**The 1st International Conference Of Faculty of Economics Alkhairaat University :
'From Crisis To Opportunity: Building Sustainable Economic Capabilities Post Covid-19"**

VOL. 1 – NO. 1
ISSN : XXX-XXX
2023

THE INFLUENCE OF CELEBRITY ENDORSEMENT AND BRAND IMAGE ON PURCHASE INTENTION AT CAFE ES TEH INDONESIA PALU

Kamal
Misyuni Angra Cita

ABSTRACT

This research aims to analyze the influence of celebrity endorsement and brand image on consumer purchase intention at the Indonesian Es Teh Cafe in Palu City. Celebrity endorsement is a marketing strategy using celebrities as advertising stars to increase brand awareness and interest. Brand image is the image and reputation of a brand in the minds of consumers. Purchase intention is the intention to buy a product by consumers. This research used questionnaires and interviews to collect data from 55 respondents. Data were analyzed using multiple linear regression to test the hypothesis. The hypothesis in this research is that celebrity endorsement and brand image simultaneously have a positive and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu. Celebrity endorsement has a positive and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu. Brand image has a positive and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu.

INTRODUCTION

Tea is a very popular drink in Indonesia. The history of tea in Indonesia began in the 18th century, when Dutch traders began bringing tea seeds from China to Indonesia. At that time, tea was only grown in certain areas in Indonesia, such as West Java, East Java and Sumatra. However, as time goes by, tea production in Indonesia is growing rapidly. Currently, Indonesia is one of the largest tea producers in the world, with tea production reaching more than 150,000 tons per year.

Apart from that, there are also developments in terms of tea processing and consumption in Indonesia. Ready-to-drink packaged tea is becoming increasingly popular, and the emergence of tea shops or tea cafes has become a trend among young people. There is also an increase in Indonesian people's awareness of the health benefits of tea, so many people are starting to consume tea as part of a healthy lifestyle. In the tea industry, Indonesia also has advantages, namely dry tea or leaf tea, which is produced by tea gardens in the Puncak area, West Java, which is one type of tea that is recognized worldwide as having the best quality.

Promotion of tea through celebrities can be an effective way to expand the market and attract consumer attention. Several tea brands in Indonesia have used celebrities as brand ambassadors or

endorsements in their marketing campaigns.

Celebrity endorsement is a marketing strategy in which companies use celebrities or well-known figures to promote their products or services. The goal is to increase brand awareness and make consumers feel closer to the product or service. In celebrity endorsement, the celebrity chosen must be in accordance with the brand or product you want to promote. They must have a positive and credible image, and have a large influence among consumers. If chosen correctly, celebrity endorsements can be a very effective marketing tool and can increase purchase intention. Celebrity endorsements also have several risks. If the chosen celebrity is involved in controversy or takes actions that are detrimental to the brand image, this can have a negative impact on sales and brand reputation. Additionally, the cost of using celebrities can be very expensive, so not all companies can afford to do so.

According to Kotler, Philip & Kevin in Beta Adi Guna (2018), one of the well-known marketing experts, celebrity endorsement is an effective way to introduce new brands to the market. He also emphasized the importance of choosing celebrities who match the brand or product being promoted and have a positive and credible image. Aaker, David A, and Erich Joachimsthaler (2000), a marketing professor at the University of California, Berkeley, said that celebrity endorsements can increase brand awareness and build consumer trust in the brand. However, he also warned that

if the chosen celebrity is involved in a scandal or controversy, this could damage the brand image.

Apart from that, a factor that can influence purchase intention is brand image. Brand image is the image formed in consumers' minds regarding a brand or product. This image is formed through consumer perceptions of the characteristics and attributes attached to the brand or product. Brand image is very important in marketing because it can influence consumers' decisions to buy or use products or services. If the brand image is positive, consumers tend to prefer and trust that brand or product. Conversely, if the brand image is negative, consumers may avoid the brand or product.

Brand image is formed through various factors, such as product quality, price, design, brand image, brand reputation, and marketing activities. Companies can influence their brand image by paying attention to these factors and building a brand image that is consistent with the values and characteristics of the brand. To build a positive brand image, companies must understand their audience and communicate the value and benefits of products or services clearly and consistently.

