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# Brand Ambassador and the Effect to Consumer Decision on Online Marketplace in Indonesia

Nofiawaty¹, Mohammad Eko Fitrianto², and Iisnawati³

1,2,3 Universitas Sriwijaya

¹nofiawaty@yahoo.com; ²m\_eko\_fitrianto@unsri.ac.id; ³iisnawati82@gmail.com

**Abstract:** This research purpose is to examine the effect of brand ambassador to consumer decision using the VisCAP indicator (Visual, Credibility, Attraction, and Power aspect). Using a descriptive design with a single cross-sectional. The samples were taken from 203 people, who had watched the advertisement and had visited the online market. The object of research is an Indonesian young famous singer, Isyana Sarasvati, who become a brand ambassador of Tokopedia (one of the largest online store in Indonesia). Regarding VisCAP indicators are used to measure the brand ambassador's performance, Credibility is an important thing that influences purchase intention from the brand ambassador of Tokopedia, while the others are insignificant. Brand Ambassador produces differences in variables that influence purchase intention. The marketplace could use ambassador to influence consumer decisions, but they have to realize that every ambassador has different characters and variables that could influence consumer decisions. This paper offers originality such as Indicators on VisCAP that influence purchase intention on Indonesia people could be different on each of the ambassadors. And this paper proposes a future research ide such as develop new research by using transfer meaning approach that could analyze whether the values possessed by ambassadors can spread to products and accepted by consumers

Keywords: Brand Ambassador; VisCAP; Celebrity endorser.

#### Introduction

Using a celebrity is a popular way for marketers to promote their brands, products, and services. By transferring the positive image and characteristics of a celebrity onto the brand, marketers aim to trigger consumers' intent to purchase or use the endorsed product or service (Schouten et al., 2019). The development of information technology in the business world today is happening very rapidly so that the use of internet media as a means of social

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<sup>&</sup>lt;sup>2</sup> Corresponding author

interaction has delivered many conveniences in various fields. One proof of this development is the ease of transactions using e-commerce, where e-commerce is defined as the process of buying, selling or exchanging goods/services and information through computer networks including the internet. With E-commerce, there's no longer a boundary between goods and people, producers and end-users, local and international. The existence of e-commerce has given rise to e-shopping in the business world, marked by the growth of sites and online buying and selling forums that can be an option for consumers to buy and sell goods online. Online media such as forums, blogs and microblogs can be a forum for e-commerce activities in cyberspace. Driven by a tight competition map, there are now a variety of names that play online store businesses

In a company, various marketing strategies are carried out starting from the promotion strategy to the sales process. According to Kotler (2009), promotion is seen as a flow of information or one-way persuasion made to direct someone or organization to actions that create an exchange in marketing. One of the promotional strategies used by the company as a provider of product information is to use brand ambassador services, as a symbol that represents the desires, desires, or needs that are easily accepted by consumers. Brand ambassadors are one of the determining factors that shape consumer buying interest (Soniya & R, 2018). Luh (2019) argue that the brand has a significant effect on consumer purchasing decisions, while Umunnakwe (2018) prove that sponsored product has a positive effect on the desire to buy consumers. Also, using a celebrity as a brand endorsement has a significant effect on consumer spending interest (Djafarova & Trofimenko, 2018; Vouk, 2005).

There are so many online stores available and using celebrity endorsers to promote their brand, one of them is Tokopedia. It is one of the companies or buying and selling forums that use brand ambassador services to attract potential buyers. They use online media to help them engage their customer and allows every businessman in Indonesia to manage their business online easily and free of charge. Tokopedia was founded by William Tanuwijaya and Leontinus Alpha Edison established on February 6, 2009, but was inaugurated to the public on August 17, 2009, during which year PT. Indonusa which provided initial funding to Tokopedia. Since its establishment in 2009, Tokopedia grew up with new businesses born on the Tokopedia platform. This is one of the drivers behind the selection of a brand ambassador. By the end of 2015, Tokopedia had chosen Isyana Sarasvati as the new brand ambassador to replace the young artist Chelsea Islan.

