



THE IMPACT OF CELEBRITY ENDORSER, TRUST AND PRODUCT QUALITY TO THE PURCHASE DECISION MEDIATED BY THE WORD OF MOUTH

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ABSTRACT

Consumers are going through the series of cognitive processes before making a purchase decision. The aim of this study is to determine the impact of celebrity endorser, trust and product quality to purchase decision either directly or indirectly through the word of mouth.

The population in this study are females who are actively using Instagram in the city of Surabaya. As the number of the population is not known, the purposive sampling is employed. A total number of sample in this study is 100 respondents. The data analysis technique is using path analysis and Sobel test. Findings shows that celebrity endorser and trust have no significant impact on purchasing decision. In contrast, product quality has positive significant impact to purchase decision. On the other hand, word of mouth does not mediate celebrity endorser, trust, and product quality to purchase decision. As a result, word of mouth does not influence consumers to make a final purchase decisions on fashion products advertised via Instagram.

Keywords: celebrity endorser, trust, product quality, WOM

INTRODUCTION

In 2017 Indonesia is the top five Instagram users in the world with a total of 45 million users. This can be an advantage as the media promotion for marketing products and services. Fashion products are in the top level at 78%, cars 46% and electronics at 43%, books and magazines are 39% and lastly food 24%. Fashion products are mostly bought online by the consumers.

The shopping online application through Instagram became easier by using visual feature in Instagram with an interesting design. These features are using caption in the uploaded photos together with the hashtag (#) and comments to search products. Online shopping made the shopping experience easier by using their smartphones or laptops. Consumers can order directly via SMS or chatting. However, there are some weaknesses as it is difficult to find a credible online stores. Some stores are selling their products differently as shown in Instagram. Thus, positive comments can also help consumers to choose which stores they should choose. There are many varieties in fashion products such as size, colours and textures which caused different perception and increase risk in buying online. Suharno dan Sutarto (2010) claimed that consumers buying decision is the final stage when consumers have decided their purchase decision, and therefore consume the products. The final decision made by the consumers started from the awareness of wants and needs. When the consumers aware of their needs and wants. Then, consumers start searching for information about the products. The information process start by collecting all information that is related with the products desired from many different options and alternatives. There are some factors influence consumer behaviors in making their purchase decision.

According to Kotler dan Keller (2009) in making the purchase decision, consumers are being influenced by four factors such as (1) Culture, (2) Social, (3) Individual, and (4) Psychological. One of the purchase decisions factor is psychological (motivation, perception and confidence. In this case related to the word of mouth (WOM). An individual is making a purchase decision through some processes. One of the processes is searching for information. The information was obtained from WOM in the surrounding area relating to the products or services. WOM can be either positive or



negative as this can be the source of information for consumers in making their purchase decision. Instagram is easily accessible and convenient, thus, it becomes popular online shopping for consumers as they can choose and communicate about any products among other users. WOM is more powerful compare to other media promotion and conventional advertising. According to Onbee Marketing Research together with SWA magazine, conducted research and collected 2000 samples in 5 big cities in Indonesia and concluded that 89% of consumers in Indonesia are following friends and families recommendation when making their purchase decision. One of the purchase decisions factor is by using an endorser. It is an old promotional strategy used by companies to increase their product sales. A company will hire someone to consumer its products. The purpose is to communicate a message to potential consumers by consuming the products. Sonwalkar, et al (2011) argues that endorsement is a form of communication where a celebrity act as a spoke person from a product or a particular brand. Silvera dan Austad (2004) claimed that celebrity is someone who likes popularity on him or herself who have a unique feature such as attractive and reliable. According to Shimp (2007) defines a celebrity endorser as utilizing artists, entertainers, athletes, and public figure who are famous in their field.

