

The Influence of Corporate Brand Halo and Political News Exposure on Investors' Stock Purchase Intention

Surianto*, Very Budyanto, Ahya Radiatul Kamila, Ongky Alex Sander, Francka Sakti Lee

Universitas Bunda Mulia, Indonesia

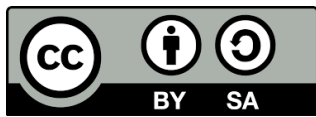
Email: suriantoacunk@gmail.com*, vbudiyanto@bundamulia.ac.id,
akamila@bundamulia.ac.id, osander@bundamulia.com, flee@bundamulia.ac.id

Keywords:

Corporate Brand Halo; News Exposure; Stock Purchase Intention; Heuristic Systematic Model

Abstract

Political uncertainty can shape investment decisions, while favorable perceptions of a corporation may influence how investors evaluate stocks amid political news coverage. This study examined the relationships between Corporate Brand Halo, Political News Exposure, and investors' stock purchase intention toward PT Industri Jamu dan Farmasi Sido Muncul Tbk during the August 2025 demonstrations in Indonesia. Guided by the Heuristic-Systematic Model (HSM), the study employed a quantitative explanatory design involving 200 respondents selected through purposive sampling. Data were collected using an online questionnaire based on a six-point Likert scale and analyzed using partial least squares structural equation modeling (PLS-SEM) in SmartPLS 4 with 5,000 bootstrap resamples. The results showed that Corporate Brand Halo was positively and statistically significantly associated with stock purchase intention ($\beta = 0.700$, $p < .001$), whereas Political News Exposure was not significantly associated with stock purchase intention ($\beta = -0.082$, $p = .111$). The model explained 44.3% of the variance in stock purchase intention. These findings suggest that favorable corporate brand perceptions were more strongly associated with investment interest than exposure to political news within the study sample. The study concludes that corporate brand perceptions are relevant to understanding investors' stock purchase intentions under conditions of political uncertainty, highlighting the importance of maintaining corporate credibility and consistent stakeholder communication. However, exposure to political news alone should not be interpreted as evidence of systematic information processing or as a direct determinant of stock purchase intention.



This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license.

Copyright © 2026 by Author. Published by STIE UniSadhuGunaUsage

INTRODUCTION

Political uncertainty has long been recognized as an external factor capable of influencing investor confidence and capital market behavior (Swoboda & Sinning, 2021; Tan et al., 2021; Gavrilidis et al., 2024). During periods of political instability, investors are continuously exposed to information disseminated through mass media, online news platforms, and social media, making political news an important communication stimulus that may shape perceptions of economic conditions and future market prospects. In Indonesia, the nationwide demonstrations in August 2025 attracted extensive media coverage and generated widespread public discussion concerning political stability, government legitimacy, and the national economic outlook. The intensity of political news surrounding these demonstrations created an

information-rich environment in which investors were required to interpret evolving political developments when making investment decisions.

Despite the prominence of political news during periods of uncertainty, investors do not necessarily respond uniformly. While negative political information may increase perceived investment risk, favorable perceptions of a company's corporate brand may simultaneously reinforce investor confidence. From a marketing communication perspective, corporate branding functions not merely as an expression of organizational identity but also as a strategic communication cue that may reduce perceived uncertainty and strengthen stakeholder confidence (Surianto et al., 2024; Kembau et al., 2026). Through consistent marketing communication, product quality, and corporate credibility, a strong corporate brand may provide investors with cognitive cues regarding organizational resilience when external conditions become uncertain (Swani et al., 2021; Nel et al., 2021).

Among publicly listed healthcare companies in Indonesia, PT Industri Jamu dan Farmasi Sido Muncul Tbk provides a relevant context for examining these relationships. The company has developed a prominent corporate brand through decades of integrated marketing communication, high product familiarity, and sustained public trust (Kembau et al., 2025). Consequently, during the political demonstrations of August 2025, investors evaluating Sido Muncul were potentially exposed to two distinct sources of information: political news concerning national uncertainty and favorable corporate brand perceptions accumulated through long-term marketing communication (Subandi & Yessica, 2023). This communication context makes Sido Muncul a relevant case for examining how external political information and firm-level corporate perceptions are associated with investors' stock purchase intentions (Fensi, 2022).