The following are experts' views regarding brand image: Keller Kevin Lane (2013), one of the leading branding experts, brand image is the impression formed in consumers' minds regarding a brand. This brand image is formed through consumer experience, brand perception, and brand associations formed through marketing activities. Aaker, David A. (2009), a well-known

branding and marketing expert, emphasizes the importance of building a strong and consistent brand image. According to him, brand image is the result of marketing activities that create a consistent and positive impression on consumers. Kapferer, Jean-Noel (2008) a marketing professor at HEC Paris, stated that brand image must reflect the brand's core values. A strong brand image is the result of consistency in brand communication and consumer experience. Kotler, P. (2012), one of the leading marketing experts, said that brand image is an image or reputation resulting from consumer experiences with brands and marketing activities.

The success of Indonesian iced tea finally caught the attention of actress and public figure, Nagita Slavina. The woman who is familiarly called Gigi was finally appointed as CEO of Indonesian Ice Tea and continued the leadership relay from Haidhar. The announcement of Nagita Slavina's joining Iced Tea Indonesia on July 14 2022 has had a positive impact on the outlet becoming busier. Based on the confession of one of the employees, he admitted that he could make up to 200 glasses per day for around Rp. 4-5 million. The presence of celebrity endorsements and a strong brand image is an attraction for the people of Palu to come to Café Es Teh Indonesia, Palu Branch. This triggers the creation of high purchase intention, which has an impact on increasing the number of customers and income. One of the celebrity endorsements that collaborates with Cafe Es Teh Indonesia is the famous artist, Jenita Janet as brand ambassador, Brisia Jodie, Syifa Hadju,

and many other celebrities and celebrities who endorse Es Teh Indonesia through their personal social media. Until the end of 2022, Es Teh Indonesia has succeeded in opening 1000 outlets spread throughout Indonesia.

THEORETICAL BASIS

Marketing management is an activity planned and carried out by the company. Planning requires the right strategy and expertise to determine the plan. The role of marketing management in a company is very important, this includes preparing more innovative products, selecting the company's desired market share, and promoting new products to potential buyers.

According to Kotler, P., & Kevin, L. Keller (2017) marketing management is a target market to attract, retain and increase consumers by creating and providing good sales quality. Tjiptono, F (2016) overall marketing management , namely the way a company does business by preparing, determining and distributing products, services and ideas that can meet the needs of the target market. Panjaitan, R. (2018), the goal of company management is to find, attract, retain and grow target customers by creating, providing and communicating the superiority of products or services to consumers.

One of the 7P marketing mixes is Promotion and one method of promotion is through advertising using celebrity endorsements. Celebrity endorsements are television, or film stars, famous athletes and sometimes deceased celebrities who are widely used in magazine advertisements, sports

radio, television advertisements that endorse a product. A. Shimp, Terence (2014) Celebrity endorsements are aimed at attracting consumer attention with the aim of influencing consumers to make purchases/products or services. A. Shimp, Terence (2003) endorsement is an advertising supporter or also known as an advertising star to support a product. Meanwhile, celebrities are figures (actors, entertainers or athletes) who are known for their achievements in different fields than the products they support. A. Shimp, Terence (2003) Celebrities are seen as individuals who are liked by society and have attractive advantages that differentiate them from other individuals. other.

A. Shimp, Terence (2003) argue that celebrity endorsement is using artists as advertising stars in the media, starting from print media, social media, and television media. In addition, celebrities are used for their famous attributes including good looks, courage, talent, grace, strength, and sexual appeal which often represent the attractiveness desired by the brands they advertise. The spoken words and sometimes even just the charisma of a celebrity can influence someone to stop and direct attention to them. Shimp states that today many consumers easily identify with these stars, often viewing them as heroes for their accomplishments, personalities and physical attractiveness. Perhaps as many as 1/4 of all advertisements use celebrities. The reason why celebrities are very popular with manufacturers to advertise their products is because the message conveyed by an interesting source (celebrities who are currently popular)

will receive greater attention as well as being very easy to remember, Royan, FM (2004). Purchasing products and services and choosing brands, celebrities can have a strong influence on consumers. Celebrities can be a very important marketing tool for a product, their extraordinary appeal and having many fans can be something that other people don't have. Celebrities have inner beauty, charisma and credibility, Sumarwan, Ujang, et al. (2010)

