The Role of Personal Branding in Mediating the Influence of Credibility on Taxpayer Compliance at KPP Pratama Medan Timur

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Abstract
This study aims to analyze the effect of credibility on taxpayer compliance, with personal branding as an intervening variable, at the Medan Timur Tax Office. This study employs a quantitative approach using a survey method. The sample consisted of 100 individual taxpayers selected using purposive sampling. Data collection was conducted via a questionnaire using a Likert scale and analyzed using Partial Least Squares-based Structural Equation Modeling (PLS-SEM) with the assistance of SmartPLS 3.0. The results indicate that credibility has a positive and significant effect on taxpayer compliance. Credibility also has a positive and significant effect on personal branding. Furthermore, personal branding has a positive and significant effect on taxpayer compliance. The results of the indirect effect test indicate that personal branding significantly mediates the effect of credibility on taxpayer compliance. The coefficient of determination indicates that credibility explains 11.9 percent of the variance in personal branding, while taxpayer compliance is explained by credibility and personal branding to the extent of 44.2 percent. These findings suggest that enhancing the credibility of tax officials through strengthened personal branding can promote increased taxpayer compliance at the Medan Timur Primary Tax Office.
Keywords: Credibility, Personal Branding, Taxpayer Compliance

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Introduction

Taxes are the primary source of government revenue and play a strategic role in financing national development and providing public services. The success of the tax system is largely determined by the level of taxpayer compliance in fulfilling their tax obligations in a timely, accurate, and consistent manner. However, in practice, taxpayer compliance remains a major challenge faced by the Directorate General of Taxes, including at the regional tax office level.

The World Bank (2025) emphasizes that tax compliance is influenced not only by regulatory and punitive factors but also by psychological and relational factors such as trust, service experiences, and the quality of interactions between taxpayers and tax authorities. This indicates that a modern approach to tax compliance no longer relies solely on legal aspects but also on behavioral aspects and the relationship between tax officials and taxpayers.

One factor influencing taxpayer compliance is the credibility of tax officials or tax authorities. Credibility reflects the extent to which taxpayers view tax officials as trustworthy, competent, and caring in providing services. Ledford et al. (2025) explain that credibility consists of three main dimensions: trustworthiness, expertise, and caring. In the context of taxation, the higher the credibility of tax officials, the more likely taxpayers are to accept information, follow instructions, and ultimately comply with their tax obligations.

In addition to credibility, taxpayers' attitudes also play a crucial role in determining compliance behavior. Ajzen (2020) states that an attitude is an individual's evaluation of a particular behavior—which can be positive or negative—and influences a person's intentions and actions. In the context of taxation, taxpayers' attitudes are reflected in their assessment of the benefits of taxes, the fairness of the tax system, and their willingness to fulfill their tax obligations. A positive attitude will encourage increased compliance, while a negative attitude can reduce compliance.

At the Medan Timur Tax Office, efforts to improve taxpayer compliance continue through direct services, tax education, and the use of digital media. However, the effectiveness of these efforts is greatly influenced by how taxpayers perceive the credibility of tax officials and their attitudes toward tax obligations themselves. In some cases, even though services are available, there are still taxpayers who are not fully compliant in fulfilling their obligations.

From the perspective of service marketing and public services, the success of interactions between service providers and users is determined not only by service quality but also by the image of the individuals providing those services. In this context, the personal branding of tax officials becomes a crucial factor. Szántó et al. (2025) explain that personal branding is the process of shaping an individual's professional image through uniqueness, consistency, and the values presented to the public. In tax services, the personal branding of officials can reinforce taxpayers' positive perceptions of the credibility and quality of the services provided.

Personal branding is viewed as a variable that can mediate the relationship between credibility and taxpayers' attitudes toward compliance. Good credibility and attitudes do not necessarily directly result in compliance if they are not reinforced by a positive image and positive interaction experiences with tax officials. Therefore, personal branding serves as a bridge that strengthens the relationship between taxpayers' psychological factors and compliance behavior.

Previous research has shown that credibility and attitudes influence compliance behavior; however, there remains variation in results and limitations in fully explaining the mechanisms of these influences. Therefore, more in-depth research is needed to analyze the role of personal branding as an intervening variable in the relationship between credibility, taxpayer attitudes, and taxpayer compliance.

Based on the above discussion, this study is important to analyze the influence of credibility and taxpayer attitudes on taxpayer compliance, with personal branding as an intervening variable, at the Medan Timur Primary Tax Office. The results of this study are expected to provide a theoretical contribution to the development of research on tax compliance behavior as well as a practical contribution to improving more effective tax service strategies.

LITERATURE REVIEW

Taxpayer Compliance

Definition of Taxpayer Compliance

According to Alm (2023), tax compliance refers to the willingness of individuals or entities to fulfill their tax obligations in accordance with applicable laws. In this study, indicators of taxpayer compliance include tax reporting compliance, tax payment compliance, honesty in providing tax information, compliance with tax procedures, and responsiveness to tax authority oversight.

