



# Effects of Celebrity Endorsements, Customer Experience on Viral Marketing and Purchase Decision

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**Abstract.** This study examines the effect of celebrity endorsements and customer experience on purchasing decisions with viral marketing as a mediating variable with a case study at Antapura de Djati. The sample of this study was visitors to Antapura de Djati using quantitative analysis techniques with the path analysis method. The results of this study indicate that celebrity endorsements do not have a significant effect on viral marketing and purchasing decisions, while customer experience has a significant influence on viral marketing and purchasing decisions.

**Keywords:** Endorsement Celebrity · Customer Experience · Viral Marketing · Purchase Decision

## 1 Introduction

There are changes in consumer activities today, which makes the company change, one of which is promotional activities. Companies currently carry out promotions by relying on the internet network, or it can also be called digital marketing. One of the most widely used marketing activities is Viral Marketing. According to [1], Viral Marketing is a marketing method that relies on social networks to achieve a marketing goal carried out through a continuous communication process to multiply. Viral Marketing will influence purchasing decisions. This is evidenced by previous research by [2], stating that viral marketing has a positive and significant effect on purchasing decisions. From consumers based on their experiences. Marketers use celebrity endorsements to promote products, services, and ideas [3]. This, seen in both western and eastern countries, is promoting marketing campaigns using celebrity endorsers to present goals to their potential customers [4]. While customer experiences with reviews as online customers have a tremendous influence on customers' purchasing decisions both practically [5] and academically [6].

Annapurna de Djati is a tourist place with an agro-tourism concept that displays a rural atmosphere supported by selfie photo spots, several restaurants, and cafes. This tourist spot was inaugurated on February 10, 2022, then Antapura de Dajti endorsed the TikTok program on February 11 with the results. What is impressive is that on the second day, the Telegram video became a For You Page (FYP) or recommendation page on TikTok with more than 1 million views, as well as other TikTik Selegram videos,

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which were also watched by more than 1 million viewers in 3 days (Tiktok Home Bety Agustina and Nizar, 2022), From ticket sales data from 10 to February 16, 2022 there is a significant level of visits with a target set with an average of 500 per day to 1000 per day and up to 3000 on weekend visits in a day, with high visits, of course, it becomes viral marketing because every visitor always uploads their visit on social media.

Celebrity endorsers are famous people who can influence others because of their achievements. [7] while customer experience as the accumulation of all events that are realized by customers [8]. From this, it will make viral marketing that encourages consumers to tell the products and services developed, companies or audio, video, and written information to others online [9], thus making the consumers want to buy or not to the product [10]. Previous research, such as that conducted by Monica Nngilu 2019 revealed that results showed that viral marketing and celebrity endorsements had a simultaneous effect on purchasing decisions, besides that in research conducted by [11] showed that there was a significant influence on the variable viral marketing and trust in customers on consumer buying interest, previous research on average shows a direct relationship between celebrity endorsements, customer experience, viral marketing on purchasing decisions, but has not been found with viral marketing as a mediation.

From this, the author tries to analyze the influence of celebrity endorsements and customer experience on purchasing decisions with viral marketing as a mediating variable.

## 2 Methods

The population in this study is everyone who has visited Antapura de Djati in Indonesia, especially West Java. The researcher used a non-probability sampling technique for sampling. The researcher chose the sample that best suited the criteria of the research subject, namely tourists from Antapura de Djati who were aged 18–50 years and had visited in the last two months.

The analysis was carried out on data obtained from research instruments, namely from the results of questionnaires distributed, then processed using statistical methods. The data is processed by path analysis technique, namely the structural equation modeling method, which measures a single indicator of each variable in a causal relationship. The researcher used the partial least square method to perform statistical tests on path analysis. PLS-SEM has the advantage of being able to analyze many indicators from several independent and dependent variables and can be used on small samples [12].

The research model is as follows (Fig. 1):



**Fig. 1.** Research Model

Hypothesis 1: The Effect of Endorsement on Viral Marketing.