Benefits of Celebrity Endorsements

Increasing Sales International Journal of Advertising (2005) A study conducted in 2005 by the International Journal of Advertising shows that celebrities can influence consumer purchase intention and increase sales significantly. Celebrity endorsements can help increase brand or product awareness among consumers. By using celebrities who are known to the public, products or brands can reach a wider audience and attract the attention of more consumers. The use of publicly known celebrities can help build consumer trust in a product or brand. Studies show that consumers tend to trust brands endorsed by celebrities more.

Shimp (2003) states that five special endorsement attributes are explained by the acronym TEARS, where TEARS consists of:

1. Truthworthiness (trustworthy)
Refers to the honesty, integrity and self-confidence of a message source.
2. Expertise (expertise)
Refers to the knowledge, experience or expertise possessed by an endorser who is associated with the brand being supported. An endorser who is accepted

as an expert on the brand he supports will be more persuasive in attracting an audience than an endorser who is not accepted as an expert.

3. Attractiveness (physical attractiveness)

Refers to the self that is considered attractive to look at in relation to a particular group concept with physical attractiveness.

4. Respect (quality is appreciated)

Qualities that are valued or favored as a result of the quality of personal achievement.

5. Similarity (similarity to the intended audience)

Refers to the similarities between the endorsement and the audience in terms of age, gender, ethnicity, social status, and so on.

According to Aeker, D and Keller (2004) brand image is the consumer's perception of the brand image of the product that will be consumed or used. According to Keller (2000), brand image measurement can be done based on aspects of a brand, namely:

Easy to remember brand:

This means that the brand elements chosen should be easy to remember and mention or pronounce. The symbols, logos, names used should be attractive, unique so that they attract people's attention to remember and consume them.

Brand is easy to recognize:

Apart from the logo, a brand is known through the message and the way in which the product is packaged and presented to consumers which is called trade dress. Through intensive communication, a special form of product can attract attention and be easily recognized by consumers. So trade dress is often the same as a trademark, namely a differentiation of products and services in the market that can be requested for legal protection.

Good brand reputation:

For companies, image means the public's perception of the company's identity. This perception is based on what the public knows or thinks about the company in question. The same company does not necessarily have the same image in front of people. The company image becomes a guide for consumers in making decisions.

According to Keller (2000) brand image also consists of two main factors, namely:

(1). physical factors,

These are the physical characteristics of a brand, namely: design, packaging, logo, brand name, function and use of the brand's products.

(2). psychological factors,

formed by emotions, beliefs, values and personality that consumers consider to describe the brand's products. Brand image is closely related to what people think and feel about a particular brand. So that brand image psychological factors play a bigger role than the physical factors of a particular brand.

Kotler and Keller in Ike Vanessa and Zainul Arifin (2017) brand is a symbol, sign, design or a combination. These three things can be used as the identity of several sellers or producers to later be used as a differentiator from other competitors on the market.

Purchase Intention

Purchase intention is a consumer's intention or intention to buy and own a

product or service with various predetermined considerations, for example the quality and quality of the product, the advantages or disadvantages of the product over its competitors, and the price offered. Purchase intention consists of three aspects, namely being possible to buy, intending to buy, and considering buying. Purchase intention is the intention used to predict a person's tendency to carry out or not carry out buying behavior. Purchase intention is one phase in the decision-making process for consumers that arises after a need is felt by the individual. Intention is an indication of how strong an individual's desire is to realize a behavior. In other words, the stronger the individual's desire, the greater the possibility that the behavior will be realized.

