

THE INFLUENCE OF CELEBRITY ENDORSER TO THE PURCHASE INTENTION OF MEDAN NAPOLEON CAKE WITH BRAND IMAGE AS INTERVENING VARIABLE

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Abstract—The objective of the research was to analyze the influence of celebrity endorser on purchase intention of Medan Napoleon cake with brand image as intervening variable. The research used associative method. The samples were 100 respondents in Medan who had not purchased Medan Napoleon cake, selected by using simple random sampling. The hypothesis was tested by using t-value test. The result of the research showed that celebrity endorser had positive and significant influence on purchase intention of Medan Napoleon cake, as well as on brand image. Moreover, brand image had positive and significant influence on purchase intention, hence demonstrated that brand image served as the intervening variable between celebrity endorser and purchase intention of Medan Napoleon cake.

Keywords—promotion mix, celebrity endorser, brand image, purchase intention.

I. INTRODUCTION

In the midst of the development of creative industry, the culinary industry in Indonesia is growing in diversity. The trend that has attracted the attention of people, especially in Medan, is a trend of souvenir cakes advertised by famous celebrities. There are dozens of Indonesian celebrities striving to enter the cake business. The business opportunity of celebrity cake business becomes viral when they capitalized their popularity to support the regional souvenir business. The entrepreneur easily attract the attention of the fans to buy and spread the news of the product. There are 4 brands of celebrity cake businesses in Medan, including: Medan Napoleon, Medan Par Par, Bolu Toba Medan, and Kia Cake. Up until now, Medan Napoleon has the highest number of followers in Instagram, therefore it

can be said that Medan Napoleon is more attractive than other celebrity cake products.

TABLE 1. MEDAN CELEBRITY CAKE SOCIAL MEDIA DATA

No.	Cake Business	Instagram	
		Followers	Posts
1.	Medan Napoleon	182k	5249
2.	Medan Par Par	34k	3076
3.	Bolu Toba Medan	35.6k	592
4.	Kia Cake	22.1k	2468

(Source: Instagram)

Amidst of the success achieved by Medan Napoleon as a successful cake business, Medan Napoleon is still faced with the challenges of business competition from other celebrity cake businesses. This high competition causes Medan Napoleon to be more vigorous to maintain its product in order to compete with its competitor. The success of a business is a result from the increase of the purchase intention of the offered product. When consumers have the intention to buy a positive brand, it is a form of commitment to the brand, that it is a positive and good brand thus it encourages the purchase. One thing that affect the purchase intention of a company is the utilization of celebrity endorser which have the potential as promotion media. The utilization of celebrity on a company can ease the company in creating symbolic association of a brand in the community, whereas celebrity endorser own the popularity and fans. The symbolic association created by celebrity endorser which then will be able to form an impression on the consumers in creating brand image is a critical factor in influencing purchase intention. The strategy carried out by Medan Napoleon to establish a

strong brand image is by cooperating with a famous celebrity, named Irwansyah as the celebrity endorser as well as one of the owner of Medan Napoleon. With his popularity, it is expected to be able to increase the purchase intention of the people which will lead the increasing of the purchase of Medan Napoleon product.

II. LITERATURE REVIEW

A. Promotion Mix

Promotion mix is a mean, utilized by the company in an effort to inform, persuade, and remind consumer, both directly and indirectly, about the product and brand they sell (Kotler and Keller, 2012). Promotion mix according to Kotler and Keller (2012) consists of: advertising, sales promotion, events and experience, public relations and publications, direct marketing, online interactive marketing and programs involving customers, word of mouth and written marketing or electronic communication, and individual sales.

