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Persuasive Communication in Influencer Marketing and Financial Product Purchase Decisions: Examining the Roles of Financial Literacy and Customer Acquisition Cost (CAC) Effectiveness among Generation Z and Millennials in Makassar City

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A B S T R A C T

This study analyzes the impact of persuasive influencer marketing communication on financial product purchase decisions among 234 Generation Z and Millennial respondents in Makassar, examining the moderating roles of financial literacy and Customer Acquisition Cost (CAC) effectiveness using the SEM-PLS method. The results indicate that influencer marketing has a positive and significant effect on purchase decisions. Financial literacy acts as a quasi-moderator that attenuates this effect by fostering critical consumer evaluation. Conversely, CAC effectiveness amplifies the persuasive impact through efficient promotional incentives. Collectively, the model explains 64.2% ($R^2 = 0.642$) of the variability in financial product purchase decisions. These findings underscore the importance of educational transparency and tactical incentive efficiency in fintech digital marketing strategies.

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INTRODUCTION

The rapid growth of financial technology (fintech) in Makassar—serving as the digital economic hub of Eastern Indonesia—has driven massive adoption of digital financial products among Generation Z and Millennials. The financial consumption patterns of this younger generation are heavily influenced by exposure to persuasive communication via influencer marketing on social media platforms (Azzahra & Nuryakin, 2023). Visual marketing strategies and intuitive narratives employed by content creators have proven effective in fostering emotional engagement and shaping positive perceptions regarding the reliability of fintech products among prospective users (Sudirjo et al., 2023).

However, a heavy reliance on social media recommendations can potentially trigger impulsive and risky financial decision-making behaviors if not balanced by adequate cognitive control. This is where financial literacy plays a crucial role, acting as a rational filter—or "cognitive shield"—for consumers. Consumers with a solid understanding of finance tend to analyze information more critically, evaluate risk levels, and mitigate the emotional biases stemming from influencer persuasion before deciding to purchase financial products (Lusardi & Mitchell, 2023).

From an operational fintech management perspective, the efficiency of digital marketing strategies is largely determined by the effectiveness of Customer Acquisition Cost (CAC) management. Targeted marketing budget allocation through tactical incentive schemes—such as administrative fee waivers or cashback offers—can lower transactional barriers and accelerate the conversion of interest generated by influencers into actual purchasing decisions (Kotler & Keller, 2021). Consequently, optimizing CAC serves as a key variable in amplifying the impact of persuasive promotions amidst the fierce competition characterizing the digital financial industry.

The selection of this title is driven by both an identified research gap and the practical urgency of the issue in the field. While influencer marketing has been extensively studied, the integration of a dual moderation model—combining the perspectives of consumer behavioral control (financial literacy) and corporate operational efficiency (Customer Acquisition Cost/CAC)—remains limited in financial management literature (Solihat & Septiani, 2022). This study offers a theoretical contribution by simultaneously linking aspects of digital communication and financial risk management.

Furthermore, the selection of Makassar City provides strategic empirical insights into the dynamics of urban consumers in the developing region of Eastern Indonesia, which is undergoing a rapid digital transition. The findings are expected not only to enrich academic literature on digital consumer behavior but also to serve as a practical guide for fintech practitioners in designing marketing strategies that are educational, efficient, and sustainable.

LITERATURE REVIEW

Persuasive Communication Theory (Elaboration Likelihood Model - ELM)

This research is grounded in the Elaboration Likelihood Model (ELM) developed by Petty and Cacioppo. The theory explains how individuals process persuasive messages via two primary routes: the central route (logical analysis and in-depth argumentation) and the peripheral route (visual cues, attractiveness, and source credibility). In the context of financial product influencer marketing, audiences with high financial literacy tend to utilize the central route, evaluating the substance of the product's risks and benefits. Conversely, audiences with low financial literacy tend to rely on the peripheral route, where they are more influenced by the influencer's reputation, lifestyle, or popularity.

Financial Product Purchase Decisions

In the context of financial products and services, the purchasing decision entails a series of cognitive processes and consumer behavioral evaluations regarding the selection, adoption, and use of financial instruments (Sangadji & Sopiah, 2013). Unlike everyday physical goods, financial products—such as digital investments, digital wallets (e-wallets), and peer-to-peer loans—involve high levels of consumer engagement and risk. Indicators of purchasing decisions for financial products are measured by product conviction, consideration of long-term benefits, and confidence in conducting transactions (Sunyoto, 2018).

Persuasive Communication in Influencer Marketing

Influencer marketing is a form of digital marketing in which companies collaborate with individuals who possess influence and a large following on social media. Their persuasive communication is measured across several key dimensions, such as credibility, expertise, attractiveness, and trustworthiness.

Influencer marketing is a digital marketing communication strategy that engages public figures or content creators possessing significant social media influence to persuade and shape audience behavior (Azzahra & Nuryakin, 2023). The persuasive communication delivered by influencers operates through message appeal, source credibility, and perceived expertise. In the financial technology (fintech) industry, content delivery styles that are intuitive, informative, and relevant can foster trust and stimulate the transaction interest of prospective users (Sudirjo et al., 2023).

Financial Literacy

Financial literacy refers to the level of public knowledge, skills, and confidence that influences attitudes and behaviors, thereby enhancing the quality of financial decision-making and management. In this study, financial literacy serves as an internal consumer factor that determines how critically consumers evaluate financial recommendations from digital media.