Hypothesis 2: The Effect of Customer Experience on Viral Marketing.

Hypothesis 3: Effect of viral marketing on purchasing decisions.

Hypothesis 4: Effect of Endorsement on Purchasing Decisions with viral marketing mediation.

Hypothesis 5: The Effect of Customer Experience on Purchasing Decisions with viral marketing mediation.

### 3 Result and Discussion

#### 3.1 Result

##### Validity and Reliability Test

In this study, the indicators used must be consistent with the variables or constructs measured by testing reliability. The magnitude of the research reliability indicators is indicated by the Cronbach Alpha Value, which is indicated in the following table:

Table 1 above shows that the data is valid and reliable for this study.

Structural Equations Structural equations in this study are written as follows, which aim to determine the causality relationship and the effect of significance between the variables studied. Furthermore, causality between variables can be illustrated in the LISREL Output Path Analysis in the pattern in Fig. 2.

Hypothesis Testing In the following tabulation, the criteria for accepting or rejecting the hypothesis in this study are shown. The magnitude of the influence of each construct variable is as follows:

From Figs. 3 and 4, it can be explained that the results of hypothesis testing based on the Probability Value and t-Value were carried out to determine the positive or negative effect of the relationship between variables in this study. Several hypothetical observations provide the following explanation:

**Table 1.** Validity and Reliability result

	<b>Cronbach's Alpha</b>	<b>rho_A</b>	<b>Composite Reliability</b>	<b>Average Variance Extracted (AVE)</b>
<b>CUSTOMER EXPERIENCE</b>	<b>0.955</b>	<b>0.961</b>	<b>0.960</b>	<b>0.616</b>
<b>ENDORSEMENT</b>	<b>0.901</b>	<b>0.914</b>	<b>0.923</b>	<b>0.666</b>
<b>PURCHASE DECISION</b>	<b>0.928</b>	<b>0.933</b>	<b>0.943</b>	<b>0.736</b>
<b>VIRAL MARKETING</b>	<b>0.950</b>	<b>0.951</b>	<b>0.957</b>	<b>0.691</b>

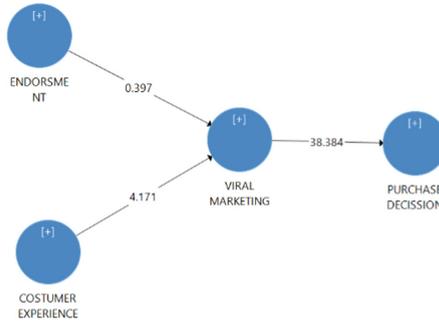


Fig. 2. An output Path analysis

	Original Sample (O)	Sample average (M)	Standard Deviation (STDEV)	T Statistik (O/STDEV)	P Values
COSTUMER EXPERIENCE -> VIRAL MARKETING	0.738	0.736	0.177	4.171	0.000
ENDORSMENT -> VIRAL MARKETING	0.066	0.086	0.167	0.397	0.691
VIRAL MARKETING -> PURCHASE DECISION	0.898	0.903	0.023	38.384	0.000

Fig. 3. Coefficient of customer experience, endorsements on viral marketing, and purchasing decisions

	Original Sample(O)	Average sample(M)	Standard Deviation (STDEV)	T Statistik (O/STDEV)	P Values
COSTUMER EXPERIENCE -> VIRAL MARKETING -> PURCHASE DECISION	0.663	0.667	0.167	3.967	0.000
ENDORSMENT -> VIRAL MARKETING -> PURCHASE DECISION	0.060	0.077	0.150	0.397	0.691

Fig. 4. Indirect Effects of customer experience and Celebrity Endorsements on purchasing decisions with viral marketing as mediation

