

# The Impact of Storytelling Marketing on Brand Equity and Purchase Decisions on Shopee During Pandemic Covid-19

Angelia Anastasya<sup>1</sup>, Nurhalizah binti Misjedi<sup>2</sup>, Maria Josephine Gunawan<sup>3</sup>,  
Mingaung Leo<sup>4</sup>, Hetty Karunia Tunjungsari<sup>1</sup>

<sup>1</sup>Management Department, Faculty of Economics & Business, Universitas Tarumanagara

<sup>2</sup>Law Department, Faculty of Law, Universitas of Malaya, Kuala Lumpur

<sup>3</sup>Architecture Departement, Faculty of Engineering, Universitas Tarumanagara

<sup>4</sup>Electrical Engineering Departement, Faculty of Engineering, Universitas Tarumanagara

\*Corresponding author. Email: [angelia.115190253@stu.untar.ac.id](mailto:angelia.115190253@stu.untar.ac.id)

## ABSTRACT

Online shopping is a new shopping method that is widely used by the public, it is because of its effectiveness and convenient to get the required products. Online shopping is an activity of purchasing goods/services through internet services, and it allows the customers to preview the goods/services that they wish to buy through a website or online shopping application, they can consider before deciding to buy a product/service. One of the factors that a buyer considers is the assessment comments given from previous buyers as the evaluation from the consumers can be as an evidence of purchase and it works as a reference for other consumers to decide for purchasing the products through the storytelling marketing method. Storytelling marketing is used to convey the advantages of a product that is being promoted. The purpose of this study is to analyze the effect of storytelling on brand equity and purchasing decisions on the Shopee online shopping platform during the covid 19 pandemic. The research methodology used is a quantitative method using a questionnaire to measure the effect of storytelling marketing on purchasing decisions during the covid 19 pandemic. The results shown is that there is a significant effect of storytelling marketing on brand equity purchasing decisions on the online shopping site Tokopedia during the covid 19 pandemic. Previous consumer's ratings have a great influence on brand equity and purchasing decisions.

**Keywords:** *Storytelling Marketing; Brand Equity ; Buying intentio*

## 1. INTRODUCTION

Currently the world is experiencing from Covid-19 pandemic which has impact on fulfillment of needs, and many people prefer to shop at-home instead of going to the mall or shopping to buy daily needs. This causes more people chose to apply the #stayathome principle and prefer online shopping transactions through e-commerce. Lately, citizen all around the world begin to appreciate more in regards to the rapid development of information technology facilities. With information technology then there is also an increase in online buying and selling on the internet, the amount of activity online shopping shows an increase in trust to transaction online sites because it is caused by the attitude of other people's judgments previously whom had purchased the product, the situational factors are not stated and predictable factors. Possibly one of the most popular trends in the area of online marketing and branding in recent years is the

growth of social media and their popularity [1], consumers can accept the opinion of others when providing reliable evidence is needed about reality [2]. This is due to attitudes and opinions of previous buyers listed in the comments field so that in fact has encourage online shoppers to adopt a strategy that emphasizes the argument in a narrative that is storytelling. According to Kaufman Storytelling is better reliable sources rather than rational arguments, statistical data, and facts [3] thus making it possible for consumers to purchase again. An argument such as an evaluation comment column on consumers can provide reviews about the products they get and do promotions with interesting and unique narrative texts so that companies can execute marketing strategy smoothly. Marketing has grown rapidly which is shown from consumers not only by buying the product, but there must be a good consumer experience buying or the emotions that arise when consuming a product. So therefore, a method is needed to create

emotions and judgments after consuming a product, namely Storytelling marketing. It has been implemented broadly on traditional marketing by trying to improve consumer needs and desires to generate empathy for the character and plots in "Storytelling" and changes in consumer attitudes to achieve marketing objectives [4]. With storytelling marketing, it will encourage consumers to spread products orally.

According to Lowe Storytelling marketing is a marketing strategy that has already started wide spread in the world of marketing [5] Based on the background of the problem, a research was made on Effect of Storytelling Marketing on Brand Equity and Decisions Purchases on the Shopee Online Shopping Platform.

The purpose of this study was to determine the effect of storytelling marketing on Brand Equity and purchasing decisions on the Shopee during the Covid 19 Pandemic.