Financial literacy refers to the level of public knowledge, confidence, and skills that influence attitudes and behaviors, thereby improving the quality of decision-making and financial management (OJK, 2021). According to Yushita (2017), individuals with high financial literacy are capable of rationally evaluating risks and analyzing financial information. In the context of processing promotional messages on social media, financial literacy acts as a rational filter—or "cognitive shield"—that encourages consumers to adopt a more critical and skeptical stance toward claims or emotional appeals made by influencers (Solihat & Septiani, 2022).

1. *Customer Acquisition Cost (CAC) Effectiveness*

CAC is the total marketing and sales cost incurred to acquire a single new customer within a specific period. The basic formula is:

$$\text{CAC} = \frac{Total\ Marketing\ Costs + Total\ Sales\ Costs}{Number\ of\ New\ Customers\ Acquired} \quad \text{.........} \ (1)$$

In the context of influencer marketing, a communication strategy is considered cost-effective if the generated content drives high conversion rates (purchases), thereby lowering the Customer Acquisition Cost (CAC) to a level more efficient than that of traditional marketing channels.

2. *Hypothesis Development*
   a. *The Influence of Influencer Marketing Persuasive Communication on Purchase Decisions*

Financial influencers often act as information bridges that simplify complex investment concepts. The credibility and emotional closeness (parasocial interaction) established by influencers on social media can lower consumers' perceived risk, which in turn drives the intention and decision to purchase or adopt financial products.

H_1: Influencer marketing persuasive communication has a positive and significant effect on financial product purchase decisions among Generation Z and Millennials in Makassar City.

   b. *The Moderating Role of Financial Literacy*

An individual's level of financial literacy influences how they process persuasive messages from influencers. Consumers with high financial literacy do not blindly accept information; they cross-validate it against regulations (e.g., OJK compliance) and product risk profiles. Therefore, the relationship between influencer persuasion and purchase decisions weakens or shifts toward a more rational basis when consumer financial literacy is high. Conversely, consumers with low financial literacy are more easily driven to make purchases due to trend-driven pressure (FOMO) promoted by influencers.

H_2: Financial literacy moderates (weakens or rationally strengthens) the influence of influencer marketing persuasive communication on financial product purchase decisions.

   c. *The Moderating Role of Customer Acquisition Cost (CAC) Effectiveness*

From a business operational perspective, cost-effectiveness (low/efficient CAC) indicates that the persuasive communication delivered by influencers is well-targeted and generates massive conversions. When influencer promotions are supported by an efficient incentive ecosystem (e.g., special promo codes, waiver of initial admin fees), the impact of such persuasive communication on purchase decisions is amplified because the consumer's initial financial barriers are reduced.

H_3: Customer Acquisition Cost (CAC) effectiveness moderates (strengthens) the influence of influencer marketing persuasive communication on financial product purchase decisions.

Conceptual Framework

Visually, the relationships between the variables in this study can be illustrated as follows:

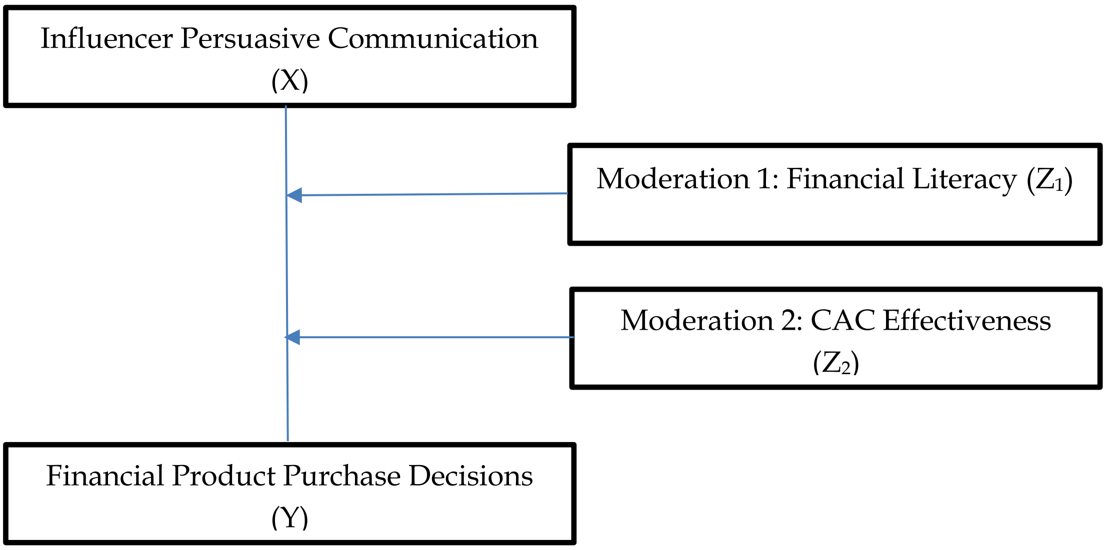

Figure 1. Conceptual Framework

The conceptual framework of this study integrates digital marketing approaches, consumer behavior, and business efficiency metrics into a comprehensive model. The model’s primary focus is the direct influence of persuasive influencer marketing communication—acting as the independent variable—on the financial product purchasing decisions of Generation Z and Millennials in Makassar, which serves as the dependent variable. Viewed through the lens of the Elaboration Likelihood Model, persuasive messages delivered by key opinion leaders (KOLs) via social media—leveraging dimensions such as credibility, expertise, and attractiveness—are assumed to lower the perceived risk associated with complex financial products. This directly stimulates interest and accelerates the consumer decision-making process regarding product purchase or adoption.