Kotler and Keller (2009) argues that WOM is a communication process by giving recommendations either individually or groups on a product/service. The aim is to give a personal recommendation. Previous research using WOM as both independent and dependent variables. Nur et al (2016) claimed that WOM can be used as an independent variable. On the other hand, Damayana (2014) used WOM as dependent variable. Allsop (2007) claimed that WOM has a greater impact compare to written information. Information obtained from someone in the WOM process is usually clearer as it is a form of communication. WOM believed to be reliable in influencing someone's purchase decision. In this research, WOM will be used as an intervening variable which mediate the influence of celebrity endorser, trust and product quality on the fashion products purchase decision in Instagram.

LITERATURE REVIEWS AND HYPHOTESES

The influence of celebrity endorser to the Purchase decision

Endorsement is a form of communication where a celebrity acts as a spoke person from a product or a particular brand. Sonwalker,et al (2011) argues that celebrity is someone who has a character and strong value known by publics. A famous product will be sold more compare to the not famous one. Muralidharan (2012) argues that overall, not only celebrity endorsers, who had a significant influence to the purchase intention but trust. Darmansyah (2014) found that celebrity endorser has positive influence to the purchase decision in Indonesia.

H1: Celebrity Endorser has positive significant influence to the purchase decision.

The influence of Trust to the Purchase Decision

Trust can be defined as a tendency of someone who can accept a decision from others. Although one party is not protected by the second party and do not have a guarantee from the act of a second party Ling et al in Made (2015). Sari (2016) found that trust had positive relationship to the purchase decision of online product fashion hijab, agreed with Muralidharan (2012) claimed that trust influence behavior and consumers' purchase intention.

H2: Trust has significant positive influence to the purchase decision

The Influence of Product Quality to the Purchase Decision

The product quality describes in details by the sellers for the fashion products sold through Instagram. The description can be size, colours, material type and price. Attributes can be deccribed clearly in accordance to the actual product. The purpose is to attract consumers to buy the products. The research by Rajput, et al found that product quality has negative relationship to the purchase decision. However, Kiswalini dan Nurcahya (2014) claimed that trust has a significant positive influence on the purchase decision.

H3: Product quality has positive significant influence on the Purchase Decision.



The impact of WOM as Mediating Variable

Hasan (2010:13) argues that WOM pushed by “influencer” from people who had satisfied with the products or services. Then, naturally positive impression was given both online and offline. Information obtained from the process of WOM usually clearer as it is a form of communication. WOM believes to be more reliable in influencing the purchase decision. When a product has a positive value, it will have more opportunities to be recommended to other potential consumers. In the previous research shown word of mouth as an intervening variable. It was supported that variable word of mouth has an influence as an intervening variable and mediate an independent variable as well as dependent variable. Research conducted by Triyaningsih dan Triastity (2016) WOM mediate the influence of brand image to the purchase decision, while Amelinda (2017) WOM mediate brand image to the purchase intention.

H4: WOM mediate the influence of celebrity endorse to the purchase decision

H5: WOM mediate the influence of trust to the purchase decision

H6: WOM mediate the influence of product quality to the purchase decision

METHOD

Population and Sample

The population in this research is buyers of fashion products through Instagram. The purposive sampling was applied in this research to represent population. The characteristics of population such as a) Females b) age between 18-34 years old c) Owns Instagram account d) Bought a fashion product via Instagram.

Variables Measurement

Measurement scale in this research was using a Likert scale (1 to 5). The score for each item as follows: (1) Very Disagree (2) Disagree (3) Neutral (4) Agree and (5) Strongly Agree

RESULTS

Validity and Reliability Test

Validity values were calculated by using SPSS 23, there are 67 items in 5 variables in this research. The significant value sig (2-tailed) $0.000 < 0.0$ with $N=100$. Hence, all 67 items are valid. The reliability test in the variable celebrity endorser, trust, product quality, word of mouth and purchase decision are 0.7. It means that all indicators in this research are reliable

Path Analysis

Based on the theoretical framework and hypotheses in this research in the previous discussion. Thus, a structural equation in this research is as follows:

Persamaan (1): $WOM = p_1 CE + p_2 T + p_3 PQR + e_1$

$$WOM = 0.105 + 0.265 + 0.282 + 0.844$$

For calculating the value of e_1 can be done as follows:

$$e_1 = \sqrt{(1 - R^2)}$$
$$= \sqrt{(1 - 0.286)} = 0.844$$

Equation (2): $Pd = p_5 CE + p_6 T + p_7 PQR + p_4 WOM + e_2$

$$Pd = 0.131 - 0.078 + 0.599 + 0.217 + 0.652$$

For calculating the value e_2 can be done as follows:

$$e_2 = \sqrt{(1 - R^2)}$$
$$= \sqrt{(1 - 0.574)} = 0.652$$

Hypotheses test

To test the hypotheses in the regression equation in order to know the direct influence in this research, hence, t-test was employed. Based on the calculation by using SPSS 23, t-test resulted in Table 1 as follows:



Tabel 1: The Results of Hypotheses Testing

Variable	Regression Coefficient	t-table	Sig.	Description
Constant	7.557			
Celebrity Endorser	0.131	1.689	0.095	Supported
Trust	- 0.078	- 0.958	0.340	Not Supported
Product Quality	0.599	6.818	0.000	Supported
WOM	0.217	2.740	0.007	Supported

To test hypothesis whether Word of Mouth can mediate the influence of celebrity endorser, trust and product quality to the purchase decision. The sobel test was employed by using addin Excell, the results are shown in Table 2

Tabel 2: Results of Mediating Variable Test

Variable	Sobel's z	0.05)	Description
Celebrity Endorser	1,017	1,96	Not Supported
Trust	1,848	1,96	Not Supported
Product Quality	1,930	1,96	Not Supported

DISCUSSION

Celebrity endorser in the media social, Instagram, was not influence consumers purchase decision in the fashion products via Instagram. There are many celebrity endorsers at the moment in Indonesia, and the celebrities accept endorse not only one brand or a particular product. The results of this current research were similar to Munandar dan Chadafi (2016). They argued that celebrity endorser did not influence the purchase decision. However, Kotler dan Keller (2009) had different results they claimed that the purchase decision determined by the status role which is part of the social factor. Celebrity endorser is part of the role and status.

Consumer's trust to the social media, Instagram, did not influence consumers to the purchase decision of fashion product via Instagram. Results in this research related to Kusumah (2015) who found that trust did not have influence to the purchase decision. On the other hand, Kotler dan Keller (2009) mentioned that one of factors in the purchase decision is psychology. Trust is one of a psychological factor in every individuals.

Product quality can influence consumers to make a purchase decision of the fashion products via Instagram. Quality is very important for a fashion product. This is one of the determinations whether they will make the purchase decision. Results in this research in agreement with Sari (2016) and Rajput et al (2012) who found that product quality has positive and significant relationship to the purchase decision. This research was supported Kotler dan Armstrong (2008) who claimed that product quality is one of the characteristics in the products and services who are able to satisfy consumers. Buyers will purchase the products when they feel they like it. Therefore, products must be fit with the need of the buyers. WOM does not mediate the influence of celebrity endorser, trust and product quality to the purchase decision. In this case, WOM is not able to push consumer to make the purchase decision in buying the fashion products via social media, Instagram. Results is different from Novitayanti (2014), Triyaningsih dan Triastyty (2016). In addition, the results of this research is also different from Hasan (2010) who found that in delivering the information who obtained by someone in the process of WOM usually cleared and effective as it is the form of communication who can influence the purchase decision of someone.



CONCLUSIONS

Based on the results of this current research can be concluded that: celebrity endorser and trust are not significantly influenced to the purchase decision. In this case, celebrity endorser and trust can not influence consumers in making the purchase decision to the fashion products sold via Instagram. Product quality is significantly influence to the purchase decision. It means that product quality is one of the determinant in the purchase decision for the product fashion sold via Instagram. WOM is not mediated the influence of celebrity endorser, trust as well as product quality to the purchase decision.

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