



# Celebrity Endorsement, Electronic Word of Mouth and Brand Trust on Buying Habits: Fashion Women Online Shop Products in Instagram



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## Keywords

*brand trust;*  
*brand;*  
*buying habits;*  
*celebrity endorsement;*  
*e-WOM;*

## Abstract

The study is aimed at determining the effect of celebrity endorsement, *electronic word of mouth*, brand trust on buying habits. The development of fashion products is currently growing rapidly along with technological advancements. Many companies compete to increase buying habits. With good buying habits, it can affect sales. There are several things that can increase buying habits including celebrity endorsement, *electronic word of mouth*, brand trust. The type of data is quantitative data. Data collection techniques in this study were using questionnaires and documentation studies. The instruments in this study used validity and reliability tests. The data analysis technique used in this study is multiple linear regression and uses SPSS version 20.0. The results of the t-test in this study were celebrity endorsement of 0.006, electronic word of mouth of 0.020, the brand trust of 0.019. This shows that partially the three variables have a positive and significant effect on buying habits. The results of the f test in this study are 2.73, which means that the variable celebrity endorsement, electronic word of mouth and brand trust simultaneously have a positive and significant effect on buying habits.

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## 1. Introduction

Fashion is a term that is familiar in everyday life. We often identify fashion with clothing or clothing, whereas in fact what is said is fashion is everything that is trending in people's lives. "Fashion, especially clothing, is a side of people's lives which is currently so important as one indicator for the emergence and development of a lifestyle (Featherstone, 2001). At this time we also encounter a lot of media that specialize in discussing fashion and lifestyle developments. As well as being found on social media, businesses do between buying and selling clothes with media such as Instagram. As is known, Instagram is a social network that is currently booming in the use of young people now. Monthly active users aka active monthly user (MAU) Instagram translates into 1 billion as of June 2018 (tekno.kompas.com). Instagram is not only for sharing photos of friends and family but has also been shifted as a media for the business community. So the term "Online Shop" appears. Online Shop is one type of shopping transaction that is more effective and efficient, compared to direct shopping and online business moves also have to think about how the product can be known and in demand by many people. Because businesses that move online by doing promotional things that can be done by marketing these products with one of them using celebrity endorsement which is currently on Instagram a lot of emerging celebrity endorsements called *selebgram* (celebrity Instagram). One of the judgments of celebrity endorsement is seen from the celebrity's popularity and it can be determined by how many fans are owned by a celebrity endorsement. Judging from the number of followers of the celebrity it can affect how many fans there are, so there is a possibility to increase the number of buying habits of the followers of the program. Regarding endorsement, in Bali, there are several programs that have many followers, namely on the Instagram account @enyablanca, @debbywulandari, @cokshara, @evlnlarisa. They are the celebrity endorsement used by Georgios Woman.

With the advancement of internet technology also makes the spread of word of mouth not limited to face-to-face communication, but already in the form of electronic word of mouth. Goldsmith & Horowitz (2006), state that internet use has changed the way consumers communicate and share opinions or reviews about products or services that have been consumed. So that with the *electronic word of mouth (e-WOM)* consumers are easier to find information on products or services they want, thus can influence the buying habits of consumers. Where brands and brand trust are also important, because the brand will bring the image of a company with the presence of brand trust, consumers will shop at Georgios Women repeatedly, which can affect buying habits. A brand is a name, term, sign or design, or a combination of all these things that shows the identity of a product or service from one seller or group of sellers and distinguishes the product from competing for products (Kotler & Keller, 2007). Buying habits, in this case, are decisions to display certain behaviors that are the result of rational processes directed at a goal and follow a sequence of thinking to consider decisions so as to obtain the results of agreement in this case between sellers and buyers (Purnamasari & Musdholifah, 2018). Based on the description of the background above, the main problems in this study are 1). How does the celebrity endorsement partially influence the buying habits of Georgios Women fashion products on Instagram? 2). The way in which e-WOM partially influences buying habits in Georgios Women's fashion products on Instagram. 3) How brand trust has a partial effect on buying habits on Georgios Women fashion products on Instagram. 4) How do celebrity endorsements, e-WOM and brand trust simultaneously influence buying habits in Georgios women fashion products on Instagram?