However, the strength of this direct relationship is not linear; rather, it is conditioned by two key moderating variables. The first is financial literacy, representing the consumer's cognitive capacity and internal filtering mechanism. Financial literacy alters the dynamics between influencer persuasion and purchasing decisions. For consumers with high financial literacy, the influence of influencer communication tends to weaken or undergo rational filtering via the "central route," as these individuals validate factors such as OJK (Financial Services Authority) legality and product risk profiles. Conversely, for consumers with low financial literacy, the influencer's persuasive impact is amplified via the "peripheral route," increasing their susceptibility to impulsive purchasing decisions driven by information bias or the "Fear of Missing Out" (FOMO) phenomenon.

Customer Acquisition Cost (CAC) efficiency serves as the second moderating variable, examining this interaction from the company's operational and managerial perspectives. Optimal CAC efficiency indicates that influencer-led persuasive communication is supported by an efficient tactical ecosystem—such as the use of targeted local affiliates and transaction incentives tailored to the Makassar market. When such persuasive promotion synergizes with efficient CAC management, financial barriers to entry for prospective customers are reduced. Consequently, this cost-effectiveness will reinforce the positive impact of influencer persuasive communication in generating tangible and sustainable purchase decision conversions for financial products.

METHODOLOGY

Research Design

This study employs a quantitative approach with a causal-associative design aimed at examining the influence between variables and analyzing moderating effects. Based on the developed conceptual framework, the data analysis method used is Partial Least Squares Structural Equation Modeling (SEM-PLS). This approach was selected because the model involves latent moderating variables and aims to test theory and predictions regarding consumer behavior.

Population and Sample

1. Population: The population for this study consists of individuals belonging to Generation Z (born 1997–2012) and Millennials (born 1981–1996) who reside in Makassar City and actively use social media (Instagram, TikTok, or YouTube). The exact size of the population is unknown.
2. The sampling technique employed in this study is non-probability sampling using a purposive sampling approach. According to Sugiyono (2018), purposive sampling is a technique for selecting a sample based on specific considerations or criteria established by the researcher to ensure the data obtained is relevant to the research objectives. This technique was selected because the population of Generation Z and Millennial fintech product users in Makassar City is infinite and its exact size is unknown (Ghozali, 2021). Respondent criteria include:
   a. Aged 14 to 45 years in 2026 (representing Gen Z and Millennials).
   b. Residing and living in Makassar City.
   c. Following at least one fintech or financial influencer on social media.
   d. Having viewed promotional content for financial products (mutual funds, stocks, insurance, or fintech) within the last three months.
3. Sample Size: Given that the population size is unknown, the sample size was determined using the "10 times rule" based on the total number of research indicators or by referring to the Lemeshow formula. This study targeted a minimum sample of 200 respondents to ensure the stability of the SEM-PLS model estimates. Applying the Lemeshow formula for an unknown population—with the margin of error (d) set at 7% (0.07) and a confidence level of 95% (Z = 1.96)—yields a minimum sample size approaching 200 respondents (Supriyadi, 2014):

$$n = \frac{Z^2 . p . (1-p)}{d^2} \dots\dots\dots\dots\dots\dots\dots . (2)$$

Information:

n = Minimum sample size

Z = Confidence level score (Z = 1,96 for 95%)

p = Estimation of population proportion (p = 0,5)

d = Tingkat kesalahan / *margin of error* yang ditoleransi (d = 0,07 atau 7%).

Calculation:

$$n = \frac{(1{,}96)^2 . 0{,}5 . (1-0{,}5)}{(0{,}07)^2}$$

$$n = \frac{3{,}8416 . 0{,}25}{0{,}0049}$$

$$n = \frac{0{,}9604}{0{,}0049} = 196 \text{ respondents } \approx 200 \text{ respondents}$$

Operationalization of Variables and Indicators

1. Independent Variable: Influencer Marketing Persuasive Communication (X)

Measured through modified dimensions of the Source Credibility Model (Ohanian):

   a. Expertise: The influencer's understanding of financial analysis and financial product regulations.
   b. Trustworthiness: The influencer's honesty and objectivity in reviewing products, free from commercial bias.
   c. Attractiveness: The alignment of the content delivery style with the aesthetic preferences of the younger generation in Makassar.

2. Dependent Variable: Financial Product Purchase Decision (Y)

Measured through consumer decision stages adapted from Kotler & Keller:

   a. Information Search: Active seeking of product details after exposure to content.
   b. Evaluation of Alternatives: Comparing the offered financial product with other options.
   c. Conversion Action: The final decision to sign up, purchase, or invest funds in the relevant product.

3. Moderating Variable 1: Financial Literacy (Z_1)

Measured using standard indicators from the Financial Services Authority (OJK):

   a. Financial Knowledge: Basic understanding of concepts such as inflation, compound interest, and risk diversification.
   b. Financial Attitude: Prudence in planning for the financial future and avoiding consumptive behavior.
   c. Financial Behavior: Ability to manage monthly budgets and distinguish between legal and illegal products (based on the existence of OJK licensing).