According to Salzermorling and Strannegard, Storytelling is a medium of communication in the form of a narrative that uses various elements that combine identity with philosophy that keeps products active in production [6], and Kakroo said that Storytelling Marketing is a fact that contain packaging emotions to encourage people to take action to destroy the world [7] This phenomenon is narrowly considered as a "Story" or story, while the process for describing the phenomena in the story is called "narrative", [8]. Along with gradual attention to each experience economy, the company is also guided by the business model that creates great first-impress to the customers. A story can create a gap between expectations and realities that show more authenticity of the product compared to expectations of the product [9].

Storytelling marketing will be more trusted by customers compared to rational arguments, statistical data and facts, This is because storytelling marketing includes arguments in a format that is easier for the public to understand than advertisements that being displayed. The implementation of storytelling marketing is like revealing facts of the original purpose in a company, describing the usefulness and product usage and effectiveness in product usage, for examples, to learn the notion of brand self-recognition ecotourism to consumers through storytelling marketing[10].

According to Frog (2010) Storytelling marketing has 4 elements such as :

- a. Message is the selection of the segment to be addressed and the story that reflects a good product for the company.
- b. Conflict, which is the ability to push a story for the brand delivered.
- c. Characters is a character's ability to animate conflicts that occur and build the ability to convey message.
- d. Plot, which includes the time in conveying the product story of a story company, starting with the introduction, the ability to build climax, and influence on brand performance. [11].

So it can be concluded that storytelling is a form of marketing communication that uses various elements including honesty, authenticity, originality, credibility in narrative form thereby conveying information and convincing consumers to make a purchase.

According to Kotler and Keller, Brand Equity is an added value that assigned to a product or service [12], and Aaker on 1991 Brand Equity is a set of products related to a brand, name, and characteristics that will increase or decrease the brand image and the value of a product in a company [13], Then Shimp states that Brand Equity is the value of the brand awareness and brand association of a product so that it is easy to be memorized by consumers [14]. There are 5 categories in brand equity [15]:

1. Brand Awareness (Brand Awareness)
2. Brand Association (Brand Association)
3. Brand Loyalty (Brand Loyalty)
4. Perceived quality (perceived quality)
5. Brand Trust

[1] We can know that social media to directly affect brand equity, the costumers compare stimuli with their stored knowledge of comprable communication activities. If there is a change in the product, there will be a change in all assets even lost, although some of them shifted to the symbol the new one. Brand Equity also includes the overall strength of a brand in the market and provide value to the company

H0 : Storytelling Marketing has no significant effect on influencing Brand Equity on Shopee during pandemic covid-19.

H1 : Storytelling Marketing has significant effect on influencing Brand Equity on Shopee during pandemic covid-19.

Buyer's decision as a consumers' possibility's plan to buy a certain product in a certain period of time, and it is an important indicator of a buying behavior (Baker and Fulford, 2016) [16]. The products with purchasing decisions have a fairly weak relationship which needed by consumers that can be accommodated by goods or services that can be offered to the market to satisfy needs [17]. The Product with purchasing decision has an importance on relationship, Consumer's behavior is part of marketing research which combine business and results related to the efforts to solve problems and consumer's needs [18].

The research is in regards to customer's reactions in the consumer behavior stage before making a decision to buy a product and allows the consumers who will willingly purchase a certain product. Purchase decisions are consumer transactions and behavior after evaluating the product as a whole as well as emotional reactions to take action against a product brand or evaluation consumer products [19]. There are 6 decisions that had been carried out by consumers, namely, product choice, dealer choice, payment method, purchase amount, and time of

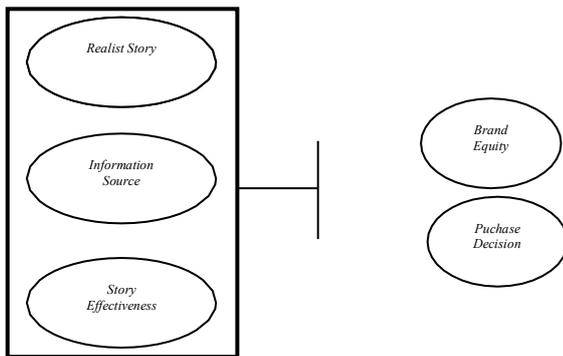
purchase. Dealer selection when making a purchase is included as indicators of purchasing decisions while the indicator to measure the level of decision making, namely frequency [20]. The measurement of purchasing decisions in this study is the number and frequency of purchases.

