



INVESTIGATED THE ROLE OF CELEBRITY ENDORSEMENTS AND INFLUENCERS ON MARKETING PERFORMANCE WITH SOCIAL MEDIA AS A INTERVENING VARIABLE

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ABSTRACT

This study aims to analyze the influence of Celebrity Endorsements and Influencers on Marketing Performance with the role of social media mediation in Shopee Bandung consumers, especially at Widyatama University. This study uses a path analysis method with the help of SPSS software. The population in this study were users of the Shopee application among Widyatama University Bandung. The sample was chosen as many as 140 people who were selected. The conclusion in this study is that Celebrity endorsement and influencers have a positive and significant effect on social media, and social media have a positive and significant effect on marketing performance, celebrity endorsement and the role of influencers have a positive and significant effect on marketing performance through social media as an intervening variable.

INTRODUCTION

Celebrity support in conducting marketing and promotional activities is a phenomenon that is currently widely used by companies to promote products, services and ideas (Roy & Dryk, 2020). Recently, many companies have stepped in and used celebrities to promote their products and services. According to Teng and Chen (2020), celebrity endorsers can play an important role in the promotion process. This trend is seen in countries that are developing along with advances in technology and information (Chan et al., 2018). Celebrity endorsement is felt to have benefited many companies financially (Owen, 2015). The unprecedented development of social media in everyday life has provided many opportunities to connect with customers through platforms (Kietzmann et al., 2011). However, along with its development, social media advertising has gradually caused increased user fatigue, it is seen that many people ignore the advertisements that appear from the platform (Jacobson et al., 2020).

Among the many innovative approaches companies have tried today is influencer marketing which has emerged as a successful approach to connecting with potential customers on social media (Childers et al., 2019). Social media influencers are users who gather followers by

creating online content (Sokolova & Kefi, 2020). Influencers forge deeper psychological bonds with their followers by sharing content that revolves around their lifestyle and interests (Audrezet et al., 2018). These followers' positive perceptions of influencers make their messages very effective in terms of creating the desired brand impact (Lou & Yuan, 2019). Using influencers in promotional activities can have an impact on company performance (Childers et al., 2019). This finding is in line with research by Belanche et al. (2020) which states that influencer content on Instagram provides a boost to increasing company sales. This study seeks to fill the gap to investigate the role of Celebrity endorsements and Instagram influencers on marketing performance with social media as a moderating variable. Based on this premise, the focus and problem formulations of this study are: 1) Does the role of celebrities affect marketing performance, 2) Does the role of influencers affect marketing performance? and 3) Does Celebrity Endorsement and the Role of Influencers Influence Marketing Performance through Social Media?

LITERATURE REVIEW

Celebrity Endorsements

Celebrity endorsement has a lot of evidence that the proper use of celebrity endorsers will be effective in promoting a product and get good responses from consumers (Park & Yim, 2020). The researchers said celebrity endorsement had a positive effect on marketing performance. Gilal et al. (2020) say that an endorser is an advertising supporter or what is also known as an advertisement star to support a product. Celebrities are seen as individuals who are liked by society and have attractive advantages that differentiate them from other individuals. Owen (2015) argues that celebrity endorsers are using artists as advertisements in media, ranging from print media, social media, and television media.

Influencer

Influencers are social media activists who have many followers, where the activity is to share content (Arora et al., 2019). They are social media users who accumulate followers by providing stories about lifestyle and consumption (Childers et al., 2019). These influencers can be considered opinion leaders who contribute to social networks which are quite large in influencing many people (De Veirman et al., 2017). For consumers, the role of influencers is seen as a source of information that can be used as a reference in purchasing activities (Veirman et al., 2017). The more followers, the more people the influencer can influence. According to Audrezet et al. (2018), at this time for growing companies, influencers can be used as a tool or strategy in improving the most effective marketing and promotion performance.

Marketing Performance

According to Weshah (2018) and Johan (2019), marketing performance is divided into two dimensions, namely financial and non-financial. Non-financial marketing performance includes market share, service quality adaptability, customer satisfaction and customer loyalty (Febriyanti, 2020). The marketing performance offered by Buttle (2002) is used in this study because it can evaluate the marketing performance of the use of social media. The better the product, service and promotion innovation will increase the company's performance and become competitiveness (Cascio, 2011). Likewise, internal resources, if used appropriately, can encourage competitive advantage and company performance (Dunk, 2011). Other research also shows that measuring business performance can be done through several indicators, such as: market share growth, sales growth, profit growth and Return on Assets (Elkordy, 2014).