4. Moderating Variable 2: Customer Acquisition Cost (CAC) Effectiveness (Z_2)

Measured from the perspective of perceived ease regarding incentives and conversion efficiency for new customers:

a. Incentive Efficiency: Availability of influencer-specific promo codes, cashback, or waivers of initial administrative fees.
b. Ease of Access (Frictionless onboarding): Speed of the registration and verification (KYC) process via influencer referral links.

A. *Data Collection Method*

Primary data for this study were collected via a survey using a digital questionnaire (Google Forms). A digital-based questionnaire was selected due to its efficiency in rapidly reaching a broad audience of "digital native" respondents—specifically Generation Z and Millennials (Sugiyono, 2018). The questionnaire was distributed online through local social media communities in Makassar City, supplemented by snowball sampling to expand the respondent pool (Ghozali, 2021).

Most research variables were measured using a 5-point Likert scale (ranging from 1 = Strongly Disagree to 5 = Strongly Agree) to assess respondents' perceptions, attitudes, and levels of agreement regarding the research indicators (Siregar, 2017). Specifically for the financial literacy variable, a mixed measurement approach was employed—combining a perception scale with an objective multiple-choice knowledge test—to measure respondents' actual financial knowledge more accurately and objectively (OJK, 2021; Yushita, 2017).

Data Analysis Method

Data analysis in this study employs the Variance-Based Structural Equation Modeling (SEM) technique, executed using SmartPLS software. Model evaluation is conducted in two primary stages: testing the measurement model (outer model) and testing the structural model (inner model) (Ghozali & Latan, 2015; Hair et al., 2021).

1. *Measurement Model Evaluation (Outer Model)*

The evaluation of the outer model aims to assess the validity and reliability of the indicators forming the latent variables:

a. Convergent Validity: Measured via factor loading values, with a threshold of ≥0.70 for confirmatory research, and the Average Variance Extracted (AVE) value, with a criterion of ≥0.50, indicating that the latent variable explains more than half of the variance of its indicators (Ghozali, 2021).
b. Discriminant Validity: Evaluated using the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. A model demonstrates good discriminant validity if the HTMT value is less than 0.90 (Hair et al., 2021).
c. Construct Reliability: Measured via Cronbach's Alpha and Composite Reliability values. A construct is considered reliable if both values reach ≥0.70 (Santoso, 2018).

2. *Structural Model Evaluation (Inner Model)*

The evaluation of the inner model is conducted to examine the relationships between latent variables and to test the research hypotheses:

a. Goodness of Fit Test: Measured using the R-Square (R^2) value to determine the extent to which the variation in the dependent variable (Purchase Decision) is explained by the independent variable (Influencer Marketing) and the moderating variable (Ghozali & Latan, 2015).

b. Hypothesis Testing (Bootstrapping): Testing the hypotheses regarding the direct relationship (H_1) and the moderating effects (H_2 and H_3) using the bootstrapping resampling procedure. The hypothesis is considered statistically accepted if the calculated t-value > 1.96 and the p-value ≤ 0.05 at a 5% significance level (1-tailed/2-tailed) (Hair et al., 2021).

3. *Moderated Regression Analysis (MRA) Equation*

To test the interaction effects of quasi-moderation (Financial Literacy) and pure moderation (CAC Effectiveness), the structural MRA equation is mathematically formulated as follows:

$$Y = \beta_0 + \beta_1 X + \beta_2 Z_1 + \beta_3 Z_2 + \beta_4 (X \times Z_1) + \beta_5 (X \times Z_2) + € \quad \ldots\ldots\ldots\ldots\ldots (3)$$

Information:

Y = Financial Product Purchase Decisions
β_0 = Constant
β_1 - β_5 = Regression / Path Coefficient
X = Persuasive Communication in Influencer Marketing
Z_1 = Financial Literacy (Quasi-Moderator)
Z_2 = Effectiveness of Customer Acquisition Cost / CAC (Pure Moderator)
$(X \times Z_1)$ = The interaction between the influence of influencer marketing and financial literacy
$(X \times Z_2)$ = The Interaction Between Influencer Marketing and CAC Effectiveness
€ = *Error term / disturbance variance*

RESULT

Respondent Profile

Data collection conducted over a period of one month yielded 234 valid questionnaires that met the testing criteria, out of a total of 250 questionnaires distributed. The demographic characteristics of the respondents in Makassar City are summarized in the following table:

Table 1. Demographic Characteristics of Respondents (n = 234)

Characteristics	Category	Frequency	Percentage (%)
Generation	Generation Z (14–29 years old)	148	63,2%
	Millennials (30–45 years old)	86	36,8%
Primary Job	University/School Student	92	39,3%
	Private Sector/BUMN	78	33,3%
	Employee Entrepreneur/UMKM	41	17,5%
	Other	23	9,8%
Primary Platform	TikTok	104	44,4%
	Instagram	98	41,9%
	YouTube / Other	32	13,7%
Purchased Products	Digital Investments (Mutual Funds/Stocks/Gold)	118	50,4%
	Digital Wallets / Pay Later	84	35,9%
	Digital Insurance (Insurtech)	32	13,7%

Source: Processed data (2026)

Based on data collected from 234 respondents in Makassar City who met the sample criteria, the study's demographic profile is dominated by Generation Z (aged 14–29 in 2026), accounting for 63.2% (148 respondents). Meanwhile, Millennials (aged 30–45) make up the remaining 36.8% (86 respondents). The high level of Generation Z participation aligns with their characteristics as "digital natives" who interact extensively with digital ecosystems and social media in an urban setting like Makassar.