B. Celebrity Endorser

Shimp (2003) states that celebrity endorser is an advertisement using a person or famous figure (public figure) in supporting a publicity. The company will use a celebrity endorser to proffer their product. An endorser who matches with the characteristic of the product is needed to create the identity of the product. The attributes possessed by a celebrity endorser will be taken into consideration by the company to support a product. According to Royan (2004), the utilization of a celebrity in an advertisement can aid in forming two things, namely: shaping the personality of the brand or to just boost the sales volume in a very short term. Moreover, in accordance with Belch (2004), there are 3 indicators of celebrity endorser, which are: credibility, attractiveness, and power.

C. Brand Image

According to Fianto et al., (2014), brand image is the opinion and trust of the consumer of the quality of the offered product. With a good image will come a distinct advantage for the brand that includes a good reputation as well as influencing the consumer behavior towards the product. Furthermore, Kotler and Keller (2012) disclose that brand image can be seen from 3 components, namely: strength association, favorability association, and uniqueness association.

D. Purchase Intention

Purchase intention can be interpreted as the possibility of consumer will purchase certain product. In addition, it can also be depicted as a plan of consumer to make an effort in purchasing. The consumer desire to purchase has a higher probability, even if the consumer does not necessarily purchase it. Purchase intention is determined by the benefit and value perceived by consumer (Wang and Tsai, 2014). According to Ferdinand (2006), purchase intention can be identified

through specific indicators, namely, explorative interest, transactional interest, and referential interest.

E. The Influence of Celebrity Endorser on Purchase Intention

Sujana and Giantari (2017) reveal that celebrity endorser has a positive and significant influence on purchase intention. The better the celebrity endorser in promoting the product excellence, then the higher the level of purchase intention on consumer.

F. The Influence of Celebrity Endorser on Brand Image

The increasing contribution of familiarity, interest, similarity, trust, transfer of meaning, and compability of a celebrity on celebrity endorser variable will bestow an increase in brand image (Ankasaniscara, 2012). A result study by Shoeb and Khalid(2014) shows that, there is a positive influence of celebrity endorsement on brand.

G. The Influence of Brand Image on Purchase Intention

A previous study by Randi (2016) exhibits that brand image has a positive influence on purchase intention. Moreover, a study by Bhakar et al. (2013) show that brand image has a significant and positive relationship on purchase intention.

H. The Influence of Celebrity Endorser on Purchase Intention through Brand Image

A study by Sujana and Giantari (2017) displays that the better the celebrity endorser in promoting the product, then the higher the level of brand image related to the product, thus the level of purchase intention on consumer will escalate as well.

Hypothesis:

1. Celebrity endorser has a positive and significant influence on the purchase intention of Medan Napoleon cake.
2. Celebrity endorser has a positive and significant influence on brand image.
3. Brand image has a positive and significant influence on the purchase intention of Medan Napoleon cake.
4. Celebrity endorser has a positive and significant influence on the purchase intention of Medan Napoleon cake through brand image.

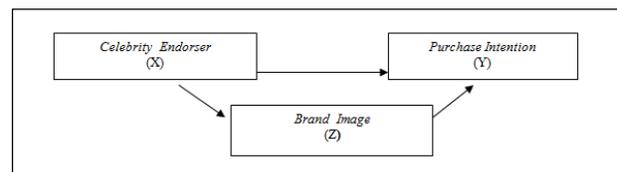


Fig. 1. Research Framework

III. METHODS

The research type for this study is associative research. The variables associated in this study are celebrity endorser (independent variable), brand image (intervening variable), and purchase intention (dependent variable). This study is performed in Medan City and carried out during December 2018 up until January 2019. The data are collected through questionnaires and documentation study. The target population of this study is the people of Medan who have yet to buy the product of Medan Napoleon, thus the amount cannot be determined. Hair *et al* (1995) suggest the appropriate sample size for Structural Equation Model (SEM) analysis tool is between 100-200 respondents, with the intention that it can be utilized in estimating the interpretation with SEM. Also, determining the minimum number of sample for SEM according to Hair depends in the number of endogenous indicator multiplied by 5 (five) to 10 (ten). Hence, the minimum number of sample in this study is $6 \times 10 = 60$ samples.