Previous studies have predominantly explained investment intention from financial perspectives, including expected returns, firm performance, perceived investment risk, and corporate social responsibility (Nel et al., 2021; Sheng et al., 2024). Meanwhile, marketing communication research has extensively demonstrated that corporate branding can influence consumer attitudes and behavioral intentions but has primarily focused on product purchase behavior rather than investment decisions (Swani et al., 2021). Furthermore, political communication studies have generally investigated the effects of political news on public opinion and political participation, with comparatively limited attention to its implications for investors' behavioral intentions (Shehata & Strömbäck, 2022; Van Aelst et al., 2023). Consequently, empirical evidence integrating Corporate Brand Halo and Political News Exposure within a single communication framework to explain Investors' Stock Purchase Intention remains limited, particularly under conditions of political uncertainty.

To address these empirical and theoretical gaps, this study adopts the Heuristic–Systematic Model (HSM) as its underlying theoretical framework. Although HSM has been extensively applied to explain information processing in advertising, online consumer behavior, electronic word-of-mouth, and digital marketing communication, its application to investment communication, particularly under conditions of political uncertainty, remains limited (Winarko & Susilo, 2024). This limitation suggests that the dual-process perspective offered by HSM has not been sufficiently examined in explaining how investors may respond to external political information and internal corporate communication cues when forming investment intentions. In this study, Corporate Brand Halo is conceptualized as a potential

heuristic cue through which favorable overall impressions of the company may influence investment-related judgments. Political News Exposure, by contrast, represents investors' exposure to political information that may provide input for more deliberate evaluation. However, exposure itself does not demonstrate systematic processing, which would require evidence that investors carefully evaluated the content and arguments presented in political news. Accordingly, HSM provides an interpretive framework for examining the relationships between these communication-related constructs and Investors' Stock Purchase Intention toward PT Industri Jamu dan Farmasi Sido Muncul Tbk. This study therefore integrates marketing communication and political communication perspectives within an HSM-informed framework to examine stock purchase intention under conditions of political uncertainty.

The changing global news environment makes this communication perspective increasingly relevant. The Reuters Institute's Digital News Report 2025, based on a survey of more than 97,000 online news consumers across 48 markets, describes a continuing shift toward social media and video platforms as sources of news. Within its Indonesian sample, 57% of respondents reported using social media for news, while 34% reported using TikTok for this purpose (Reuters Institute for the Study of Journalism, 2025). These figures demonstrate the substantial role of digital platforms in news consumption, although they should not be interpreted as estimates representing every segment of Indonesia's population. For investors who encounter political reporting alongside corporate communication, this environment creates opportunities for multiple information cues to inform investment judgments. However, the availability and frequency of news exposure do not necessarily establish its credibility, relevance, or influence on stock purchase intention.

Indonesia provides a relevant setting for examining these relationships because its expanding capital market has attracted a growing number of participants. The Financial Services Authority reported that the number of capital market investors reached 18.02 million at the end of August 2025, representing an increase of 3.15 million, or 21.18%, from the beginning of the year (OJK, 2025). This figure represents capital market investors broadly and should therefore be distinguished from the number of stock investors specifically. OJK also reported that the Jakarta Composite Index closed August at 7,830.49, representing a monthly increase of 4.63%. Together, these figures establish a context of increasing capital market participation and positive aggregate monthly performance. They also underscore the importance of examining investment intentions at the individual level because aggregate market growth does not reveal how individual participants evaluate political information alongside perceptions of particular companies.

Within this broader setting, the August 2025 demonstrations created a specific episode in which political developments and capital market concerns intersected. Reuters reported that on August 29, the Jakarta Composite Index fell by more than 2% during trading, while the Indonesian rupiah briefly weakened by almost 1% amid escalating unrest (Reuters, 2025). These movements illustrate the immediate market relevance of the political episode, even though the overall monthly index performance remained positive. Nevertheless, aggregate market reactions cannot establish whether exposure to demonstration-related news influenced an individual investor's intention to purchase a particular stock. The present study addresses this more focused issue by examining PT Industri Jamu dan Farmasi Sido Muncul Tbk. This

research context allows favorable perceptions of a corporate brand and exposure to political news to be considered simultaneously when explaining stock purchase intention.

Corporate Brand Halo offers a potential explanation for why investors may respond differently within the same political environment. In this study, the construct refers to the transfer of a favorable overall impression of a company to judgments concerning its stock and investment potential. Relevant evidence is provided by (Nel et al., 2021), who examined corporate identity, corporate social responsibility, and investment intention among 1,649 potential young investors in South Africa. Their findings showed that perceptions of corporate values and expertise predicted investment intention, demonstrating that corporate perceptions may be relevant beyond product purchasing. Nevertheless, corporate identity and Corporate Brand Halo represent distinct constructs. Whereas corporate identity concerns perceived organizational characteristics, the halo effect refers to the extension of an overall favorable evaluation to judgments about related attributes or outcomes. Examining this evaluative transfer in the context of Sido Muncul may therefore clarify how favorable corporate impressions are associated with investors' stated willingness to purchase its shares.