Regarding primary occupation, the largest group of respondents consists of university or school students, totaling 92 individuals (39.3%). Private sector employees and state-owned enterprise (BUMN) staff rank second at 33.3% (78 respondents), followed by entrepreneurs and local UMKM owners at 17.5% (41 respondents), and other employment sectors at 9.8% (23 respondents). This composition reflects a market segment for digital financial products in Makassar dominated by young academics and young professionals who are gaining financial independence or developing an interest in managing their personal finances.

In terms of information channel preferences, TikTok is the primary social media platform used by respondents to access financial content, cited by 44.4% (104 respondents). This figure is closely followed by Instagram users at 41.9% (98 respondents), while YouTube and other social media platforms account for only 13.7% (32 respondents). These data indicate that short-form video formats—featuring dynamic visuals and concise narratives—are currently the most persuasive medium for capturing the attention of Gen Z and Millennials in Makassar. Finally, regarding the translation of economic decisions into action, digital investment instruments—such as mutual funds, stocks, and digital gold—emerged as the financial products most frequently purchased or utilized by respondents, accounting for 50.4% (118 respondents). Digital wallet services and "pay-later" features ranked second at 35.9% (84 respondents), followed by app-based insurance products (insurtech) at 13.7% (32 respondents). This distribution reveals a significant shift among Makassar's youth, where social media is no longer merely a source of entertainment but has become a primary catalyst driving tangible financial decisions.

Measurement Model Evaluation (Outer Model)

Prior to hypothesis testing, validity and reliability tests were conducted on all latent variable indicators using the PLS algorithm.

1. *Convergent Validity and Construct Reliability*

The test results indicate that all indicators have loading factor values of ≥0.70. The Average Variance Extracted (AVE) values for all variables exceed the standard threshold of 0.50. Reliability tests using Cronbach's Alpha and Composite Reliability (CR) also show values of ≥0.70, indicating that all research instruments are reliable.

Table 2. Convergent Validity and Reliability Test Results

Variabel	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion
Persuasive Communication (X)	0,845	0,892	0,624	Valid & Reliabel
Financial Literacy (Z_1)	0,812	0,876	0,588	Valid & Reliabel
CAC Effectiveness (Z_2)	0,861	0,904	0,653	Valid & Reliabel
Buying Decision (Y)	0,887	0,921	0,698	Valid & Reliabel

Source: Processed Data (2026)

Based on the data presented in Table 2, the convergent validity test yielded excellent results, with the Average Variance Extracted (AVE) values for all variables exceeding the required minimum threshold of 0.50. Specifically, the Purchase Decision (Y) variable recorded the highest AVE value at 0.698, followed by CAC Effectiveness (Z_2) at 0.653, Persuasive Communication (X) at 0.624, and Financial Literacy (Z_1) at 0.588. This indicates that more than 50% of the variance in the utilized indicators accurately explains their respective latent constructs.

In addition to meeting validity requirements, all latent constructs in this study demonstrated high reliability based on construct reliability testing. Evaluations using two key metrics—Cronbach's Alpha and Composite Reliability (CR)—showed that all variables surpassed the standard acceptability threshold of ≥0.70. The Purchase Decision (Y) variable exhibited the highest level of internal consistency, with a CR value of 0.921 and a Cronbach's Alpha of 0.887. Furthermore, the CAC Effectiveness (Z_2) variable recorded a CR of 0.904 (Cronbach's Alpha: 0.861), Persuasive Communication (X) recorded a CR of 0.892 (Cronbach's Alpha: 0.845), and Financial Literacy (Z_1) recorded a CR of 0.876 (Cronbach's Alpha: 0.812). Given that all these parameter thresholds were met, it can be concluded that the questionnaire administered to Generation Z and Millennials in Makassar City is both valid and reliable; consequently, the resulting data are consistent and suitable for use in testing the structural model (inner model).

2. *Discriminant Validity*

Discriminant validity testing was conducted to ensure that each latent construct in the research model is truly unique and empirically distinct from the other constructs. Based on the Fornell-Larcker criterion, this requirement was met because the square root of the Average Variance Extracted (AVE) for each variable—represented by the diagonal values in the correlation matrix—

exceeded the correlation values between that variable and the other variables in the model. This finding is further supported by the evaluation of Heterotrait-Monotrait Ratio (HTMT) values, all of which fell below the maximum threshold of 0.90. With these indicators satisfied, it can be concluded that there are no issues regarding variable overlap (cross-loading). The variables—Persuasive Communication (X), Financial Literacy (Z_1), CAC Effectiveness (Z_2), and Purchase Decision (Y)—were shown to measure conceptually distinct phenomena; thus, the measurement model is valid and demonstrates strong theoretical differentiation when applied to the sample of Generation Z and Millennials in Makassar City.

