Factors Affecting Celebrity Endorsement on Purchase Intention Through Instagram Fashion Online Shop: An Indonesian Perspective

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ABSTRACT

The objective of this study is to examine the relationships of credibility, source of attractiveness, and product congruence toward purchase intention on Instagram’s online fashion shop in Indonesia. We surveyed 214 respondents through a purposive sampling method. We conducted an online survey on a 5-point Likert scale. The result was analysed using multiple linear regression to explain the relationship between a dependent variable, purchase intention, and independent variables, credibility, attractiveness, and product congruence. The result finds that all variables (credibility, attractiveness, and product congruence) have positive relationships toward purchase intention. The findings also show that only product congruence has no significant impact on purchasing intention.

Key Words: Celebrity endorsement, product congruence, purchase intention, source of attractiveness, source of credibility.

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1. INTRODUCTION

The use of social media continues to grow. According to the Global Digital Report 2019 by Hootsuite, there has been a 9% increase in global social media usage since January 2018, and the number of active social media users worldwide in 2019 is 3.484 billion. With the continued growth of social media users, the purpose of using social media is ever more varied. A recent study of motivations for using social media shows that 'finding a product to be bought' as one of the common responses, along with 'to find funny or entertaining content' (Nabila, 2019). In other words, nowadays, the change of social media use directs us to a new trend in business patterns. Indonesia is ranked as the 3rd most active social media user, with the average amount of time per day spent using social media at 3 hours and 26 minutes (Kemp, 2019). As such, Indonesia is also experiencing changes in the pattern of social media use. Based on research conducted by Instagram in 2019, Indonesia has the highest number of Instagram business accounts in the Asia Pacific. Furthermore, almost 90% of SME owners believe that Instagram has helped them increase their sales (Alfarizi et al., 2019). Based on recent data from APJII (Indonesian Internet Service Providers Association), 35% of internet users shop online, of this, 14.6% have bought fashion online at least once, from either e-commerce or social commerce sites such as Instagram (Jatmiko, 2018). Social commerce is different from traditional e-commerce in the sense that social media mediates activity and allows people to participate in such behaviours as marketing, selling, buying, and sharing consumption experience of goods and services (Chen & Shen, 2015:59).

More and more companies are motivated to adopt creative strategies to survive and claim a significant share of the market by striving to attract consumer attention to their marketing communications. One of the ways is by using celebrity endorsement. Celebrity (actors, actresses, entertainers and athletes) endorsement can help a product stand out amongst its competitors (Dean & Biswas, 2001; Pornpitakpan, 2004) and increase product interest.
(Maronick, 2006) so that it is become widely used technique. Shalev and Morwitz (2012) state that consumers accept influence from sources they can identify with and reject influence when they wish to disassociate from a source. Hence, celebrities have a high tendency of influencing consumers to accept product messages and to act on them by purchasing the product because they are seen as aspirational leaders or a credible source (Liu & Brock, 2011; Ohanian, 1990; Djafarova & Rushworth, 2017). Further, celebrity endorsers have always been chosen because of their attractiveness to gain from the dual effect of both their celebrity status and physical appeal (Erdogan, 1999; Um & Lee, 2015).

Additionally, advertisers also look for a proper match between the celebrity personality and product attributes (Ahmed et al., 2012) because endorsers are not effective for every product group. The "match-up hypothesis" (Kamins, 1994) suggests that endorsers are more effective when there is a "fit" between the endorser and the product they endorse. This fitness, or product congruence, consists of image fit, expert fit, and overall fit (Till and Busler, 2000). Most of the celebrity-endorse studies have been conducted in developed countries, such as Swiss, the Netherlands, and the United States (Seiler & Kucza, 2017; Djafarova & Rushworth, 2017; McCormick, 2016; Min et al., 2019). However, Khorkova (2012) found that celebrity endorsed advertisement would be more effective in an Eastern culture compared with a Western culture. Celebrity status is one of the main considerations in selecting endorsers in countries such as Japan, South Korea, China and Malaysia (Praet, 2009; Um & Lee, 2015; Ong & Ong, 2015; Liu et al., 2010; Liu & Brock, 2011). So, recent studies on this topic have started to take place in developing countries or emerging markets (Muralidharan & Xue, 2015; Ong & Ong 2015, Liu et al., 2010; Liu & Brock, 2011). As for the Indonesian context, there is still no thorough research of this topic in the fashion industry. Most of the existing research includes only credibility and attractiveness of celebrity endorsement as factors affecting purchase intention (Ishak, 2008).