Other research indicates that investment intention also depends on financial expectations and individual characteristics. (Tsiaplias et al., 2023), studying Australian retail investors, found that buying and selling intentions were primarily associated with expectations regarding risk and returns, with greater sensitivity to these expectations for selling than for buying. Their findings suggest that investment intentions should not be treated as uniform responses to available information. Complementing this financial perspective, Tan et al. (2021) applied the Heuristic–Systematic Model to examine advertising cues, brand awareness, and consumer purchase intention. Their study considered message informativeness and persuasiveness alongside a heuristic cue related to the advertisement's poster category. These studies provide complementary foundations for the present investigation: investment research explains the relevance of financial judgments, while communication research provides a basis for understanding how different information cues may influence behavioral intentions. However, neither directly addresses how Corporate Brand Halo and Political News Exposure are associated with company-specific stock purchase intention during the Indonesian demonstration episode.

The resulting research gap concerns the integration of these perspectives within a clearly defined investment context. The reviewed studies have examined political uncertainty and market outcomes, corporate perceptions and investment intention, or heuristic and systematic cues in consumer communication. However, their findings cannot automatically be extended to the simultaneous relationships among Corporate Brand Halo, Political News Exposure, and Investors' Stock Purchase Intention toward Sido Muncul. Moreover, differences in the level of analysis are consequential: market price movements represent observed aggregate outcomes, whereas stock purchase intention reflects an individual's reported willingness to invest. This study therefore examines whether each communication-related construct is associated with stock purchase intention when both are incorporated into the same model. Its contribution lies in this contextual and conceptual integration rather than in claiming that corporate reputation or political information has not previously been investigated in investment research.

The Heuristic–Systematic Model provides a theoretical basis for interpreting this combination. (Chaiken, 1980) distinguishes heuristic processing, which relies on relatively

simple decision rules or cues, from systematic processing, which involves more detailed examination of message content and arguments. Applied to the present context, a favorable corporate impression may function as a heuristic cue through which investors infer that a reputable company represents an attractive investment opportunity. Political news may provide information for more deliberate assessments of the broader investment environment; however, exposure alone does not demonstrate that systematic processing has occurred. Frequency of news exposure, attention to news, and careful evaluation of message arguments are related but conceptually distinct phenomena. Accordingly, HSM serves as an interpretive framework for the proposed relationships rather than as evidence that Political News Exposure directly represents systematic processing. This distinction maintains theoretical coherence and avoids treating a measure of news exposure as direct evidence of an underlying cognitive processing mechanism.

The urgency of this investigation arises from the combination of expanding capital market participation, widespread digital news consumption, and an episode of politically associated market turbulence. Understanding how corporate perceptions and political news exposure are associated with investment intention may help explain why individuals respond differently within the same information environment. The proposed novelty of this study lies in examining Corporate Brand Halo alongside event-specific Political News Exposure within a single model of stock purchase intention toward an Indonesian publicly listed company. In doing so, the study brings corporate communication and political communication into a shared investment context while maintaining a conceptual distinction between firm-level impressions and broader political information. The study does not assume that favorable corporate branding protects investors from political risk or that exposure to political news necessarily discourages investment; rather, these relationships require empirical examination.

Accordingly, this study aims to examine the relationships between Corporate Brand Halo, Political News Exposure, and Investors' Stock Purchase Intention toward PT Industri Jamu dan Farmasi Sido Muncul Tbk in the context of the August 2025 demonstrations. Specifically, it seeks to estimate the relationship of each construct with stock purchase intention, compare their explanatory contributions, and assess the proportion of variance in purchase intention explained by the proposed model using survey data from 200 respondents and partial least squares structural equation modeling (PLS-SEM). The expected academic contribution lies in providing empirical evidence connecting corporate perceptions and political information exposure within an HSM-informed investment framework. From a practical perspective, the findings may inform corporate and investor communication by identifying which measured factors are associated with investment interest. They may also support financial education that encourages investors to consider both corporate perceptions and relevant evidence when evaluating investments, while recognizing that stated stock purchase intention does not necessarily translate into actual trading behavior.

METHOD

This study employed a quantitative explanatory research design to examine the relationships between Corporate Brand Halo, Political News Exposure, and Investors' Stock Purchase Intention toward PT Industri Jamu dan Farmasi Sido Muncul Tbk. The proposed

conceptual model was tested using partial least squares structural equation modeling (PLS-SEM) with SmartPLS 4 (Hair et al., 2022).

