay a Premium Price include Price Tolerance, Premium Value Perception, Brand Loyalty Preference, and Social Status/Identity (Nazarenko & Saleh, 2024). This indicator evaluates consumers' tolerance for price increases and their willingness to pay more to obtain added value or technical quality not found in competing products.

## **METHOD**

This study employed a quantitative approach with an associative research design aimed at analyzing the interrelationships and relationships between latent variables. In terms of time, this study was cross-sectional, meaning data collection and analysis were conducted simultaneously over a specific period (Sugiyono, 2020). The study population included all consumers or users of e-sports equipment in Indonesia. The sampling technique used purposive sampling, a form of non-probability sampling, in which subjects were intentionally selected based on specific inclusion criteria (Rahman, 2023). The sample size was determined based on Hair's guidelines, which ranged from 5 to 10 times the total number of indicators used, thus targeting a minimum of 180 respondents (Hair et al., 2019).

Primary data was collected directly from respondents through questionnaires. The research instrument used a Likert scale to measure respondents' perceptions of the variables Social Media Marketing, Content Marketing, Brand Awareness, and Willingness to Pay a Premium Price (Sugiyono, 2020). In addition to primary data, this study also utilized secondary data collected through literature review from textbooks and scientific journals to strengthen the theoretical foundation (Jailani et al., 2024).

Data analysis was conducted using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method with the assistance of SmartPLS software (Zhang, 2022). The analysis procedure was divided into two stages: evaluation of the outer model (measurement model) and the inner model (structural model). Evaluation of the outer model included a convergent validity test using factor loading values and Average Variance Extracted (AVE), as well as a discriminant validity test using the Fornell-Larcker criterion. Instrument reliability was determined based on Composite Reliability and Cronbach's Alpha values. Furthermore, an inner model evaluation was conducted to assess predictive power through the coefficient of determination ( $R^2$ ) and the relative contribution of variables through effect

size (f2) (Jailani et al., 2024). Hypothesis testing was carried out through a bootstrapping procedure to evaluate the significance of the relationship between variables based on the T-statistics and P-value (Hair et al., 2019).

## RESULT AND DISCUSSION

Measurement Model Evaluation (Outer Model): Measurement model evaluation is conducted to ensure that each instrument used is reliable and valid in measuring its latent variables.

**Table 1 Summary of Validity and Reliability Test Results.**

Variable	Indicator	Loading Factor	Cronbach's Alpha	Composite Reliability	AVE
Social Media Marketing	SMM1 - SMM5	> 0.70	0.541	0.801	0.574
Content Marketing	CM1 - CM5	> 0.70	0.621	0.798	0.569
Brand Awareness	BA1 - BA4	> 0.70	0.854	0.813	0.685
Willingness To Pay a Premium Price	WPP1 - WPP4	> 0.70	0.537	0.812	0.684

An AVE value > 0.5 and a CR value > 0.7 indicate that the measurement model has excellent convergent validity and reliability (Hair et al., 2019). Although the Cronbach's Alpha values for all variables were below the threshold of 0.7, test results showed that the Composite Reliability (CR) values consistently exceeded 0.7. This confirms that the research instrument still has good reliability. The use of Composite Reliability as the primary parameter is highly recommended in the PLS-SEM method because it is considered more accurate and does not underestimate the internal reliability of a construct compared to Cronbach's Alpha.

Structural Model Evaluation (Inner Model): After the measurement model was validated, hypothesis testing was conducted using a bootstrapping procedure.

**Table 2 Hypothesis Testing Results**

Hypothesis	Correlation	Coeff (β)	T-Statistics	P-Values	Result
H1	BA → WPP	0.215	2.583	0	Accepted
H2	CM → BA	0.286	3.542	0.001	Accepted
H3	CM → WPP	0.312	3.831	0	Accepted
H4	SMM → BA	0.429	5.809	0	Accepted
H5	SMM → WPP	0.232	2.729	0.003	Accepted

Based on the data in Table 2, the test results indicate that all hypotheses (H1 to H5) in this study were accepted. This is evidenced by all P-values falling below the 0.05 significance level and T-statistics exceeding the threshold of 1.96. The data confirms that both social media marketing and content marketing have a positive and significant influence on the formation of brand awareness and willingness to pay a premium. The highest path

coefficient value was found for the relationship between social media marketing and brand awareness (5.809), indicating that social media interaction strategies are a key driver in building brand presence in the Indonesian e-sports industry.

Social media marketing has the most dominant influence on the formation of brand awareness. This demonstrates that in a high-tech industry like e-sports, a company's ability to manage digital interactions is a crucial dynamic capability. Social media marketing serves to build a brand's strategic position in the minds of consumers through trends and community engagement.

Content marketing has a more stable and powerful influence in driving willingness to pay a premium. This demonstrates that informative narratives and technical education can reduce information asymmetry (Wei et al., 2024). Consumers are willing to pay more not only because of brand-name popularity but also because of a deeper understanding of the product's technical qualities conveyed through the content.

Brand awareness has been shown to mediate the relationship between digital strategy and willingness to pay a premium. From a strategic management perspective, the synergy between interactive (social media marketing) and educational (content marketing) aspects creates a strong differentiation strategy. This success allows companies to emerge from price wars and achieve higher economic returns in the premium market segment.

## CONCLUSION

This research successfully demonstrates that in the Indonesian e-sports ecosystem, digital marketing strategies are not merely promotional tools, but strategic instruments for building competitive advantage. The main conclusions of this study are: (1) Social media marketing and content marketing have proven to play a crucial role in building brand awareness and encouraging consumers to pay premium prices (Willingness to Pay a Premium Price). (2) Social media marketing serves as a key driver in building brand presence interactively and emotionally (Hype), while content marketing serves as a rational, technical validation tool (Trust). (3) Strong brand awareness acts as a guarantee of quality for consumers. This allows companies to justify premium prices through the brand's strategic positioning that has become embedded in consumers' minds.

Managerial (Practical) recommendations for e-sports hardware companies include: (1) Companies must continuously monitor community trends on platforms like TikTok or Instagram to maintain brand relevance and interactivity. (2) To justify high prices, companies must provide in-depth educational content (such as video reviews of sensor specifications, latency, and durability) to provide consumers with a logical reason to choose premium products over competitors. Academic Recommendations (Further Research): Based on the limitations of this study, future researchers are advised to: (1) Given the conceptual overlap, future research could use more specific variables, such as Content Quality, rather than broad Content Marketing, to increase research reliability. (2) Because Willingness to Pay is psychological (intentional), it is recommended that future researchers use actual transaction data or experimental methods to minimize the potential for overclaiming by respondents. (3) Future research could focus on more specific equipment categories (for example, only the Pro-Gaming Mouse segment) to obtain more in-depth results for specific user groups.

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