In contributing to existing literature, this study seeks to investigate the affecting factors of celebrity endorsement towards purchase intention in online fashion shopping through Instagram by using the indicators of credibility, attractiveness, and product congruence within the Indonesian scope. Fashion product was taken as the specific field to be studied since APJII's data states that it is the second most purchased item by Indonesians through online sites (Jatmiko, 2018). This study also selects Instagram as the chosen social commerce to be studied because it is the largest growing social media in Indonesia and
Indonesia Instagram business accounts are the highest in the Asia Pacific.

2. LITERATURE REVIEW, HYPOTHESIS DEVELOPMENT, AND RESEARCH FRAMEWORK

Erdogan (1999) explained that celebrities are “those personalities who are reputed in the community and are well-known by people” and they have an ability to transfer their image to a specific advertised product because they have unique skills that most people do not. Some scholars propose that celebrity endorsers embody symbolic meanings that transcend those directly contained in them (McCacken, 1989).

Compared to non-celebrity endorsers, celebrity endorsers are likely to evoke more positive ad and purchase intentions than a non-celebrity (Keel & Nataraajan, 2012; Gaied & Rached, 2017). Many factors arise in the process of selecting endorsers and how to test the effectiveness of an endorser. Ohanian (1991) identifies three dimensions of “source credibility” of an endorser: expertise, trustworthiness, and attractiveness. Erdogan (1999) summarizes three factors: similarity, liking, and familiarity for the source of attractiveness of a celebrity endorser.

These three dimensions have been proven to directly influence purchase intention (Sertoglu, Catl & Korkmaz, 2014; Mansour & Diab, 2016). However, Seiler & Kucza (2017) indicates the indirect effect of trustworthiness, expertise and attractiveness to purchase intention through attitude towards the brand. Another study demonstrates a similar indirect effect, with attitude towards advertisement as the partial mediating variable for source credibility and source attractiveness (Ong & Ong, 2015).

Another factor that must be considered is a product fit between the celebrity and the product they endorse. A recent study shows a positive correlation between celebrity-product degree of fit with credibility, trustworthiness, likeability and similarity (Santos, Barros & Azevedo, 2019).

Our study focuses on three factors which are: the source of credibility, source of attractiveness, and product congruence.

2.1. Source of credibility

Source of credibility is the term used to indicate the positive characteristics shown by communicators who influence message acceptance and the receiver’s trust (Kutthakaphan, 2013). Ohanian (1990) proposed the concept of source credibility which include expertise and trustworthiness. Expertise is the level which communicators consider believable to give
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an objective opinion (Ohanian, 1991). Celebrity endorsers that are perceived as experts enhance the consumer agreement with the presenter’s recommendation (Eisend & Langner, 2010). Trustworthiness refers to consumer belief that information given by an endorser is objective and honest (Ohanian, 1990)

The previous study by Pornpitakan (2004), Seiler & Kucza (2017) and Djafarova & Rushworth (2017) which used the concept of source credibility stated by Ohanian (1990), proved that celebrity endorsers can make an advertisement more effective than a non-celebrity endorser because they tend to be perceived as credible, inducing a significantly higher number of customers to purchase. A recent study shows a direct relationship between purchase intention and trustworthiness (Muralidharan & Xue, 2015). Thus, we propose the following hypothesis.

\[ H_1: \] Credibility of the celebrity endorser is of positive significance related to purchase intention.

2.2. Source of attractiveness

Source of attractiveness has its origin in social psychological research and is a component of the Source Valence Model by McGuire (1985). According to him, there are three factors that contribute to the effectiveness of the message: similarity, familiarity, and likability of the source. Together, these can enhance perceptions of attractiveness (Wang & Scheinbaum, 2017).