The target population comprised Indonesian retail investors and prospective investors who had basic knowledge of stock investment and were familiar with PT Industri Jamu dan Farmasi Sido Muncul Tbk as a publicly listed company. Respondents were selected through purposive sampling based on four criteria: (1) being at least 18 years old; (2) being familiar with PT Industri Jamu dan Farmasi Sido Muncul Tbk; (3) having been exposed to political news related to the August 2025 demonstrations through mass media, online news platforms, or social media; and (4) having an interest in stock investment. A total of 200 valid responses were collected through an online questionnaire. Participation was voluntary, electronic informed consent was obtained before questionnaire completion, responses were collected anonymously, and only complete questionnaires were included in the final analysis.

All constructs were measured using multi-item scales adapted from previous studies. Corporate Brand Halo was adapted from research on corporate branding and stakeholder perceptions (Swani et al., 2021; Nel et al., 2021), Political News Exposure was adapted from the political communication and news exposure literature (Fletcher & Nielsen, 2021); Shehata & Strömbäck, 2022), and Investors' Stock Purchase Intention was adapted from previous investment intention research (Sheng et al., 2024). All items were measured using a six-point Likert scale ranging from 1 (strongly disagree) to 6 (strongly agree).

Data analysis followed the two-stage PLS-SEM procedure recommended by (Hair et al., 2022). The measurement model was assessed using indicator reliability, Cronbach's alpha, composite reliability, average variance extracted (AVE), and the heterotrait-monotrait ratio (HTMT) to evaluate construct reliability, convergent validity, and discriminant validity. The structural model was subsequently evaluated using collinearity diagnostics, path coefficients, the coefficient of determination (R^2), effect sizes (f^2), predictive relevance (Q^2), and bootstrapping with 5,000 resamples for hypothesis testing. Because the constructs were measured using a single self-administered questionnaire, potential common method bias (CMB) was assessed using the full collinearity variance inflation factor (VIF) approach (Kock, 2015).

RESULTS AND DISCUSSION

Respondent profile

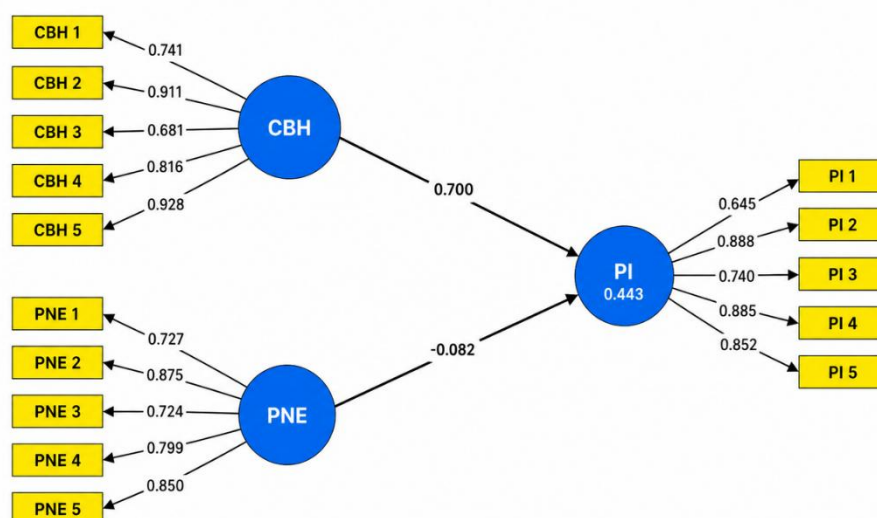
Table 1. Respondent Demographic Profile

Profile		Frequency	Percentage
Sex	Male	78	39.0
	Female	122	61.0
	Total	200	100.0
Age	17-22	88	44.0
	23-28	46	23.0
	29-34	33	16.5
	35-40	16	8.0
	41-46	7	3.5

	Profile	Frequency	Percentage
Occupational Status	47-52	7	3.5
	More than 52	3	1.5
	Total	200	100.0
	Employed	135	67.5
	Self-Employed	29	14.5
	Unemployed	36	18.0
	Total	200	100.0
Marital Status	Unmarried	160	80.0
	Married	40	20.0
	Total	200	100.0

Table 1 presents the demographic characteristics of the respondents. Of the 200 participants, females constituted the majority (61.0%), while males accounted for 39.0%. Most respondents were between 17–22 years old (44.0%), followed by those aged 23–28 years (23.0%), indicating that the sample was predominantly composed of young adults. Regarding employment status, 67.5% of respondents were employed, 18.0% were unemployed, and 14.5% were self-employed. In terms of marital status, the majority of respondents were unmarried (80.0%), whereas 20.0% were married. Overall, the respondent profile reflects a relatively young and economically active population, representing potential retail investors who are frequently exposed to corporate information and socio-political news through digital media.

