The Celebrity Endorser (Selebgram) Effect Toward Purchase Intention On Instagram Social Media

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Abstract—Entering into a new global era, marked with a new way people to communicate. A social media communication make changes in the way of shopping activities on Indonesian society. Data published by “We Are Social” agency, in January 2015 Indonesian have 308.2 million of mobile phone users, 72.7 million as active internet users, 72 million as active users on social media. Found that 57% of Indonesian internet user involved in internet shopping. On April, 2013, internet shopping growth rate around 15%, said IrniPalar as Country Manager of MasterCard Indonesia. Social media networks that favorite in Indonesias Blackberry Messenger, Facebook, WhatsApp, LinkedIn, but Instagram was crowned as a platform social media most effective to boost business (according to analysis of the institutions, Sum All, 2013). Instagram become one of the new media promotion whose proved with the purchase of an interest that comes from seeing their celebrity endorser who use the product so that it looks more attractive. The use of selebgram become one of the ways promote goods on instagram. Celebrity endorser at social media instagram different because the characteristic new media instagram allows anybody can be a celebrity endorser not only artist famous as on conventional media. This study aimed to determine the effect of celebrity endorser to purchase intention on Instagram social media. As the independent variable that is variable X1 consisting of visibility, X2 credibility, X3 attractiveness and X4 products. As the dependent variable is Y of purchase intention. The population in this research is the followers of one of the celebrity endorser instagram “indahkus_”. Research data collection was conducted through questionnaire method with simple regression techniques. The result showed that there was significant influence between the celebrity endorser of purchase intention.

Keywords—Celebrity Endorser, New Media, Purchase Intention, Instagram

I. INTRODUCTION

In the midst of the development of increasingly advanced technology, a lot of people in Indonesia who use technological advances to be able to develop its business. This is done in order to develop a brand image and to attract the target market to these products. This is because social media has made changes in the way of shopping activities on Indonesian society. Data published by "We Are Social" agency (in January 2015) Indonesian have 308.2 million of mobile phone users, 72.7 million of active Internet users, 72 million as active users on social media. It could be found that 57% of Indonesian Internet users involved in internet shopping.

Social media is a group of Internet-based applications that build on the foundation of Web 2.0 technologies that allow the creation and exchange of user-generated content. It allows ease in building a relationship of one-to-one and at the same time forming a network. Social media as a form of new media consists of many types and categories including search engine (Yahoo, Google, Msn, Gigablast, Ask, etc), social network (Facebook, Twitter, LinkedIn, Kaskus, Path, Pinterest, Blog, Tumblr, MySpace, Skype, etc), photo-sharing (Instagram, flickr, foursquare, etc), video-sharing (YouTube, Vine, Instagram, etc), e-mail (Gmail, Hotmail, Yahoo, etc), instant messaging (Whatsapp, Line, Instagram, etc), magazine-sharing (Flipboard, etc).

Note: for giving an example not only through the book, but also coupled with the authors’ knowledge about social media.
From the various types above, there are only a few media in Indonesia that can be a favorite in society. Social media networks that favorite in Indonesia are Blackberry Messenger, Facebook, WhatsApp, LinkedIn, but Instagram was crowned as the most effective platform social media to boost business (according to analysis of the institutions, Sum All, 2013). Instagram is an online mobile photo-sharing, video-sharing and social networking service that enables its users to take pictures and videos, and share them on a variety of social networking platforms, such as Facebook, Twitter, Tumblr and Flickr.  

Instagram was created by Kevin Systrom and Mike Krieger, and launched in October 2010. The service rapidly gained popularity, with over 100 million active users since April 2012 and over 300 million since December 2014. A number of celebrities all over the world also use this application. This thing that made Instagram become very popular. On August 9, 2012, English musician Ellie Goulding came out with a new music video for her song "Anything Could Happen". The video only contained fans submitted Instagram photographs that used various Instagram filters to represent words or lyrics from the song and over 1200 different photographs were submitted.  

Instagram has made a change of content uploaded by users. The photos previously posted by users are mostly personal moments but now spread widely pictures of business products to get the market. In fact, it gives to what is called celebgram/celebgram (celebrity Instagram) in Indonesia. Celebgram/Selebgram is also known as an abrupt celebrity. This is because most of them are people who rarely appear in the conventional media, even the identity of the owner of the account also tend to be mysterious, but miraculously they have fantastic number of followers.  