Similarity is defined as the supposed resemblance between a source and a receiver of the message (McGuire, 1985). People tend to trust individuals who are similar to them, especially in areas of opinion, personality traits, and background or lifestyle (Cialdini, 2003). Thus, a celebrity who has a similar interest and lifestyle with his or her respondents creates better cohesiveness (Erdogan, 1999; Schouten et al., 2019, Ong & Ong, 2015). Furthermore, Schouten and colleagues (2019) found that for fashion products, the more similar the respondent feels to the endorser, the higher the respondent purchase intention.

Familiarity is a consumer’s knowledge about the source that he or she gained through repeated coverage of the celebrity in the media (McGuire, 1985). To support familiarity, the endorser should be well-known, well-liked, and recognizable. So, when companies choose a celebrity, it is crucial to understand to what extent consumers are familiar with the celebrity.

Likability is considered an affection for the source as a result of the sources’ physical appearance and behaviour (McGuire, 1985). By combining likability and trustworthiness, the highest positive effect will be created because when consumers like a celebrity, they will
trust that celebrity. Beside using the Source-Attractiveness Model by McGuire, we also added some indicators of Source of Attractiveness in Ohanian (1990) research to cover the physical attractiveness dimension. This is because the result from previous research which suggests attractive communicators are more successful at changing beliefs and attitudes, and at generating purchase intentions (Erdogan, 1999; Liu et al., 2010; Liu & Brock, 2011. Ong & Ong, 2015). Hence, the second hypothesis is:

\[ H_2: \text{Attractiveness of the celebrity endorser is positive and significant related to purchase intention.} \]

2.3. Product congruence

In this study, we use the product congruence aspects of Till and Busler (2000), which are image fit, expert fit, and overall fit. Product congruence is the connection between the endorser and the product being endorsed. It has been shown that a greater match-up or congruence (between the endorser and endorsed product) would improve the advertisement effect (Kamins, 1990) and increase information recall (Misra & Beatty, 1990). A more recent study shows that a match-up between celebrities and the fashion product they endorse results in a positive attitude towards the ads and the brand (McCormick, 2016). Gaied & Rached (2017) found that celebrities have higher congruence beauty products (i.e perfume) compared to technology and regular products. Furthermore, celebrity and product congruence also found to have a relationship to purchase intention (Liu & Brock, 2011; Min et al., 2017). Thus, the third hypothesis is:

\[ H_3: \text{Product congruence of the celebrity endorser is positive and significant related to purchase intention.} \]

2.4. Research framework

This research uses three factors to measure the effectiveness of celebrity endorsement toward purchase intention; they are: source of credibility, source of attractiveness, and the match-up or product congruence. The reason why the research uses those three factors is based on previous research; they have a high R-square score so it can be concluded that those factors have the most impact on purchase intention.
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3. METHODOLOGY AND DATA ANALYSIS

The population of this research is respondents between 18 and 34 years old who live in Indonesia and are active Instagram users and have seen a celebrity endorser in an Instagram online fashion store. The data was collected during the period of May to July 2019. This research used one of the non-probability sampling methods, that is judgmental or purposive sampling. Based on Malhotra (2019), the number of respondents needed for problem-solving research is 200 respondents, so we use this number for the sample size collected. The total respondents are 214. Data was collected by using an online questionnaire that was distributed to social media and messaging platforms such as Instagram direct message, Line, and WhatsApp. For Line and WhatsApp, the links to the questionnaire were sent to personal contacts and group chat that contained individuals who met the aforementioned criteria. All variables and data in this research have passed the validity and reliability tests by using Pearson’s Correlation and Cronbach Alpha. All variables are valid because the calculation results show that all item values have Pearson correlation above 3.0. Meanwhile for reliability, Cronbach alpha for credibility is 0.869, for attractiveness is 0.883, for product congruence is 0.757, and for purchase intention is 0.906. Because this research used a 5-point Likert scale, then the data of this research should be transformed from ordinal to interval data. The data transformation performed with Method of Successive Internal (MSI) and using Microsoft Excel to run the data transformation.

3.1. Variable operationalization

There are three independent variables being tested and those variables have their own indicators to be measured. First is source of credibility, second is source of attractiveness
and third is product congruence. For independent variables, source of credibility, source of attractiveness, and product congruence, respondents were asked whether a celebrity endorser should have attributes associated with each independent variable.