Measurement Model and Hypothesis Testing



Note: CBH = Corporate Brand Halo Effect; PNE = Political News Exposure; PI = Stock Purchase Intention.

Figure 1. Final Measurement Model of Research.

Source: Developed by authors (2026)

As shown in Figure 1, the measurement model was evaluated by examining indicator reliability, internal consistency reliability, convergent validity, discriminant validity, and

collinearity. Indicator reliability was assessed using outer loadings, where all measurement items showed statistically significant loadings ($p < 0.001$).

Table 2. Measurement Model Assessment.

	Constructs	Factor Loadings	CR	AVE	Cronbach's Alpha
	Corporate-Brand Halo		0.911	0.674	0.874
CBH1	XYZ's positive reputation leads me to view its stock favorably.	0.741			
CBH2	Because XYZ is a reputable company, I expect its stock to perform well.	0.911			
CBH3	My positive impression of XYZ influences how I evaluate its investment potential.	0.681			
CBH4	I believe XYZ's strong corporate image reflects the quality of its stock.	0.816			
CBH5	I rely on XYZ's corporate reputation when evaluating its stock.	0.928			
	Political News Exposure		0.897	0.636	0.857
PNE1	I frequently follow news about August 2025 demonstration in Jakarta.	0.727			
PNE2	I receive political news from various media sources.	0.875			
PNE3	I pay attention to political news related to the economy.	0.724			
PNE4	I regularly monitor political events that may affect the stock market.	0.799			
PNE5	Political news influences my assessment of investment conditions.	0.850			
	Stock Purchase Intention		0.903	0.652	0.863
PI1	I intend to buy XYZ stock.	0.645			
PI2	I would consider investing in XYZ stock.	0.888			
PI3	I am likely to purchase XYZ stock in the future.	0.740			
PI4	I plan to invest in XYZ stock when possible.	0.885			
PI5	I would prioritize XYZ over similar stocks.	0.852			

Table 2 presents the results of the measurement model assessment. All indicator loadings ranged from 0.645 to 0.928, exceeding the recommended threshold of 0.60, indicating satisfactory indicator reliability. According to (Hair et al., 2022), indicator loadings above 0.60 are considered acceptable for exploratory and applied PLS-SEM research, demonstrating that each observed variable adequately represents its corresponding latent construct. Furthermore, the constructs demonstrated strong internal consistency, with Cronbach's alpha values ranging from 0.857 to 0.874 and Composite Reliability values between 0.897 and 0.911, all exceeding the recommended threshold of 0.70. These results confirm satisfactory internal consistency reliability, indicating that the measurement items consistently capture their underlying constructs (Hair et al., 2022). Convergent validity was subsequently assessed using the Average Variance Extracted (AVE), with values ranging from 0.636 to 0.674, all above the recommended threshold of 0.50. This finding indicates that each construct explains more than half of the variance of its indicators, thereby demonstrating adequate convergent validity (Hair et al., 2022).

Discriminant validity was evaluated using the Heterotrait–Monotrait Ratio (HTMT), and the results demonstrated satisfactory construct distinctiveness. The HTMT values ranged from 0.275 to 0.760, all of which remained below the recommended threshold of 0.85, indicating

that each latent construct measured a concept that was empirically distinct from the others (Henseler et al., 2015); Hair et al., 2022). These findings confirm that Corporate Brand Halo, Political News Exposure, and Purchase Intention captured separate conceptual domains without excessive overlap. Furthermore, collinearity diagnostics were assessed by examining the Variance Inflation Factor (VIF). The outer VIF values ranged from 1.430 to 4.960, while the inner VIF values for both structural relationships were 1.270. Since all VIF values were well below the recommended cutoff value of 5.0, multicollinearity was not considered a concern in either the measurement model or the structural model (Hair et al., 2022; Kock, 2015). Collectively, these findings indicate that the proposed measurement model satisfies the recommended criteria for indicator reliability, internal consistency reliability, convergent validity, discriminant validity, and collinearity assessment, thereby supporting its suitability for subsequent structural model evaluation.