According to Kotler & Keller (2009) Purchase Intention is consumer behavior that appears as a response to objects that indicate the customer's desire to make a purchase. Purchase intention according to Fill & Turnbull (2019), relevant feelings that other people believe about purchasing recommendations can give rise to someone's intention to buy a product. By encouraging consumers' past, present and future thoughts about a product, it can give rise to consumer purchase intentions Solomon et al (2019), apart from that, with the knowledge and experience of consumers who have a positive attitude towards a product, it can enable consumers to have the intention to buy the product or services in the future, Setiawan & Briliana & CR (2021).

The Relationship between Celebrity Endorsement and Purchase Intention

The relationship between celebrity endorsement and purchase intention is that celebrity endorsement can influence a person's purchase intention. The presence of celebrities or well-known figures can make a product or service more attractive and strengthen the brand image, making consumers more inclined to buy the product or service. Celebrity endorsements or celebrity support in advertising can have a positive impact on consumer purchase intention. This is because the use of celebrities who are popular, trusted and have credibility can increase consumer awareness of the product or service being promoted. Celebrities can have a positive influence on brand image and help attract the attention of consumers who may not pay much attention to regular advertising.

Brand image is the consumer's perception of a particular brand or product. This includes brand image, quality, reputation, and brand value. Consumers form their perceptions of brands through various experiences, information, and interactions with brands. Purchase intention, on the other hand, is the intention or desire to buy a particular product. It is based on factors such as needs, desires, preferences and previous experiences.

From the results of the study of various theories related to problem formulation, followed by developing research objectives and a framework of thought, the following hypothesis is proposed:

Celebrity endorsement and brand image simultaneously have a positive

and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu.

Celebrity endorsement has a positive and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu.

Brand image has a positive and significant effect on purchase intention at the Indonesian Ice Tea Cafe, Palu.

RESEARCH METHODS
Types of research

This research is a type of verification research. according to Sugiyono (2013) is a method that aims to determine the relationship between each independent and dependent variable which is then tested using hypothesis analysis. This research wants to reveal the influence of celebrity endorsement and brand image on purchase intention at the Indonesian Ice Tea Cafe in Palu City, Central Sulawesi, located at Jln. Sam Ratulangi No. 84, Besusu Barat, Kec. South Palu 94111.

Population, Sample and Sampling Technique

Hadari Nawawi (2012) "Population is the entire research object consisting of humans, objects, animals, plants, symptoms, test scores or events as a source of data that has certain characteristics in a study," meanwhile Suharsimi Arikunto (2006) states that the population is the entire research subject. If someone wants to research all the elements in the research area, then the research is population research or population study or census. The research subject is where the variable is attached. A population has at least one characteristic that differentiates it from other groups. In this study, the population used was consumers of the Indonesian Ice Tea Cafe in Palu City.

The sample is part of the number and characteristics of the population. If the population is large, and research cannot possibly study everything in the population. Samples taken from the population must be truly representative (representative). The sample is part or representative of the population studied by Arikunto, Suharsimi (2006). Hadari Nawawi (2012) "A sample is a portion of the population to represent the entire population". Meanwhile, Mardalis (2009) stated that the sample is an example, namely a portion of all individuals who are the object of research. The number of samples in this study is unknown so techniques or formulas are used according to the theory of Naresh K. Malhotra. (2006) stated in the marketing research book that there should be at least four or five times the number of question items. So this research used 55 samples obtained from 5 x 11 statements.

Sampling technique

The sampling technique used in this research is purposive sampling, where samples are taken subjectively, this is done because the researcher understands that the information needed can be obtained from a particular target group who is able to provide the desired information. The sample for this research is people who come to buy iced tea at the Indonesian Ice Tea Cafe , Jln. Sam Ratulangi No. 84, Besusu Barat, Kec. South Palu 94111. The sample in this research was taken by visiting and interviewing respondents who were

deemed suitable as sources at the research location. The respondents are:

Be at least 20 years old so that you properly understand the research being conducted and can fill out the questionnaire correctly.

Have done shopping at the Indonesian iced tea cafe

Minimum high school education (high school) 3.10 Multiple Linear Regression Test

Multiple linear regression analysis to measure the relationship pattern or the extent of influence of the independent factors (X1) and (X2) on the dependent factor Y. The requirements for using this analysis tool are that it is used if the number of independent factors is more than one. If there is only one independent factor, simple linear analysis can be used.

