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# THE EFFECT OF CELEBRITY ENDORSER AND PRICES ON THE JGLOW PRODUCT PURCHASE DECISION PROCESS

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#### Abstract

This research was conducted based on data on the increasing contribution of the creative industry sub-sector of Bandung City to PDRB in 2018 to 2020. The research method used is descriptive and verification method with a total sample of 100 respondents. The data analysis method used is multiple linear regression analysis, multiple correlation and coefficient of determination. The results showed that there was a positive and significant influence between celebrity endorser and price on the purchasing decision process. The magnitude of the influence of celebrity endorser and price on the purchasing decision process simultaneously is 53.4% and the remaining 46.6% is influenced by other variables not examined. Partially the magnitude of the influence of celebrity endorsers on the purchasing decision process is 9.4% and the influence of price on the purchasing decision process is 44%, so it can be concluded that the price has the greatest influence on the purchasing decision process.

Keywords: celebrity endorser; price; purchase decision process; jglow; influence

## INTRODUCTION

In today's digital era, technological developments change rapidly and develop every day. This is a business opportunity and challenge for every company. Currently, the creative economy is attracting a lot of attention because it has contributed greatly to the economy in Indonesia. The creative economy (ekraf) is one of the drivers of economic recovery, especially in West Java. The expansion of this sector greatly encouraged the economic development of West Java, which had declined. In West Java, there are 27 (twenty seven) regencies/cities that have business actors with different and diverse fields. Among the 27 regencies/cities in West Java that have a number of creative industry business actors, namely the City of Bandung. In the city of Bandung, the fashion in general has a high opportunity to be developed due to the enthusiasm of consumers towards fashion which has developed into something that has aesthetic value. In the fashion there are several types of businesses, including clothing businesses, accessories businesses, and lifestyle businesses. To support the development of lifestyle, the people of Bandung City take advantage of this opportunity such as the establishment of beauty clinics, cosmetic shops, and salons. The increase in the number of beauty clinics in the city of Bandung is believed to be because beauty clinic entrepreneurs see a huge opportunity in this business. This has led to increasingly fierce competition between beauty clinics. One of the beauty clinics that is unable to compete and experienced a decrease in purchase transactions is JGlow Clinic, this is due to the decline in the consumer purchasing decision process. Celebrity Endorsers Celebrity endorsers are an effective way of promotion because today's consumers do not like advertising. But their daily attention is on social media and they like to see interesting content from the people or influencers they follow. According to Terence & Shimp (2018:263) Television stars,

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film actors, athletes, Politicans, famous people and sometimes the opening vignatte which is widely outlined in magazines, radio, and television advertisements to support a product. According to Wulandari and Nurcahya (2016: 390) celebrity endorsers are ad supporters or also known as advertising stars who support advertised products. Price Price is an element of the marketing mix that generates revenue from sales, while the other element is an element of expense. Besides, price is an element of the mix that is flexible, meaning that it can be changed quickly. According to Kotler and Keller (2016: 98) " Price the amount of money charged for a product or service, or the sum of the values that customers exchange for the benefits of having or using the product or service". Buchari Alma (2020:169) states that "Price is an attribute attached to an item that allows the item to meet needs, wants and satisfy consumers". According to Fandy Tjiptono (2019: 210) "Price is a monetary unit or other measure (including other goods and services) that are exchanged in order to obtain ownership rights or use of an item or service". Purchasing Decision Process Process The consumer's buying decision process is faced with various points of view. Psychological processes have an important role in understanding how consumers actually make their buying decisions. According to Kotler & Keller translated by Bob Sabran (2016: 195) in making the purchasing decision process, consumers go through five stages including problem recognition, information search, evaluation of alternatives, and purchase decisions (purchase decision) and post-purchase behavior (postpurchase behavior).



