

CHAPTER I

INTRODUCTION

1.1 Background of The Research

Internet and gadget are two of the important things that cannot be separated with the people lifestyle nowadays. There are many motives to access these two, start from looking for information, educational purpose, and even shopping. The existence of the internet indirectly impacted new generation, namely the Z-generation, who were born between 1995 and 2000 (Koksal, 2019). One of the things that is quite widely accessed by this generation is social media, where they can communicate and meet their relatives or maybe just for looking some product information. With the enlargement of social media and mobile communication technology, several businesses utilize it as their promotional tools wherever they place a number of the knowledge which may be seen by the customers, where purchasers share and post their assessments of merchandise and services as being satisfactory and unacceptable service experiences with no temporal or abstraction constraints. Social media and mobile communication technology became major platforms for information exchange and customers' on-line interactions before purchases, that replicate an elementary facet of the fashionable customer experience (Shah et al., 2020).

The high intensity of using the gadget and accessing social media refers to Gen Z as one of the most diverse and accepting generations to come along, wanting everyone to feel safe, respected and afforded the same opportunities. Members of Gen Z are fiercely loyal to their “circle of trust” a group of people, brands, and organizations that they let into their lives. They respect their circle's opinions and beliefs and often can grow dependent on them. Part of Gen Z's circle of trust is certain brands and influencers—trusted advisors that Gen Z turns to in decision-making times. Since the emergence of social media sites (SMSs) in early the 2000s, generations Y (i.e.

Millennials) and Z (i.e. the iGeneration) are the leading cohort to embrace and use these sites (Fietkiewicz, 2017) with folks aged nineteen to twenty-three in line with as a result of the most users (88 percent) of SMSs in 2018 (Pew analysis Center, 2018) cited as “digital natives,” the younger generations (e.g. teens) are found to possess interaction with completely different individuals, institutions, and makes on SMSs by actively causative (e.g. supporting causes), sharing (e.g. posting accomplishments), and looking for content (Florenthal, 2019). With the increase of social media and cellular conversation generation, client’s percentage and publish their tests of services and products as being first-class and unsatisfactory provider reviews with no temporal or spatial constraints. Social media and cellular conversation generation have come to be the most important systems for data change and clients’ online interactions earlier than purchases, which replicate an essential component of the current patron experience (Shah et al., 2020).

Despite various social media platforms that facilitated every people to access it nowadays, this research will be more focusing on an Instagram. Instagram was totally famous picture-sharing social media application (Duggan et al., 2015). It has been at the leading-edge of popularizing image-in-depth social media, wherein customers can percentage their stories via way of means of posting photographs. Since 2013, the wide variety of energetic Instagram customers has improved significantly (Lee et al., 2015). In January 2018, for example, approximately 800 million human beings actively used Instagram worldwide, posting a median of 27.9 snapshots in keeping with a month (Statista, 2018a) and spending 257 minutes month-to-month traveling the application (Brandwatch, 2016). According to (Gibała et al., 2018) “Instagram, as recently grown phenomena, as the photo and video sharing sites attract 500 million of active users monthly and over 95 million of photo and video shared posts per day (Dumas et al., 2017).

Moreover, the rapidly expanding phenomena of an Instagram story (the number of users reaches up to 250 million per day with its live chat video feature, focus settles firmly on the area of organic engagement. Social media customers spent forty-five percentage longer on Instagram than on Facebook and forty percent longer than on Twitter (Kusumasondjaja & Tjiptono, 2019). By the end of November 2019, Indonesia Instagram user reach 61,600,000 accounts, consisted by 37,3% of Z generation or 23,000,000 users (KOMINFO, 2019) it shows as a huge number and could see as the sexiest place to promote a brand since social media lifestyle and smartphone is hyped and could be categorized as the basic needs of people nowadays. Everyone always keeps updating their social activities and their own interest. Indonesian usually spent 3 hours and 23 minutes playing social media (Hootsuite,2018). This means that 1/8 days are off by accessing social media.