Indicators of Taxpayer Compliance

Taxpayer Compliance Indicators according to Alm (2023):

1) Tax Reporting Compliance
   Describes a taxpayer's willingness to file tax returns in accordance with applicable regulations.
2) Tax Payment Compliance
   Reflects a taxpayer's willingness to pay the taxes owed in the correct amount and by the specified deadline.
3) Honesty in Providing Tax Information
   Refers to a taxpayer's conduct in providing accurate, complete, and non-misleading tax data, documents, and information.
4) Compliance with tax rules and procedures
   Refers to a taxpayer's ability and willingness to follow tax administrative procedures, including registration, reporting, payment, and submission of tax documents.
5) Responsiveness to Tax Authority Oversight
   Describes taxpayers' willingness to respond to requests, clarifications, audits, collection efforts, or other oversight actions taken by tax authorities.
6) Trust in the tax system
   Describes taxpayers' confidence that the tax system and tax authorities are managed fairly, transparently, and reliably. Alm (2023) emphasizes that trust in the government is a key factor that can influence tax compliance in the post-pandemic world.

Personal Branding

Definition of Personal Branding

Szántó et al. (2025) explain that personal branding is the process by which an individual markets themselves and their career by positioning their unique value proposition within a competitive environment. When adapted to the context of taxpayers, personal branding can be defined as the process of shaping and presenting the professional image of tax officials to taxpayers through distinctive values, strengths, and characteristics, so that officials are perceived as attractive, distinct, and easily recognizable.

Personal Branding Indicators

Personal branding indicators according to Szántó et al. (2025) in the context of taxpayers:

1) Brand Appeal
   Indicates the extent to which tax officials are perceived as attractive, convincing, relevant, and trustworthy by taxpayers. In the context of tax services, this indicator is evident in the way officials convey information, their professional attitude, and their ability to create a positive impression.
2) Brand Differentiation
   Indicates the extent to which tax officials are perceived as having uniqueness or added value compared to other officials, for example, in terms of competence, communication style, the accuracy of solutions, or the ability to explain tax rules simply.
3) Brand Recognition

Indicates the extent to which tax officials are easily recognizable, memorable, and have a strong reputation in the eyes of taxpayers. In the context of tax research, this can be seen in the extent to which taxpayers recognize the officials' professional image, recall the quality of their service, and associate them with good service.

Credibility

Definition of Credibility

In the context of taxation, credibility can be defined as taxpayers' perception of tax officials or tax authorities as trustworthy, competent, and demonstrative of care in providing services, information, and explanations regarding taxation (Ledford et al., 2025).

Indicators of Credibility

According to Ledford et al. (2025), credibility indicators consist of three main dimensions, which, when adapted to the context of taxation, are:

1) Trustworthiness
   This indicator shows the extent to which taxpayers perceive tax officials as honest, trustworthy, objective, and reliable.
2) Expertise
   This indicator shows the extent to which tax officials are perceived to possess knowledge, skills, and competence in the field of taxation.
3) Caring
   This indicator shows the extent to which tax officials are perceived as caring, attentive, and well-intentioned toward taxpayers.

Conceptual Framework

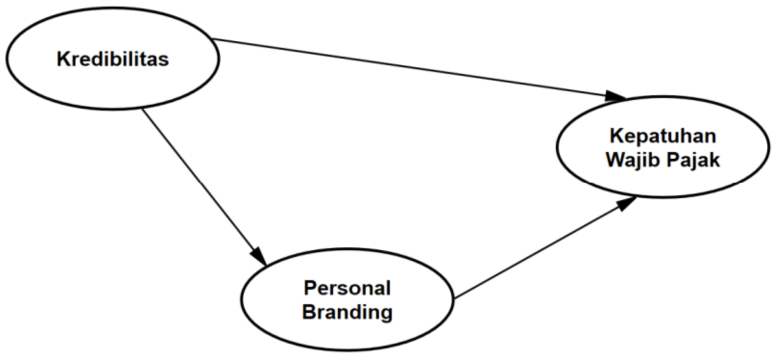

Figure 1. Conceptual Framework

Research Hypotheses

H_1 : Credibility has a positive and significant effect on taxpayer compliance at the Medan Timur Primary Tax Office.

H_2 : Credibility has a positive and significant effect on personal branding at the Medan Timur Primary Tax Office.

H_3 : Personal branding has a positive and significant effect on taxpayer compliance at the Medan Timur Primary Tax Office.

H_4 : Credibility has a positive and significant effect on taxpayer compliance through personal branding at the Medan Timur Primary Tax Office.