Figure 1. Research Paradigm

## **METHOD**

This research used survey research method. According to Sugiyono (2017:30) "Surveys are research conducted using questionnaires as research tools carried out on large and small populations, but the data studied are data from samples taken from that population, so that relative incidence, distribution, and relationships are found. between variables, sociological and psychological". The purpose of survey research is to provide a detailed description of the background, characteristics and characteristics of a case or event of a general nature. The population in this study is the number of JGlow consumer visitors during 2021. This study uses a degree of confidence of 90% and uses the slovin formula, it is concluded that the number of samples used by this study amounted to 100 people. Data obtained from research can be used to understand, solve and anticipate a problem. In this study, the authors used descriptive and verification methods.

## RESULTS

Results and discussion is the part which contains the results of research and discussion. The findings obtained from the research results must be written down and described clearly with adequate data, so that they can answer the hypothesis of the research in question.

Multiple linear regression analysis was used to determine the effect of the independent variables on the dependent variable. Based on the results of data processing using SPSS, the following results were obtained:

		14010 11	ites and of manupre 24	iour regression inurjois		
			Coefficie	nts <sup>a</sup>		
		Unstanda	dized Coefficients	Standardized Coefficients		
Model	_	В	Std. Error	Beta	Т	Sig.
1	(Constant)	3,252	1,484		2,192	,031
	Celebrity endorser $(X_1)$	,159	,070	,186	2,276	,025
	Price $(X_2)$	,497	,066	,616	7,549	,000

Table 1. Result of Multiple Linear Regression Analysis

a.Dependent Variabel: Purchase Decision Process (Y)

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Multiple linear regression equation based on the regression coefficient is as follows:

$$Y = 3.252 + 0.159 X_1 + 0.497 X_2 + e \dots (1)$$

From the results The multiple linear regression equation, each variable can be interpreted as, a constant of 3.252 means that if celebrity endorser and the price are fixed, the decision process will increase by 3.252. Variable celebrity endorser has a regression coefficient of 0.159, meaning that if celebrity endorser is perceived as good or increases so the purchasing decision process will increase by 0.159 in other words the celebrity endorser contributes to the purchasing decision process by 0.159. The value of the price variable has a regression coefficient value of 0.497, meaning that if the price is perceived as good or increases the decision process buying demand will increase by 0.497.

Analysis Multiple correlation analysis is used to see the strength of the relationship that occurs between the independent variable and the dependent variable. The following are the results of multiple correlation analysis:

Tab	ole	2.	Resul	t of	Mu	ltiple	e Correl	lation	Anal	lysis
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Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,731ª	,534	,525	3,66907

a. Predictors: (Constant), Price (X<sub>2</sub>), Celebrity Endorser (X<sub>1</sub>)

Based on the Table 1, information is obtained that the correlation coefficient (R) simultaneously obtained between celebrity endorsers and prices with the purchase decision process is 0.731. The correlation value is positive, indicating that the relationship between the independent variable and the dependent variable is unidirectional.

This means that the better the celebrity endorser and the price, it will be followed by a higher purchase decision process. It is known that the R value (correlation coefficient) of 0.731 is between 0.700-0.899, in other words that celebrity endorser and price have a strong relationship with the purchasing decision process.

The f test was conducted to test whether the two independent variables in the study simultaneously affected the dependent variable. The following are the results of simultaneous hypothesis testing (f test).

Table 3.	Simu	ltaneous	Hypot	hesis	Test
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			ANOVA <sup>a</sup>			
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1497,736	2	748,868	55,628	,000 <sup>b</sup>
	Residual	1305,824	97	13,462		
	Total	2803,560	99			

a. Dependent Variable: Purchase Decision Process

b. Predictors: (Constant), Price, Celebrity Endorser

Partial hypothesis testing is carried out to provze whether there is a relationship between the independent variables and the dependent variable. The following are the results of partial hypothesis testing.