The multiple linear regression formulation is as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + \ldots\ldots b_n X_n + e$$

Y   = Dependent variable
a   = Constant (interecpt)
b1-bn   = Regression coefficient
X1-Xn   = Independent variable
E   = Standard error

In this research, 1 dependent variable and 2 independent variables are used, which if included in the regression equation above are;

$$Y = a + b_1 X_1 + b_2 X_2 + e$$

Y   = Purchase intention variable
a   = Constant (interecpt)
b1-b2   = Regression coefficient
X1   = Celebrity endorsement
X2   = Brand image variable
e   = Standard error

REFERENCES

Aaker David.A., 1991, *Brand Equity Management* , exploiting the value of a *brand* . Jakarta: Main Partner.

Alvionita, Sellvi, and Bambang Sutedjo. "The Influence of *Celebrity Endorsement Brand Image and Customer Reviews on Purchase Intention." SEIKO: Journal of Management & Business* 4.1 (2021): 374-385.

Anang Firmansyah. 2018. Introduction to Management. 1st Edition. Yogyakarta: *Deepublish.*

Ardiansyah, Muhammad Farid, and Ajeng Aquinia. " *The Influence of Celebrity Endorsement, Brand Image, and Electronic Word of Mouth* on *Purchase Intention* (Study of Tokopedia *Marketplace Consumers)." SEIKO* : *Journal of Management & Business* 5.1 (2022): 469-477.

Arikunto, Suharsimi. 2006. Research Procedures A Practical Approach. Jakarta: Rineka Cipta.

Assauri, Sofjan. " Marketing business *management* ." (2018).

A, Shimp, Terence .2003. Advertising Promotion & Additional Aspects of Integrated Marketing Communication, Volume I (edition 5), Jakarta: Erlangga.

_____. 2014. Integrated Marketing Communications in advertising and promotions. Jakarta: Salemba Empat.

Bramantya, Yan Bayu, and I. Made Jatra. The Influence of *Celebrity Endorser* and *Brand Image* on *Purchase Intention* of Yamaha

Jupiter Mx in Denpasar City. *Diss. Udayana University* , 2016.

De Chernatony, L. (2001). *A model for strategic building brands. Journal of brand management* , 9, 32-44.

Dwi, Laveinia Septa, and Ponirin Ponirin. "The Influence of *Celebrity Endorsement* and *Brand Image* on Sariayu Lipstick *Purchase Intention ."* Tadulako University Management Science Journal (JIMUT) 6.3 (2020): 186-194.

Elberse, A., & Verleun, J. (2012). *The economic value of celebrity endorsements. Journal of advertising Research,* 52(2), 149-165.

Engel, JF, Kollat, DT, & Blackwell, RD 1968. *Consumer behavior. New York: Holt Rinehart and Winston.*

Fandy Tjiptono, 2008 .Marketing Strategy, Edition III, Yogyakarta : CV. Andi Offset

Ferrinadewi, Erna, 2008, Brand & Consumer Psychology Implications for Marketing Strategy, First edition, Graha Ilmu, Yogyakarta

Fill, C., & Turnbull, S. (2019). *Marketing Communications. Pearson UK* .

Foroudi, M.M., Balmer, J.M., Chen, W., & Foroudi, P. (2019). *Relationship between corporate identity, place architecture and identification: An exploratory case study. Qualitative Market Research: An International Journal.*

Ghozali, Imam. 2005. Application of *Multivariate Analysis* with SPSS. Semarang: UNDIP Publishing Agency.

_____ 2012. Application of *Multivariate Analysis* with the IBM SPSS Program. Yogyakarta:

Heruwati, Eni, 2010, Analysis of the Influence of the Attractiveness of Credibility and Expertise *of Celebrity Endorsers* on *Brand Awareness* and Purchasing Decisions, Thesis, Diponegoro University Semarang.