**Table 1. Variable Operationalization and Descriptive Statistics**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Attribute</th>
<th>Label</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Credibility</td>
<td>Dependable</td>
<td>CR 1</td>
<td>4.18</td>
</tr>
<tr>
<td></td>
<td>Honest</td>
<td>CR 2</td>
<td>4.29</td>
</tr>
<tr>
<td></td>
<td>Sincere</td>
<td>CR 3</td>
<td>3.93</td>
</tr>
<tr>
<td></td>
<td>Trustworthy</td>
<td>CR 4</td>
<td>4.37</td>
</tr>
<tr>
<td></td>
<td>Reliable</td>
<td>CR 5</td>
<td>3.95</td>
</tr>
<tr>
<td></td>
<td>Qualified</td>
<td>CR 6</td>
<td>3.61</td>
</tr>
<tr>
<td></td>
<td>Experienced</td>
<td>CR 7</td>
<td>3.64</td>
</tr>
<tr>
<td></td>
<td>Knowledgeable</td>
<td>CR 8</td>
<td>3.65</td>
</tr>
<tr>
<td></td>
<td>Skill</td>
<td>CR 9</td>
<td>3.72</td>
</tr>
<tr>
<td>Source of Attractiveness</td>
<td>Attractive</td>
<td>ATT 1</td>
<td>3.75</td>
</tr>
<tr>
<td></td>
<td>Classy</td>
<td>ATT 2</td>
<td>3.13</td>
</tr>
<tr>
<td></td>
<td>Beautiful</td>
<td>ATT 3</td>
<td>3.17</td>
</tr>
<tr>
<td></td>
<td>Elegant</td>
<td>ATT 4</td>
<td>3.08</td>
</tr>
<tr>
<td></td>
<td>Sexy</td>
<td>ATT 5</td>
<td>2.68</td>
</tr>
<tr>
<td></td>
<td>Likeability</td>
<td>ATT 6  (Behavior)</td>
<td>3.98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ATT 7 (Appearance)</td>
<td>4.08</td>
</tr>
<tr>
<td></td>
<td>Familiarity</td>
<td>ATT 8</td>
<td>3.96</td>
</tr>
<tr>
<td></td>
<td>Similarity</td>
<td>ATT 9 (Styles)</td>
<td>2.98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ATT 10 (Values)</td>
<td>3.04</td>
</tr>
<tr>
<td>Product Congruence</td>
<td>Image Fit</td>
<td>PC 1</td>
<td>4.12</td>
</tr>
<tr>
<td></td>
<td>Expert Fit</td>
<td>PC 2</td>
<td>3.78</td>
</tr>
<tr>
<td></td>
<td>Overall Fit</td>
<td>PC 3</td>
<td>3.88</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>Interest</td>
<td>PI 1</td>
<td>3.37</td>
</tr>
<tr>
<td></td>
<td>Probability</td>
<td>PI 2</td>
<td>3.52</td>
</tr>
<tr>
<td></td>
<td>Willingness</td>
<td>PI 3</td>
<td>3.48</td>
</tr>
<tr>
<td></td>
<td>Intention</td>
<td>PI 4</td>
<td>3.40</td>
</tr>
</tbody>
</table>
3.2. Descriptive analysis

Table 1 explains the descriptive statistics of all independent variables in this research. The highest mean of nine statements in credibility is CR 4 (4.37): the celebrity should be trusted while endorsing the product. The second highest of the mean score for credibility comes from the CR 2 (4.29) statement about the honesty of a celebrity while endorsing the product. The highest mean of the ten statements of attractiveness is ATT 7, which scored 4.08, but the second-highest mean, ATT 6, is not too significantly different (3.98). These two statements, ATT 6 and ATT 7, concern the likeability of a celebrity endorser. The least mean score for attractiveness is ATT 5 at 2.68 mean score. The statement of ATT 5 is about celebrity endorsers’ sexiness. The highest mean of three statements for product congruence is PC 1, which has a score of 4.12; this statement concerns image fit between endorser and product endorsed.

The dependent variable tested in this research is purchase intention, which is about the interest, chance, willingness, and intention to buy the endorsed products. The statement of PI 2 that got the highest mean score (3.52) concerns respondent motivation to buy an endorsed product on the Instagram online fashion shop after viewing the endorsement. The second highest mean score (PI 3) indicates that respondents will carry out a further information search for products endorsed by a celebrity.