The quality of a buying and selling forum (can be seen on the company's website) which is good can be seen and measured through three dimensions, namely the quality of the user which includes operation, appearance, design, interaction, and positive experience. Then the quality of information which includes things that are accurate, detailed, trustworthy, up to date. And the last is the quality of interaction which includes security, reputation, ease of communication, personal information, and confidence. Today, with many online sales, many websites compete by providing an attractive appearance on their website, by providing accurate services and information so that consumers do not hesitate to transact to buy something, so that consumers will feel satisfied, and finally consumers will visit the website again if they want to make purchases online. And one of the things that can stimulate the interest of prospective customers to visit a buying and selling forum website is to use the services of a brand ambassador.

The main objective of this study was to analyze the influence of visibility, credibility, attraction, and power (VisCAP) of Isyana Sarasvati as a brand ambassador of consumer spending interest in the Tokopedia online store. The high competition that occurs in the world of the online business causes Tokopedia to prepare the right strategy to win the competition. The existence of competitors in similar businesses will provide broad opportunities for consumers to choose from. If it is not balanced with the right strategy, this certainly can reduce consumer loyalty, thereby reducing interest in consumer spending. One strategy used by Tokopedia in winning competition is to use brand ambassadors to represent per competition.

#### Literature Review

#### Brand ambassador

A brand ambassador is a well-connected person or a celebrity who is used to promote and advertise a product or service. He/She is a diplomat, a representative of an organization, institution or corporation that best portrays the product or service. Brand ambassadors are the face and fingers of the brand; everything they touch, the brand is touching. Brand Ambassadors form the public image of brands and are the human's companies use to deliver their message to the public. Non-traditional marketing companies utilize Brand Ambassadors in campaigns to answer questions, engage the audience, and increase brand awareness. Using reputable firms to supply this type of staff allows companies to maintain a high quality of applicants that mirror the target demographic to reach consumers in the most effective manner (Aggarwal, 2009).

A brand ambassador is an instrument used by companies to communicate and connect with the community, about how they can increase sales. It plays an important role in communicating corporate brands to outside audiences. With using an ambassador, product sales can increase with the sale of ad-media lines, and most of the ad content focuses on the spokesperson on those ads. Moreover, celebrity activity on behalf of the organization is similar to support that positively affects the company's image, which is related to the relationship between the goals of the brand ambassador and the organization represented by it. A brand ambassador can be used as a reference for consumer ratings and perceptions of a brand as a whole (Mudzakir, 2018).

#### VisCAP Model

The processing checklist for presenters identifies presenter characteristics that relate to various communication effects and particularly to the four brand attitude models. The VisCAP Acronym is summarized as the major presenter characteristics. It is four-component in this model, which is visibility, credibility, attraction, and power. Visibility or recognizability, the strong characteristic of celebrity presenters, is likely to heighten brand awareness -- notably brand recall, although the advertiser must be careful that the presenter does not obscure the presentation of the brand itself. The processing mechanism associated with visibility, of course, is the expectation that a highly visible presenter will draw attention to the ad and thus make the brand more visible; that is, the presenter will increase brand awareness.

Credibility consists of two characteristics, expertise, and objectivity. A presenter can be perceived as an expert without being objective, and vice versa. Expertise is relevant to informational communication models, both low and high involvement because perceived expertise enhances attention to and learning of (low involvement) or acceptance of (high involvement) information presented in support of brand attitude. Objectivity, on the other hand, is mainly relevant to the high involvement/informational model. This is because high involvement claims have to be believed (accepted) whereas low involvement claims are more effective if they stretch credibility and are stated more extremelY and thus less effective.

Attraction or attractiveness as a presenter characteristic also consists of two components, likability and similarity. The attraction the presenter holds for the target audience is of primary importance for the transformational models, where the advertising content most offers positive stimuli to enhance the positive motivation. Likability is mainly relevant to the low involvement/transformational model, where everything about the ad must be likable, including the presenter. Similarity (to the target audience) is a high involvement/transformational factor, where the target audience must not like the ad, but identify with the brand presentation personally.

Power, or perceived authority, is not a widely employed presenter characteristic. However, it is relevant in hard-sell campaigns where the purpose is to induce immediate intention to act. Public service campaigns on safety and health (problem avoidance motivation) frequently use powerful, authoritative presenters to good effect so that the message will be accepted almost as a commandment or a duty rather than as a message the audience can freely accept or reject (Rossiter & Percy, 1985).