Table 3. Hypothesis Testing

Hypothesis	Relations	β	f^2	t	p	95%CI	Decision
H1	CBH $\rightarrow$ PI	0.700	0.692	11.695	<0.001	[0.565, 0.803]	Supported
H2	PNE $\rightarrow$ PI	-0.082	0.010	1.595	0.111	[-0.167, 0.034]	Not supported

Structural Model Quality: $R^2 = 0.443$; Adjusted $R^2 = 0.438$

Table 3 presents the results of the structural model hypothesis testing using the bootstrapping procedure. The findings indicate that Corporate Brand Halo (CBH) has a positive and statistically significant effect on Purchase Intention (PI) ($\beta = 0.700$, $t = 11.695$, $p < 0.001$), thereby supporting H1. The standardized path coefficient demonstrates a strong positive relationship, indicating that a stronger halo effect associated with a corporate brand substantially increases consumers' intention to purchase the company's stock. This finding is further reinforced by the large effect size ($f^2 = 0.692$), suggesting that Corporate Brand Halo makes a substantial contribution to explaining variations in Purchase Intention. Moreover, the 95% confidence interval ([0.565, 0.803]) does not include zero, confirming the robustness and stability of the estimated relationship.

In contrast, Political News Exposure (PNE) does not exhibit a statistically significant influence on Purchase Intention ($\beta = -0.082$, $t = 1.595$, $p = 0.111$). Consequently, H2 is not supported. Although the estimated coefficient is negative, the magnitude of the relationship is very small, as reflected by the effect size ($f^2 = 0.010$), which indicates a negligible practical impact. Furthermore, the 95% confidence interval ([-0.167, 0.034]) crosses zero, suggesting that the effect is statistically indistinguishable from zero. These findings imply that exposure to political news alone is insufficient to directly influence investors' purchase intentions in the context of this study.

The structural model explained 44.3% of the variance in Investors' Stock Purchase Intention ($R^2 = 0.443$; Adjusted $R^2 = 0.438$), indicating a moderate explanatory power according to the criteria proposed by (Hair et al., 2022). Collectively, these findings support H3, indicating that Corporate Brand Halo and Political News Exposure jointly explain a significant proportion of the variance in Investors' Stock Purchase Intention ($R^2 = 0.443$), although only Corporate Brand Halo demonstrates a statistically significant individual effect. This result suggests that Corporate Brand Halo and Political News Exposure jointly account

for nearly half of the variation in investors' purchase intentions, while the remaining variance may be explained by other factors outside the proposed model.

Overall, the structural model reveals that Corporate Brand Halo is the primary determinant of Purchase Intention, whereas Political News Exposure does not exert a meaningful direct effect. The results suggest that investors are more likely to rely on favorable corporate brand perceptions than on political news exposure when forming intentions to purchase stocks. These findings provide empirical support for the heuristic decision-making perspective, indicating that positive corporate reputation functions as a salient cognitive cue in investment decision processes, even in environments characterized by political information exposure.

The findings demonstrate that Corporate Brand Halo exerts a strong positive influence on Investors' Stock Purchase Intention, thereby supporting H1. This result suggests that investors tend to rely on favorable corporate perceptions when evaluating investment opportunities, particularly under conditions characterized by heightened uncertainty. Rather than conducting exhaustive evaluations of all available financial and environmental information, investors appear to use corporate reputation as a cognitive shortcut that simplifies decision-making. Within the perspective of the Heuristic–Systematic Model (HSM), Corporate Brand Halo functions as a heuristic cue that enables investors to infer organizational quality, credibility, and future performance based on accumulated corporate reputation. Consequently, favorable corporate branding reduces perceived uncertainty and strengthens confidence in investment decisions. This finding extends previous studies emphasizing the role of corporate identity and corporate reputation in influencing investment intention (Nel et al., 2021; Nielsen et al., 2023, while demonstrating that the halo effect remains influential even when investors are simultaneously exposed to politically uncertain environments.

The substantial effect size ($f^2 = 0.692$) further indicates that Corporate Brand Halo is not merely statistically significant but also represents the dominant explanatory factor within the proposed model. This finding reinforces the argument that long-term corporate communication creates reputational assets capable of influencing stakeholders beyond traditional consumer markets. Consistent marketing communication, strong product credibility, and sustained public trust appear to generate favorable cognitive evaluations that investors subsequently transfer to stock-related judgments. Accordingly, corporate branding should be viewed not only as a marketing strategy aimed at consumers but also as an important strategic communication resource capable of influencing capital market perceptions.

Conversely, Political News Exposure does not significantly influence Investors' Stock Purchase Intention, leading to the rejection of H2. Although political demonstrations generated intensive media coverage and increased public attention toward political stability, the findings indicate that exposure to political information alone was insufficient to directly alter investors' purchase intentions toward PT Industri Jamu dan Farmasi Sido Muncul Tbk. One possible explanation is that investors differentiate between macro-level political events and firm-specific characteristics when evaluating investment opportunities. Rather than reacting automatically to political news, respondents may perceive Sido Muncul as a fundamentally stable company whose long-established reputation mitigates concerns arising from temporary political disturbances. Consequently, favorable firm-level perceptions appear to outweigh external political information in shaping investment decisions.