1. Hypothesis Test 1: There is a positive but not significant effect of Endorsement on Viral marketing in Antapura De Djati. Evidence of hypothesis testing, it can be analyzed that the T Statistical Estimation Value is 0.37, smaller than the t-Value of 1.96 with a probability value above 0.001, and indicates that H0 is accepted and H1 is rejected.
2. Hypothesis Test 2: There is a positive influence of Customer Experience on Viral marketing in Antapura De Djati. Evidence of hypothesis testing. It can be analyzed that with an estimated value of 4.171, it is greater than the t-value of 1.96, and the probability value is less than 0.001, indicating that H0 is rejected and H2 is accepted.
3. Hypothesis Test 3: There is a positive effect of Viral Marketing on purchasing decisions in Antapura De Dajti. Evidence of hypothesis testing. It is analyzed that the estimated value is 38.39, greater than the t-value of 1.96, and the probability value is < 0.001, indicating that H0 is rejected and H3 is accepted.
4. Hypothesis Test 4: There is a positive but insignificant effect of endorsement on purchasing decisions mediated by Viral Marketing variables in Antapura De Dajti.

Evidence of hypothesis testing. It is analyzed that the estimated value is 0.397, which is smaller than the t-value of 1.96. The probability value is  $> 0.001$ , indicating that  $H_0$  is accepted and  $H_3$  is rejected.

5. Hypothesis Test 5: There is a positive influence of customer experience on purchasing decisions by mediating Viral Marketing variables in Antapura De Djati. Evidence of hypothesis testing. It is analyzed that with an estimated value of 3.96, the t-value is 1.96, greater than the probability value  $< 0.001$ , and indicates that  $H_0$  is rejected and  $H_3$  is accepted.

### 3.2 Discussion

Based on the results of the statistical test above, it explains the meaning of each output of the relationship test results for each variable studied in the study. The following discussion shows the manifestation of the results in the form of numbers generated on various outputs that have been described previously. Endorsement Marketing has no effect on Viral marketing and purchasing decisions in Antapura de Djati. This is following Monica Nggilu et al.'s research that endorsements do not affect purchasing decisions, as well as Alfifto's research that endorsements have no effect on purchase decisions with a case study on Geprek Benu products. However, the results of this study are different from the research conducted by [13], which states that celebrity endorsers have a significant effect on purchasing decisions.

In the context of Antapura de Djati, from the results of this study, it can be assumed that the content of Seleggram endorsed by the Antapura party is not because of its celebrity endorsement but could be because of its interesting content so that it becomes viral.

Customer experience plays a vital role in viral marketing and purchasing decisions, which results in relationships with customers leading to purchase decisions. From the statistical test results above, it is clear that customer experience has a positive and significant effect on Viral Marketing and purchasing decisions mediated by viral marketing variables. This is in accordance with Agin's research. Shepti states that customer experience and viral marketing influence purchasing decisions [14]. Customer experience is a customer experience that is expressed at the level of satisfaction in the form of online reviews and ratings of product performance. Thus, the assumption of antapura de djati consumers who upload their experiences on social media and share their experiences according to the results of this study influences viral marketing and purchasing decisions. The speed of giving reviews and customer ratings is influenced by customer satisfaction and dissatisfaction, where customers with both online experiences respond faster. Thus, customer experience can motivate consumers to buy products or services and share positive experiences [15]. Viral marketing has a significant effect on purchasing decisions. This is in accordance with several previous studies, such as [16], which stated that viral marketing had a significant effect on purchasing decisions for students of the economics faculty of the University of Bangka Belitung.

## 4 Conclusions

Based on a series of test results in this study, it can be concluded that there are several significant findings for the tourism industry. Namely, customer experience has a positive and significant influence on viral marketing and purchasing decisions; Furthermore, the

findings in the Customer Experience research need extra attention from the management of Antapura de Djati, considering the business transformation into the era of increasingly dominating information technology, which demands the creation of new, valuable experiences at any time so as not to be left behind in the competition. Thus, the better the customer experience, the more consumers will come to Antapura de Jati.

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