For these abrupt celebrities, they have a lot of followers because of the uniqueness displays content uploaded. Thus, it triggered interest for other Instagram users. However, the celebgram is also composed of Indonesian top actress or actor, movie stars, musicians, presenters, etc. Then, it is used by many brands or an online seller to ask the celebgram to beendorser of their products.  

The celebrity becomes an icon or endorser who is considered to represent a specific brand or product to attract potential customers. This is because the endorser often considered the fans as a friend, they are also engaged in self-promotion. Becoming relevant figure to a product can change public opinion and indirectly promote interest. By using them (celebgram/celebgram), entrepreneurs believe that this is a strategy to increase followers and indirectly to increase sales.  

Moreover, the fact that Instagram as the sales were very strong and the growth of Internet shopping in Indonesia increased by 15%. Additionally, In particular, the interaction of brands in Instagram-like a number, comments, and share was 1.53% compared to only 0.1% of Facebook, Google+ and Twitter 0.09% 0.04%. As well, 93% of brands surveyed already have an account Instagram, increased by 63% since July 2013. This further supports the advancement of online business continuity using the endorsere especially celebgram/Selebgram.

And then, this fact raises a research question:  
"Is it true the celebrity endorser (celebgram/celebgram) effect toward purchase intention on Instagram?"  

The question can be answered through this research. Interest prospective buyers will certainly be influenced by many factors (visibility, credibility, attractiveness, and power). This research will prove it, especially on account @indahkus_ as celebgram/celebgram. @indahkus_ is owned Indah Kusuma Instagram account. She is one of many celebgram Indonesia. She isn’t an artist in the conventional media. She began her
career as a finalist of Miss Indonesia 2014. Then, she become popular but only among users of social media, especially Instagram. Now, she has followers as much as 50,400 people.

The interesting thing is she always posting the product in her account doesn’t look like a sell. She did like these items are hers. The way she did more natural than other selebgram in Indonesia. Thus, this object is relevant to the concept of image building as an endorsement destination17 like the steps in the marketing magazine.

So, what do we do? First, look at how the visibility of an endorser. The purpose is we wanted to see the level of popularity and admiration for prospective buyers to Indah Kusuma. Second, to see how the credibility of Indah Kusuma. Credibility demonstrate the performance level of a person’s ability as an artist endorser on Instagram. As well as the level of honesty in conveying the image of a product according to the purpose that want to build. Third, to see the attractiveness. It will to see how prospective buyers interested in the figure Indah Kusuma. This interest isn’t only for the physical appearance of Indah Kusuma (@indahkus_), but also her character (lifestyle, personality, etc.). Fourth, to see the power of celebrity endorser. How strong the charisma she is? Is she can affect the prospective buyers from her account?

Fourth agenda above then wants evidenced by distributing questionnaires to 120 people through the survey. The survey was conducted by using purposive sampling techniques. The results will prove the hypothesis that has been made by the research team. Then, the results can be subject of discussion and produce a conclusion that can be used to answering a new phenomenon (Selebgram) of business life in Indonesia.

II. LITERATUR REVIEW

Celebrity Endorsement

Definition of celebrity endorser is “an individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement”.18 Friedman and Friedman state that “a celebrity endorser is an individual who is known to the public for his or her achievement in areas others than of the product class endorsed.”19 There are 4 factor which celebrity should have to be a solid endorser. The VisCAP Model provides a mechanism for evaluating the Visibility of an endorser along with Credibility, Attractiveness, and Power, among target audiences.20

Visibility

Visibility is how well known or recognizable the person or character is from public exposure.21 Visibility refer to how recognizable the source is from the target audience perspective.22 Visibility helps to facilitate brand awareness, especially if a celebrity is used.23 In this research the visibility viewed through the level of frequency appeared in the media, popularity level, and admiration level.