Besides, the Instagram platform also provides a blue checklist beside the username to determine that the account is verified by Instagram. Usually verified account is categorized as a well-known public figure who had an account. One of Instagram feature for business account is an activity tracker which conduct statistical data include the number of likes, views, and engagement that could be as one of the tools to measure how our account reach the followers. That aspect is needed by the brands to select their brand ambassador or to do the endorsement. Because of that Instagram elevate to be new industry because of the feature that Instagram provides. It became one of the effective marketplaces for any brands that utilize it properly.

According to Friedman, a "celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed". Compared to other endorser types, famous people always attach a greater degree of attention, recall and loyalty (Sugiyono, 2016). Currently, most of the Instagram users who have followers up to 10k will open

endorse section on their post and story, because when the amount of the followers hit 10k (10,000) it will unlock one of the Instagram features where the users could link their Insta story to brands official website store, or it is familiar with “swipe up” feature. The pricelist is adjusted based on the engagement level of the account. There are various pricelists set by the endorser such as post story, update on IG (Instagram) Biography, post feed, and the price also influenced by how many followers, how many likes and how the Instagram engagement by the endorser. The price would start from IDR50,000 – millions.

In this paper, writer choose Fadil Jaid as a celebrity endorser to observe. Fadil Jaidi pricelist for endorsement via story is IDR2.500.000 per story. It is revealed by one of the UMKM that use Fadil service, which this data was quoted on solopos.com To engage their followers, usually celebrity endorser will provide unique content daily, the content that celebrity endorser conduct also will affect the brand selection which has a suitable market with the celebrity endorser content. One of the foremost standard social media mistreatment Celebrity Endorsement is Instagram (98.8%), that is that the highest chosen social media platform. YouTube (41.0%) within the second place and followed by diary in the third place (28.9%)(Han et al., 2018). In this research the celebrity endorser to be studied is Fadil Jaidi

which has 3.4 million and had verified accounts.

Fadil Jaidi is one of the Internet celebrity that quickly got hyped during Ramadhan 2020, Fadil Jaidi made a video with his father that contains entertaining content which Fadil doing a silly thing, pranking his father ,or just playing with his father, the pure reaction of his father and the innocent act by Fadil successfully the attention of a million on his YouTube Channel and the traffic is well maintained till today before the video is published Fadil only have less than a million of followers on Instagram and less than 100 thousands of subscriber on YouTube. Now he has 3.4

million followers and 2.6 million subscribers. Even the content is annoying his father and the family, but it is not on a purpose, Fadil Jaid has shown a good manner and keep it lowkey humble to others celebrity endorsement make him obtain respect from a celebrity so he could develop his career widely. This positive impact seen as an opportunity by Bittersweet by Najla, it is quite regular that they collaborated if there are any fresh campaigns by them.

Moreover, advertisers agree that celebrity endorsement does not itself assure sales. It will produce a buzz and construct a client experience better concerning the product, which successively were given to go back to expectation customers of clients of buyers as a real big name through handing over the promise. There are times anywhere the endorsement or actual purchaser has begun out running higher than movie star endorsers. of path, considerable evaluation desires to be finished on purchaser testimonials, which generally tend to set off higher creditability and allows in carving the competent, rational, informed purchaser of these days who are claimed to be the essential hero. This study is a purpose to look how the notion of the purchaser after seeing the commercial through the influencers at the social media and the way the commercial is putting the logo role in purchaser thoughts due to the fact the phenomenon of recommended product through the social media influencer is presently boom and lots of manufacturers which might be inclined to pay their marketing and marketing fee for them to sell their product.

