

## Effect of Country of Origin, Celebrity Endorser and eWOM on Purchase Intention

Serli Ayuma<sup>1</sup>, Vidyarini Dwita<sup>2</sup>

<sup>1</sup>Universitas Negeri Padang, Padang, Indonesia, ✉ serli7ayuma@gmail.com

<sup>2</sup>Universitas Negeri Padang, Padang, Indonesia, ✉ vidyarinidwita1301@gmail.com

### Abstract

Recent technological development comes to the *trend* of the internet which influences emotional fluctuation, changes in behaviour and lifestyle of teenagers in Indonesia. Changes in lifestyle of Indonesian's teenagers affect the taste of Indonesian market so that imported products are more in demand recently. One of them, imported fashions from Korea which are very potential in Indonesia, while Indonesian fashion has more potential than Korean.

**Keywords:** country of origin, celebrity endorser, ewom, purchase intention, korean fashion.

### Introduction

Recent technological developments have brought new trend in the business world, the increasing of sophisticated technological developments have caused the transition of the national economy to an increasingly popular global economy. Technological developments generate great opportunities in global market such as domestic market and international market. One of the opportunities which is being felt by the consumers around the world is that they can enjoy various choices of brands or products from many references via internet. Therefore, recently there are many market participants who are more interested in identifying the factors which affect the taste of domestic consumers on imported product.

The Indonesian Internet Networking Organizing Association (APJII) presented the result of a survey named "Penetration and Behaviour of Internet Users in Indonesia in 2017" that the penetration of internet users in Indonesia increased to 143,26 million people or equals to 54,7 % of the total population in Indonesia (Soemartono, 2018). The results of the survey also explain that internet users in Indonesia are dominated by people aged 13-34 years with the main reason of accessing internet is for information retrieval. From the data above, prove that internet eases people in obtaining information globally. One of the causes of changes in market taste in Indonesia is the influence of information about foreign culture which freely accessed in Indonesia.

Foreign culture which has spread in recent years in Indonesia is Korean culture. Korea successfully influences the emotional fluctuation, changes in behaviour and lifestyles of Indonesian through its culture. It is proven by (Susanto, 2015) in his study, that Korean popular culture has a positive impact on teenagers' fashion style aged 18-21 years. In line, (Izzati, Amalia, 2014) also proves in her study that Kpop, the popular music, influence the entertainments seller's side, appearance and lifestyles of Indonesian teenagers.

Table 1 Value of Korean Imports of *Fashion*

Product Code	Product Labels	Import Value from Indonesia		Import Value from Worldwide	
		2016	2017	2016	2017
6305	Sacks and bag	1,070	1,002	237,987	258,751
6302	Linen of all types of textile materials	97	630	88,654	108,858
6303	Curtains or bed valances of all types	340	408	44,566	46,451
6307	Dress patterns	109	163	183,060	215,310
6309	Worn clothing and clothing accessories	124	140	31,003	29,275
6301	Blankets and travelling rugs	108	61	31,393	33,152

Source: Data COMTRADE UN statistics (nominal in thousands of dollars) (International Trade Centre, 2018)

From some data about the influence of Korean culture above, it can be concluded that there is a potential for Korean import to enter the market in Indonesia. The following data shows the value of Korean import of fashion from Indonesia and all over the world.

The increasing value of Korean imported fashion's demand in Indonesia as described in table 1 above, shows that there is a potential of Korean imported fashion which will grow in Indonesia and around the world. However, if it is compared with Indonesia's export of fashion in Korea, in table 2 below:

Table 2 Indonesia's Export Value to Fashion

Product Code	Product Labels	Import Value from Indonesia		Export Value from Indonesia	
		2016	2017	2016	2017
6305	Sacks and bag	1,070	1,002	77,107	79,653
6302	Linen of all types of textile materials	97	630	31,736	30,834
6303	Curtains or bed valances of all types	340	408	46,823	27,840
6307	Dress patterns	109	163	30,646	36,711
6309	Worn clothing and clothing accessories	124	140	2,192	2,750
6301	Blankets and travelling rugs	108	61	19,201	17,740

Source: Data COMTRADE UN Statistics (nominal in thousands of dollars)(International Trade Centre, 2018)

From the comparison above, it can be concluded that Indonesia has more potential than Korea in fashion products. Supposedly, with the high value of Indonesia's export of fashion, Indonesian are more proud to wear their own products than wearing imported products from Korea that are still far from the import value of fashion from Indonesia.