# Purchase intention

The construct of confidence is important in determining purchase intentions. Confidence plays a major role in predicting intention to buy, there is a relationship between self-confidence and intention. On the other hand, is a set of choices, the intention to buy a particular brand is positively influenced by attitudes towards the same brand and negatively influenced by attitudes towards other brands (Laroche & Kim, 1996). Purchase intention is defined as a situation where consumers tend to buy certain products under certain conditions. Purchasing decisions are a complex process, it reveals the reasons consumers buy certain brands. Purchase intentions are usually related to consumer behavior, perceptions, and attitudes. It is important to understanding customer's purchasing behavior because that is a key point for access to how they make the decision and evaluate certain products (Mirabi et al., 2015).

#### Methods

#### Research design

The determination of the research design is very important from the philosophical level to the technical level. The research design in this study will be based on six layers of research onion (research onion) introduced by Saunders and Tosey (Saunders & Tosey, 2013). Starting from this study using philosophical stances on positivism, where researchers look for explanations and predict what happens in the social world there are patterns and

relationships, for this reason, hypotheses are built and tested. The approach used is deductive, where the explanation will start from the general to the specific. The strategy used is a survey, in which the researcher will design a systematic set of questions to answer the research problem. The choice of method used is the mono method, which only uses quantitative techniques. For the time horizon, this study uses a cross-sectional study. Data collection techniques and adjusts to the design of the study, such as hypothesis testing and regression analysis.

### Sampling

The population of this research is everyone who is exposed by the ad campaign of Tokopedia starring Isyana Sarasvati as a brand ambassador of Tokopedia. Due to the huge amount of the population, we use quota sampling with also considering the minimum sample adequacy. After two months of sample collection (Juni and July 2018), there are 203 participants are participated in our study. Each participant is who had watched the advertisement and had visited Tokopedia. Data was collected by distributing questionnaires to respondents and answered based on their experience. This research was using differential semantic scales on the scale of 1-6 and also descriptive design with a single cross-sectional.

#### Data collection

Data was taken in two months (June & July 2018). Data was collected by distributing questionnaires to respondents and answered based on their experience. This research was using differential semantic scales on the scale of 1-6 and also descriptive design with a single cross-sectional.

Table 1. Variables, Definition, and Indicators

| Variables           | Definition   |    | Indicators                |
|---------------------|--|----|---------------------------|
| Visibility (X1)     | Visibility of the brand ambassador leadsto how       | 1. | Popularity                |
|                     | well-known or familiar ambassadors are from          | 2. | Achievement               |
|                     | the public(Rossiter & Percy, 1985)                   | 3. | Known as                  |
|                     |  |    | brandambassador           |
|                     |  | 4. | Attractive                |
| Credibility $(X_2)$ | Credibility is an indication of how far the          | 1. | Knowledgeable             |
|                     | source can be trusted. Source credibility means      | 2. | Skilled                   |
|                     | people who delivered messages, such as               | 3. | Honest                    |
|                     | experts who are trusted and respected (Rossiter      | 4. | Experienced               |
|                     | & Percy, 1985)                                       | 5. | Trusted                   |
| $Attraction(X_3)$   | The attraction is stressed on the attractiveness     | 1. | Attractiveness            |
|                     | of the star, personality, Society's level of like to | 2. | Hospitality               |
|                     | the ambassador and the similarity with the           | 3. | Appearance                |
|                     | target user.(Rossiter & Percy, 1985)                 | 4. | Perception                |
| $Power(X_4)$        | Power is the ability to attract consumers to         | 1. | Capability toaffect the   |
|                     | buy, besides famous and attractive, brand            |    | minds of consumers        |
|                     | ambassadors also must be idolized for the            | 2. | Ability toaffect consumer |
|                     | audience. At this level, it will naturally lead to   |    | attitudes                 |
|                     | strong encouragement to the target audience to       | 3. | Ability toaffect consumer |
|                     | buy. (Rossiter & Percy, 1985)                        |    | perceptions               |
|                     | •  | 4. | Ability toaffect consumer |
|                     |  |    | memory                    |

| Purchase      | Consumer Purchase Intention is a consumer    | 1. | Transactional interest |
|---------------|--|----|------------------------|
| Intention (Y) | behavior where consumers have the desire to  | 2. | Referential interest   |
|               | buy or choose a product, based on experience | 3. | Preferential interest  |
|               | in choosing, using and consuming or even     | 4. | Explorative interest   |
|               | wanting a product (Persaud & Azhar, 2012;    |    |                        |
|               | Pletikosa & Florian, 2013; Trivedi, 2018)    |    |                        |