According to a Nielsen promoting survey, influencer marketing yields “returns on investments” (ROI) eleven times higher as compared to digital marketing (Tapinfluence, 2017). In contrast, celebrity endorsement is additional instrumental in raising whole awareness among consumers, while social media influencers play an extremely important role in driving product engagement and brand loyalty (Tapinfluece, 2017) as they're more capable of human action to a distinct segment. Organizations believe that endorsement will warrant the quality of product data

(Amoateng & Poku 2013; Sassenberg et al., 2012). Ringing this common belief, social media influencers as a brand endorser has fully grown more sought-after particularly among new and tiny on-line businesses. Media Kix promoting according that around 80% of online marketers claimed that social media influencers are potential endorsers who boost their online businesses to higher levels (Forbes, 2017).

In the previous study (Kusumasondjaja & Tjiptono, 2019) Instagram has made the meals commercial enterprise one of the maximum outstanding industries on social media. Food is presently most of the maximum famous merchandise marketed on Instagram, in which it can be supplied in a greater non-public way, conveying a greater sincere photo of manufacturers. And that phenomenon is quite thrilling to this researcher to do the studies approximately is there certainly that powerful on selling a product through make use of celebrity endorsement.

Celebrity endorsement is one of digital communication that is currently in great demand by many SMEs, as well as Bittersweet by Najla, who faithfully uses endorsers to advertise their products, this adapts to the target market, namely the younger generation who actively use social media Instagram, so that the advertising message to be conveyed will meet the target well, of course the message built by the endorser is packaged in an attractive way, and is also adjusted to the content that the endorser has on Instagram, now this is what makes me as a researcher interested in seeing the response from customers in receive advertising messages delivered by endorsers who provide reviews of the Bittersweet by Najla product and how will this delivered advertising message affect customer purchase intention to buy the product. On the previous research by (Zeng et al., 2019) Source quality refers as to if an individual perceives a supply of data as unbiased, believable, true, or factual. Positive characteristics of messages will increase the worth of the writing and therefore increase the acceptance among readers. providing for reasons except to

produce client experiences and suggestions might compromise the credibility of the source and defeat the persuasive intent of the messages. Cause which will impact the complete angle as well, in (Lee et al., 2017) article same that brand attitude is that the personal recognition and emotional facet of an advertising company's brand. several researchers have examined advertising attitude in terms of recognition and feeling nearer to a selected emblem of product/provider in an advertisement, stressing the impact of selling and marketing mind-set on emblem mindset, additionally to the impact of marketing and marketing mindset at the technique of forming emblem mindset.

The advertising message that builds and covered in endorsement on Instagram will create brand awareness from Bittersweet by Najla because it will reach broader market, because the celebrity endorser followers will see the advertisement, even though Bittersweet by Najla promotion is based on Instagram, but still the barrier is the advertising message limit only for the followers, choosing correct endorser also build a brand attitude in customer mind, the marketers should be aware in select the correct endorser that have positive impact not just for doing the promotion but in creating the value of the brand, In the previous study (Lu et al., 2014) indicate that advertising is also a general sense of paid non-personal industrial communication tool and description consumer skepticism toward advertising as associate degree inclination toward disbelief regarding a particular advertising claim Thus, this examine defines client attitudes towards backed recommendation posts as a mental tendency towards the supply credibility relating to a specific backed recommendation publish at some stage in an passing specific substance occasion.

So that, clients should be aware about what type of the content provide by the endorser and what segments of the followers that they had. The credibility of the endorser also one of the

marketer considerations. Source credibility refers to whether a person perceives a source of information as unbiased, believable, true, or factual. Positive characteristics of messages can increase the value of the writing and thus increase the acceptance among readers. Offering for reasons other than to provide consumer experiences and recommendations may compromise the credibility of the source and defeat the persuasive intent of the messages. Cause that will impact the brand attitude as well, in (Lee et al., 2017) article said that brand attitude is the personal recognition and emotional aspect of an advertising company's brand. Many researchers have examined advertising attitude in terms of popularity and emotion closer to a specific emblem of product/provider in an advertisement, stressing the impact of marketing and marketing mindset on emblem mindset, in addition to the impact of marketing and marketing mindset at the technique of forming emblem mindset.