3.3. Multi linear regression

3.3.1. Coefficient of determination

The result shows that R-Square is 0.300 or 30%. That means all independent variables (credibility, attractiveness, and product congruence) can explain a 30% purchase intention variable as the dependent variable. Furthermore, since the value of R Square for the model equation in this research is more than 0.26, the independent variables in this research are considered substantial to affect purchase intention.

3.3.2. F-Test

The result of F-Test for this research shows all independent variables (credibility, attractiveness, and product congruence) make a significant impact to the dependent variable (purchase intention). The equation is significant since the sig. value is less than 0.05.

3.3.3. Regression coefficient

From this test, we see that credibility and attractiveness make a significant impact to the purchase intention variable since the significant value is less than 0.05. Meanwhile, product
congruence does not provide a significant impact for purchase intention because the significance value is greater than 0.05. Even though all independent variables have a positive relationship to purchase intention, the most significant impact for purchase intention in this research is credibility (0.42). The overall Multi Linear Regression Results is shown in Table 2.

### Table 2. Multi Linear Regression Result

<table>
<thead>
<tr>
<th>Coefficient of Determination (R Square)</th>
<th>F-Test (Sig.)</th>
<th>Regression Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.300</td>
<td>.000</td>
<td>B</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sig.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.420 (CR Average)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.298 (ATT Average)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.040 (PC Average)</td>
</tr>
</tbody>
</table>

### 4. CONCLUSION

This research gives empirical evidence to understand the influence of celebrity endorsement on purchase intention in the Indonesia market. Indonesia has the highest number of Instagram’s business accounts in the Asia Pacific and many of these use celebrity endorsements as one of their marketing tools. There are three variables used in this research for celebrity endorsement: credibility, attractiveness, and product congruence. The research result shows that credibility factors of celebrity endorsement have a positive and significant impact on purchase intention. Trustworthiness and honesty have the highest mean scores among the nine statements of credibility.

Our research also suggests that using attractive celebrity endorsers will increase customer purchase intention. In a related study, Liu et al. (2010) found that the attractiveness of the celebrity endorser is more likely to influence consumer purchase intentions. However, their findings only use the concept of attractiveness from Ohanian (1990). The current study integrates the aspects of attractiveness proposed by Ohanian and McGuire (1985) by adding likeability, familiarity, and similarity, to create a thorough understanding of attractiveness. The result shows that attractiveness factors of celebrity endorsers indeed have positive and significant impacts on purchase intention. Furthermore, the likeability of the endorser attributes, their physical appearance and behaviour, have the highest mean score among the
This research also investigates the relationship between product congruence and purchase intention. However, the result shows that product congruence factors of celebrity endorsement have positive but not significant impact on purchase intention. By that, this finding does not support previous research by Min et al. (2019). The research findings are dissimilar might be because of the differences in the target sample. In another previous study, however, Choi and Riffon (2012), Liu and Brock (2011) and McCormick (2016) found that product congruence did not have a strong correlation to purchasing intention. It means their research had similar findings with our research.

Thus, there are two hypotheses supported: credibility and attractiveness give significant impacts on purchase intention. Furthermore, as mentioned earlier, the highest mean score for source attractiveness is the likeability of the celebrity endorser; the highest mean score for the source of credibility is trustworthiness.

The findings and implications of this study are constrained by some limitations which provide an opportunity for future research. This research is limited to Indonesian people in the age bracket of 18-34 years old, which refers to active Instagram users based on age (Kemp, 2018). Therefore, further research is recommended to expand the scope of research in terms of geographical and target respondents within a wider area and with broader criteria because a different research area could uncover different findings as well.

This study uses only three factors of celebrity endorsement that produce impacts to purchase intention (credibility, attractiveness, and product congruence). Further research may wish to use other sources that can also be factors in celebrity endorsement that impact purchase intention, such as publicity, media exposure, celebrity scandal (Min et al., 2019). These other variables can be tested in future research to provide better understanding of the factors of celebrity endorsement and purchase intention.

Further, this research only analyses the Instagram online fashion shop. Thus, further research is recommended to conduct similar research in different sectors of business, such as the food and beverage industry. The media to be studied also can be expanded from Instagram and online platforms exclusively to include research on celebrity endorsement for offline stores and other advertising media.
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online


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