Note: We measure with a semantic scale range of 1 to 6. Participants filled each question related to this research.

# **Findings**

Data collected from 203 participants using questioners, coded and then analyzed using SPSS. Herewith, the data result of respondent profile and respondent behavior.

# Respondent Profiles

Table 2. Respondent Profiles

|             | Table 2: Respondent Trom |        |
|-------------|--------------------------|--------|
| Description | Category                 | %      |
| Sex         | Male                     | 37,7%  |
|             | Female                   | 62,3%  |
| Domicile    | Palembang City           | 80.4%  |
|             | Outside Palembang City   | 19.6%  |
| Education   | High school              | 71.1%  |
|             | Bachelor degree          | 18.6 % |
|             | Others                   | 10.3 % |
| Occupation  | Students                 | 80.4%  |
|             | Others                   | 19.6%  |

Note: This tabulation purpose of identifying customer's profiles

The data results show that most of our respondents are female (62.3%) and the rest are male (37.7%). Almost all of the respondents are from the local town (Palembang) and the rest are from outside of the town. Respondents dominated by high school graduated (71.1%) with occupation dominated by students of a university (80.4%).

# Respondent Behavior

Table 3. Respondent Behavior

| Question                  | Answer                | %     |
|---------------------------|-----------------------|-------|
| Have you ever made a      | Yes                   | 56.9% |
| transaction at Tokopedia? | No                    | 27.5% |
|                           | Maybe                 | 15.6% |
| Does the ambassador       | Yes, certainly        | 13.2% |
| influence you to shop?    | No, not at all        | 57.4% |
|                           | I'm not sure          | 29.4% |
| Kinds of the product did  | Fashion               | 34.8% |
| you buy?                  | Cosmetics             | 22.5% |
|                           | Electronics & gadgets | 16.2% |
|                           | Others                | 26.4% |

Note: This tabulation purpose of identifying customer's behavior

Results of the data show that more than half of the respondents have made a transaction at Tokopedia (56.9%). More than half of the respondents were not influenced by the ambassador to shop at Tokopedia (57.4%). Fashion is the dominant product bought by the respondents.

# Reliability and Validity test

The reliability and validity test was carried out, to ensure the data collected is correct. The reliability test result shows all values are above 0.6, means that each variable is reliable. The validity test resultof the two brand ambassadors is above the r table value, which is 0.1378. The results of the test show that it could be used for further process of the research. Results of reliability and validity test can be seen in table 4.

Table 4. Reliability Test and Validity Test for Isyana Sarasvati

|          | Isyana Sarasvati ver. |          |      |      |       |
|----------|-----------------------|----------|------|------|-------|
| Variable |                       | Note     | Item | CITC | Note  |
| X1       | 0.891                 | Reliable | 1    | .681 | Valid |
|          |                       |          | 2    | .717 | Valid |
|          |                       |          | 3    | .791 | Valid |
|          |                       |          | 4    | .628 | Valid |
|          |                       |          | 5    | .783 | Valid |
|          |                       |          | 6    | .674 | Valid |
| X2       | 0.828                 | Reliable | 1    | .631 | Valid |
|          |                       |          | 2    | .707 | Valid |
|          |                       |          | 3    | .682 | Valid |
|          |                       |          | 4    | .609 | Valid |
| X3       | 0.888                 | Reliable | 1    | .745 | Valid |
|          |                       |          | 2    | .801 | Valid |
|          |                       |          | 3    | .747 | Valid |
|          |                       |          | 4    | .737 | Valid |
| X4       | 0.825                 | Reliable | 1    | .607 | Valid |
|          |                       |          | 2    | .757 | Valid |
|          |                       |          | 3    | .693 | Valid |
| Y        | 0.927                 | Reliable | 4    | .724 | Valid |
|          |                       |          | 1    | .495 | Valid |
|          |                       |          | 2    | .791 | Valid |
|          |                       |          | 3    | .793 | Valid |
|          |                       |          | 4    | .797 | Valid |
|          |                       |          | 5    | .813 | Valid |
|          |                       |          | 6    | .814 | Valid |
|          |                       |          | 7    | .732 | Valid |
|          |                       |          | 8    | .659 | Valid |
|          |                       |          | 9    | .724 | Valid |