### Literature Review

#### Celebrity Endorsement

According to Shimp (2003), celebrity endorsement is to use artists as advertising stars in media, ranging from print media, social media, and television media. According to Kotler & Keller (2009), celebrity endorsement is the use of sources as an attractive or popular figure in advertising, so as to strengthen the

image of a brand in the customer's mind. Celebrity Endorsement is utilization of a public figure who is known by the public and is believed to be an icon of an advertisement that supports the products he promotes at the celebrity.

#### *Electronic Word of Mouth (e-WOM)*

E-WOM is communication of positive or negative statements, through potential, actual, or former customers about products or companies, made for many people and institutions through the internet (Henning-Thurau *et al.*, 2004). E-WOM is delivery of information disseminated by word of mouth without communicating directly or not knowing each other and meeting beforehand.

#### *Brand Trust*

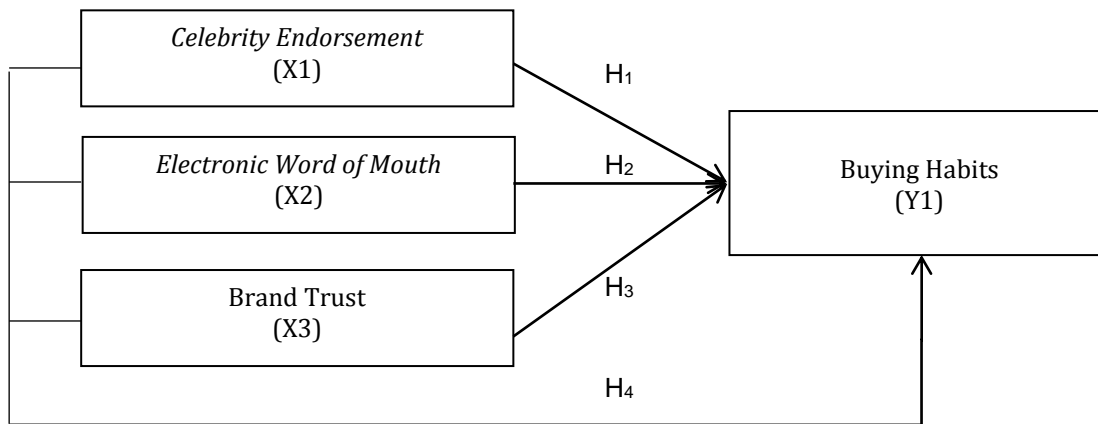
Kumar (2007), the notion of brand trust is "as the willingness of individuals to trust the ability of brands to satisfy their needs". Brand trust is the perception of reliability from the consumer's point of view based on experience, or more on the sequence of transactions or interactions characterized by the fulfillment of expectations for product performance and satisfaction (Ferinnadewi, 2008).

#### *Buying Habits*

Buying habits (Brown *et al.*, 2005), is the time when consumers tend to shop. This can occur in certain activities. Employees generally shop after receiving a salary at the beginning of the month or the end of the week. The repurchase is defined as purchases that have been made on the same product or service and will buy again for the second or third time (Dharmmesta & Handoko, 2000).

## 2. Materials and Methods

### *Method*



### *Framework*

The population is defined as a generalization area consisting of objects or subjects that have certain qualities and characteristics set by researchers to be studied and then interpreted as conclusions (Sugiyono, 2008). The sample used in this study was conducted with a brief question and answer first, to ensure that prospective respondents were Georgios Women consumers.

The types of data in this study are: Quantitative Data is data in the form of numbers that can be calculated mathematically such as questionnaires to Georgios Women consumers who have been quantified to find out buying habits in fashion products Georgios women. The data sources in this study are divided into 2, namely: Primary data obtained directly from the research location collected and in the research process, namely the sale of Georgios Women fashion products and Secondary data obtained from the relevant literature regarding analytical techniques and other sources related to problem-solving.