Research Methodology

Type of Research

The type of research used is quantitative research. According to Sugiyono (2025), quantitative research is defined as a method based on the philosophy of positivism, used to study a specific population or sample; sampling techniques are generally conducted randomly; data collection uses research instruments; and data analysis is quantitative/statistical in nature, with the aim of testing predetermined hypotheses. This type of quantitative research was conducted to examine the influence of credibility and taxpayer attitudes on taxpayer compliance, with personal branding as an intervening variable, at the Medan Timur Primary Tax Office.

Research Location and Timeframe

The research was conducted at the Medan Timur Primary Tax Office, located at the North Sumatra I Regional Tax Office Building, 4th Floor, Jl. Sukamulia No. 17 A, Medan. The study was conducted over a period of 3 months, from May to August 2026.

Population and Sample

According to Arikunto (2022), a population is the totality of subjects to be studied or the scope of generalization consisting of objects/subjects that possess certain qualities and characteristics defined by the researcher for study, from which conclusions are subsequently drawn. In this study, the population consists of all individual taxpayers registered with the Medan Timur Tax Office, totaling 38,383. The sample was selected using the Slovin formula, resulting in a sample size of 100 individual taxpayers.

Sampling Technique

This study employed purposive sampling, a technique based on specific criteria aligned with the research objectives. The sample was selected from taxpayers registered at the Medan Timur Primary Tax Office who are still active and consist of individual taxpayers. Selecting respondents based on these criteria ensures that the data collected is relevant and valid, as only active taxpayers can provide accurate information regarding credibility, attitudes, personal branding, and taxpayer compliance. Through this purposive sampling approach, the study can focus on taxpayers' real-world experiences and yield findings that illustrate their behavior in fulfilling their obligations to file annual tax returns with the government.

Research Data Sources

The data source used in this study is primary data.

Results

***Outer Model* Analysis**

The *Outer Model* analysis, using *the PLS algorithm*, yielded the following:

Validity Test

Table 1. Outer Loadings Values

	Taxpayer Compliance	Credibility	Personal Branding
X1.1		0.845	
X1.2		0.783	
X1.3		0.883	
Y.1	0.721		
Y.2	0.852		
Y.3	0.763		
Y.4	0.840		
Y.5	0.824		
Y.6	0.875		
Z.1			0.840
Z.2			0.826
Z.3			0.886

Source: Smart PLS Output, 2025

Based on the values in Table 1 above, the results of the outer model test using factor loadings/outer loadings show that all indicators for each variable have loadings ≥ 0.70. This indicates that each indicator is measured validly. Therefore, it can be concluded that all items in the questionnaire meet the validity criteria, as shown in the following figure.

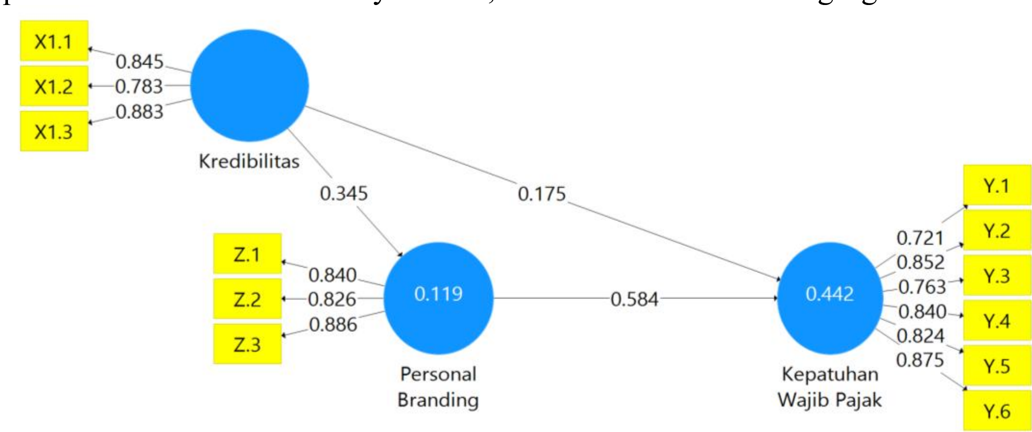

Figure 1. Outer Loadings

Reliability Test

Table 2. Construct Reliability and Validity Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Taxpayer Compliance	0.897	0.904	0.922	0.663
Credibility	0.788	0.803	0.876	0.702
Personal Branding	0.811	0.824	0.887	0.724

Source: Smart PLS Output, 2025

From Table 2 above, the reliability test results show that the Cronbach's Alpha and Composite Reliability values for all constructs are above 0.70, and the AVE values are above 0.05. This indicates that all indicators have high internal consistency and are reliable in measuring their respective constructs. Therefore, the research instrument is deemed reliable and suitable for use in structural equation modeling.