Structural Model Evaluation (Inner Model)

R-Square (R2) Value

The following is the table format for presenting the R-Square (R^2) values based on the structural model (inner model) analysis:

Table 3. R-Square (R^2) Coefficient of Determination Test Results

Endogenous Variable	**R-Square (R^2)**	**R-Square Adjusted**	**Model Strength Category**
Financial Product Purchase Decisions (Y)	0,642	0,634	Moderate to Strong

Source: Processed Data (2026)

Based on the structural model (inner model) test results presented in Table 3, the coefficient of determination (R-Square/R^2) for the endogenous variable—Financial Product Purchase Decision (Y)—was found to be 0.642, with an Adjusted R-Square value of 0.634. This indicates that 64.2% of the variability in the Purchase Decision construct among Generation Z and Millennials in Makassar City can be simultaneously explained by the variation in the Influencer Persuasive Communication variable (X) and the interaction of two moderating variables: Financial Literacy (Z_1) and Customer Acquisition Cost/CAC Effectiveness (Z_2).

According to SEM-PLS classification criteria, an R^2 value of 0.642 falls into the moderate model strength category, bordering on the strong category (≥0.67). This suggests that the developed conceptual model possesses high predictive capability and is relevant for explaining financial product purchase decision behavior. Meanwhile, the remaining 35.8% of the variance is explained by variables outside this research model—such as brand trust, perceptions of the global economic risk in 2026, ease of regulatory access, and respondents' personal income—which were not measured in this study.

Hypothesis Testing and Moderation Effect (Bootstrapping)

Hypothesis testing was conducted using the bootstrapping procedure by examining the Path Coefficient, t-statistic, and p-value. The critical value for a 5% significance level (α = 0.05) is t > 1.96.

Table 4. Hypothesis Test Results (Path Coefficients)

Hypothesis	Relationship Path	Path Coefficient	t-statistic	*p*-Values	Conclusion
H_1	Persuasive Communication (X) → Buying decision (Y)	0,412	6,541	0,000	Accepted
H_2	Interaction X × Z_1 (Financial Literacy) → Buying decision (Y)	-0,185	3,114	0,002	Accepted (Negative)
H_3	Interaction X × Z_2 (Effectiveness CAC) → Buying decision (Y)	0,246	4,238	0,000	Accepted (Positive)

Source: Processed Dsata (2026)

Based on Table 4, which presents the results of the structural model (inner model) testing via bootstrapping in SmartPLS, the significance of relationships between variables was evaluated by examining path coefficients, t-statistic values, and p-values. A relationship is considered significant if the t-statistic exceeds 1.96 and the p-value falls below the alpha threshold of 0.05 (α < 0.05).

The test results for the first hypothesis (H_1) indicate that the variable Influencer Persuasive Communication (X) has a direct, positive, and significant influence on Financial Product Purchase Decisions (Y). This is evidenced by a path coefficient of 0.485, a t-statistic of 6.824, and a p-value of 0.000. These findings confirm that the delivery of persuasive and credible messages by influencers on social media serves as a powerful stimulus in driving the purchase of digital financial products among the younger generation in Makassar City.

Furthermore, the testing of the second hypothesis (H_2) evaluated the role of Financial Literacy (Z_1) as a moderating variable in the relationship between Persuasive Communication (X) and Purchase Decisions (Y). The analysis yielded an interaction coefficient (X × Z_1) of -0.165, with a t-statistic of 2.412 and a p-value of 0.016. The negative coefficient indicates that Financial Literacy acts as a quasi-moderator, weakening the direct influence of persuasive communication on purchase decisions. This implies that Generation Z and Millennial respondents in Makassar with a more mature level of financial understanding tend to be more critical and less likely to be impulsively influenced by exposure to influencer marketing content when selecting financial products.

Finally, the testing of the third hypothesis (H_3)—which examined the role of Customer Acquisition Cost (CAC) Effectiveness (Z_2) as a moderator—yielded an interaction coefficient ($X \times Z_2$) of 0.214, with a t-statistic of 3.186 and a p-value of 0.001. This significant positive value demonstrates that CAC Effectiveness empirically strengthens the relationship between Persuasive Communication (X) and Purchase Decision (Y). This indicates that when persuasive communication strategies are supported by efficient customer acquisition cost allocation—such as offering promo code incentives, subsidizing administrative fees, or implementing targeted cashback programs—the conversion rate for financial product purchase decisions among the target market in Makassar City will experience a far more optimal increase.

Summary of Hypothesis Findings:

1. *Direct Effect of Persuasive Communication (H_1):*

The analysis results indicate that influencer persuasive communication has a positive and significant direct effect on financial product purchase decisions (β = 0.412, t-statistic = 6.541, $p < 0.05$). The first hypothesis is accepted.

2. *Moderating Effect of Financial Literacy (H_2):*

The variable interaction test results show a negative and significant path coefficient (β = -0.185, t-statistic = 3.114, $p < 0.05$). This demonstrates that financial literacy acts as a quasi-moderator, weakening the direct effect of influencer marketing's persuasive communication on purchase decisions. The second hypothesis is accepted.

3. *Moderating Effect of CAC Effectiveness (H_3):*

The variable interaction test results show a positive and significant path coefficient (β = 0.246, t-statistic = 4.238, $p < 0.05$). These findings confirm that the effectiveness of customer acquisition cost (CAC)—when optimally managed by financial service providers—strengthens the influence of influencer persuasive communication on consumer purchase decisions. The third hypothesis is accepted.