Credibility

Credibility is “the extent to which the recipient sees the source as having relevant knowledge, skills, or experience and trusts the source to give unbiased, objective information”.24 The two most important aspects of credibility are expertise and trust.25 Celebrities are seen as credible sources of information26 and the credibility of a celebrity is described as the total amount of positive features that create and increase the acceptation of the message.27 Consequently, when celebrities are credible it affects the acceptance of the message and the persuasion (Belch & Belch, 2001). Credibility might refer to perceived knowledge of the source and/or the level of objectivity, sincerity or trustworthiness, of the source.28 Credibility has two components: expertise, perceive knowledge of the source concerning what is being advertised; and objectivity, the perceived sincerity trustworthiness in communicating what the source knows.29 The credibility viewed through experience level,

23 Ibid
29 Ibid
knowledge level, truthfulness level, and confidence level.

Attractiveness

Attractiveness has also have two component: likeability of the source and the perceive similarity of the source to the target audience. Attractiveness also entails concepts such as intellectual skills, personality properties, way of living, athletic performances and skills of endorsers. In this research, attractiveness measured with the level of attraction, personality, and life style.

Power

Power is the source’s perceived ability to instil compliance on the part of the target audience. In this research, power measured with the power to increase product image, power to be an inspiration, and power to remind the product.

Instagram

Instagram is a social networking service for taking, changing, and sharing photographs and video. Kevin Systrom and Michel “Mike” started Instagram in October 2010 as Burbn, an HTML-5 supported program for mobile phones. Instagram announced it had already reached one million members after only two months operations, less than a year later more than 150 million photos have been uploaded to the site. By 2011, the site had grown to include 10 million users, and Apple name Instagram the iPhone App of the Year. In August 2012, Facebook acquired Instagram with a $1 billion after in cash and stock. This social media could be the most popular social media caused have any advantage, that is: could choose any filter in every photo, share to other users, and using any hashtags.

Instagram Facts:

1. 200 million monthly active users.
2. 70% of user log in at least once a day.
3. 75 million daily active users.
4. 20 billion photo shared.
5. 60 million photo posted daily
6. 1.2 billion likes per day
7. 8,500 likes per second.
8. 1,000 comments per second.

Instagram for Business

Businesses post photos of new products on Instagram to generate interest and run contest to increase excitement around the brand. Using Instagram make the business person easier to reach the target consumer, easier to sell any products, became a facilities for service online, get more followers, and could post the collection of the business product.

Purchase Intention

The decision evaluation stage leads the consumer to form preferences among the brands in the choice set. Halim and Hameed explain purchase intention as the number of patrons that has a proposal to buy the products in future and make repetition purchases and contact again to the specific product. Fandos and Flavian explain the phenomenon of purchase intention as the projected behavior of consumers on short basis about the repetition purchase of specific product i.e. when someone decided to buy the product whenever he/she will come again to the market. Intent to purchase is a kind of decision in which studied why a customer purchases a brand in particular. Constructs like considering something purchasing a brand and anticipating to purchase a brand aids to scope the intentions of purchasing. Porter also elaborated customers’ intention to purchase a focused brand is not merely by his same brand attitude, but also by his attitudes leading to other brands in choice of set considered. According Soderlund and Ohman, purchase intention measured with level of buy desire, level of interest in trying, and level of desire recommend to others.

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40 Tyagi, C.L & kumar, arun, 2004, Consumer Behaviour, Atlantik Publisher and Distributor, New Delhi, pg. 36.
44 Ibid.
III. HYPOTHESES

H1: Celebrity endorser has significant and positive relationship with purchase intention.

H2: Celebrity endorser doesn’t have significant and positive relationship with purchase intention.

IV. RESEARCH METHOD

In this study, survey method with a quantitative approach is used to be research method. The focus of this study is to review the factors that affect the interests of purchase intention by advertising through celebrity endorser (celebgram) on Instagram. To describe that purchase intention, we choose an object that has a number of followers of celebrity endorser Indah Kusuma with @indahkus_. account. So the Instagram users especially around the follower of @indahkus_ are sampling population in this study. While the target population are followers of @indahkus_ which is a personal account or except the online shop accounts. The sample selection is done by using purposive sampling techniques. We will select a sample that has elements of an active user Instagram, follower of @indahkus_, both of male and female as intervening variable, and young adult to adult age (16-30 years old) cause people in this age is active user of social media.