Coefficient of Determination (R^2)

When evaluating a model using PLS, the analysis begins by examining the R-squared value for each latent dependent variable. The table below presents the estimated R-squared values obtained using SmartPLS.

Table 3. R-Square Results

	R-Square	Adjusted R-Square
Personal Branding	0.119	0.116
Taxpayer Compliance	0.442	0.439

Source: Smart PLS, 2025

Table 3 shows the R-squared values for both dependent variables. For the personal branding variable, the R-squared value is 0.119; this means that credibility accounts for 0.119, or 11.9%. The remainder is attributed to other variables outside the model. The R-squared value for taxpayer compliance is 0.531, meaning that credibility and personal branding account for 0.442, or 44.2%; the remainder is attributed to other variables outside the model.

Structural Model Testing (Inner Model)

Hypothesis Testing

Direct Effects Between Variables

Direct effects between variables can be seen in the *path coefficient* values. The data analysis results show that the direct effect values are presented in the following table.

Table 4. *Path Coefficients* (Direct Effects)

	Original Sample	T Statistics	P-Values	Conclusion
Credibility -> Taxpayer Compliance	0.175	3.968	0.000	Accepted
Credibility -> Personal Branding	0.345	7,509	0.000	Accepted
Personal Branding -> Taxpayer Compliance	0.584	14,080	0.000	Accepted

Source: Smart PLS Output, 2025

Table 4 shows the following direct effect values:

1. Credibility has a positive and significant effect on taxpayer compliance, with a t-statistic of 3.968 (above 1.96) and a p-value of 0.000 (below 0.05). This means that credibility has a real effect on taxpayer compliance because the significance level is below 0.05 . These findings are consistent with previous research, which found that credibility has a positive and significant effect on taxpayer compliance (Baehaqi, 2026).
2. Credibility has a positive and significant effect on personal branding, with a t-statistic of 7.509 (above 1.96) and a p-value of 0.000 (below 0.05). This means that credibility has a significant effect on personal branding because the p-value is below 0.05. These findings are consistent with previous research, which also found that credibility has a positive and significant effect on personal branding (Arafah, 2022).
3. Personal branding has a positive and significant effect on taxpayer compliance, with a t-statistic of 14.080 (above 1.96) and a p-value of 0.000 (below 0.05). This means that personal branding has a significant effect on taxpayer compliance because the p-value is below 0.05. These findings are consistent with previous research, which found that personal branding has a positive and significant effect on taxpayer compliance (Sya'rani et al., 2025).

Indirect Effects Among Variables

The indirect effects between variables can be seen in the *specific indirect effects*. The data analysis results show that the values of the indirect effects are presented in Table 5 below.

Table 5. *Specific Indirect Effects*

	Original Sample	T Statistics	P Values	Conclusion
Credibility -> Personal Branding -> Taxpayer Compliance	0.201	6.708	0.000	Accepted

Source: Smart PLS, 2025

Table 5 shows the indirect effects between variables, namely: credibility has a positive and significant effect on taxpayer compliance through personal branding, with a t-statistic value of 6.708 (above 1.96) and a significance level of 0.000 (below 0.05). This means that personal branding acts as an intervening variable between credibility and taxpayer compliance.

Conclusion

1. Credibility has a positive and significant effect on taxpayer compliance at the Medan Timur Primary Tax Office.
2. Credibility has a positive and significant effect on personal branding at the Medan Timur Primary Tax Office.
3. Personal branding has a positive and significant effect on taxpayer compliance at the Medan Timur Primary Tax Office.
4. Credibility has a positive and significant effect on taxpayer compliance through personal branding at the Medan Timur Primary Tax Office.

Recommendations

1. Recommendations for the Agency (Medan Timur Primary Tax Office)

a) The Medan Timur Tax Office is advised to enhance the credibility of its tax officials by strengthening their competencies, ensuring transparency of information, and fostering a responsive and friendly service attitude toward taxpayers.
b) The agency needs to strengthen the personal branding of tax officials through consistent communication, professional service, and the promotion of a positive image in the eyes of taxpayers, both in person and through digital media.
c) Efforts to improve both digital and in-person services must continue so that taxpayers experience convenience, clarity, and certainty in the tax administration process.
d) Agencies are advised to strengthen long-term relationships with taxpayers through a more personalized and sustained communication approach.

2. Suggestions for Future Researchers

a) Future researchers are advised to include additional variables such as trust, tax literacy, or perceptions of penalty risk to enrich the research model.
b) Future research could use a longitudinal approach to observe changes in taxpayer compliance behavior over a specific period.
c) Future researchers are advised to expand the scope of the study to include several other Tax Offices to ensure the research findings are more generalizable.
d) Future research could combine perception data with actual compliance data—such as tax return filings and tax payments—to enhance the validity of the research findings.
e) Future researchers are advised to develop more specific personal branding indicators in the context of digital tax public services.

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