This research subject is a dessert box named Bittersweet by Najla, established in 2017, when this dessert box was published Najla as the owner utilize almost all of the hype celebrity endorsers to promote her dessert box, on their Instagram bio they mention that "Pelopor Dessert Box No #1". The Marketing was full success now they even have many café outlets they mention where their official outlet in Indonesia, and they give a WhatsApp number for any critics and suggestions. Now they have an official website that has integrated links with all the order option for their customer such as online delivery, e-commerce, and their official YouTube Account. Until today Bittersweet by Najla actively utilize celebrity endorser in Instagram to promote their product and the owner also make a good relationship with them by giving them a birthday present and so on. On selecting the celebrity endorsement, Bittersweet by Najla see the trend and which celebrity endorsement engagement that currently uprising and match it with their content. Before selecting

this object to be researched ask like 15 of my friends they had the same brand image position on their mind “Kue selebgram” which is aligns with my research variable.

Based on the background that has been discussed and based on current phenomena and surveys that have been carried out, researchers are interested in conducting further research on the problem of customer perception, customer trustworthiness, purchase decision on Bittersweet by Najla. For that in this study, the authors take the title: "**The Effect of Celebrity Endorser On Purchase Intention, The mediation Role of Brand Awareness and Brand Attitude)**".

1.2 Research Question

Based on the background that has been stated previously, the problems that will be discussed in this research are:

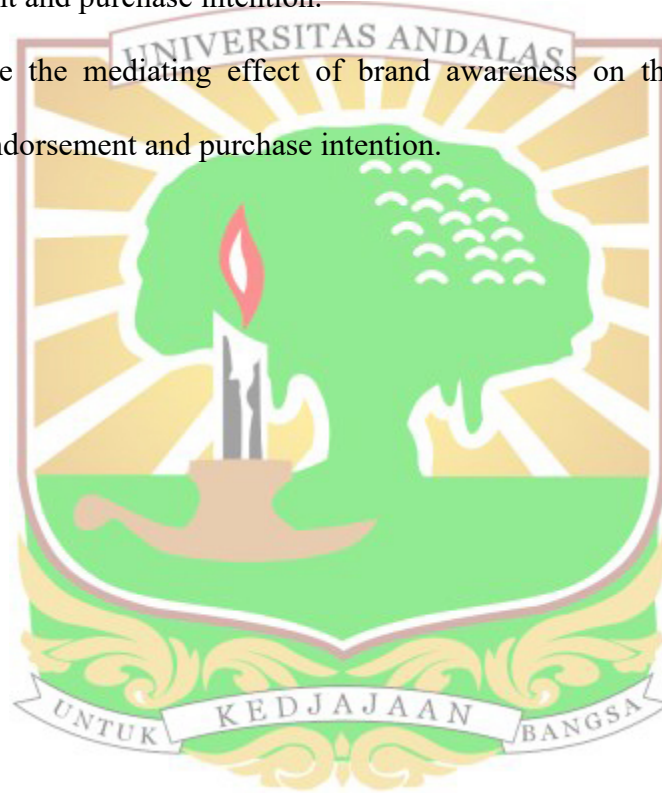
1. How celebrity endorsement impact on brand attitude?
2. How celebrity endorsement impact on brand awareness?
3. How celebrity endorsement impact on purchase intention?
4. How brand attitude impact on purchase intention?
5. How brand awareness impact on purchase intention?
6. How brand awareness impact brand attitude?
7. How brand attitude mediatee the relationship between celebrity endorsement and purchase intention?
8. How brand awareness mediates the relationship between celebrity endorsement on purchase intention?

1.3 Objectives of the study

Based on the formulation of the problem above, the research objectives achieved are:

1. To examine the impact of celebrity endorsement on brand attitude.

2. To examine the impact of celebrity endorsement on brand awareness.
3. To examine the impact of celebrity endorsement on purchase intention.
4. To examine the impact of brand attitude on purchase intention.
5. To examine the impact of brand awareness on purchase intention.
6. To examine the impact of brand awareness impact brand attitude
7. To examine the mediating effect of brand attitude on the relationship between celebrity endorsement and purchase intention.
8. To examine the mediating effect of brand awareness on the relationship between celebrity endorsement and purchase intention.