While conducting the survey, the researcher tries to distribute 100 questionnaires to 100 respondents, and all of it are returned, hence the researcher utilizes all the existing sample of 100 respondents. In this study, the researcher applies probability sampling with simple random sampling, which is a method of random drawing regardless of the strata (level) within the member of population. The variables in this study are celebrity endorser (X), brand image (Z), purchase intention (Y) which will be measured with Semantic Differential. The data analysis technique used in this study is descriptive statistic analysis and path analysis. The analysis method in this study is performed with Structural Equation Model (SEM) by using data processing technique with Partial Least Square (PLS) SEM method using SmartPLS. As for the hypothesis testing, t test is being used.

TABLE 2. OPERATIONAL VARIABLES

Variable	Definition	Indicator	Measuring Scale
Celebrity Endorser (X)	Use public figure in Medan Napoleon advertising	<p>Credibility</p> <ol style="list-style-type: none"> Celebrity can convince target consumers Celebrity provides precise information about endorsed products Celebrity is able to create market trends Celebrity is a figure that is widely known to the public Celebrity promotes products with confidence <p>Attractiveness</p> <ol style="list-style-type: none"> Celebrity has an attractive physical appearance Celebrity has a friendly personality 	Semantic Differential

Variable	Definition	Indicator	Measuring Scale
		3. Celebrity is a charismatic figure	
Brand Image (Z)	Consumer opinions and beliefs about the quality of Medan Napoleon products	<p>Strength Association</p> <ol style="list-style-type: none"> Products have various flavors Products look good like advertisements The consumer's sense of security towards the product <p>Favorability Association</p> <ol style="list-style-type: none"> Affordable prices Being the choice of many competitors 	Semantic Differential
Purchase Intention (Y)	The possibility that consumers will purchase Medan Napoleon products	<p>Explorative Interest</p> <ol style="list-style-type: none"> The desire to find information about products The desire to buy products after getting various information about the product Consideration of buying a product because of the review of the product <p>Transactional Interest</p> <ol style="list-style-type: none"> The desire to buy products when needed The desire to buy products because of price discounts The desire to make a purchase after seeing product advertisements on social media 	Semantic Differential

(Source: Belch (2004), Kotler dan Keller (2013), Ferdinand (2006))

IV. RESULTS AND DISCUSSION

This descriptive analysis can be utilized to represent the identity or characteristic of the respondents. The majority of the respondents are 62 people (62%) female, compared to 38 people (38%) male. The age of the majority of the respondents in this study is 43 people (53%) are within the age range of 17-20, compared to 43% are from within the age range of 21-30, and 4 people (4%) are from age range of >30. The majority of the respondents in this study are 92 people (92%) with Bachelor degree, compared to 8 people (8%) with high school/vocational school diploma. The majority of the respondents in this study are 79 people (79%) of students, compared to employees of 15 people (15%),

entrepreneurs of 3 people (3%), and unemployed of 3 people (3%).

TABLE 3. RELIABILITY RESULT

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
Brand Image	0.758	0.858	0.669
Celebrity Endorser	0.827	0.887	0.664
Purchase Intention	0.835	0.890	0.669

(Source: Processed Data, 2019)

The data of celebrity endorser variable is valid with AVE value = 0.664, Cronbach's Alpha = 0.827, and Composite Reliability value = 0.887. The data of brand image variable is valid with AVE value = 0.669, is reliable with Cronbach's Alpha value = 0.758, and Composite Reliability value = 0.858. The data of purchase intention variable is valid with AVE value = 0.669, is reliable with Cronbach's Alpha value = 0.835, and Composite Reliability value = 0.890.