### Data collection technique

Data collection techniques in this study were carried out by several methods, namely, questionnaire data collection techniques using a list of questions distributed to respondents. Scoring system with a scale of 5, according to Sugiyono (2012, 2016), strongly agree with a score of 5, agree/good with a score of 4, doubtful/quite good with a score of 3, disagree/not good with a score of 2, strongly disagree/very not good with a score of 1. Documentation techniques in this study are obtained by using documents originating from within the relevant agency companies and literature as a reference.

### Population and Samples

The population in this study are consumers who make online transactions on Georgios Women fashion products. Determination of the number of representative samples according to Hair *et al.*, (2010), is dependent on the number of indicators multiplied by 5 to 10. Thus, the number of samples in this study are  $\text{Sample} = \text{number of indicators} \times 6 = 13 \times 6 = 78$ .

Based on the sample calculation above, the minimum sample uses 78 respondents. The respondent criteria used in this study are Minimum age of 17 years. Special criteria: Georgios Women consumers who shop online and Never make an online transaction at least 2 (two) times.

The sampling technique of this study uses nonprobability sampling, which is a sampling technique that does not provide the same opportunity or opportunity for each element or member selected as a sample (Rahyuda *et al.*, 2004). The nonprobability sampling technique chosen was purposive sampling.

### Data analysis technique

The data analysis technique in this study is multiple linear regression. The technique used to determine the magnitude of the influence of independent variable celebrity endorsement (X1) word of mouth (X2) brand trust (X3) buying habits (Y). The test technique used in this study is multiple linear regression, F test, t-test and test coefficient of determination. Multiple linear regression is used to determine the effect of independent variables on the dependent variable. The F test is used to test the effect of independent variables together on the dependent variable. The t-test is done to test the effect of the independent variables on the dependent variable partially. Test the coefficient of determination (R<sup>2</sup>) is used to test the magnitude of the effect simultaneously (together).

## 3. Results and Discussions

In this study data from respondents were categorized based on age, sex, and occupation with a total of 78 respondents. So from the results of the questionnaire distributed most of the respondents were female with a total of 78 people. According to these data, the majority of Georgios Women consumers are female, with 78 people (100%). The age of the respondent can be used as a reference to find out that the respondent already has a permanent job. Age <20 as many as 8 respondents (10.3%). Respondents who have the age of 20-30 years are 51 respondents (65.3%). Respondents who had the age of 31-40 years were 18 respondents (23.1%). Based on the work of the respondents having entrepreneurial jobs totaling 9 respondents (11.5%). Student respondents numbered 40 respondents (51.3%) and other jobs as many as 29 respondents (37.2%).

Table 1  
Multiple linear regression analysis test results

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.818 <sup>a</sup>	.669	.656	.788

a. Predictors: (Constant), Brand Trust, Celebrity Endorsement, Electronic word of mouth (e-WOM)

b. Dependent Variable: Buying Habits

Table 2  
ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	92.876	3	30.959	49.850	.000 <sup>b</sup>
	Residual	45.957	74	.621		
	Total	138.833	77			

a. Dependent Variable: *Buying Habits*

b. Predictors: (Constant), *Brand Trust*, *Celebrity Endorsement*, *Electronic word of mouth (e-WOM)*

Table 3  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.990	.607		1.633	.107		
	<i>Celebrity Endorsement</i>	.159	.056	.312	2.833	.006	.370	2.705
	<i>Electronic word of mouth (e-WOM)</i>	.144	.061	.300	2.377	.020	.280	3.569
	<i>Brand Trust</i>	.190	.079	.278	2.401	.019	.333	3.005

a. Dependent Variable: *Buying Habits*

Based on the test table of the multiple linear regression analysis above, the regression equations in this study are as follows:

$$Y = 0.990 + 0.159X_1 + 0.144X_2 + 0.190X_3 + e$$

Information:

- 1) The constant coefficient is 0.990 which means that if the variables are celebrity endorsement, e-WOM and brand trust at zero (0) then buying habits at Georgios Women (Y) online shop is equal to 0.990.
- 2) The celebrity endorsement regression coefficient is 0.159, meaning that any increase in the celebrity endorsement variable can increase buying habits at the Georgios Women online shop. If the celebrity endorsement increases by 1 unit then buying habits will increase by 0.159.
- 3) The regression coefficient value of e-WOM is 0.144 meaning that any increase in e-WOM variables can increase buying habits at the Georgios Women online shop. If Electronic word of mouth (e-WOM) increases by 1 unit then buying habits will increase by 0.144.
- 4) The value of the regression coefficient of brand trust is 0.190 meaning that each increase in the brand trust variable can increase buying habits at the Georgios Women online shop. If the brand trust has increased by 1 unit then buying habits will increase by 0.190.

#### *T-Test Results Celebrity Endorsement*

The results of the study show that the value of  $t_{count} = 2.833$  compared with the value of  $t_{table} = 1.992$ , it turns out that the value of  $t_{count}$  is greater than  $t_{table}$  and  $t_{count}$  is in the rejection area  $H_0$ . This means statistically on  $\alpha$  (error rate) = 5%, partially celebrity endorsement ( $X_1$ ) has a positive and significant (real) effect on buying habits (Y). Testing the significance of the effect of celebrity endorsement ( $X_1$ ) on buying habits (Y), partially done by doing t-test, that is by comparing the value of t count with the value of t table and significance t with  $\alpha$  (0.05). The significance value of celebrity endorsement  $0.006 < \alpha$  (0.05) and the value of tally 2.833 which is greater than t table is 1.992 which means the rejection of  $H_0$  so that  $H_a$  can be accepted, so celebrity endorsement has a significant positive effect on buying habits. From the results of this study, it

can be interpreted that the better the celebrity endorsement will increase buying habits in the Georgios Women online shop.

#### *T-Test Results Electronic Word of Mouth (e-WOM)*

The research results above show that the value of  $t_{\text{count}} = 2.377$  compared with the value of  $t_{\text{table}} = 1.992$ , it turns out that the value of  $t_{\text{count}}$  is greater than  $t_{\text{table}}$  and  $t_{\text{count}}$  is in the rejection area  $H_0$ . This means statistically on  $\alpha$  (error rate) = 5%, partially e-WOM (X2) has a positive and significant (real) effect on buying habits (Y). Testing the significance of the effect of e-WOM (X2) on buying habits (Y), partially carried out by conducting a t-test, that is by comparing the value of t count with the value of t table and significance t with  $\alpha$  (0.05). The significance value of e-WOM is  $0.020 < \alpha$  (0.05) and the value of t arithmetic 2,377 which is greater than the value of t table which is 1,992 means the rejection of  $H_0$  so  $H_a$  can be accepted, so e-WOM significant positive effect on buying habits. The results of this study can be interpreted that the better e-WOM will increase buying habits at the Georgios Women online shop.

#### *T-Test Results Brand Trust*

The results of the research above show that the value of  $t_{\text{count}} = 2.401$  compared with the value of  $t_{\text{table}} = 1.992$ , it turns out that the value of  $t_{\text{count}}$  is greater than  $t_{\text{table}}$  and  $t_{\text{count}}$  is in the rejection area  $H_0$ . This means that statistically on  $\alpha$  (error rate) = 5%, partially brand trust (X3) has a positive and significant (real) effect on buying habits (Y). Testing the significance of the influence of brand trust (X3) on buying habits (Y), partially carried out by conducting a t-test, namely by comparing the value of t count with the value of t table and significance t with  $\alpha$  (0.05). The value of brand trust 0.019  $< \alpha$  (0.05) and the value of t count 2.401 which is greater than the value of t table is 1.992 which means the rejection of  $H_0$  so  $H_a$  can be accepted, so that brand trust has a significant positive effect on buying habits. From the results of this study, it can be interpreted that the better the brand trust will increase buying habits at the Georgios Women online shop.