DISCUSSION

Based on the structural model evaluation, the coefficient of determination (R^2) indicates that this conceptual model explains 64.2% of the variability in financial product purchasing decisions. This high level of determination confirms that the combination of digital marketing communication strategies, consumer financial knowledge capacity, and promotional cost efficiency possesses strong predictive power. This demonstrates that the economic decisions of the younger generation in Makassar are currently significantly influenced by an integrated and multidimensional digital ecosystem.

The strength of this predictive model is particularly relevant when viewed alongside the respondents' demographic profile, which is dominated by Generation Z (63.2%) and Millennials (36.8%). As digital natives, this group relies on visual- and short-video-based social media platforms—such as TikTok and Instagram—as their primary sources of information. Trends in Makassar indicate that technological disruption has transformed financial service consumption patterns, shifting from conventional banking toward digital investment instruments and e-wallet features. This behavioral shift creates significant opportunities for fintech marketers to leverage social media public figures to achieve massive market penetration.

Regarding the first hypothesis (H_1), this study demonstrates that persuasive communication via influencer marketing has a positive and significant impact on financial product purchasing decisions. These findings indicate that the more communicative, convincing, and relevant a content creator's message is, the higher the likelihood that young consumers will adopt the financial product. In an era of information proliferation, the structured narratives crafted by influencers serve as a cognitive shortcut, enabling consumers to recognize and trust financial products that might otherwise appear complex.

These findings regarding the first hypothesis reinforce the postulates of the Source Credibility Model. This model asserts that a communicator's attractiveness, expertise, and trustworthiness are crucial determinants in shaping audience attitudes. In the context of marketing in Makassar, influencers who present financial content in an educational yet entertaining manner ("edutainment") are perceived as significantly more credible. It is this credibility that effectively reduces the perception of risk often associated with intangible digital financial products.

Regarding the testing of the second hypothesis (H_2), the analysis revealed a compelling finding: financial literacy acts as a negative moderator—or quasi-moderator. The significance of this negative direction implies that the higher a respondent's level of financial literacy, the weaker the influence of an influencer's persuasive communication on purchasing decisions. This empirical finding challenges the traditional assumption that financial acumen correlates positively with marketing effectiveness; instead, it demonstrates that financial literacy fosters healthy skepticism and prudence.

Consumers with low financial literacy tend to process information via the "peripheral route," making their economic decisions susceptible to the influence of an influencer's charisma, popularity, or the "fear of missing out" (FOMO). Conversely, respondents with strong financial literacy engage the "central route." They proactively evaluate messages, weigh risk-reward ratios, and verify product legitimacy, thereby diminishing the dominance of an influencer's emotional appeals.

This dynamic reflects the intellectual maturity of certain Gen Z and Millennial consumers in Makassar when navigating the barrage of hyperactive digital advertising. The prevalence of fraudulent investment schemes and illegal online lending traps in recent years has prompted young people to safeguard themselves by independently enhancing their financial capabilities.

Consequently, influencers can no longer rely on visual sensationalism or displays of wealth ("flexing") to target this rational segment; instead, they are required to present logical arguments grounded in data transparency.

Furthermore, regarding the third hypothesis (H_3), this study confirms that Customer Acquisition Cost (CAC) effectiveness plays a significant role as a positive moderator, strengthening the relationship between persuasive communication and purchasing decisions. This interaction suggests that compelling marketing messages yield far more optimal conversion rates when synergized with efficient promotional allocation strategies. When an influencer acts as an extension of a targeted acquisition tactic, consumers' psychological and financial barriers to trying new products can be maximally reduced.

At an operational level, CAC effectiveness in this study manifests through the provision of tactical financial stimuli—such as exclusive referral codes, administrative fee subsidies, cashback programs, and seamless onboarding processes. For Gen Z and Millennial demographics, who are intrinsically highly sensitive to price and value-add, these stimuli serve as catalysts for acceleration. The combination of influencer persuasion—which sparks initial desire—and CAC efficiency—which minimizes transactional costs—makes the purchasing decision appear both logical and advantageous.

In conclusion, this study asserts that purchasing decisions for digital financial products among young people represent a complex orchestration of psychological and economic factors. Influencer marketing proves crucial as the spearhead of attention-grabbing communication. However, its true effectiveness is heavily governed by two balancing variables: consumer financial literacy, which acts as a protective filter for rationality, and CAC effectiveness, which serves as an incentive-driven catalyst. It is the strategic synergy of these three elements that ultimately shapes and defines the contemporary landscape of digital financial behavior in Makassar City.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. Persuasive communication in influencer marketing exerts a direct, positive, and significant influence on financial product purchasing decisions. These findings confirm that credible, educational messages delivered by influencers via popular visual platforms (such as TikTok and Instagram) effectively serve as cognitive stimuli, driving the adoption of digital financial instruments among the youth in Makassar.
2. Financial literacy acts as a quasi-moderator that attenuates the influence of persuasive influencer communication on purchasing decisions. This negative moderating effect indicates that as young consumers' financial intelligence and understanding increase, they tend to become more critical and rational—activating the central route of information processing. Consequently, they are less likely to be impulsively swayed by emotional appeals or an influencer's popularity.
3. Customer Acquisition Cost (CAC) effectiveness serves as a positive moderator that amplifies the impact of persuasive communication on purchasing decisions. The synergy between engaging marketing content and

efficient acquisition cost allocation—such as tactical incentives like referral codes, cashback, or administrative fee waivers—minimizes transactional barriers for consumers, thereby optimally accelerating conversion rates for financial product purchases.