The desire to buy and wear Korean imported fashion, can be caused by the perception about the country of origin which reflects the quality of the products. Indonesian's perception arise after knowing the quality of one of Korean imported products, Samsung smartphone. The advantage of Samsung which has been proven to have the highest market share of 56,68% compared to other mobile brands, such as *Apple* which is only 27,3% in the Indonesian electronic market (Stat Counter, 2018). This data proves that Samsung mobile, electronic products from Korea have good quality compared to *Apple* products for the perception of the Indonesian.

In addition to the quality of the country of the origin, the desire to buy and wear Korean fashion can be caused by emotional value which creates a prestige when wearing the fashion which are similar to Korean celebrity. Like the phenomenon that was viral on social media four years ago, Sehun, one of the members of boy band EXO, has managed to boost the value of the *Swallow* brand, flip flop from Indonesia (Rahmawati, 2014). Indirectly, Sehun became a celebrity *endorser* from *Swallow* brand for sandal from Indonesia. This phenomenon proves that the products wear by Korean celebrity has their own value, and rising the feeling of pleasure and pride when wearing them.

Two factors consider the purchase intention above, the country of origin and celebrity *endorsers* are inseparable from the contribution of eWOM (Electronic Word of Mouth) as the media which helps in arising the trust of Korean imported products. The amount of positive content on eWOM about a product, has a positive influence on purchase intention. In addition to perceptions that arise from experiences, positive content on eWOM content will strengthen the purchase intention in obtaining reliable information.

Actually there are many factors which affect the purchase intention on Korean imported products., but this study only uses three factors, namely, *Country of Origin Product*, *Korean Celebrity Endorser*, and eWOM (*Electronic Word of Mouth*) as the factors that affect Indonesian teenagers' purchase intention, especially in the city of Padang. Padang citizen, who are known for their strong Islamic culture, have seen changes in the behaviour in the teenagers of Padang city in their appearance, who like to imitate the appearance of Korean celebrity.

It is proven by the presence of an Instagram account “@gdc\_padang”. Glorydays Club Padang is a social media account for Korean fanbase (Teenagers who love Korean culture or KPOP celebrity). An account that contains activities like Korean dance cover competition, which have been held in several universities like University of Bung Hatta, Andalas University in the Bunkasai Japanese Education and Literature Study, shopping centers such as Basko Grandmall, Transmart and other buildings that become Korean dance competitions. Although the teenagers wear clothes that cover their genital in the school or campus, but when they are in the outside of educational institutions environment, some of teenagers in Padang are still free to look like Korean or do not cover their genital based on the religion regulation or customary culture in the city of Padang.

Previously, an early observation has been done to strengthen the problem which will be examined, with the result there are seventeen respondents interviewed who favor Korean culture but never purchased although they intended to buy, while three others respondents who favor Korean culture have purchased products made in Korea, including cosmetic products, accessories, fashion and shoes. Based on the description above, there is a link between the variables on the country of origin and celebrity endorsers and eWOM to purchase intention, which encourages the writers to examine these variables. So that obtained the title of the study, **“The Effect of Country of Origin, Celebrity Endorser and eWOM on Purchase Intention”**.

According to (Schiffman & Wisenblit 2015:172), “Consumers behaviour refers to the behaviour shown by consumers in finding, deciding to buy, using, evaluating and spend the products and service products that they expect will satisfy their needs.” Attitude is the way of a person sees thing mentally within him that leads to behaviour directed to others or also called as the way of a person communicate his feeling through behaviour. (Schiffman & Wisenblit 2015:175-176)suggest that attitude has three component of the model, namely:

1) Cognitive Component

Cognitive component is an individual’s knowledge and perception that comes from someone else’s experience which obtained directly or from other source about something.