From the perspective of the Heuristic–Systematic Model, these findings provide an interesting theoretical implication. HSM proposes that heuristic and systematic processing may operate simultaneously, yet one processing route can become more influential depending on contextual conditions and the diagnostic value of available information. In this study, Corporate Brand Halo represented a highly diagnostic heuristic cue because respondents possessed well-established perceptions regarding Sido Muncul's credibility and reputation. By contrast, Political News Exposure provided broad macroeconomic information that may have been perceived as less directly relevant to evaluating the specific investment attractiveness of an individual company. Consequently, heuristic processing became the dominant cognitive mechanism, while systematic processing through political information contributed only marginally to investment intention.

These findings extend the application of the Heuristic–Systematic Model beyond its traditional domains of advertising, online consumer behavior, and digital marketing communication. Previous HSM studies have primarily examined consumers' evaluations of products, brands, online reviews, or advertising messages (Tan et al., 2021; So & Liu, 2023). The present study demonstrates that the dual-processing mechanism proposed by HSM also explains investors' behavioral intentions in capital markets. More importantly, the findings suggest that heuristic communication cues originating from corporate branding may exert greater influence than systematic processing of political information when investors evaluate publicly listed companies under conditions of political uncertainty. This represents an important theoretical contribution by integrating marketing communication and behavioral finance within a unified communication framework.

From a managerial perspective, the findings emphasize that publicly listed companies should invest consistently in long-term corporate branding, reputation management, and stakeholder communication rather than focusing exclusively on short-term financial communication. A favorable corporate reputation appears capable of functioning as a strategic buffer that maintains investor confidence even when external political conditions become uncertain. Consequently, integrated corporate communication strategies, including corporate social responsibility, transparent corporate disclosure, product quality consistency, and sustained stakeholder engagement, may strengthen investor confidence and contribute to greater market resilience during periods of political instability.

Nevertheless, several limitations should be acknowledged. First, this study focuses exclusively on PT Industri Jamu dan Farmasi Sido Muncul Tbk, limiting the generalizability of the findings to other industries with different corporate reputation profiles. Second, the proposed model explains 44.3% of the variance in Investors' Stock Purchase Intention, suggesting that additional determinants remain unexplored. Future studies are encouraged to incorporate variables such as financial literacy, perceived investment risk, investor experience, financial performance, media credibility, corporate transparency, or investor sentiment to develop a more comprehensive understanding of investment decision-making under political uncertainty. Furthermore, comparative studies across different industries or political contexts would provide deeper insights into whether Corporate Brand Halo consistently dominates systematic political information processing across various investment environments.

CONCLUSION

This study examined the relationships between Corporate Brand Halo, Political News Exposure, and Investors' Stock Purchase Intention toward PT Industri Jamu dan Farmasi Sido Muncul Tbk. The findings indicated that Corporate Brand Halo was positively and statistically significantly associated with stock purchase intention, whereas Political News Exposure did not exhibit a statistically significant direct relationship with stock purchase intention. These results suggest that favorable corporate perceptions were more strongly associated with investors' stock purchase intentions than exposure to political news within the study sample. However, the nonsignificant relationship between Political News Exposure and stock purchase intention should not be interpreted as evidence that political information is irrelevant to investment decision-making, as news exposure does not necessarily reflect the extent to which investors attended to, evaluated, or systematically processed political information.

This study contributes to the literature by extending the application of the Heuristic–Systematic Model (HSM) to the context of investment decision-making and by demonstrating that Corporate Brand Halo may function as an important heuristic cue in investors' evaluations of publicly listed companies. From a practical perspective, the findings suggest that companies should maintain long-term corporate credibility, consistent branding, and effective stakeholder communication to support investor confidence, particularly during periods of political uncertainty. Overall, Corporate Brand Halo demonstrated a stronger relationship with stock purchase intention than Political News Exposure in the proposed model, highlighting the relevance of favorable corporate perceptions while maintaining a conceptual distinction between exposure to political news and systematic information processing.