#### *F-Test Results*

The results of The above research shows that the value of  $F_{\text{count}} = 49.850$  compared with the value of  $F_{\text{table}} = 2.73$ , it turns out that the value of  $F_{\text{count}}$  is greater than  $F_{\text{table}}$  and  $F_{\text{count}}$  is in the rejection area  $H_0$ . This means that statistically on  $\alpha$  (confidence level) = 5%, together (simultaneous) celebrity endorsement (X1), e-WOM (X2) and brand trust (X3) have a positive and significant effect (real) to buying habits (Y). This states that the development of online Fashion by using celebrity endorsement as a promotional tool by showing the usage model through testimony and active display of photos introducing products until it is known to consumers both prospective consumers who have just been referenced or consumers who have ever made a transaction. The ease of use of online access by anyone and anywhere so that the conversation is no longer limited to meeting and face to face to confirm the latest issues, with the presence of consumer e-WOM to comment both good and bad on the responses to the products seen or referenced by other criteria, so it is important to be able to give rise to clear product information so that it gives an impact on comments that can give a response to new consumers to come in search of the products offered. In the construction of consumer trust in the brand or brand trust becomes an important point because many of the existing brand names demand that Georgios Women can instill confidence in quality or products so that it can provide a sense of security and comfort in choosing products with the Georgios Women brand. Thus the consumer buying habits will run over time and certainly increase online sales with the support of technology that is easy to use by consumers.

#### *Determination Coefficient Test Results (R2)*

From the test results the magnitude (R2) is 0.656, this means that 65.6% variation in variable buying habits can be explained by variations of the three independent celebrity endorsement variables, e-WOM and brand trust. While the rest ( $100\% - 65.6\% = 34.4\%$ ) is explained by other reasons outside the model. In addition, the coefficient of determination test is also used to determine the dominant effect of independent variables on the dependent variable which can be seen from the analysis of standardized beta coefficients.



Based on the results of standardized coefficients beta analysis, it is known that variable celebrity endorsement has a beta coefficient of 0.312, e-WOM variable has a beta coefficient of 0.300 and the brand trust variable has a beta coefficient of 0.278. Among the three independent variables, the variable celebrity endorsement has the largest standardized coefficients beta value of 0.312 so that it can be said that the celebrity endorsement has a dominant influence on buying habits at the Georgios Women online shop.

#### 4. Conclusion

Based on the results of the discussion above, it can be concluded that Celebrity endorsement has a positive and significant effect on buying habits. Where celebrity endorsement has  $t$  coefficient of 2.833 and a significance of 0.006. The more promotion of celebrity endorsement will increase buying habits at Georgios Women online shop. E-WOM has a positive and significant effect on buying habits. Wherein, e-WOM has  $t$  coefficient of 2.377 and a significance of 0.020. The better e-WOM will increase buying habits in the online shop of Georgios Women. Brand trust has a positive and significant effect on buying habits. Where brand trust has  $t$  coefficient of 2.401 and a significance of 0.019. The stronger the brand trust that is owned it will increase buying habits in Georgios Women online shop. Celebrity endorsement, e-WOM and brand trust together (simultaneous) have a positive and significant effect on buying habits. Where celebrity endorsement, e-WOM and brand trust together (simultaneous) have F coefficient value of 49,850 and a significance of 0,000.

#### *Suggestion*

Suggestions relating to this research are used as inputs and considerations that are useful for interested parties, among others, as follows: From the results of the study, it was found that celebrity endorsement, e-WOM and brand trust had a significant positive effect on buying habits partially and simultaneously. Seeing the results of the research, the Georgios Women online shop should increase the intensity of promotions with celebrity endorsements by collaborating with celebrities or famous artists and always maintaining the quality of their products. For further researchers, in order to be able to examine and study more in other factors not examined in this study that can influence buying habits besides celebrity endorsement, e-WOM and brand trust. So that later can find out what actions should be done by Georgios Women's online shop to increase buying habits.

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