2) Affective Component

Affective component represents costumer’s emotion and feeling related to what is considered, as an evaluation, because they capture the overall assesment of the extend to which they judge something profitable or not, good or bad.

3) Conative Component

Conative Component reflects the possibility that someone will perform a certain action or behave in a certain way related to the object of attitude. In the study of consumers, conative component is treated as an expression of consumer’s intention to buy.

Consumer behaviour is actualy the steps taken by costumers or group in order to fulfill their needs. There are several factors that influence the consumers’ decision process, namely external and internal factors.

### Internal Factor

Internal factor arise within the consumer and the pshychological processes which occur in the consumer, that are very influential on the consumer’s decision process, are as follows:

- 1) Motivation
- 2) Personality
- 3) Self Concept
- 4) Information processing and perception
- 5) Learning process
- 6) Knowledge
- 7) Attitude
- 8) Religion

### **External Factor**

External factor arise outside of the consumer and pshycological processes which occur in the consumer, that are very influential on the consumer's decision process, are as follows:

- 1) Culture
- 2) Demographic characteristic, social and economy
- 3) Family
- 4) Reference group
- 5) Environment and situation of the consumer
- 6) Technology

From several definitions above, it can be concluded that purchase intention is a process of taking decision from various alternatives of choices that arise a positive perception of a product that stimulates consumer's intention to buy as a solution to a problem which is experienced, or as a way to fulfill the desire to own a product.

### **The Relations of Country of Origin Product, eWOM, Korean Celebrity Endorser toward Purchase Intention**

- a. The relation of Country of Origin Product toward Purchase Intention  
(Keegan & Green 2015:120) express that "Country of Origin (COO) as perceptions or attitudes toward a product or brand which is based on the country of origin or manufacturer of the origin of the product." Country of Origin gives several effects on one's think, one of them is the association and mental trust in evaluating a product that is used to find another informations about the product. This perception can lead to a person's purchase intention that he assumes qualified after knowing the origin of the country that produces the product is considered capable to produce quality products. It is proven by (Lee& Robb 2016:238), that "Country of Origin (COO) is one of the essential factors which influence consumer's decision to purchase in competitive international market.
- b. The Relation of Korean Celebrity Endorser toward Purchase Intention  
According to (Shimp dan Andrews 2013:460), "Celebrity Endorsers are individuals which well known by the public for their achievements beside the products they endorse. If the celebrity endorser has ability to convey a statement about a product that arises the trust of the recipient, the celebrity stimulates the persuasion that stimulates the recipient's purchase intention on the product he endorses. Evidenced by the result of (Sliburyte 2009:934), that "The use of celebrity in advertisements help to mold the desired consumen response, in the case that this information is received through critical thinking.
- c. The Relation of eWOM toward Purchase Intention  
(Schiffman & Wisenblit 2015:47), argue that "Purchase intention is a result of two alternatifes choices or more which are available from various decision about information seeking, the use of various products and brands." The effect of eWOM contributes to a certain brand, eWOM affects the sales volum of a brand because the content which contained in eWOM itself. Positive statement from the previous consumers will arise the purchase intention of new consumers for a product. Evidenced by the result of (Hennig. et. al 2014:39), that "Electronic Word of Mouth (eWOM) is a positive or negative statement which stated by an original, actual, potential consumers or previous consumers about a product or a company where the informations are available for people or institution through internet media.
- d. The Relation of Country of Origin, eWOM and Purchase Intention  
(Sernovitz 2012:21)says that "Word of Mouth (WOM) is an origin consumer's talk orally which inform his impression of a product he has bought from others. Based on the result of a study by(Hennig. et. al 2014:39)"Electronic Word of Mouth (eWOM) is is a positive or negative statement which stated by an original, actual, potential consumers or previous consumers about a product or a company where the informations are available for people or institution through internet media." Country of Origin gives various effect on one's way of thinking, one of them is

the effect in evaluating a product through eWOM. So that, is the positive perception dominates the quality of a product which comes from a certain country, so it will arise purchase intention.