Social Media

Today the internet and social media have changed the way companies and consumers communicate. In the last few years it can be seen that the development of social media is very fast. The unique aspects possessed by social media influence marketing practices as well as company advertising and promotion (Wu, 2020). According to Arora (2019), there are several dimensions in social media, namely: 1) online community, 2) interaction, 3) content sharing, 4) open access, 5) credibility.

The Influence of Celebrity Endorsement on Marketing Performance

Celebrity endorsements in the marketing function have a huge impact on the company. This influence can have a negative or positive impact depending on the choice of celebrity (Arora, 2019). Selected celebrities play an important role in building a company image (Winterich, 2018). Therefore, companies must consider in the selection of celebrities (Boeing & Shurhaus, 2008). Research by Carlson et al. (2020) states that the selection of celebrities affects the marketing performance of a company. Likewise, Chan and Lee (2018) concluded that celebrity endorsements can affect a company's performance in marketing activities

H1. Celebrity endorsement affects marketing performance

The Influence of Influencers on Marketing Performance

The concept of influencers, or opinion leaders, are people who have a tremendous influence on the attitudes and behavior of others (Arora, 2019). Marketing researchers have directed a lot of attention to studying these individuals, because they believe that what influencers say affects what other people buy and that ultimately the success or failure of a product will be determined by them (Belance & Flavian, 2020). Research by De Veirman (2019) states that currently the influence of influencers has an impact on company performance in carrying out marketing activities. It has been reported that more than 70 percent of consumers are more likely to buy personally recommended products or services (Khamis & Welling, 2017).

H2. Influencers have an effect on marketing performance

The Influence of Celebrity Endorsement and Influencers on Marketing Performance with Social Media as an intervening

As has been stated that celebrity endorsement and influencers have an influence on marketing performance, however, these two variables are in the scope of the social media used (Febriyanti, 2020). Arora and Bansal (2019) state that many influencers use social media such as Instagram in carrying out their marketing activities.

H3. Celebrity endorsement and influencer have an effect on marketing performance through social media as an intervening

RESEARCH METHODS

This research uses explanatory research with a quantitative approach. In this study, 140 respondents were the Widyatama University students who used the Shopee application. In this study, the sample is the population itself, namely 140 respondents. The statistical test used in this study is to use the path analysis model.

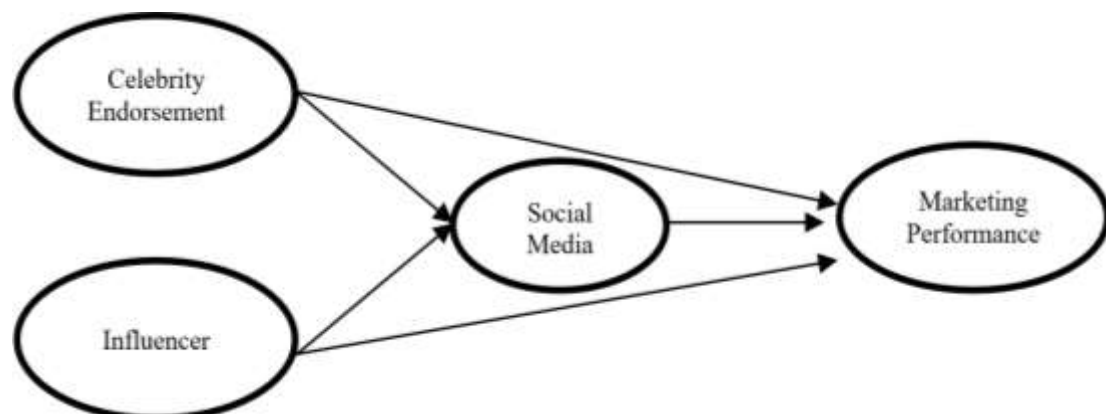


Figure 1: Framework

RESULTS AND ANALYSIS

From a total of 140 questionnaires distributed, the following results were obtained:

Table 1: Respondent Profile

Profile of Respondents		Amount	Percentage
Gender	Male	41	32%
	Women	72	68%
Age	20-30 year	71	67%
	31 - 40 year	30	33%
	> 40 year	-	-
Majors	Management	56	58%
	Accounting	37	32%
	Computer Science	17	5%
	Visual Communication Design	1	2%
	Language	2	3%

From the results of the distribution of questionnaires to the Widyatama University student respondents, it was found that the most respondents were women as many as 72 people or 68%. The majority are aged 20 to 30 years, while the main department is management 58% then followed by accounting 32%. The results of the validity test on the variable price fairness (5 items), employee satisfaction (5 items) customer satisfaction (5 items) and service delivery (5 items) have a significant value > 0, 235 or in other words valid. The reliability test is as follows, and the reliability is as follows:

Table 2: Reliability Test

Variable	Cronbach's Alpha (CA)	Description
Celebrity	0,920	Reliable
Influencer	0,824	Reliable
Social media	0,927	Reliable

Besides being valid, this research instrument is also reliable. This can be seen from the Cronbach's Alpha value of the three research variables which is greater than 0.6 as shown in Table 2.