Hussein, Umar. 2011. Research Methods for Theses and Business Thesis Edition 11. ssJakarta: PT Raja Grafindo Persada

Ikaningsih, Ikaningsih, et al. "The influence of product quality, *celebrity endorsers* , and advertising attractiveness on purchasing intensity with *brand image as an intervening* variable (study on "aqua" bottled drinking water products in the Tembalang sub-district, Semarang city)." Journal of Management 3.3 (2017).

Kapferer, Jean-Noel. *The new strategic brand management: Creating and sustaining brand equity long term. Kogan Page Publishers,* 2008.

Kasiram, Mohammad. 2008. Quantitative-Qualitative Research Methods. Malang: UIN Malang Press.

KL Keller. 2009. Marketing Management. Twelfth edition.

volume 1. PT Index. Gramedia group. Jakarta

_____." *Brand equity and integrated communications." Integrated Communications. Psychology Press,* 2013. 113-142.

_____ & Swaminathan, V. (2020). *Strategic Brand Management Building, Measuring, and Managing Brand Equity (Fifth Edition). Pearson Education.*

Khan, A., & Lodhi, S. (2016). *Influence of celebrity endorsement on consumer purchase decisions: A case of Karachi. Imperial Journal of Interdisciplinary Research,* 2(1), 102-111.

Kiswalini, A., & Nurcahya, IK (2014). The influence of *Celebrity Endorser, Brand image,* and consumer trust on purchasing decisions. Journal of Economics, 1(3).

Kotler, Philip and Kevin Lane Keller. 2009. Management

_____

Kurniawan, Y. (2014). *The role of knowledge management systems in schools: perception of applications and benefits. Journal of theoretical and applied information technology ,* 61(1), 169-174.

Malhotra, Naresh K. 2006. *Marketing Research An Applied Orientation. Prestice Hall, United Stadium Of America.*

Manullang, IM (2017). Analysis of the Influence of Brand Image and Customer Satisfaction on Telkomsel *Sim Card* Customer Loyalty (Case Study of Students at the Faculty of Economics, Santo Thomas Catholic University, North Sumatra). Journal of Management and Business, 51-73.

Mardalis. (2009). Research Method A Proposal Approach. Jakarta: Bumi Literacy.

Nainggolan, NP, & Heryenzus. (2018). Analysis of Factors That Influence Consumer Buying Interest in Buying a House in Batam City. *Journal of Accounting & Management Innovation ,* Vol 2 No 2.

Nawawi, Hadari. 2012. Social Research Methods. Yogyakarta: Gajah Mada *University Press.*

Panjaitan, R. (2018). Marketing Management. Prima Agus Teknik Foundation Publisher, 1-122.

Priyatno, Duwi. 2014. SPSS 22 Most Practical Data Processing. Yogyakarta: CV Andi Offset.

Schiffman, Leon G. and Leslie Kanuk, (2000), *Consumer Behavior, Fifth Edition, New Jersey: Prentice Hal, Inc.*

_____ and Kanuk. 2007. Consumer Behavior. Second Edition, Jakarta: PT. Scholastic Index

Setiadi, Nugroho J., and MM SE. Consumer Behavior: revised edition. Kencana, 2015.

Setiawan, Chrismantara Ruby & Vita Briliana. 2021. *Entertainment, Infomativeness, Credibility, Attitudes* towards *Purchase Intention* on *YouTube Channel*

Subscribers. Journal of Business and Accounting, volume 23(1), 111-119.

Sudarsono, Heri. Marketing Management. Eternal Library, 2020.

Sugiyono. 2010. Educational Research Methods Quantitative, Qualitative and R&D Approaches. Bandung: Alphabeta

Sumarwan, Ujang, et al. " *Strategic Marketing : A Value-Based Marketing & Performance Measurement Perspective.*" (2010).

Sutiyono, R., & Brata., H. (2020). *The effect of prices, brand images, and after sales service reinforced bar steel products on consumer purchasing decisions* of pt. krakatau wajatama osaka steel. Dynasty *International Journal of Educational Management and Social Science* , 1(6), 945–967.

Tjiptono, F. (2016). Marketing Management and Services Marketing. Bandung: Alphabeta

Wijaya, Sukma Bambang, 2011. Sensational Communication Model in Marketing Study of Ambient Media Advertising in Achieving