Based on the data in Table 1, hypothesis testing can be carried out by comparing  $t_{table}$  as follows: (a) If  $t_{count} > t_{table}$ , then H<sub>0</sub> rejected and vice versa H<sub>1</sub> accepted; (b) If  $t_{count} < t_{table}$ , then H<sub>0</sub> accepted and vice versa H<sub>1</sub> rejected. Count value for celebrity endorsers is 2.276 with a significance level of 0.10 or 10%, df = 97 so that the  $t_{table}$  value of 1.290 shows that if  $t_{count} t_{table}$  (2.276 1.290) with a significance value of 0.025 0.10 then H<sub>0</sub> is rejected and H<sub>1</sub>

received. This shows that celebrity endorsers have a significant effect on the JGlow product purchase decision process. The value of  $t_{count}$  for the price is 7.549 with a significance level of 0, 10 or 10%, df = 97 so that the  $t_{table}$ 

value is 1.290. It can be seen that if  $t_{count} t_{table}$  (7.549 1.290) with a significance value of 0.000 0.10 then  $H_0$  is rejected and  $H_1$  is accepted. This shows that the price has a significant effect on the purchasing decision process of JGlow products.

## DISCUSSION

The following is the calculation using the formula:

$$Kd = (0.731)^2 x \ 100\% = 53.4\%$$
 .....(2)

Based on these calculations, The KD value is 53.4%, which means that the Celebrity endorser and Price variables have a simultaneous or joint effect of 53.4% on the JGlow Product Purchase Decision Process. While the remaining 46.6% (100%-53.4% = 46.6%) is influenced by other factors that are not included in the variables studied in this study.

				Coefficients <sup>a</sup>					
		Unstandard	dized Coefficients	Standardized Coefficients			Corr	elations	
Model		В	Std. Error	Beta	Т	Sig.	Zero-order	Partial	Part
1	(Constant)	3,252	1,484		2,192	,031			
	Celebrity Endorser $(X_1)$	,159	,070	,186	2,276	,025	,510	,225	,158
	Price (X <sub>2</sub> )	,497	,066	,616	7,549	,000	,714	,608	,523

Table 4. Result of Partial Coefficient of Determination

Based on the results of data processing using spss, the following results were obtained:

a. Dependent Variable: Purchase Decision Process (y)

Based on the results of the Table 4 to obtain the partial determination coefficient test value to obtain the partial determination coefficient test value by using the following calculation formula:

Kd = Beta coefficient x Zero order x 100% .....(3)

The following is a detailed Table of calculation results for partial coefficients.

Research Variabels	Coefficients Beta x Zero Order	Results	Percentage
Celebrity endorser (X1)	0,186 x 0,510	0,094	9,4%
Harga (X <sub>2</sub> )	0,616 x 0,714	0,440	44%
	Total	0,534	53,4%

Source: data processed by researchers, 2022

Based on Table 5 after the percentage is generated, it can be seen that the celebrity endorser on the JGlow product purchase decision process has an influence of 9.4% while the price variable has an influence of 44% on the JGlow product purchase decision process.

#### CONCLUSION

This study aims to determine the effect of celebrity endorser and price. on the JGlow product purchase decision process. Based on the results of this study and the discussion that has been described, it can be concluded that the magnitude of the influence of celebrity endorser and price on the purchasing decision process simultaneously is 53.4% while the remaining 46.6% is influenced by other factors that are not included in this research variable. . Partially the magnitude of the influence of celebrity endorsers on the purchasing decision process is 9.4% and the magnitude of the influence of price on the purchasing decision process is 44%. The Suggestion on this research are 1. Suggestions for celebrity endorsers of JGlow products. We recommend that JGlow use celebrity endorser, for example by using celebrity who is on the rise or his name is being discussed by the public because of the achievements he has achieved, so that the information conveyed can be well received and consumers want to try the product being promoted. Furthermore, celebrity endorser used is someone who can make consumers believe, believe, and be interested in the product being promoted. 2. Suggestions on the price of JGlow products. It is recommended that JGlow compare the selling price with similar products according to the target market so that consumers do not feel that the price of JGlow is more expensive than similar products. And JGlow can implement promotions by giving discounts with minimum spending conditions or discounts for new consumers. 3. Suggestions on the JGlow product purchase decision process. We recommend that JGlow increase promotions such as providing brochures, using banners, billboards, which can attract consumers' attention. Furthermore, the thing that needs to be considered by JGlow is to maintain and improve product quality so that the product can remain competitive with similar products.

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