e. The Relation of Korean Celebrity Endorser, eWOM and Purchase Intention

According to (Shimp & Andrews 2013:460), "Celebrity Endorsers are individuals which well known by the public for their achievements beside the products they endorse." Based on the result of the study by (Sliburyte 2009:934) concludes that "The use of celebrity in advertisements help to mold the desired consumer response, in the case that this information is received through critical thinking." The information meant is obtained through eWOM so that celebrity endorser increase the purchase intention of a product through advertisement by creating strong emotional bonding with the consumers, and can build brand attractiveness in the target market.

## References

- Abbas, A. (2018). The Effect of Celebrity Endorsement on Customer Purchase Intention: A Comparative Study. *Current Economic and Management Research*, 4(1), 1–10.
- Badan Pusat Statistik. (2018). *Kota Padang Dalam Angka 2018*.
- Ghozali, I. (2016). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 23*. Semarang: Badan Penerbit Universitas Diponegoro.
- Goyette, I. et. al. (2010). eWOM Scale: Word of Mouth Measurement Scale for e-Service Context. *Canadian Journal of Administrative Sciences*, 23, 5–23.
- Hennig, T. et. al. (2014). Electronic Word of Mouth via Customer Opinion Platforms: What Motivates Consumers to Articulate Themselves on The Internet?, 18(1), 38–52.
- International Trade Centre. (2018). Trade Map: Bilateral Trade between Korea and Indonesia Product 63 Other Made up Textile Articles. UN COMTRADE Statistics. Retrieved from [https://www.trademap.org/Bilateral\\_TS](https://www.trademap.org/Bilateral_TS).
- Izzati, A. (2014). Analisis pengaruh musik populer Korea terhadap Gaya Hidup di Kalangan Remaja. *FISIP, Universitas Indonesia*, 1–23.
- Keegan, Warren J. & Green, M. C. (2015). *Global Marketing* (Ninth). New York: Pearson.
- Laroche, M. et. al. (2011). The Influence of Country Image Structure on Consumer Evaluations of Foreign Product. *International Marketing Review*, 22(1), 96–115.
- Lee, You Kyung. & Robb, C. A. (2016). Moderating Effect of Country Familiarity and Country Image on Product Purchase Intention in South Africa. *Journal of International Trade & Commerce*, 12(4), 237–256.
- Martins, J. et. al. (2018). How Smartphone Advertising Influences Consumers' Purchase Intention. *Journal of Business Research*, (August 2017), 1–10.
- Rahmawati, L. (2014, September 16). Gara-gara Artis Korea, Sandal Jepit Indonesia Jadi "Ngetop." *Kompas.Com*. Retrieved from <https://entertainment.kompas.com/read/2014/09/16/214927210/Gara-gara.Artis.Korea.Sandal.Jepit.Indonesia.Jadi.Ngetop>.
- Schiffman, L. G., & Wisenblit, J. L. (2015). *Consumer Behavior* (Eleventh). England: Pearson.
- Sernovitz, A. (2012). *Word of Mouth Marketing*. New York: Amazon Business.
- Shimp, T. A., & Andrews, J. C. (2013). *Advertising, Promotion and other Aspects of Integrated Marketing Communications*. (Ninth). USA: South Western.
- Sliburyte, L. (2009). How celebrities can be used in advertising to the best advantage ?, (1985), 934–939.
- Soemartono, H. K. (2018). *Survei APJII: Penetrasi Internet di Indonesia*. <https://doi.org/Buletin APJII Edisi 22-2018>
- Stat Counter. (2018). *Mobile Vendor Market Share Republic of Korea*. Retrieved from <http://gs.statcounter.com/vendor-market-share/mobile>
- Sutanto, B. D. (2015). Pengaruh Budaya Populer Korea dan Selebriti Endorser Korea terhadap Gaya Fashion Korea Remaja Berusia 18-21 Tahun. *The 8th NCFB and Doctoral Colloquium*, (1999), 517–536.