Data collection techniques that will be used is deployment of an online questionnaire. Link of questionnaire will be provided through a private message to a target respondents through their Instagram account. That questionnaires were made using a Likert scale measurement principles in order to facilitate the respondents in filling out questionnaires and facilitate the process of data analysis. Data results of the questionnaire will be regressed. Regression analysis is one of the analysis technique that aims to determine the effect of a variable to another variable. The dependent variable in this study was chosen celebrity endorser is @indahkus_. There are four independent variables are variable is visibility, credibility, attractiveness, and product. So it will be a multiple regression analysis.

We make one type of questionnaire that divided into two parts. The first section contains questions about Indah Kusuma as celebrity endorser. Elements such as talent, achievement, number of followers, personality, and display quality represent variable credibility. The elements of an account that looks at her Instagram like fashion style, used product, the number post pictures, etc. represent variable visibility. The second part of the questionnaire contains questions related to purchase intention of the respondent as a result of consuming Instagram and especially the products advertised on @indahkus_ personal account. Questions in the second part is represents the attractiveness and product variables.

The questionnaire will be presented in Indonesian language using Google doc app so it can be accessed by respondents using electronic devices and can fill out a questionnaire anywhere with ease. There were four independent variable that to be indicators. That four factors were hypothesized to correlate with one another. Finally, the four variable dimensions were hypothesized to positively influence purchase intention.

V. RESULT
Women respondents amounted to 52 and men respondents amounted to 22. This situation indicates majority of follower @indahkus_ are women too. Instagram users and @indahkus_ follower in 21-25 years old at most. Level of education of the most widely used Instagram in this study were high school students or equivalent. Our responden use Instagram for 2-4 hours in a day at most. From this situation, it can be concluded that Instagram users who become follower @indahkus_ have a similar character. The follower character can be reflected as @indahkus_ character on her Instagram.
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The linear regression results is known that the visibility factor of the function $y = 0.189x$ produces $2737$ with $R^2 = 0.052$. Credibility factor function $y = 0.245x$ produces $2499$ with $R^2 = 0.0103$. Attractiveness factors generating function $y = 0.170x + 2714$ with $R^2 = 0.056$. And the last factor is a power generating function $y = 0.420x + 2374$ with $R^2 = 0.0208$. Through this data is clear that power factor of Indah Kusuma is most influence on respondents buying interest. It is because the accuracy of the results ($R^2$) highest and close to 1. Next followed a factor of credibility, attractiveness, and last visibility. These four factors can be a reference to another celebrity endorser. It means that someone who looks attractive or famous not always going to increase consumer buying power factor but it was the most influence. Nevertheless, this argument may not be appropriate when applied to other objects (other celebrity endorser). In this study, the power factor was that the excess Indah Kusuma through @Indahkus account in Instagram.

VI. CONCLUSION

From all the data which is the ratio of $X:Y$ where $X$ is a variable consists celebrity endorser effect (visibility, credibility, attractiveness, and power) and $Y$ is the purchase intention generating function $y = 0.187x + 33.97$ and $R^2 = 0.106$. That is, the relationship variable $X$ does not have a significant influence on $Y$. This is because the accuracy of the data ($R^2$) is only 0.106. Meanwhile, the accuracy to be achieved is 1. This shows that Indah Kusuma (@Indahkus) as celebrity endorser haven’t a significant impact in improving the buying interest of potential customers.

However, it could have been influenced by other factors such as: the number of other emerging celebrity endorser where she has more followers for example (Joyagh, Dian Pelangi, etc.) but the competitors has been the subject of many objects in other studies. It is also the factor of consideration for this study. Through this research we can draw the conclusion that @Indahkus account cannot be celebrity endorser which can increase sales of a product. This is relevant to the research that showed that there was no significant effect in increasing buying interest. However, on the whole celebrity endorser by Instagram has an influence on consumer buying. However, it still needs to be further research on other factors that influence not only the four factors (visibility, credibility, attractiveness, and power) used in this study.

REFERENCES

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[40] Tyagi, C.I. & kumar, arun, 2004, Consumer Behaviour, Atlantik Publisher and Distributor, New Delhi, pg. 36.