1.4 Contributions after research

For the academic:

1. The result of this research can Increase further understanding about the celebrity endorsement, brand awareness, brand attitude and advertising message in promoting food product and how it determines the purchase intention.
2. For knowledge development, this research can become references for future research.

For Celebrity Endorser:

1. Explore how followers see the celebrity endorsement post.
2. Explore how brand see the endorsement post.
3. The result of this research could help celebrity endorsement to have a competitive advantage.

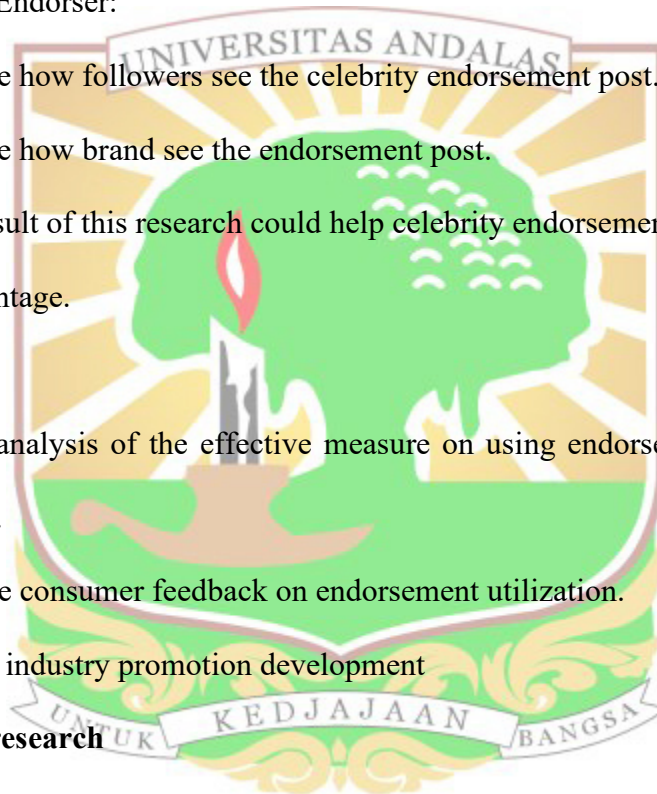
For Business:

1. Get the analysis of the effective measure on using endorsement as an advertising message.
2. Know the consumer feedback on endorsement utilization.
3. For food industry promotion development

1.5 Scope of the research

The scope of this research was minimizing to some extent for the accuracy and the precision of the result, where the writer selects Fadil Jaid as a celebrity endorser, so the sample was Generation Z, filter by Instagram users that follow or see the review content of Bittersweet by Najla. The scope of the research is Effectiveness on utilizing the celebrity endorser as a promotional tool for Bittersweet by Najla by Instagram users located in Padang, Sumatera Barat.

1.6 The Writing Structure



CHAPTER I INTRODUCTION:

This chapter which contains the background of the research, the problem statement, the objective of the research, the benefit of the research, the scope of the research, and ended with the structure of writing.

CHAPTER II LITERATURE REVIEW:

This Chapter explained all theories that are related to this research. Theories used include the definition of customer perception, purchase decision and celebrity endorsement, and social media usage development especially Instagram. Also, in this chapter will be provided with a review of the previous studies, hypothesis development, and theoretical framework that will become guidelines in data processing.

CHAPTER III RESEARCH METHOD:

This chapter explained the research design, instrument used in quantitative, population and sample, data collection technique, variables and measurement, and also data analysis method used for testifying the hypothesis.

CHAPTER IV ANALYSIS AND DISCUSSION:

This chapter contains the result analysis of the research, the respondent description, and descriptive analysis.

CHAPTER V CONCLUSION:

This chapter contained the conclusion of the conducted research, the implication of the research, the limitation of the research, and suggestion.