Based on the exposure of the experts, it is concluded that the decision purchase is an action taken by the customer when passing various references from previous consumers and through various considerations to choose a product/service that they need or want.

H0 : Storytelling Marketing has no significant effect on influencing Purchase decision on Shopee during pandemic covid-19.

H2 : Storytelling Marketing has significant effect on influencing Purchase decision on Shopee during pandemic covid-19.

This study aims to discuss how storytelling marketing affects brand equity and purchasing decisions. According to the elements needed in storytelling branding and heuristic theory, namely the theoretical framework with the storytelling marketing model, these are:



**Figure 1.** Research Model

**2. METHOD**

This research is a descriptive research with cross sectional design method. The population in this study are all consumers in Jakarta (Indonesia) and Kuala Lumpur (Malaysia). The sampling method used is non-probability sampling method which means that not all brand users in Jakarta and Kuala Lumpur have the same opportunity to be selected as a sample. While the sample selection technique used in this study is convenience sampling. The sample in this study was 50 correspondent.

In this study, the data used are primary data, namely data obtained from respondents who answer the questionnaire through 15 questions arranged on a Likert scale. Data collection techniques used are quantitative techniques

through questionnaires, and some information is obtained through several journals. The answers contained have a gradation through point 1 which is strongly disagree to point 5 which means strongly agree.

The data that has been collected will then be processed and analyzed the answers to the research objectives by using descriptive statistical analysis. Descriptive statistical analysis is a form of analytical method used to provide an overview of each of the variables studied and their answers. The purpose of this analysis is to provide research results based on the calculation of the mean (average), standard deviation, max value, and min value in general. This study also uses multiple regression analysis tools /multiple regression based on data obtained from secondary data. Multiple regression analysis was used to predict the score of Storytelling Marketing (Y) based on the score of the Brand Equity is variable (X1), and Purchase Decision is Variable(X2). This analysis is using analysis application, SPSS Ver.22. If the value of sig. > 0.05 then H0 is accepted, and H1 is rejected (No effect). If the value of sig. < 0.05 then H1 is accepted, and H0 is rejected, (There is an effect) In Validity analysis of the questionnaire, the influence of storytelling marketing on brand equity and purchasing decisions on the Tokopedia application during the covid 19 pandemic uses the product moment correlation formula pearson, and the result is 12 pieces valid questionnaire, and then the validity test will be continued on second analysis. Meanwhile, reliability analysis is based on Cronbach's alpha and composite reliability, and the result is 0.93 it mean each of which shows a value of more than 0.5 so that all indicators in the study are reliable.

**3. RESULTS AND DISCUSSION**

This research was conducted quantitatively with the method of data analysis using simple linear regression analysis to determine the effect of the dependent variable on the independent variable. In this study, the dependent variable is storytelling marketing, while the independent variable is brand equity and purchases decisions to selected correspondents in Jakarta and Kuala Lumpur by using Shopee. Data collection of the respondents is using by questionnaires.

There are research data and quality of storytelling marketing variables on brand equity and purchases decision during covid 19 are as follows:

Data Total	= 1164 N	= 50
Average	= 58.14	
St.Dev	= 11.1	

**Table 1.** Hypothesis Analysis Result

Variable	t	Sig.	Indicator of Variable Y
H1 : Brand Equity	2.72	0.009	Realist Story > Information Source > Story Effectiveness
H2 : Purchase Decision	8.7	0.037	Realist Story > Information Source >

$p < 0,05$  The result of testing the first hypothesis showed that  $0.009 < 0.05$  ( $H_0$  is rejected) so it is concluded that there is an effect of significant relationship between Storytelling marketing and brand equity in Shopee during pandemic covid-19.

For H2  $0.037 < 0.05$  ( $H_0$  is rejected) so it can be concluded that there is an effect of significant relationship between storytelling marketing and purchase decision on the Shopee during covid-19.

#### 4. CONCLUSION

Based on the results of the analysis and discussion that has been carried out regarding influence of storytelling marketing on purchasing decisions, then the following conclusions were obtained:

1. Storytelling Marketing has a significant effect on Brand Equity by using multiple regression linear analysis with a value of significantly smaller than the value of 0.05 so that  $H_0$  is rejected and there is influence existed.
2. Storytelling Marketing has a significant effect on purchase decisions. This is evidenced by using linear regression analysis multiple with a significantly smaller value than the value of 0.05 so that  $H_0$  is rejected and there is an effect.

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