REFERENCES

- Chaiken, S. (1980). Heuristic versus systematic information processing and the use of source versus message cues in persuasion. *Journal of Personality and Social Psychology*, 39(5), 752–766. <https://doi.org/10.1037/0022-3514.39.5.752>
- Fensi, F. (2022). Memahami Media sebagai Alat Komodifikasi Audiens. *Journal of Community Services: Sustainability and Empowerment*, 2(01).
- Fletcher, R., & Nielsen, R. K. (2021). Are people incidentally exposed to news on social media? A comparative analysis. *New Media & Society*, 23(9), 2450–2468. <https://doi.org/10.1177/1461444820915354>
- Gavriilidis, K., Kallinterakis, V., & Montone, M. (2024). Political uncertainty and institutional herding. *Journal of Corporate Finance*, 88, 102627. <https://doi.org/10.1016/j.jcorpfin.2024.102627>
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (3rd ed.). Sage Publications.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Kembau, A. S., Mandey, N. H. J., Tampinongkol, F. F., & Makarawung, R. J. N. (2025). Why Do Indonesian Users Remain Loyal to Digital Subscriptions? Examining Endowment Effect, Commitment Bias, Hedonic Motivation, and Switching Costs. *Asian Journal of Logistics Management*, 4(1), 31–50.
- Kembau, A. S., Putra, I. G. W. S. C., Tampinongkol, F. F., Kumaat, A. P., Sutrisno, J., & Wardhana, A. (2026). AI-Generated Marketing Content and Consumer Trust:

- Examining the Role of AI Disclosure. In *2026 International Conference on Current Research in Artificial Intelligence and Data Science (ICCRAIDS)* (Vol. 1, pp. 1–6). IEEE.
- Kock, N. (2015). Common method bias in PLS-SEM: A full collinearity assessment approach. *International Journal of E-Collaboration*, 11(4), 1–10.
<https://doi.org/10.4018/IJEC.2015100101>
- Nel, K., Erasmus, P. D., & Mans-Kemp, N. (2021). The effect of perceptions of corporate identity and corporate social responsibility practices on investment intention. *Journal of Economic and Financial Sciences*, 14(1), a657.
<https://doi.org/10.4102/jef.v14i1.657>
- Nielsen, A., Gudergan, S., & Lings, I. (2023). The primacy of corporate brand trust for new market entrants. *Journal of Product & Brand Management*, 32(1), 79–92.
<https://doi.org/10.1108/JPBM-05-2021-3457>
- Shehata, A., & Strömbäck, J. (2022). Learning political news from social media: Network media logic and current affairs learning. *Political Communication*, 39(5), 586–609.
<https://doi.org/10.1080/10584609.2022.2032279>
- Sheng, X., Zhang, Y., & Li, Y. (2024). Investor characteristics, intention toward socially responsible investment (SRI), and SRI behavior in Chinese stock market: The moderating role of risk propensity. *Heliyon*, 10, e34230.
<https://doi.org/10.1016/j.heliyon.2024.e34230>
- Subandi, Z. E., & Yessica, L. (2023). Pengaruh Intensitas Menonton dan Pesan Kampanye Lingkungan Terhadap Perubahan Sikap (Studi Eksplanatif Followers@ Kolling1622). *IKRAITH-EKONOMIKA*, 6(2), 399–406.
- Surianto, S., Yulita, H., Wijaya, B., & Ibrahim, A. A. (2024). Social media marketing and product quality on purchase intention of all-you-can-eat restaurant. *Jurnal E-Bis*, 8(2), 466–478.
- Swani, K., Milne, G. R., & Miller, E. G. (2021). Social media services branding: The use of corporate brand names. *Journal of Business Research*, 125, 785–797.
<https://doi.org/10.1016/j.jbusres.2019.04.033>
- Swoboda, B., & Sinning, C. (2021). Endorsement of Global Product Brands by Global Corporate Brands: A Consumer Perspective Across Nations. *Management International Review*, 61, 563–598. <https://doi.org/10.1007/s11575-021-00450-1>
- Tan, G. W.-H., Ooi, K.-B., Leong, L.-Y., & Lin, B. (2021). Predicting the drivers of behavioral intention to use mobile learning: A hybrid SEM–neural network approach based on the Heuristic-Systematic Model. *Education and Information Technologies*, 26, 1741–1766. <https://doi.org/10.1007/s10639-020-10379-5>
- Tsiaplias, S., Zeng, Q., & Lim, G. C. (2023). Retail investor trading intentions: New evidence from Australia. *Economic Record*, 99, 512–535. <https://doi.org/10.1111/1475-4932.12752>
- Winarko, H. B., & Susilo, D. (2024). Media consumption behaviours and health impacts of video-on-demand services in Indonesia. *Jurnal Studi Komunikasi*, 8(3).
<https://doi.org/10.25139/jsk.v8i3.8663>