Multiple Regression Analysis

Table 3: Multiple Regression Analysis

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	0.343	0.471		0.707	0.481
Celebrity	0.435	0.053	0.548	8.460	0.000
Influencer	0.384	0.072	0.369	5.347	0.000

a. Dependent Variable: Social media
 Source: Primary data processed, 2020

The linear equation that can be compiled from the results of the regression coefficient between celebrity endorsement and the role of influencers on social media is as follows:

$$Y1 = 0.548 X1 + 0.369 X2$$

The regression equation gives the following meaning:

- The celebrity endorsement regression coefficient is 0.548. The positive value obtained indicates an increase in marketing performance.
- The influencer role regression coefficient is 0.369. The value obtained indicates that an increase in the role of influencers will be followed by an increase in marketing performance.

Table 4: Multiple Regression Results for Celebrity, Influencer, and Social Media on Performance Marketing

Coefficients ^a					
Model	Unstandardized Coefficients			Standardized Coefficients	
	B	Std. Error	Beta	t	Sig.
1 (Constant)	0.643	0.671		1.607	0.296
Celebrity	0.385	0.153	0.338	3.360	0.002
Influencer	0.360	0.172	0.259	3.267	0.015
Social Media	0.846	0.115	0.679	8.374	0.000

a. Dependent Variable: Marketing performance

Source: Primary data processed, 2020

The linear equation that can be compiled from the results of the regression coefficient between celebrity endorsement, influencers, and social media on marketer performance is as follows:

$$Y_2 = 0.338 X_1 + 0.259 X_2 + 0.679 Y_1$$

The regression equation gives the following meaning:

- The celebrity regression coefficient is 0.338. The positive value obtained indicates an increase in the celebrity variable will be followed by an increase in marketing performance
- The influencer variable regression coefficient is 0.259. The positive value obtained indicates that an increase in the influencer variable will be followed by an increase in marketing performance.
- The social media regression coefficient is 0.679. The positive value obtained indicates that an increase in social media will be followed by marketing performance.

Goodness of Fit Test

Table 5: The Coefficient of Determination of Celebrity Endorsement and Influencers on Marketing Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882 ^a	.778	.765	1.146

a. Predictors: (Constant), influencer, celebrity endorsement

Source: Primary data processed, 2020

The Adjusted R Square value is 0.765, which means that Celebrities and Influencers need social media by 76.5% (0.765 x 100%). Meanwhile, 23.5% was explained by variables outside celebrity and influencer.

Table 6: The Coefficient of Determination of Celebrity, Influencer, Social Media on Marketing Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.920 ^a	.847	.853	1.535

a. Predictors: (Constant), social media, influencer, celebrity

Source: Primary data processed, 2016

The value of Adjusted R square is 0.853, which means that celebrities, influencers, and social media are able to improve marketing performance by 85.3%, while 14.7% is explained by variables outside of this study. The results of the F test of the influence of celebrity and influencer on social media as can be seen in Table 5 shows the calculated F value of 240.575 with sig. 0.000 $\alpha = 0.05$, thus proving the hypothesis that the regression model can be used to predict the independent variable.

Table 7: F Test the Influence of Celebrities and Influencers on Social Media

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	631.553	2	315.776	240.575	.000a
	Residual	179.847	137		1.313	
	Total	811.400	139			

- a. Predictors: (constants), Influencer, Celebrity
 b. Dependent variable: social media
 Source: Primary data processed in 2020

The results of the F celebrity test, influencer, and social media on marketing performance as can be seen in Table 6, it is known that F count is 250.374 with sig. $0.000 < \alpha = 0.05$, thus proving the hypothesis that the regression model can be used to predict independent variables

Table 8: F Test the Celebrity, Influencer, and Social Media on Marketing Performance ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1769.993	3	315.776	230.565	.000a
	Residual	330.607	138		2.557	
	Total	2.100.600	139			

- a. Predictors: (constants), Influencers, Celebrity
 b. Dependent variable: Social media
 Source: Primary data processed in 2020

Mediation / Intervening effect test the mediation effect test can be illustrated as in the figure below:

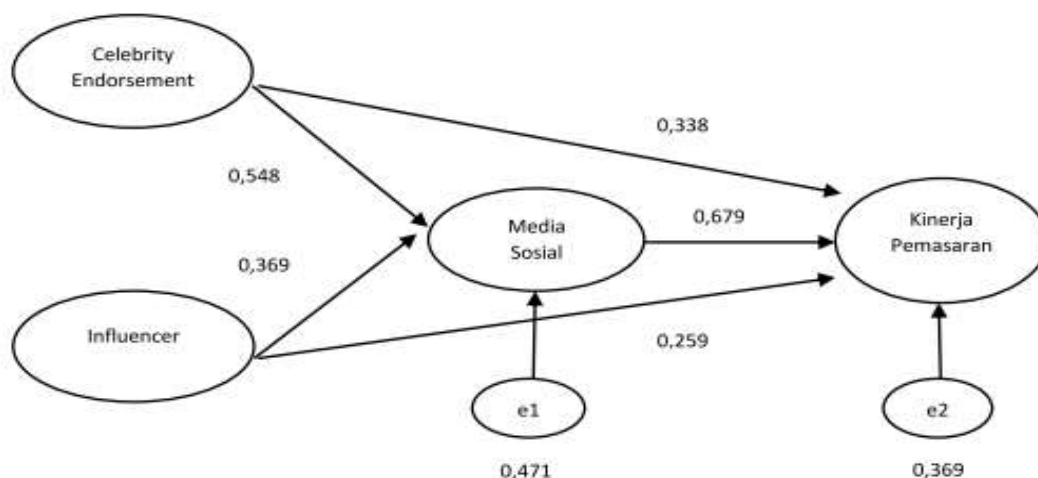


Figure 2: Intervening Effect Test

The direct effect of celebrity endorsement on marketing performance = 0.338. celebrity endorsement of social media = 0.548 and the influence of social media on marketing performance = 0.679. Thus, the indirect effect of celebrity endorsement on marketing performance through social media is $0.548 \times 0.679 = 0.372$. The effect of total celebrity endorsement on marketing performance is $0.338 + 0.372 = 0.71$. The results of the mediation effect test show that the effect of celebrity endorsement on marketing performance through social media is greater than the direct effect of celebrity endorsement on marketing performance. The direct influence of influencer variables on marketing performance = 0.259. The influence of influencers on social media = 0.369 and the influence of social media on marketing performance = 0.589. The indirect effect is 0.217. The total influence of influencer variables on marketing performance is $0.259 + 0.217 = 0.476$. The results of the mediation

effect test show that the influence of influencer variables on marketing performance through social media is greater than the direct influence of influencers on marketing performance.

DISCUSSION

The Influence of Celebrity Endorsement on Social Media

The results of hypothesis testing prove that celebrity endorsement has an effect on social media with the t-test results of 8,460 with sig. $0.000 < \alpha = 0.05$. Chan and Lee's research (2018) defines celebrity endorsement marketing as a means of marketing strategy to fulfill organizational goals in carrying out marketing activities.

Influence of Influencers on Social Media

The results of hypothesis testing prove that the variables have an effect on social media with the t-test results of 5.347 with sig. $0.000 < \alpha = 0.05$. According to Arora and Bansal (2019), influencers in carrying out their activities often use social media, this is a means of making an approach.

The Influence of Social Media on Marketing Performance

Hypothesis test results prove that social media has a positive and significant effect on marketing performance, with the t-test results of 8,264 with sig. $0.000 < \alpha = 0.05$. The results obtained support the research of Jacobson (2020) which proves that social media has an effect on marketing performance.

The Influence of Celebrity Endorsement and Influencers on Marketing Performance Through Social Media as Mediation

The results of the mediation effect test prove that celebrity endorsement and influencers have an effect on marketing performance through social media as mediation. The results of the research conducted show that the selection of celebrities and influencers still needs to be improved, namely the selection of the right celebrities so that they can have an influence, especially for millennials today.

CONCLUSION

Based on the results of research on the influence of Celebrity endorsement and the role of influencers on marketing performance mediated by social media (studies on Shopee consumers in Bandung City), the following conclusions can be drawn:

1. Celebrity endorsement and the role of influencers have a positive and significant effect on marketing performance. With these results, it can be concluded that there is an increase in the use of celebrities and influencers which can improve marketing performance.
2. The current role of social media has a positive and significant effect on marketing performance. With these results, it can be concluded that an increase in the use of social media can provide benefits for the company if the company is able to adapt to the technological environment.
3. Hypothesis testing proves that Celebrity endorsement and the role of influencers have a positive and significant effect on marketing performance through social media as mediation.

This research was conducted to analyze celebrity endorsement and the role of influencers on marketing performance with social media as an intervening variable. This research was conducted at a start-up company, namely Shopee. The advice that can be given in this study is that companies must be selective in choosing endorsements, especially from celebrities and avoid controversial celebrities so that the company does not suffer losses in the selection of endors.

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