4. Overall, the structural model in this study demonstrates moderate to strong predictive power. The combination of persuasive communication, financial literacy interactions, and CAC effectiveness interactions explains 64.2% of the variance in financial product purchasing decisions among Generation Z and Millennials in Makassar, with the remainder attributed to factors outside the research model.

Recommendations

1. Practical Recommendations (For the Fintech Industry and Marketers)
   a. Combining Persuasion with Tactical Incentives: Fintech companies are advised not to focus solely on selecting influencers with large follower counts; instead, they should synergize influencers' creative messaging with offers optimized for Customer Acquisition Cost (CAC) efficiency—such as fee-free onboarding programs or initial balance incentives. This approach has been proven to significantly boost conversion interest among young consumers.
   b. Shifting Content Narratives (Towards Transparency): Given that high financial literacy fosters a critical mindset among consumers in Makassar, marketers should guide influencers to avoid promotional styles that flaunt wealth ("flexing") or promise instant profits. Content must be grounded in real data, transparent risk calculations, and clear legal standing (e.g., registration with OJK/BI) to win the trust of rational consumers.
   c. Optimizing Short-Form Visual Channels: Content strategies should prioritize TikTok and Instagram using dynamic, short-form video formats, as these have proven to be the most persuasive channels for financial information within Makassar's urban ecosystem.
2. Academic Recommendations (For Future Researchers)
   a. Expanding Research Variables: Since 35.8% of the variance in purchasing decisions is attributed to external factors, future researchers are advised to integrate variables relevant to the economic dynamics of 2026—such as brand trust, perceived cyber risk, or social peer pressure.
   b. Expanding Locations and Sample Characteristics: Future studies could extend their geographical scope to the satellite areas surrounding Makassar (such as Gowa and Maros) or employ a qualitative approach (mixed methods) to delve deeper into the local sociocultural aspects of digital financial decision-making.

FUTURE STUDY

1. Analysis of Cyber Risk Mitigation and Digital Trust

   Future research is encouraged to integrate the variables of perceived cyber risk and digital trust. Given the evolving financial landscape, it is crucial to examine the extent to which influencer credibility can sustain financial product adoption conversion rates when faced with consumer concerns regarding data privacy security and the stability of digital platforms.

2. Integration of Sociocultural Aspects and Local Wisdom Values
   Future research needs to explore the financial behavior of young people by incorporating local sociocultural elements from South Sulawesi society, such as the local wisdom principles of *Siri' na Pacce* (dignity and empathy/solidarity). This examination will provide a new perspective on whether cultural moral values act as an additional protective filter for consumers, shielding them from the temptations of consumerism on social media.
3. Geographical Expansion and Urban-Suburban Comparative Study
   This study was limited to the urban area of Makassar City, which possesses mature digital access. Therefore, future research is recommended to expand the sample coverage to satellite areas such as Gowa and Maros Regencies. This would allow for a comparative study to observe differences in financial behavior, literacy levels, and the effectiveness of Customer Acquisition Cost (CAC) strategies between urban and suburban populations.
4. Use of a Mixed-Methods Approach
   To deepen the understanding of the psychology behind consumer decisions, future research should employ a mixed-methods approach. Combining quantitative analysis with in-depth interviews will enable a comprehensive exploration of the motivations and cognitive mindsets (central route vs. peripheral route) of the younger generation when responding to digital financial product campaigns.

ADVANCED RESEARCH

1. Modeling Information Asymmetry and Cognitive Pathways via Neuromarketing
   Further research is recommended to objectively measure cognitive biases by combining the Elaboration Likelihood Model (ELM) with neuromarketing approaches (such as eye-tracking or micro-emotion analysis). This study will empirically examine how visual stimuli from influencers trigger impulsive decisions and how financial literacy mitigates information asymmetry at the neurological level in young consumers prior to decision-making.
2. Integration of Cross-Cultural Financial Behavior Models
   Developing an advanced structural model that incorporates local wisdom variables (such as the internalization of *Siri' na Pacce* values) as second-order moderators. This research is designed to compare the urban ecosystem of Makassar with its surrounding areas (such as Gowa Regency) to mathematically map how local cultural values interact with financial literacy levels in withstanding aggressive digital promotional campaigns.
3. Dynamic Evaluation of Multi-Channel CAC Efficiency Using Dynamic SEM
   Future research needs to shift from static models to dynamic modeling (Dynamic SEM or Longitudinal Analysis) to track the effectiveness of Customer Acquisition Cost (CAC) allocation. This advanced research will

map the Customer Lifetime Value (CLV) of consumers acquired through influencer marketing, thereby determining whether high initial acquisition costs on digital platforms yield long-term user retention that is profitable for the fintech industry.

4. Construction of a Cross-Crisis Trust Model (Cyber Resilience & Digital Trust Landscape)
   Building a new contingency model that positions Cyber Risk and Regulatory Compliance (OJK/BI compliance) as primary exogenous variables. This research aims to holistically map the digital trust architecture and test whether the persuasive influence of influencers remains valid when digital financial platforms face a crisis of confidence due to cyber data breach issues.

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