Note: Data were taken from 203 online respondents (Juni-Juli 2018). Measurement scale used differential semantic with the scale 1-6.

#### Model summary

Tabel 5. Brand Ambassador Influence using VisCAP for Isyana Sarasvati

| Model summary | Value |
|---------------|-------|
| R             | 0.606 |

| R2    | 0.367  |
|-------|--------|
| F     | 58.043 |
| Sign. | 0.000  |

| Coeff. | t    |        | Sign. | Note          |
|--------|------|--------|-------|---------------|
|        | .693 | 2.404  | .017  | _             |
| X1     | 110  | 985    | .326  | Insignificant |
| X2     | .567 | 5.818  | .000  | Significant   |
| X3     | 145  | -1.377 | .170  | Insignificant |
| X4     | .407 | 3.940  | .000  | Significant   |

Note: The method is using the Backwards method. There are 5 main variables in this study, four independent variables, and one dependent variable, namely: Visibility (X1), Credibility (X2), Attraction (X3), Power (X4), and Purchase Intention (Y).

#### Discussion

As a brand representative, brand ambassadors play an important role to communicate and connect to the community and also helping the company to increase sales. This research tries to examine the effect of brand ambassador on purchasing intention using the VisCAP model. It contains four-component, which is visibility, credibility, attraction, and power as an entity. In the end, the company using this entity to creates purchase intention. Customer's purchase intention is defined as a situation where consumers tend to buy certain products under certain conditions. Because this is a complex process, it reveals the reasons consumers buy certain brands.

The result of the data was analyzed using SPSS. Reliability and validity test was carried out in the process of research. From reliable test results, it was shown that all values are above 0.6. It means that all the variables are reliable. The results validity test for all the questions was shown that r table value is 0.1378. It means that all questions were valid and can be used for further analysis. Data analyzed using regression analysis to answer the research question by seeing the influence of the variables. There are four independent variables and purchase intention as the dependent variable. Independent variables are included Visibility (X1), Credibility (X2), Attraction (X3), and Power (X4). The analysis was using the backward method. To be significant, variables should have a significant value below 0.05. The results of the regression analysis can be seen in table 5.

According to the model summary, credibility and power variable is an important component to influence the customer's purchasing intention. Credibility is the most influencing variable to purchasing intention, this results support initial research about endorser's credibility conducted by Hovland (1951). Credibility consists of two characteristics, expertise, and objectivity. A presenter can be perceived as an expert without being objective, and vice versa. It can explain, customer purchasing intention arises because they perceive Isyana Sarasvati (the brand ambassador) having these two aspects, expertise and objectivity. In addition, power also has a significant influence on buying interest. Power is the ability to attract consumers to buy, in addition to being famous and attractive, brand ambassadors must also be idolized by the audience. At this level, it will naturally lead to a strong urge to the target audience to buy. This proves that, besides credibility, brand ambassador (Isyana Sarasvaty) has the ability to attract consumers.

# Conclusion

To evaluate the performance of the endorser as the brand representative could be using the VisCAP model (Yoon & Kim, 2015). To win the competition, the company could use a Brand Ambassador that has an added value to emerge their brands. This research found that Brand Ambassador could produce differences in which of variables that could influence purchase intention. For Isyana Sarasvati as the brand ambassador of Tokopedia, the Credibility and also Power aspect has become an important variable that influences customer purchase intention. Realizing the Viscap models do not specifically measure the specific attractiveness and physical attraction of the stars is not the main attraction of advertising, it would be necessary to do a transfer meaning approach for further research.

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