TABLE 4. PATH COEFFICIENTS

Endogenous Latent Variable	R Square		
Brand Image	0.230		
Purchase Intention	0.636		
Path Coefficients	Original Sample	T Statistics	P Value
Brand Image (Z) -> Purchase Intention (Y)	0.210	2.924	0.004
Celebrity Endorser (X) -> Brand Image (Z)	0.468	5.189	0.000
Celebrity Endorser (X) -> Purchase Intention (Y)	0.691	12.067	0.000
Celebrity Endorser (X) -> Brand Image (Z) -> Purchase Intention (Y)	0.098	2.391	0.017

(Source: Processed Data, 2019)

The brand image variable is influenced by celebrity endorser variable by 23%. The remaining is influenced by other variable. The purchase intention variable is influenced by celebrity endorser variable and brand image variable by 63.6%. And the remaining is influenced by other variables. The influence relationship of brand image (Z) on purchase intention (Y) exhibits a positive and significant relationship showed from the original sample value of 0.210 and t statistics value of 2.925 above the rule of thumb 1.65 with significance above 5%. The influence relationship of celebrity endorser (X) on brand image (Z) displays a positive and

significant relationship seen from the original sample value of 0.468 and t statistics value of 5.189 above the rule of thumb 1.65 with significance above 5%. The influence relationship of celebrity endorser (X) on purchase intention (Y) presents a positive and significant relationship viewed from the original sample value of 0.691 and t statistics value of 12.067 above the rule of thumb 1.65 with significance above 5%. The influence of celebrity endorser (X) on purchase intention (Y) through brand image (Z) displays a positive and significant relationship seen from the original sample value of 0.098 and t statistics value of 2.391 above the rule of thumb 1.659 with significance above 5%.

According to the indicators of celebrity endorser used by the researcher, which are credibility and attractiveness, the most dominant answer is credibility indicator (39%), with a statement from the respondent that Irwansyah provides precise information about Medan Napoleon cake. This shows that the respondents trust that the information conveyed by Irwansyah about Napoleon Medan cake is objective and honest. Furthermore, 33% for the attractiveness indicator with a statement from the respondent that they are fond of Irwansyah's friendly personality. The exploitation of appropriate celebrity endorser is expected to fascinate the attention of consumer and boost the purchase intention. Irwansyah's friendly personality has succeeded in becoming an attraction for the target consumers which eventually can increase the purchase intention of Medan Napoleon cake. This displays that Irwansyah as a celebrity endorser is a successful strategy to upgrade the brand value of Medan Napoleon with credibility and attractiveness. The role of celebrity endorser is hoped to be able to charm the attention of target consumers and build a good and positive brand image in the eyes of the target consumers.

In accordance with the indicators of celebrity endorser used by the researcher, which are strength association and favorability association, the most dominant answer is strength association (23%), with a statement from the respondent that Medan Napoleon cake looks appealing, consistent with the advertisement. Furthermore, 26% for the favorability association with a statement from the respondent, they perceive the price of Medan Napoleon cake is affordable. A good brand image in the eyes of target consumers can be applied as a tool to increase competitiveness, so that it can encourage the purchase intention of Medan Napoleon cake for target consumers. The better the contribution of Irwansyah's trust level and attractiveness in promoting the product of Medan Napoleon, then it will lead to the enhancement of the brand image of Medan Napoleon cake. The brand image which is developed from the utilization of Irwansyah as a celebrity endorser will result in a different brand image with its competitor, thus it will enable to encourage the purchase intention of Medan Napoleon cake for target consumers.

V. CONCLUSION

Celebrity endorser have a positive and significant influence on purchase intention of Medan Napoleon cake. Celebrity endorser have a positive and significant influence on brand image. Brand image have a positive and significant influence on purchase intention of Medan Napoleon cake. Celebrity endorser have a positive and significant influence on purchase intention of Medan Napoleon cake through brand image.

ACKNOWLEDGEMENT

We would like to thank the Directorate of Research and Community Service (DRPM) from the Ministry of Research and Technology of Higher Education for the provided financial assistance in preparing this study.

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